



**CITY OF FLATONIA
REGULAR CITY COUNCIL MEETING
Council Chambers/City Hall
125 E. South Main, Flatonia, Texas
August 8, 2023**

**Budget meeting 5:00 pm
BUDGET WORKSHOP**

Budget discussion

B1. Discuss 2023-2024 budget.

**City Council Meeting 6:00 pm
AGENDA**

Opening Agenda

Call to Order
Invocation & Pledge
Citizens' Participation

Reports

Police Chief	July Activity
Utility Director	July Report
Code Enforcement	July Report
City Manager	July Report

Consent Agenda

- C1. Consider and take appropriate action on the minutes of the July 11, 2023, meeting.
- C2. Consider and take appropriate action on the minutes of the July 25, 2023, meeting.
- C3. Consider and take appropriate action on the financial statements for July 2023.

Discussion Agenda

- D1. Discuss possible ordinance for golf carts on city streets.

Deliberation Agenda

- DA8.1.2023.1** Consider and take appropriate action on the lease for the United States Postal Service.
- DA8.1.2023.2** Consider and take appropriate action on approving TML health benefits for employees.
- DA8.1.2023.3** Consider and take appropriate action on the Second Quarter of 2023 Hotel Occupancy Tax Expenditure Reports from Flatonia Chamber of Commerce, Special Projects, and EA Arnim Archives and Museum.
- DA8.1.2023.4** Consider and take appropriate action on setting dates for budget workshops. The deadline for the budget to be completed and submitted is August 29, 2023.
- DA8.1.2023.5** Consider and take appropriate action on the offer to lease for oil and gas exploration from Rosewood Resources.

Adjournment

I, the undersigned authority do hereby certify that the Notice of Meeting was posted on the bulletin board outside the front door of the City Hall of the City of Flatonia, Texas, a place convenient and **readily accessible to the general public at all times** and said Notice was posted on the following date and time **August 4, 2023, by 5:00 p.m.** and remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

Jackie Ott, City Secretary, City of Flatonia

**NOTICE OF ASSISTANCE
AT THE PUBLIC MEETING**

The Flatonia City Hall is wheelchair accessible. Access to the building is available at the primary entrance facing Main Street. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, or large print are requested to contact the City Secretary's Office at 361-865-3548 or by FAX 361-865-2817 at least two working days prior to the meeting so that appropriate arrangements can be made.

EXECUTIVE SESSION STATEMENT

The City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Section 551.071 (Consultations with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations Regarding Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations Regarding Security Devices or Security Audits), 551.086 (Certain Public Power Utilities: Competitive Matters) and 551.087 (Deliberation Regarding Economic Development Negotiations).

Agenda Removal Notice
This Public Notice was removed from the official posting board at the Flatonia City Hall on the following date and time:

By: _____
Jackie Ott,
City Secretary, City of Flatonia



FLATONIA POLICE DEPARTMENT

205 E. South Main St. Flatonia, TX 78941 Office: 361-865-3337 Fax: 361-865-3039

July 2023 Monthly Report

To: Flatonia City Council
From: Flatonia Police Department
Subject: July Monthly Report

Calls for Service:

There were **632** calls for service this month.

Offense / Incident Report Activity:

On July 2, 2023, Fayette County Dispatch advised all on-duty officers that there was report of vehicle traveling west on IH-10 that was unable to maintain its lane as it traveled. The vehicle then exited into Flatonia city limits and was at a local business. Officer Amos located the vehicle and began to speak with the occupant. While speaking with the individual, Officer Amos recognized several indications of intoxication. Upon searching the individual's vehicle, with their consent, Officer Amos located an open alcoholic beverage. The individual was arrested for Public Intoxication and transported to Fayette County Jail.

On July 3, 2023, officers responded to a report of "shots fired". After arriving at the residence officers found that the residence had been struck several times by gun fire. The initial and time-sensitive investigation was completed the morning of the incident, and this case remains open and active as additional investigation continues. As this is an ongoing investigation, there is no further information to publish at this time. The Flatonia Police Department determined through initial investigation that the incident was isolated, and the citizens of Flatonia were not in ongoing danger.

On July 13, 2023, Officer W. Kalina observed a vehicle traveling on a public roadway in Flatonia. Officer Kalina had prior knowledge that the individual associated with the vehicle had a warrant. Officer Kalina conducted a traffic stop on the vehicle and approached the driver. The driver of the vehicle was in fact the individual who had an active warrant. Officer Kalina placed the individual in custody and transported them to Fayette County Jail for the probation violation warrant.

On July 21, 2023, Chief L. Dick, Officer T. Roggenkamp, and Investigator G. Titus responded to a medical call at a local business to assist Fayette County EMS. As officers began to exit the business once the EMS call was concluded, they recognized the strong and distinctive odor of marijuana coming from a vehicle in the parking lot. Officers approached the vehicle and contacted the driver and passenger. A probable cause search of the vehicle was then conducted. While searching the vehicle officers located a large bag of marijuana, narcotic tablets in an unlabeled bottle, and a firearm. The driver was arrested for possession of marijuana, possession of a controlled substance, and unlawfully carrying a firearm.

On July 27, 2023, Officer W. Kalina observed a vehicle speeding and conducted a traffic stop. Upon approaching the vehicle Officer Kalina recognized the odor of marijuana coming from the vehicle. A probable cause search of the vehicle was conducted, and Officer Kalina located marijuana and a THC vape pen. THC is a controlled substance treated differently than marijuana. Both occupants of the vehicle were arrested and transported to Fayette County Jail for possession of marijuana and possession of a controlled substance.

On July 28, Officer Amos observed a vehicle with multiple violations and conducted a traffic stop on the vehicle. Upon speaking to the occupants of the vehicle, Officer Amos recognized the odor of marijuana coming from the vehicle. A probable cause search of the vehicle was conducted. While searching the vehicle marijuana, a marijuana product containing THC, drug paraphernalia, a firearm, and several large knives positioned throughout the vehicle were located. All three occupants of the vehicle were arrested for different offenses including possession of marijuana, possession of controlled substance, tampering with physical evidence, and unlawfully carrying of a firearm.

Over recent months, officers have been encountering significantly more THC in both vape pens and cartridges and in edible form. Chief L. Dick, Investigator G. Titus, Sgt. T. Tunis, and Officer R. Gottwald located an exceptionally large amount of THC containing products of many types at a location. These items were marked with THC levels as high as 86-87% (Texas law permits a content no higher than 0.3%). This large number of products believed to be extremely high in THC concentration and consistent with the items encountered on calls and traffic stops were seized and will be sent to the Texas DPS Lab for analysis to confirm that the actual concentrations are as high as indicated. This is an example of proactively trying to disrupt the patterns being encountered on EMS and law enforcement calls resulting from these strong and dangerous substances.

NO FURTHER DETAILED INFORMATION IS PUBLISHED DUE TO ON GOING INVESTIGATION OF CASES.

Arrests and Pending Charges

There were 10 (ten) direct custody arrests for the month of July.

Traffic Contacts:

All Flatonia Police Officers, including command staff, have conducted traffic control throughout the city and specifically in the areas of town that complaints have been received related to speeding and stop sign violations. Flatonia officers will continue to conduct stationary and mobile radar and observe traffic at intersections to address the traffic concerns.

In-Service Training:

On July 9, 2023, through July 14, 2023, Chief L. Dick attended a mandatory and biannual TCOLE Texas Police Chief Leadership Training. This 40-hour training introduced legislative updates, discussed dynamics and fundamentals of police departments, and various other command staff information and updates.

On July 14, 2023, Investigator G. Titus completed training for body worn cameras. This course discusses important topics such as legal considerations, 1st Amendment rights, reasonable expectation of privacy, control and access to the video, and policy and tactical considerations.

On July 20, 2023, Chief L. Dick and Sergeant T. Tunis trained Investigator G. Titus and Officer R. Gottwald in the use of spike strips. Chief Dick and Sgt. Tunis discussed the various techniques to deploy spike strips, the hazards associated with deploying spike stripes, and the importance understanding when spike strips are appropriate in a given situation.

Flatonia Police Department officers continuously strive to participate in different training provided every month. Continuous

July	
TYPE	#
Agency Assist	13
Accidents	6
Alarm Calls	3
Animal Complaints	3
Citizen Assist	4
Civil Matter	1
Close Patrol	312
Funeral Escort	4
Ministerial Voucher	0
Motorist Assist	6
Noise Complaint	2
Open Door	2
School Patrol/Security	57
Suspicious Vehicle	1
Suspicious Person	1
Traffic Hazard	2
Transient Call	2
Walk In	1
Disturbance	2
Welfare Check	3
Traffic Stops	135
Incident Reports	6
Offense Reports	19
Supplemental Reports	4
Follow Ups	2
Scam	1
Traffic Control	32
Other	8
TOTAL	632

July 2023

7/3

- Install rewind motor on aerator base @ sewer plant, wire in, put on line.
- Pull pump in lift station #1, remove obstruction, repair damaged wiring, reinstall pump.
- Start gathering system data for new lead & copper rules due October 2024.

7/5

- Paint meter cabinet at Balcones
- Lead & copper project
- Spray weeds around pole pile

7/6

- Hook up temporary electric service on S Middle
- Re-stock trucks
- Lead & copper project

7/7

- Trim limbs in Engle
- Lead & copper project
- Chlorine issues @ well #9

7/8-9

- Babysit well #9 due to chlorine issues.

7/10

- Lead & copper project
- Water leak @ Penn & 2nd caused by above.
- JD 310L blew oil cooler line, call service.
- Hydrovac trailer bottomed out front end & bent jack mount.
- Dirty water call south downtown.
- Late night call for power issues on 609 around Slaughterhouse.

7/11

- Sidewalk construction crew hit service line on FM 609. Repaired.
- Haul shredder to Shiner for repair.

- 310 L blew line to oil cooler, lock out machine, call RDO.

7/12

- Put in culvert for customer on W 9th St.
- Put in light @ jail after repairing damaged wiring.
- Take down lights in pavilion @ McWhirter Park for replacement with LED.
- Dig up water line @ golf course.

7/13

- 310L repaired.
- Prepare lights for the pavilion.
- Read meters.

7/14

- Read meters.

7/15

- Replace broken stub pole on 6th St.

7/17

- Disconnect electrical service on S. Market for upgrade. Reconnect at the end of the day.
- Assist golf course with leak they could not handle.
- Fix water leak @ Balcones
- Post Office called about AC not working. Evaporator coil iced over. Clean indoor coil, replace filters, and replace the belt on the blower motor.
- Clean out filters, tank, & nozzles on spray tractor.
- Locate property pegs (marks) for Central Park.

7/18

- Mark underground for customer on Hwy 90 W.
- Move 2 sewer cleanouts to clear sidewalk construction.
- Pull and unclog pump at lift station #1
- Spraying weeds @ sewer plant
- Check TXDoT concerns of obstacles on Hwy 95 sidewalk planning.
- After hours call out to turn off pool pump. Ruptured chlorination line.

7/19

- Repair chlorinator line @ the pool.
- Replace pole on FM 609 near 9th .
- Set meter pole for customer on Old Hallettsville Rd.

- Set anchor on leaning pole on Branecky Rd.

7/20

- Trip to Bastrop to pick up sample bottles for lead & copper sampling.
- Finish anchor on Branecky Rd.
- Repair garage door @ water plant #2.
- Repair water leak @ park house.
- Sidewalk contractor hit water line on 609 near 9th. Repaired

7/21

- Straighten pole on Branecky Rd.
- Meet with customer about electric line placement on Hwy 90 near Old Waelder Rd.
- Sewer report
- Check & repair control issue @ lift station #1.

7/22

- Called out to sewer blockage on Hwy 90 E, near Jurek Ln.

7/24

- Repair water leak on Mill @ 3rd.
- Pull and unclog pump at lift station #1
- Trim tree & cover to protect secondary to residence on Mill & 3rd.
- Teams meeting with Langford & Befco
- Sewer tap for new home on S. Middle.
- Meet with Befco about CDBG grant.

7/25

- Mark grave @ Oak Hill South.
- Water tap for new home on S. Middle.
- Reset meter box on Mesquite.
- Begin rewire of pavilion lighting, hang new led fixtures.

7/26

- Hang new light fixtures in McWhirter pavilion, replace broken plug covers.
- Check low water pressure on E. 9th.
- Lead & copper project.
- Contractor broke out concrete for entrances to city hall & central park gazebo.

7/27

- Trip to Shiner for chlorine for the pool.

- Pull and clean aerators.
- Remove downed tree from W 9th.
- Repair and re-install rules sign @ Oak Hill South
- Repair base on light at mausoleum @ Oak Hill South.
- Lead & Copper project.
- Contractor poured concrete approach for city hall & central park gazebo.

7/28

- Lead & copper project
- Sewer blockage @ L&G trailer park
- Wash trucks

7/29

- Check for possible damage to secondary after oversized load came through Praha.

7/31

- Repair water leak on Baca Loop.
- Repair water leak on Hwy 90 W.
- Trim out secondary on the west side of Tony's Trailer Park.
- Cut tree out of lines on Colorado near 3rd.



CODE COMPLIANCE OFFICE

Jackie Ott, Code Compliance Official
125 E. South Main St.
PO Box 329
Flatonia, TX 78941

Phone: 361-865-3548
Email: code@ci.flatonia.tx.us

To: Flatonia City Council
From: Jackie Ott
Subject: Monthly report
Date: August 2023

Compliance Report Summary

- 5 Citizen Concerns/Complaints
- 10 Field Investigation Spots

Letters sent for:

- Tall grass/weeds – 9
- Trash/debris – 5
- Buildings/structures – 0
- Junk vehicles – 1
- 2nd notice – 1

Phone calls made for:

- Trash/debris – 1

Notes:

- There have been 4 files closed successfully.
 - 1 Overgrown grass/weeds
 - 1 Dangerous building
 - 3 junk vehicles
- I worked with a property owner to have a dilapidated manufactured home removed.
- I worked with a property owner to have an empty lot cleared out that was severely overgrown.

City Manager's Report

To: Mayor Geesaman & City Council

CC: Staff

From: Sonya Bishop, City Manager

Date: 8/8/2023

Re: Monthly City Manager's Report

Mayor and Council,

1. **Planning and Zoning:**

- a. Working on the tiny home ordinance and present it at the next meeting.
- b. The meeting was cancelled due to the agenda not being posted by former staff.

2. **Economic Development:**

- a. EDC paid to have Double L Painting and More, repair the photo pavilion and the project is complete. It looks very nice!
- b. The next EDC meeting is August 17th.

Code Enforcement:

- a. Jackie Ott supplied a report.

Road Construction:

- a. TxDOT continues to work on the sidewalk project.
- b. Jackie and I plan on meeting with the engineer soon in Yoakum.

Utility Projects:

- a. The GLO CDBG MIT SUP (22-119-001-D359 grant for the sewer is moving along and there is nothing new to report.

Parks and Pool:

- a. The Grifaldo house is in the process of being torn down and moved.
- b. The concrete ADA compliant ramp has been successfully done at City Hall and Memorial Park.
- c. The next parks meeting is August 23rd.

Administration:

- a. Tamela Louvier resigned her position Friday, July 28th. She worked that day, however, left early and called in sick the remainder of the week. Monday July 31st she came in and worked two hours and turned in leave paperwork to use her vacation and sick leave.
- b. A Gmail account flatoniacitysecretary@gmail.com has been used by the previous city secretary. She refuses to give us access to this email stating it is her personal email. She stated the email was set up by Brenda Shaw (former interim City Secretary) and states this is her email, and she will not give us access.
- c. Mayor, Jackie, and I met with producers on Friday, July 29th and toured the city. We met with most businesses, the chamber president, and residents. The producers loved the city, and they are considering bringing the show to Flatonia. If we are selected the show will be called "Welcome to Flatonia". The show is aired on Peacock currently and is called "Welcome to Crappie Lake".

Financial Report:

- a. The certified appraised values will be delivered to the certified numbers.
- b. Our Voter approved tax rate is \$.28773/100 which is lower tax rate than previous years. We cannot approve a higher tax rate without having an election.
- c. I have been working trying to get the budget adjustments ready and calculate the corrections for human resources. This should be completed by the next city council meeting.

This concludes the City Manager Report for submission at the August 8, 2023, City Council meeting.



**Minutes
Flatonia City Council
Regular Meeting
July 11, 2023**

AGENDA

Opening Agenda

Mayor Geesaman called the meeting to order at 6:00 pm.
Mayor Geesaman led the Invocation & Pledge

Citizen Participation

Annie Pryor

Reports

Police Chief	June Activity
Utility Director	June Report
Code Enforcement	June Report
City Manager	June Report

Consent Agenda

- C1. Councilman Seale made a motion to approve the minutes from June 21, 2023, meeting. Councilperson Cockrell seconded the motion. None opposed. Motion carried.
- C2. Councilman Kocian made a motion to approve the financial statements for June 2023. Mayor Pro Tem Eversole seconded the motion. None opposed. Motion carried.

Public Hearing

Public Hearing

PH7.1.2023.1 Public Hearing on request for the area bounded by Walnut St/11th St/City limit from R1 to R2, based on the recommendation of the committee that was appointed by the City Council.

Discussion:

Chief Appraiser Richard Morning discussed county tax rates and why we will be seeing a significant increase.

Deliberation Agenda

DA7.1.2023.1 Mayor Pro Tem Eversole approved the rezoning the area bounded by Walnut St/11th St/City limit from R1 to R2, as recommended by the committee that was appointed by City Council and approved by the Planning and Zoning Committee. Councilman Seale seconded the motion. None opposed. Motion carried.

DA7.1.2023.2 Ordinance #2023.06.21.5. An Ordinance of the City of Flatonia, Texas amending Chapter 3 of the Code of Ordinances to add Article 3.09, Alternative Residential Housing types: specifying procedures, locations, and development standards for alternative housing types; prohibiting certain alternative housing products; providing for enforcement and penalties; providing for severability, repealer, and reservations. This item was tabled to discuss at a future meeting.

Adjournment

Council member Cockrell made a motion to adjourn the meeting at 6:44 p.m. Councilman Seale seconded the motion. None opposed. Motion carried.

Signed

Dennis Geesaman
Mayor

Attest

Jacqueline Ott
City Secretary



**Minutes
Flatonia City Council
Special Meeting
July 25, 2023**

Present:

Mayor	Dennis Geesaman
Mayor Pro Tem	Joanye Eversole
Councilmembers	Ginny Sears
	Allen Kocian
	Donna Cockrell

Absent:

Councilmember	Travis Seale
City Manager	Sonya, Bishop, City Manager
City Secretary	Jacqueline Ott, City Secretary

Opening Agenda

Call to Order	Mayor Geesaman called the meeting to order at 6:00 pm.
Invocation & Pledge	Councilmember Kocian led the invocation and pledges.

Presentations

Mayor Geesaman swore in Jacqueline Ott as City Secretary.

Deliberation Agenda

DA5.1.2023.1 Councilmember Sears moved to remove Tamela Louvier from the bank account and add Jacqueline Ott as City Secretary. Councilmember Cockrell seconded the motion. None opposed. Motion carried.

DA5.1.2023.2

Councilmember Eversole made a motion to amend the authorized representative for TexPool to Jacqueline Ott as City Secretary and remove Tamela Louvier. Councilmember Cockrell seconded the motion. None opposed. Motion carried.

Adjournment

Councilmember Kocian called the meeting adjourned at 6:10 pm. Mayor Pro Tem Eversole seconded the motion. None opposed. Motion carried.

Signed

Dennis Geesaman
Mayor

Attest

Jacqueline Ott
City Secretary

FINANCIAL

REPORTS JULY 2023

- ❖ CHECK REGISTER
- ❖ BALANCE SHEET
- ❖ FINANCIAL STATEMENT

JULY 2023

❖ CHECK REGISTER

VENDOR SET: 01 CITY OF FLATONIA
 BANK: * ALL BANKS
 DATE RANGE: 7/01/2023 THRU 7/31/2023

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
10179	TEXAS SDU							
B-CHECK	TEXAS SDU	VOIDED	7/20/2023			000630		402.46CR
C-CHECK	VOID CHECK	V	7/06/2023			061382		
10885	Citibank							
C-CHECK	Citibank	VOIDED	7/26/2023			061858		2,783.93CR
C-CHECK	VOID CHECK	V	7/26/2023			061859		
C-CHECK	VOID CHECK	V	7/26/2023			061860		
C-CHECK	VOID CHECK	V	7/26/2023			061861		
C-CHECK	VOID CHECK	V	7/26/2023			061863		
C-CHECK	VOID CHECK	V	7/26/2023			061864		
C-CHECK	VOID CHECK	V	7/26/2023			061865		

* * T O T A L S * *
 REGULAR CHECKS: NO 0 INVOICE AMOUNT 0.00 DISCOUNTS 0.00 CHECK AMOUNT 0.00
 HAND CHECKS: 0 0.00 0.00 0.00 0.00
 DRAFTS: 0 0.00 0.00 0.00 0.00
 EFT: 0 0.00 0.00 0.00 0.00
 NON CHECKS: 0 0.00 0.00 0.00 0.00
 VOID CHECKS: 9 VOID DEBITS 0.00
 VOID CREDITS 3,186.39CR 3,186.39CR 0.00

OTAL ERRORS: 0

VENDOR SET: 01 BANK: * TOTALS: INVOICE AMOUNT 3,186.39CR DISCOUNTS 0.00 CHECK AMOUNT 0.00

BANK: * TOTALS: 9 3,186.39CR 0.00 0.00

VENDOR SET: 01 CITY OF FLATONIA
 BANK: CTB Prosperity Bank
 DATE RANGE: 7/01/2023 THRU 7/31/2023

A/P HISTORY CHECK REPORT

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00345	AFLAC	D	7/01/2023	445.84		000619		445.84
00106	Texas Workforce Commissio	D	7/06/2023	35.86		000620		35.86
00096	AT&T	D	7/05/2023	54.62		000629		54.62
00026	Internal Revenue Service	D	7/07/2023	2,779.47		000632		
	Withholding Tax	D	7/07/2023	5,237.64		000632		
	Social Security	D	7/07/2023	1,224.96		000632		9,242.07
00005	Aqua-Tech Laboratories	R	7/06/2023	1,081.00		061378		1,081.00
00022	TML Health Benefits Pool	R	7/06/2023	16,298.09		061379		16,298.09
00043	Greenville Transformer	R	7/06/2023	18.75CR		061380		
	Greenville Transformer	R	7/06/2023	491.00		061380		472.25
00075	NAPA	R	7/06/2023	24.99		061381		
	NAPA	R	7/06/2023	49.99		061381		
	NAPA	R	7/06/2023	24.68		061381		
	NAPA	R	7/06/2023	17.99		061381		
	NAPA	R	7/06/2023	3.67		061381		
	NAPA	R	7/06/2023	9.96		061381		
	NAPA	R	7/06/2023	137.65		061381		
	NAPA	R	7/06/2023	213.43		061381		
	NAPA	R	7/06/2023	5.16		061381		
	NAPA	R	7/06/2023	2.78		061381		
	NAPA	R	7/06/2023	109.99		061381		
	NAPA	R	7/06/2023	19.99		061381		
	NAPA	R	7/06/2023	6.45		061381		
	NAPA	R	7/06/2023	10.99		061381		
	NAPA	R	7/06/2023	7.99		061381		
	NAPA	R	7/06/2023	29.38		061381		
	NAPA	R	7/06/2023	17.99		061381		
	NAPA	R	7/06/2023	2.44		061381		
	NAPA	R	7/06/2023	61.64		061381		
	NAPA	R	7/06/2023	17.98		061381		
	NAPA	R	7/06/2023	15.98		061381		
	NAPA	R	7/06/2023	4.59		061381		795.71

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00101	Techline, Inc. Techline, Inc.	R	7/06/2023	80.00		061383		80.00
00116	Unifirst Corporation Unifirst Corporation Unifirst Corporation	R R R	7/06/2023 7/06/2023 7/06/2023	390.63 146.26		061384 061384		536.89
00179	TEXAS SDU 001238162524.371	R	7/06/2023	402.46		061385		402.46
00321	Leonard Cox Leonard Cox	R R	7/06/2023 7/06/2023	164.90		061386		164.90
00411	Fagan Answering Service & Tele Fagan Answering Service & Tele	R R	7/06/2023 7/06/2023	130.83		061387		130.83
00502	Dollar General - Charged Sales Dollar General - Charged Sales Dollar General - Charged Sales Dollar General - Charged Sales Dollar General - Charged Sales Dollar General - Charged Sales Dollar General - Charged Sales	R R R R R R R	7/06/2023 7/06/2023 7/06/2023 7/06/2023 7/06/2023 7/06/2023 7/06/2023	41.95 53.36 7.50 14.35 15.15 18.55		061388 061388 061388 061388 061388 061388 061388		150.86
00970	3L 3L	R R	7/06/2023 7/06/2023	3,973.54		061389		3,973.54
00978	HydroPro Solutions LLC HydroPro Solutions LLC	R R	7/06/2023 7/06/2023	1,612.84		061390		1,612.84
1157	Core & Main LP Core & Main LP	R R	7/06/2023 7/06/2023	907.48		061391		907.48
1257	Schneider Engineering, LLC Schneider Engineering, LLC	R R	7/06/2023 7/06/2023	500.00		061392		500.00
1307	Stearns Automotive & Hydraulic Stearns Automotive & Hydraulic Stearns Automotive & Hydraulic Stearns Automotive & Hydraulic Stearns Automotive & Hydraulic	R R R R R	7/06/2023 7/06/2023 7/06/2023 7/06/2023 7/06/2023	20.00 70.44 2,407.00 159.00		061393 061393 061393 061393		2,656.44
1409	FedEx FedEx	R R	7/06/2023 7/06/2023	36.49		061394		36.49

VENDOR SET: 01 CITY OF FLATONIA
BANK: CTB Prosperity Bank
DATE RANGE: 7/01/2023 THRU 7/31/2023

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
11410	Sunbelt Solomon Services LLC	R	7/06/2023	20,070.00		061395		20,070.00

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	17	49,869.78	0.00	49,869.78
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	4	9,778.39	0.00	9,778.39
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00

VOID CHECKS:	0	VOID DEBITS	0.00
		VOID CREDITS	0.00

TOTAL ERRORS: 0

VENDOR SET: 01	BANK: CTB	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			21	59,648.17	0.00	59,648.17

BANK: CTB	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
		21	59,648.17	0.00	59,648.17

A/P HISTORY CHECK REPORT

6/03/2023 9:28 AM
VENDOR SET: 01 CITY OF FLATONIA
BANK: EDC F EDC FNB SHINER
DATE RANGE: 7/01/2023 THRU 7/31/2023

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
11343	Double L Painting & More	R	7/13/2023	2,450.00		001000		2,450.00
11412	Lyric Theater	R	7/13/2023	4,572.67		001001		4,572.67
11315	The Knight Law Firm LLP	R	7/20/2023	111.00		001002		111.00
I-3998 EDC	The Knight Law Firm LLP	R	7/20/2023	55.50		001002		166.50
I-4133 EDC	The Knight Law Firm LLP	R	7/20/2023	55.50		001002		166.50
* * T O T A L S * *								
REGULAR CHECKS:				INVOICE AMOUNT	DISCOUNTS			CHECK AMOUNT
HAND CHECKS:	3			7,189.17	0.00			7,189.17
DRAFTS:	0			0.00	0.00			0.00
EFT:	0			0.00	0.00			0.00
NON CHECKS:	0			0.00	0.00			0.00
VOID CHECKS:	0			0.00	0.00			0.00
VOID CREDITS:	0			0.00	0.00			0.00
TOTAL ERRORS: 0								
VENDOR SET: 01 BANK: EDC FTOTALS:				INVOICE AMOUNT	DISCOUNTS			CHECK AMOUNT
				7,189.17	0.00			7,189.17
BANK: EDC F TOTALS:				7,189.17	0.00			7,189.17

VENDOR SET: 01 CITY OF FLATONIA
 BANK: FNB FLATONIA NATIONAL BANK
 DATE RANGE: 7/01/2023 THRU 7/31/2023

A/P HISTORY CHECK REPORT

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
10796	LCRA - Electric Bill	D	7/07/2023	183,358.17		000621	183,358.17	
10179	LCRA - Electric Bill	V	7/20/2023	402.46		000630	402.46	
10179	TEXAS SDU	VOIDED	7/20/2023			000630	402.46	
10024	TEXAS SDU							
10024	Texas Municipal Retirement	D	7/26/2023	8,322.53		000631	17,243.09	
10024	Retirement	D	7/26/2023	8,920.56		000631		
10026	Internal Revenue Service	D	7/31/2023	3,112.77		000633		
10026	Withholding Tax	D	7/31/2023	5,764.70		000633		
10026	Social Security	D	7/31/2023	1,348.26		000633	10,225.73	
10026	Medicare							
0015	Comptroller of Public Acc	R	7/13/2023	4,193.19		061801	4,193.19	
0032	Comptroller of Public Acc							
0032	City of Flatonia	R	7/13/2023	70.00		061802	70.00	
0039	replinish petty cash funds							
0039	Flatonia Argus, Inc.	R	7/13/2023	90.00		061803	90.00	
0050	Flatonia Argus, Inc.							
0050	Incoda - Tyler Technologies	R	7/13/2023	3,055.29		061804	3,055.29	
0050	Incoda - Tyler Technologies							
0061	LCRA	R	7/13/2023	7,740.82		061805	7,740.82	
0071	LCRA							
0071	Mica Lumber Co.	R	7/13/2023	181.77		061806	181.77	
0091	Mica Lumber Co.							
0091	South Central Electric	R	7/13/2023	44.61		061807	44.61	
0105	South Central Electric							
0105	Texas Disposal Systems	R	7/13/2023	16,640.03		061808		
0105	Texas Disposal Systems	R	7/13/2023	17,948.56		061808	34,588.59	
0105	Texas Disposal Systems							

A/P HISTORY CHECK REPORT

VENDOR SET: 01 FNB FLATONIA NATIONAL BANK

DATE RANGE: 7/01/2023 THRU 7/31/2023

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00116	Unifirst Corporation	R	7/13/2023	161.09		061809		161.09
00132	XEROX Corporation	R	7/13/2023	253.43		061810		449.98
00137	AT&T -VOIP	R	7/13/2023	1,087.80		061811		1,087.80
00171	Texas Municipal Clerks Certifi	R	7/13/2023	152.50		061812		152.50
00175	Gregory Robinson	R	7/13/2023	200.00		061813		200.00
00272	Alamo Transformer Supply	R	7/13/2023	1,010.00		061814		1,010.00
00310	DATAProse, LLC	R	7/13/2023	879.49		061815		879.49
00459	POWERPLAN	R	7/13/2023	205.36		061816		205.36
00616	Aqua Water Supply Corporation	R	7/13/2023	50.00		061817		50.00
00738	Mario Perales	R	7/13/2023	200.00		061818		200.00
00867	Texas Excavation Safety System	R	7/13/2023	6.65		061819		6.65
00910	Detroit Industrial Tool	R	7/13/2023	665.34		061820		665.34
01019	Oviedo Chrysler Jeep Dodge	R	7/13/2023	820.97		061821		820.97
01067	Texas Fleet Fuel	R	7/13/2023	1,353.37		061822		1,353.37

VENDOR SET: 01 CITY OF FLATONIA
 BANK: FNB FLATONIA NATIONAL BANK
 DATE RANGE: 7/01/2023 THRU 7/31/2023

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
31087	AT&T Mobility-FN AT&T Mobility-FN	R	7/13/2023	706.76		061823		706.76
31257	Schneider Engineering, LLC Schneider Engineering, LLC	R	7/13/2023	500.00		061824		500.00
31274	Granite Telecommunications, LL Granite Telecommunications, LL	R	7/13/2023	521.00		061825		521.00
31325	Amwins Group Benefits, LLC Amwins Group Benefits, LLC	R	7/13/2023	253.76		061826		253.76
31363	CATRINA HERNANDEZ CATRINA HERNANDEZ	R	7/13/2023	5.00		061827		5.00
31384	Hawkins, Inc. Hawkins, Inc.	R	7/13/2023	3,057.88		061828		3,057.88
31390	TransUnion Risk and Alternativ TransUnion Risk and Alternativ	R	7/13/2023	75.00		061829		75.00
31409	FedEx FedEx	R	7/13/2023	14.15		061830		14.15
31411	Dish Dish	R	7/13/2023	163.91		061831		163.91
0021	Texas Municipal League Texas Municipal League	R	7/20/2023	632.00		061844		632.00
0050	Incode - Tyler Technologies Incode - Tyler Technologies Incode - Tyler Technologies	R	7/20/2023	2,501.87		061845		2,501.87
0061	LCRA LCRA	R	7/20/2023	275.63		061845		2,777.50
0116	Unifirst Corporation Unifirst Corporation	R	7/20/2023	483.70		061846		483.70
0259	Schulenburg Printing & Office Schulenburg Printing & Office	R	7/20/2023	146.26		061847		146.26
				157.05		061848		157.05

VENDOR SET: 01 CITY OF FLATONIA
 BANK: FNB FLATONIA NATIONAL BANK
 DATE RANGE: 7/01/2023 THRU 7/31/2023

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
30597	Lillie A Vanicek	R	7/20/2023	200.00		061849		200.00
31000	DXI Industries, Inc	R	7/20/2023	182.66		061850		182.66
	DXI Industries, Inc	R	7/20/2023	357.31		061850		357.31
31062	Bureau Veritas	R	7/20/2023	200.00		061851		200.00
	original inv date 06.26.2022	R	7/20/2023	200.00		061851		200.00
	Bureau Veritas	R	7/20/2023	76.92		061851		76.92
31192	Moy's Water Well Drilling & Se	R	7/20/2023	1,650.00		061852		1,650.00
	Moy's Water Well Drilling & Se	R	7/20/2023	1,650.00		061852		1,650.00
31315	The Knight Law Firm LLP	R	7/20/2023	1,517.00		061853		1,517.00
	The Knight Law Firm LLP	R	7/20/2023	2,393.00		061853		2,393.00
	The Knight Law Firm LLP	R	7/20/2023	1,332.00		061853		1,332.00
	The Knight Law Firm LLP	R	7/20/2023	2,497.50		061853		2,497.50
31345	Tamela Louvier	R	7/20/2023	103.44		061854		103.44
	Tamela Louvier	R	7/20/2023	171.50		061854		171.50
31372	COMPUTERSHARE TRUST COMPANY	R	7/20/2023	400.00		061855		400.00
31393	Grand Nine LLC	R	7/20/2023	81.38		061856		81.38
	Grand Nine LLC	R	7/20/2023	600.00		061856		600.00
31413	National Pen Co. LLC	R	7/20/2023	86.35		061857		86.35
30885	Citibank	V	7/26/2023	32.78		061858		32.78
	Citibank	V	7/26/2023	36.59		061858		36.59
	Citibank	V	7/26/2023	8.29		061858		8.29
	Citibank	V	7/26/2023	7.50		061858		7.50
	Citibank	V	7/26/2023	39.55		061858		39.55
	Citibank	V	7/26/2023	53.00		061858		53.00
	Citibank	V	7/26/2023	25.29		061858		25.29
	Citibank	V	7/26/2023	64.65		061858		64.65
	Citibank	V	7/26/2023	42.82		061858		42.82
	Citibank	V	7/26/2023	42.60		061858		42.60
	Citibank	V	7/26/2023	29.64		061858		29.64
	Citibank	V	7/26/2023	120.54		061858		120.54
	Citibank	V	7/26/2023	35.02		061858		35.02

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
I-07.01.2023	Citibank	V	7/26/2023	21.64		061858		
I-070306	Citibank	V	7/26/2023	17.68		061858		
I-072545	Citibank	V	7/26/2023	30.08		061858		
I-074254	Citibank	V	7/26/2023	14.96		061858		
I-085740	Citibank	V	7/26/2023	142.15		061858		
I-091176	Citibank	V	7/26/2023	27.68		061858		
I-095459	Citibank	V	7/26/2023	70.00		061858		
I-098937	Citibank	V	7/26/2023	30.00		061858		
I-099250	Citibank	V	7/26/2023	75.00		061858		
I-1091451	Citibank	V	7/26/2023	30.98		061858		
I-1206357005	Citibank	V	7/26/2023	102.84		061858		
I-1753837	Citibank	V	7/26/2023	76.95		061858		
I-185210	Citibank	V	7/26/2023	50.25		061858		
I-23865600	Citibank	V	7/26/2023	40.00		061858		
I-298642953K	Citibank	V	7/26/2023	24.42		061858		
I-29KJREOLDJO	Citibank	V	7/26/2023	13.00		061858		
I-30323	Citibank	V	7/26/2023	58.37		061858		
I-44199802	Citibank	V	7/26/2023	53.98		061858		
I-64442133265	Citibank	V	7/26/2023	75.00		061858		
I-64442141222	Citibank	V	7/26/2023	75.00		061858		
I-64442174830	Citibank	V	7/26/2023	75.00		061858		
I-8411411	Citibank	V	7/26/2023	61.00		061858		
I-9299435	Citibank	V	7/26/2023	105.24		061858		
I-97103192-1	Citibank	V	7/26/2023	428.22		061858		
I-97103192-2	Citibank	V	7/26/2023	428.22		061858		
I-03IDL6GZ	Citibank	V	7/26/2023	30.00		061858		
I-RTL0974192	Citibank	V	7/26/2023	88.00		061858		2,783.93
0885	Citibank	VOIDED	7/26/2023			061858		2,783.93CR
0885	Citibank	R	7/26/2023	Reissue		061862		
I-002654	Citibank	R	7/26/2023	Reissue		061862		
I-004791	Citibank	R	7/26/2023	Reissue		061862		
I-015890	Citibank	R	7/26/2023	Reissue		061862		
I-044720	Citibank	R	7/26/2023	Reissue		061862		
I-051214	Citibank	R	7/26/2023	Reissue		061862		
I-052909	Citibank	R	7/26/2023	Reissue		061862		
I-055032	Citibank	R	7/26/2023	Reissue		061862		
I-056244	Citibank	R	7/26/2023	Reissue		061862		
I-06.13.2023	Citibank	R	7/26/2023	Reissue		061862		
I-06.16.2023	Citibank	R	7/26/2023	Reissue		061862		
I-06.21.2023	Citibank	R	7/26/2023	Reissue		061862		
I-061441	Citibank	R	7/26/2023	Reissue		061862		
I-062622	Citibank	R	7/26/2023	Reissue		061862		
I-07.01.2023	Citibank	R	7/26/2023	Reissue		061862		
I-070306	Citibank	R	7/26/2023	Reissue		061862		
I-072545	Citibank	R	7/26/2023	Reissue		061862		

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
I-074254	Citibank	R	7/26/2023	Reissue		061862		
I-085740	Citibank	R	7/26/2023	Reissue		061862		
I-091176	Citibank	R	7/26/2023	Reissue		061862		
I-095459	Citibank	R	7/26/2023	Reissue		061862		
I-098937	Citibank	R	7/26/2023	Reissue		061862		
I-099250	Citibank	R	7/26/2023	Reissue		061862		
I-1091451	Citibank	R	7/26/2023	Reissue		061862		
I-1206357005	Citibank	R	7/26/2023	Reissue		061862		
I-1753837	Citibank	R	7/26/2023	Reissue		061862		
I-185210	Citibank	R	7/26/2023	Reissue		061862		
I-23865600	Citibank	R	7/26/2023	Reissue		061862		
I-29864N2S53K	Citibank	R	7/26/2023	Reissue		061862		
I-29KUREOLDJO	Citibank	R	7/26/2023	Reissue		061862		
I-30323	Citibank	R	7/26/2023	Reissue		061862		
I-44199802	Citibank	R	7/26/2023	Reissue		061862		
I-64442133265	Citibank	R	7/26/2023	Reissue		061862		
I-64442141222	Citibank	R	7/26/2023	Reissue		061862		
I-64442174830	Citibank	R	7/26/2023	Reissue		061862		
I-8411411	Citibank	R	7/26/2023	Reissue		061862		
I-9299435	Citibank	R	7/26/2023	Reissue		061862		
I-97103192-1	Citibank	R	7/26/2023	Reissue		061862		
I-97103192-2	Citibank	R	7/26/2023	Reissue		061862		
I-Q3IDL6GZ	Citibank	R	7/26/2023	Reissue		061862		
I-RTL0974192	Citibank	R	7/26/2023	Reissue		061862		2,783.93
0061	LCRA	R	7/27/2023	110.00		061866		110.00
0116	Unifirst Corporation	R	7/27/2023	182.90		061867		182.90
0151	Fayette Co. Record	R	7/27/2023	57.00		061868		57.00
0194	James Teleco	R	7/27/2023	150.00		061869		150.00
0734	Coldspring Granite Memorial Gr	R	7/27/2023	335.00		061870		335.00
0883	Liberty National	R	7/27/2023	576.51		061871		576.51

A/P HISTORY CHECK REPORT

8/03/2023 9:28 AM
VENDOR SET: 01 CITY OF FLATONIA
BANK: FNB FLATONIA NATIONAL BANK
DATE RANGE: 7/01/2023 THRU 7/31/2023

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
11067	Texas Fleet Fuel	R	7/27/2023	1,111.42		061872		1,111.42
11157	Core & Main LP	R	7/27/2023	862.68		061873		862.68
11240	Underground, Inc.	R	7/27/2023	569.14		061874		569.14
11326	Sonya Bishop	R	7/27/2023	129.85		061875		129.85
11343	Double I. Painting & More	R	7/27/2023	3,000.00		061876		3,000.00
11345	Tamela Louvier	R	7/27/2023	39.95		061877		39.95
1414	Texas Department of Agricultur	R	7/27/2023	250.00		061878		250.00
* * T O T A L S * *								
	REGULAR CHECKS:			INVOICE AMOUNT	DISCOUNTS			CHECK AMOUNT
	HAND CHECKS:			88,708.23	0.00			88,708.23
	DRAFTS:			0.00	0.00			0.00
	EFT:			211,229.45	0.00			210,826.99
	NON CHECKS:			0.00	0.00			0.00
	VOID CHECKS:			0.00	0.00			0.00
	2 VOID DEBITS		2,783.93					
	VOID CREDITS		3,186.39CR	402.46CR	0.00			
TOTAL ERRORS: 0								
VENDOR SET: 01 BANK: FNB TOTALS:								
				INVOICE AMOUNT	DISCOUNTS			CHECK AMOUNT
				299,535.22	0.00			299,535.22
BANK: FNB TOTALS:								
				299,535.22	0.00			299,535.22

VENDOR SET: 01 CITY OF FLORIDA
BANK: HOTEL HOTEL OCCUPANCY TAX
DATE RANGE: 7/01/2023 THRU 7/31/2023

A/P HISTORY CHECK REPORT

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
01329	Sign Ad	R	7/06/2023	640.00		001191		640.00
01329	Sign Ad	R	7/20/2023	450.00		001300		450.00

* * T O T A L S * *
 REGULAR CHECKS: NO 2 INVOICE AMOUNT 1,090.00 CHECK AMOUNT 1,090.00
 HAND CHECKS: 0 0.00 0.00
 DRAFTS: 0 0.00 0.00
 EFT: 0 0.00 0.00
 NON CHECKS: 0 0.00 0.00
 VOID CHECKS: 0 VOID DEBITS 0.00
 VOID CREDITS 0.00

TOTAL ERRORS: 0

VENDOR SET: 01	BANK: HOTEL	TOTALS:	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
2	2		1,090.00	0.00	1,090.00
BANK: HOTEL	TOTALS:		1,090.00	0.00	1,090.00
REPORT TOTALS:			367,462.56	0.00	367,462.56

SELECTION CRITERIA

VENDOR SET: * - ALL
VENDOR: ALL
BANK CODES: ALL
FUNDS: ALL

CHECK SELECTION

CHECK RANGE: 000000 THRU 999999
DATE RANGE: 7/01/2023 THRU 7/31/2023
CHECK AMOUNT RANGE: 0.00 THRU 999,999,999.99
INCLUDE ALL VOIDS: YES

PRINT OPTIONS

SEQUENCE: CHECK NUMBER

PRINT TRANSACTIONS: YES
PRINT G/L: NO
UNPOSTED ONLY: NO
EXCLUDE UNPOSTED: NO
ANNUAL ONLY: NO
SUB COMMENTS: NO
REPORT FOOTER: NO
CHECK STATUS: NO
PRINT STATUS: * - ALL

JULY 2023

❖ BALANCE SHEET

BALANCE SHEET
AS OF: JULY 31ST, 2023

.0 -General

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
ASSETS		
10-1008	POOLED CASH CORRECTIONS	(2,351.66)
10-1010	Claim to Master Cash	(481,070.27)
10-1020	Petty Cash	70.00
10-1030	Cash on Hand	50.00
10-1040	Police Petty Cash	170.00
10-1050	Money Market Account-7190/4983	124,371.51
10-1055	TexPool	380,805.15
10-1080	Drug Forfeiture-4892	89.12
10-1120	Taxes Receivable - Delinquent	22,519.67
10-1199	Allowance for Bad Debt	(2,682.86)
10-1200	Accounts Receivable	41,979.48
10-1201	AMP Receivable	471.19
10-1205	Other Revenue	49,080.00
10-1235	Sales Tax Receivable	20,203.86
10-1236	AR Mixed Beverage Tax	847.39
10-1240	Unbilled Receivables	19,076.20
10-1300	Bonds Escrow - Municipal Court	(11,931.10)
10-1550	Prepaid Expenses	6,129.81
		<u>167,827.49</u>
TOTAL ASSETS		
		<u>167,827.49</u>

LIABILITIES		
10-2001	Due to Economic Development	9,885.11
10-2003	TML-IEBP Liability	(1,523.16)
10-2004	Flexible Spending - Health	(1,212.38)
10-2008	Liberty National	(1,376.36)
10-2009	Medicare	(868.98)
10-2010	Withholding Tax	(6,368.88)
10-2011	Social Security	(7,460.44)
10-2012	Retirement	5,270.72
10-2017	AFLAC	(2,035.27)
10-2020	Accounts Payable	4,268.07
10-2022	A/P Auditor	100,119.85
10-2029	BLUE SANTA DONATIONS	100.00
10-2030	Unclaimed Property	1,405.10
10-2040	Sales Tax	29,021.89
10-2050	AMP RESERVE	490.35
10-2080	UNEARNED GRANT REV	2,027.30
10-2260	Customer Deposit Refund	2,258.00
10-2310	Municipal Court Collection Fee	869.10
10-2315	State Court Costs	4,406.19
10-2320	Due to HOT Fund	15,709.89
10-2358	Due to Sewer Fund	168,200.54
		<u>322,186.64</u>
TOTAL LIABILITIES		
		<u>322,186.64</u>

BALANCE SHEET
AS OF: JULY 31ST, 2023

.0 -General

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
EQUITY		
10-2470	Reserve for Delinquent Taxes	22,519.67
10-2710	Fund Balance	939,876.89
10-2720	Retained Earnings Designated	73,375.09
10-2990	Balance Sheet Profit/Loss	(1,467,530.23)
	TOTAL BEGINNING EQUITY	(431,758.58)
	TOTAL REVENUE	1,820,236.41
	TOTAL EXPENSES	1,542,836.98
	TOTAL REVENUE OVER/(UNDER) EXPENSES	277,399.43
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.	(154,359.15)
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.	167,827.49

BALANCE SHEET
AS OF: JULY 31ST, 2023

37 -Water

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
ASSETS		
57-1010	Claim to Master Cash	231,754.11
57-1199	Allowance for Bad Debt	(4,060.42)
57-1200	Accounts Receivable	46,154.10
57-1240	Unbilled Receivables	18,892.35
57-1301	Deferred Pension Contributions	19,388.00
57-1305	Net Pension - Investment Exp	9,816.00
57-1306	Net Pension - Amortization Inv	(34,390.00)
57-1310	Net Pension - Actual Experienc	(39,965.00)
57-1311	Net Pension Amortization Actua	40,174.00
57-1315	Net Pension Assumption Change	2,699.00
57-1316	Net Pension Amortization Asset	(4,956.00)
57-1330	Deferred OPEB Contributions	231.00
57-1331	OPEB - Actual Exp vs Assump	(659.00)
57-1332	OPEB Amort of Actual Exp	192.00
57-1333	OPEB - Assumption Changes	1,569.00
57-1334	OPEB - Amortization of Assump	(420.00)
57-1550	Prepaid Expenses	607.17
57-1610	Water System	2,456,072.66
57-1650	Trucks and Equipment	252,854.67
57-1660	Buildings and Equipment	82,176.73
57-1680	Land	6,034.08
57-1690	Allowance for Depreciation	(731,973.20)
57-1800	AR Employee Computer Purchase	(179.69)
		<u>2,352,011.56</u>

2,352,011.56

TOTAL ASSETS

LIABILITIES		
57-2003	TML-IEBP Liability	3,635.43
57-2004	Flexible Spending - Health	(750.00)
57-2008	Liberty National	109.89
57-2009	Medicare	(62.74)
57-2010	Withholding Tax	(518.98)
57-2011	Social Security	(268.32)
57-2012	Retirement	1,422.14
57-2017	aflac	(207.98)
57-2020	Accounts Payable	(1,681.96)
57-2022	A/P Auditor	22,665.74
57-2030	Unclaimed Property	1,564.05
57-2190	Net Pension Liability	57,985.00
57-2191	Net OPEB Liability	8,239.00
57-2250	Customer Deposit	19,430.00
57-2260	Customer Deposit Refund	440.00
57-2268	Bonds Payable Current Portion	30,000.00
57-2330	Bonds Payable - 2006 series	155,000.00
57-2340	Note Payable	46,975.92
57-2345	Note Payable - Current	18,846.33
57-2346	LONG/SHORT	36.19

BALANCE SHEET
AS OF: JULY 31ST, 2023

37 -Water

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
<u>TOTAL LIABILITIES</u>		
		<u>362,859.71</u>
<u>EQUITY</u>		
57-2460	Reserve for Pension	(73,329.00)
57-2461	Reserve for OPEB	(8,330.00)
57-2720	Retained Earnings Designated	(89,694.58)
57-2810	Inventory Reserve	2,142.19
57-2990	Balance Sheet Profit/Loss	2,118,931.90
	TOTAL BEGINNING EQUITY	1,949,720.51
	TOTAL REVENUE	375,886.94
	TOTAL EXPENSES	336,455.60
	TOTAL REVENUE OVER/(UNDER) EXPENSES	39,431.34
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.	<u>1,989,151.85</u>
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.	<u>2,352,011.56</u>

38 -Wastewater

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
ASSETS		
58-1010	Claim to Master Cash	236,009.27
58-1199	Allowance for Bad Debt	(1,668.38)
58-1200	Accounts Receivable	24,619.56
58-1225	Sewer Non Current rec	2.00
58-1235	Due from General Fuund	84,100.27
58-1240	Unbilled Receivables	10,449.30
58-1410	Inventory of Supplies	0.34
58-1550	Prepaid Expenses	1,433.56
58-1620	Wastewater System	1,623,876.48
58-1650	Trucks and Equipment	24,927.09
58-1660	Buildings and Equipment	194,481.81
58-1680	Land	2,875.00
58-1690	Allowance for Depreciation	(617,788.28)
58-1700	CIP-CDBG Grant 729241	77,790.74
		<u>1,661,108.76</u>
	TOTAL ASSETS	<u>1,661,108.76</u>
LIABILITIES		
58-2020	Accounts Payable	1,571.25
58-2022	A/P Auditor	7,393.78
	TOTAL LIABILITIES	<u>8,965.03</u>
EQUITY		
58-2720	Retained Earnings Designated	514,762.44
58-2800	Invest in Gen Fixed Assets	639,688.92
58-2810	Inventory Reserve	2,551.34
58-2990	Balance Sheet Profit/Loss	352,902.26
	TOTAL BEGINNING EQUITY	<u>1,509,904.96</u>
	TOTAL REVENUE	238,650.56
	TOTAL EXPENSES	96,411.79
	TOTAL REVENUE OVER/(UNDER) EXPENSES	<u>142,238.77</u>
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.	<u>1,652,143.73</u>
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.	<u>1,661,108.76</u>

BALANCE SHEET
AS OF: JULY 31ST, 2023

:9 -Electric

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
ASSETS		
59-1010	Claim to Master Cash	535,029.71
59-1199	Allowance for Bad Debt	(8,171.11)
59-1200	Accounts Receivable	301,729.65
59-1240	Unbilled Receivables	44,373.23
59-1301	Deferred Pension Contributions	30,294.00
59-1305	Net Pension - Investment Exp	15,337.00
59-1306	Net Pension - Amortization Inv	(53,734.00)
59-1310	Net Pension - Actula Experienc	(62,446.00)
59-1311	Net Pension Amortization Actua	62,772.00
59-1315	Net Pension Assumption Change	4,217.00
59-1316	Net Pension Amortization Asset	(7,743.00)
59-1330	Deferred OPEB Contributions	361.00
59-1331	OPEB Actual Exp vs Assum	(1,031.00)
59-1332	OPEB Amort of Actual Expense	300.00
59-1333	OPEB - Assumption Changes	2,451.00
59-1334	OPEB - Amortiation of Assumpti	(657.00)
59-1410	Inventory of Supplies	73,176.00
59-1550	Prepaid Expenses	14,035.52
59-1600	Electric System	1,536,449.40
59-1650	Trucks and Equipment	612,974.76
59-1660	Buildings and Equipment	152,045.86
59-1670	Construction	6,687.49
59-1680	Land	2,875.00
59-1690	Allowance for Depreciation	(1,457,570.95)
		<u>1,803,755.56</u>
TOTAL ASSETS		
		<u>1,803,755.56</u>
LIABILITIES		
59-2003	TML-IEBP Liability	6,676.12
59-2004	Flexible Spending Health	1.63
59-2008	Liberty National	208.50
59-2009	Medicare	(7,657.42)
59-2010	Withholding Tax	0.42
59-2012	Retirement	2,303.92
59-2017	AFLAC	629.26
59-2020	Accounts Payable	846.20
59-2022	AP Auditor	26,892.28
59-2030	Unclaimed Property	2,265.52
59-2040	Sales Tax	50,292.00
59-2110	Electric Line Rebata	5,345.86
59-2190	Net Pension Liability	90,602.00
59-2191	Net OPEB Liability	12,359.00
59-2250	Customer Deposit	106,745.71
	TOTAL LIABILITIES	<u>297,511.00</u>

BALANCE SHEET
AS OF: JULY 31ST, 2023

19 -Electric

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
EQUITY		
59-2460	Reserve for Pension	(109,995.00)
59-2461	Reserve for OPEB	(12,498.00)
59-2720	Retained Earnings Designated	235,914.87
59-2810	Inventory Reserve	59,508.50
59-2990	Balance Sheet Profit/Loss	<u>1,793,322.79</u>
	TOTAL BEGINNING EQUITY	1,966,253.16
	TOTAL REVENUE	2,540,257.00
	TOTAL EXPENSES	<u>3,000,265.60</u>
	TOTAL REVENUE OVER/(UNDER) EXPENSES	(460,008.60)
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.	<u>1,506,244.56</u>
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.	<u>1,803,755.56</u>

JULY 2023

❖ FINANCIAL STATEMENT

0 -General
FINANCIAL SUMMARY

83.33% OF FISCAL YEAR

CCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>REVENUE SUMMARY</u>						
	AXES	1,320,847.00	2,429.85	1,246,717.96	94.39	74,129.04
	LICENSES & PERMITS	16,500.00	3,230.28	22,485.05	136.27	(5,985.05)
	INTERGOVERNMENTAL REV	30,000.00	0.00	23,286.69	77.62	6,713.31
	CHARGES FOR SERVICE	472,200.00	53,006.36	419,908.54	88.93	52,291.46
	FINES & FORFEITURES	13,000.00	4,753.48	24,103.90	185.41	(11,103.90)
	INVESTMENT INCOME	1,000.00	0.00	14,209.68	420.97	(13,209.68)
	MISCELLANEOUS REVENUE	31,240.00	7,296.52	35,693.89	114.26	(4,453.89)
	OTHER FINANCING SOURCES	35,000.00	694.19	33,830.70	96.66	1,169.30
	TOTAL REVENUE	1,919,787.00	71,410.68	1,820,236.41	94.81	99,550.59

<u>EXPENDITURE SUMMARY</u>						
	streets	101,306.00	47.96	92,534.39	91.34	8,771.61
	arks	134,101.00	14,493.48	102,055.18	76.10	32,045.82
	Administration	684,686.00	17,252.00	620,847.17	90.68	63,840.83
	Police Executive	848,425.06	48,482.07	600,569.89	70.79	247,855.17
	Code Enforcement	60,248.00	3,603.18	26,794.78	44.47	33,453.22
	Municipal Court	31,019.00	8,568.76	32,363.47	104.33	(1,344.47)
	Fire Department	60,000.00	230.68	63,212.50	105.35	(3,212.50)
	TOTAL EXPENDITURES	1,919,787.06	92,678.13	1,538,377.38	80.13	381,409.68
	REVENUES OVER/ (UNDER) EXPENDITURES	(0.06)	(21,267.45)	281,859.03	50.00-	(281,859.09)

0 - General
FINANCIAL SUMMARY
REVENUE

83.33% OF FISCAL YEAR

CCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
AXES						
110	Ad Valorem Taxes Current	370,583.00	1,879.56	365,544.94	98.64	5,038.06
112	Ad Valorem Taxes Delinquent	5,500.00	166.84	8,734.92	158.82	(3,234.92)
113	Penalties & Interest Prop Tax	4,000.00	292.74	4,790.89	119.77	(790.89)
117	Telephone Co. Franchise Fee	6,000.00	90.71	5,181.13	86.35	818.87
119	Utility Fund Franchise Fees	660,783.00	0.00	660,783.00	100.00	0.00
130	Sales Tax Revenue	270,481.00	0.00	198,849.59	73.52	71,631.41
143	Mixed Beverage Tax	3,500.00	0.00	2,833.49	80.96	666.51
	TOTAL TAXES	1,320,847.00	2,429.85	1,246,717.96	94.39	74,129.04
LICENSES & PERMITS						
211	CONVENIENCE FEE	2,100.00	2,174.00	4,469.46	212.83	(2,369.46)
220	Dog Licenses	400.00	0.00	119.00	29.75	281.00
222	Building Permits	13,000.00	1,056.28	17,696.59	136.13	(4,696.59)
230	Other Licenses & Permits	1,000.00	0.00	200.00	20.00	800.00
	TOTAL LICENSES & PERMITS	16,500.00	3,230.28	22,485.05	136.27	(5,985.05)
INTERGOVERNMENTAL REV						
330	FISD - School Resource Officer	30,000.00	0.00	23,286.69	77.62	6,713.31
	TOTAL INTERGOVERNMENTAL REV	30,000.00	0.00	23,286.69	77.62	6,713.31
CHARGES FOR SERVICE						
414	FD DONATIONS	0.00	0.00	250.00	0.00	(250.00)
430	Return Check Fee	500.00	35.00	490.00	98.00	10.00
442	Penalties & Interest	5,000.00	427.23	4,002.07	80.04	997.93
443	Refuse Collection	461,000.00	44,683.13	403,649.47	87.56	57,350.53
450	Limb Chipping Revenue	500.00	215.00	590.00	118.00	(90.00)
475	Park Revenue	4,000.00	1,496.00	4,177.00	104.43	(177.00)
491	Cemetery	1,200.00	6,150.00	6,750.00	562.50	(5,550.00)
	TOTAL CHARGES FOR SERVICE	472,200.00	53,006.36	419,908.54	88.93	52,291.46
FINES & FOREFEITURES						
510	Fines	7,500.00	2,455.56	12,817.92	170.91	(5,317.92)
511	Court Costs	5,500.00	2,297.92	11,285.98	205.20	(5,785.98)
	TOTAL FINES & FOREFEITURES	13,000.00	4,753.48	24,103.90	185.41	(11,103.90)
INVESTMENT INCOME						
510	Interest Earnings	1,000.00	0.00	14,209.68	420.97	(13,209.68)
	TOTAL INVESTMENT INCOME	1,000.00	0.00	14,209.68	420.97	(13,209.68)
SCCELLANEOUS REVENUE						
510	Post Office Rent	10,380.00	865.00	8,650.00	83.33	1,730.00
511	Miscellaneous Revenue	6,100.00	8.60	2,321.36	38.06	3,778.64
512	Wa Tower Antenna - Pole Attach	3,160.00	0.00	0.00	0.00	3,160.00
513	COPIES/FAX/RECORDS	100.00	0.00	0.00	0.00	100.00
515	Rent Softball & Baseball field	3,000.00	0.00	0.00	0.00	3,000.00
520	Land Lease/Royalty	8,500.00	602.90	7,679.99	90.35	820.01

.0 -General
 FINANCIAL SUMMARY
 REVENUE

83.33% OF FISCAL YEAR

ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
830 Insurance Reimbursement	0.00	5,820.02	17,042.54	0.00	(17,042.54)
TOTAL MISCELLANEOUS REVENUE	31,240.00	7,296.52	35,693.89	114.26	(4,453.89)
OTHER FINANCING SOURCES					
930 Fire Dept Utility Donation	6,000.00	694.19	6,830.70	85.38	1,169.30
998 TRANS EDC CITY MAN/SEC	27,000.00	0.00	27,000.00	100.00	0.00
TOTAL OTHER FINANCING SOURCES	35,000.00	694.19	33,830.70	96.66	1,169.30
TOTAL REVENUE	1,919,787.00	71,410.68	1,820,236.41	94.81	99,550.59

.0 -General

FINANCIAL SUMMARY
DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

ACT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>streets</u>						
<u>PERSONNEL SERVICES</u>						
<u>SERVICES</u>						
150.2220	Building & Grounds	50.00	0.00	275.26	550.52	(225.26)
150.2224	Motor Vehicle Repair	1,000.00	0.00	4,325.82	432.58	(3,325.82)
150.2225	Heavy Equipment	7,450.00	0.00	142.86	1.92	7,307.14
150.2226	Machinery & Equipment	5,100.00	0.00	7,258.70	142.33	(2,158.70)
150.2227	Paving & Drainage Supplies	10,000.00	0.00	6,676.79	66.77	3,323.21
150.2311	Insurance of Motor Equipment	2,466.00	0.00	2,386.00	96.76	80.00
150.2312	Liability/Property Insurance	970.00	0.00	860.98	88.76	109.02
150.2325	Radio Service	0.00	0.00	258.70	0.00	(258.70)
	TOTAL SERVICES	27,036.00	0.00	22,185.11	82.06	4,850.89
<u>UPPLIES</u>						
150.3111	Ice, Cups, Etc.	100.00	0.00	0.00	0.00	100.00
150.3112	Fuel	4,000.00	0.00	2,737.21	68.43	1,262.79
150.3113	Oil & Grease	1,000.00	0.00	1,216.71	121.67	(216.71)
150.3114	Chemicals	350.00	0.00	0.00	0.00	350.00
150.3120	Utilities	12,000.00	0.00	10,462.29	87.19	1,537.71
150.3160	Minor Tools & Equipment	500.00	0.00	153.69	30.74	346.31
150.3164	Parts & Materials	700.00	0.00	2,243.09	320.44	(1,543.09)
150.3170	Wearing Apparel	500.00	47.96	515.57	103.11	(15.57)
150.3172	Miscellaneous	20.00	0.00	282.48	412.40	(262.48)
150.3174	Signal, Markers & Barricades	5,100.00	0.00	220.27	4.32	4,879.73
150.3176	Janitorial Supplies	0.00	0.00	65.74	0.00	(65.74)
	TOTAL SUPPLIES	24,270.00	47.96	17,897.05	73.74	6,372.95
<u>CAPITAL OUTLAYS</u>						
150.4600	Capital Outlay	50,000.00	0.00	52,452.23	104.90	(2,452.23)
	TOTAL CAPITAL OUTLAYS	50,000.00	0.00	52,452.23	104.90	(2,452.23)
<u>INTERFUND CHARGES</u>						
<u>OTHER COSTS</u>						
	TOTAL Streets	101,306.00	47.96	92,534.39	91.34	8,771.61

0 -General

FINANCIAL SUMMARY
DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

CT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
PERSONNEL SERVICES						
250.1023	Clerical/Laborer	34,944.00	3,406.54	31,662.71	90.61	3,281.29
250.1025	Pool Staff	12,000.00	5,290.75	10,257.25	85.48	1,742.75
250.1110	Longevity	450.00	0.00	426.00	94.67	24.00
250.1120	Overtime	500.00	0.00	450.42	90.08	49.58
250.1200	Social Security	2,122.00	539.34	2,122.00	100.00	0.00
250.1210	Medicare	1,027.00	126.13	538.59	52.44	488.41
250.1215	Disability Insurance	131.00	0.00	51.71	39.47	79.29
250.1220	Group Health Insurance	8,921.00	0.00	10,711.56	120.07	(1,790.56)
250.1230	Group Dental Insurance	0.00	0.00	290.04	0.00	(290.04)
250.1240	Retirement	5,031.00	369.44	4,070.71	80.91	960.29
250.1250	Unemployment Tax (SUTA)	52.00	12.81	46.72	89.85	5.28
250.1255	Air Evac	160.00	0.00	160.00	100.00	0.00
250.1280	Worker's Compensation	1,187.00	0.00	1,247.44	105.09	(60.44)
	TOTAL PERSONNEL SERVICES	66,525.00	9,745.01	62,035.15	93.25	4,489.85
SERVICES						
250.2220	Building and Grounds	30,000.00	4,515.38	10,146.43	33.82	19,853.57
250.2221	Baseball & Softball fields	3,000.00	0.00	1,403.79	46.79	1,596.21
250.2222	MOTORE VEHICLE REPAIR	500.00	0.00	40.00	8.00	460.00
250.2226	Machinery and Equipment	1,000.00	0.00	0.00	0.00	1,000.00
250.2310	General Liability Insurance	4,500.00	0.00	3,614.74	80.33	885.26
250.2311	Insurance of Motor Equipment	356.00	0.00	340.00	95.51	16.00
250.2325	Radio Service	250.00	0.00	119.70	47.88	130.30
250.2350	Travel	0.00	0.00	244.61	0.00	(244.61)
250.2370	Education & Training	1,600.00	0.00	1,436.15	89.76	163.85
	TOTAL SERVICES	41,206.00	4,515.38	17,345.42	42.09	23,860.58
SUPPLIES						
250.3111	Ice, Cups, Etc	50.00	0.00	0.00	0.00	50.00
250.3112	Fuel	20.00	159.17	792.00	960.00	(772.00)
250.3114	Chemicals	2,000.00	0.00	1,471.50	73.58	528.50
250.3120	Utilities	22,000.00	0.00	19,496.64	88.62	2,503.36
250.3160	Minor Tools & Equipment	50.00	0.00	7.29	14.58	42.71
250.3164	Parts & Materials	1,000.00	0.00	29.66	2.97	970.34
250.3170	Wearing Apparel	1,200.00	73.92	809.59	67.47	390.41
250.3172	Miscellaneous	50.00	0.00	11.10	22.20	38.90
250.3176	Janitorial Supplies	0.00	0.00	56.83	0.00	(56.83)
	TOTAL SUPPLIES	26,370.00	233.09	22,674.61	85.99	3,695.39
CAPITAL OUTLAYS						
	TOTAL Parks	134,101.00	14,493.48	102,055.18	76.10	32,045.82

0 -General
FINANCIAL SUMMARY
DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

CCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
Administration						
PERSONNEL SERVICES						
400.1010	Mayor/Council	2,700.00	225.00	2,250.00	83.33	450.00
400.1021	Executive	138,100.00	10,800.53	112,680.47	81.59	25,419.53
400.1023	Clerical/Laborer	22,464.00	204.95	7,321.61	32.59	15,142.39
400.1110	Longevity	0.00	0.00	114.00	0.00	(114.00)
400.1200	Social Security	8,561.00	726.28	7,473.46	87.30	1,087.54
400.1210	Medicare	4,143.00	169.89	1,748.13	42.19	2,394.87
400.1215	Disability Insurance	460.00	0.00	210.91	45.85	249.09
400.1220	Group Health Insurance	17,797.00	253.76	11,222.59	63.06	6,574.41
400.1240	Retirement	20,298.00	1,622.80	16,939.09	83.45	3,358.91
400.1250	Unemployment Tax (SUTA)	151.00	7.68	106.36	70.44	44.64
400.1255	Life Flight	320.00	0.00	320.00	100.00	0.00
400.1270	Certificate Pay	1,200.00	125.00	1,125.00	93.75	75.00
400.1280	Workers Comp	740.00	0.00	740.00	100.00	0.00
TOTAL PERSONNEL SERVICES		216,934.00	14,135.89	162,251.62	74.79	54,682.38
SERVICES						
400.2101	Grant Consultant	8,000.00	0.00	(6,466.96)	80.84-	14,466.96
400.2102	Legal	30,000.00	0.00	16,687.31	55.62	13,312.69
400.2105	Financial Consultants	15,000.00	0.00	37,714.61	251.43	(22,714.61)
400.2106	Fayette Appraisal District Fee	7,500.00	0.00	6,884.25	91.79	615.75
400.2107	Codification	500.00	0.00	1,162.12	232.42	(662.12)
400.2110	Election Expense	1,500.00	0.00	4,014.89	267.66	(2,514.89)
400.2111	FD Denation Funds	8,000.00	0.00	0.00	0.00	8,000.00
400.2112	LIBRARY CONTRIBUTION	5,000.00	0.00	5,000.00	100.00	0.00
400.2113	FAMILY CRISIS CENTER CONT.	1,500.00	0.00	0.00	0.00	1,500.00
400.2130	Computer Services	7,000.00	50.00	3,954.95	56.50	3,045.05
400.2210	Cleaning	3,500.00	24.48	1,748.19	49.95	1,751.81
400.2211	Refuse Disposal	305,000.00	0.00	312,667.69	102.58	(7,667.69)
400.2219	Post Office Expenses	0.00	0.00	4.90	0.00	(4.90)
400.2220	Building & Grounds	2,000.00	802.50	5,489.87	274.49	(3,489.87)
400.2221	Park House	500.00	0.00	617.82	123.56	(117.82)
400.2233	Vehicle Allowance	3,600.00	600.00	4,625.00	128.47	(1,025.00)
400.2234	Office Equipment Lease	3,500.00	253.43	2,791.28	79.75	708.72
400.2311	PROPERTY/LIABILITY	6,936.00	0.00	7,906.31	113.99	(970.31)
400.2312	LIBRARY LIABILITY	950.00	0.00	950.00	100.00	0.00
400.2320	Telephone	10,000.00	511.46	11,090.24	110.90	(1,090.24)
400.2321	Computer Access - Internet Con	2,500.00	0.00	2,178.00	87.12	322.00
400.2330	Advertising & Public Notices	500.00	0.00	2,528.33	505.67	(2,028.33)
400.2340	Printing	2,500.00	0.00	2,618.30	104.73	(118.30)
400.2350	Travel	2,500.00	171.50	6,165.62	246.62	(3,665.62)
400.2361	Surety Bonds	250.00	0.00	520.00	208.00	(270.00)
400.2370	Education & Training	2,500.00	0.00	1,547.74	61.91	952.26
400.2371	Memberships	2,000.00	267.67	979.86	48.99	1,020.14
TOTAL SERVICES		432,736.00	2,681.04	433,580.32	100.20	(844.32)

0 -General

FINANCIAL SUMMARY
DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

CCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
SUPPLIES						
400.3115	Postage	1,000.00	0.00	1,348.47	134.85	(348.47)
400.3116	Office Supplies	3,600.00	83.13	3,067.82	85.22	532.18
400.3117	Dntwn Beautification Supplies	1,000.00	0.00	1,196.53	119.65	(196.53)
400.3120	Utilities	8,200.00	0.00	6,946.36	84.71	1,253.64
400.3172	Miscellaneous	2,500.00	0.00	270.23	10.81	2,229.77
400.3173	Council	300.00	0.00	6.00	2.00	294.00
400.3174	Employee Relations	4,000.00	16.94	4,295.36	107.38	(295.36)
400.3176	Janitorial Supplies	150.00	0.00	333.97	222.65	(183.97)
	TOTAL SUPPLIES	20,750.00	100.07	17,464.74	84.17	3,285.26
APITAL OUTLAYS						
400.4141	Cemetery	1,500.00	335.00	335.00	22.33	1,165.00
400.4235	Computer Hardware	100.00	0.00	102.84	102.84	(2.84)
400.4240	Computer Software	500.00	0.00	424.06	84.81	75.94
	TOTAL CAPITAL OUTLAYS	2,100.00	335.00	861.90	41.04	1,238.10
INTERFUND CHARGES						
OTHER COSTS						
400.7100	County Airport Expense	4,500.00	0.00	3,488.59	77.52	1,011.41
400.7200	Programs	0.00	0.00	2,000.00	0.00	(2,000.00)
400.7210	Animal Shelter	3,120.00	0.00	0.00	0.00	3,120.00
400.7240	Cemetery Contribution	1,200.00	0.00	1,200.00	100.00	0.00
400.7300	Bad Debt Expense	3,348.00	0.00	0.00	0.00	3,348.00
	TOTAL OTHER COSTS	12,168.00	0.00	6,688.59	54.97	5,479.41
NET SERVICE						
	TOTAL Administration	684,688.00	17,252.00	620,847.17	90.68	63,840.83
Police Executive						
PERSONNEL SERVICES						
521.1021	Executive	82,165.90	6,129.45	64,362.67	78.33	17,803.23
521.1023	Patrol Officers	346,035.16	26,834.58	222,673.51	64.35	123,361.65
521.1110	Longevity	500.00	0.00	294.00	58.80	206.00
521.1120	Overtime	15,000.00	813.40	6,009.63	40.06	8,990.37
521.1200	Social Security	23,404.00	2,132.44	17,945.18	76.68	5,458.82
521.1210	Medicare	11,325.00	498.73	4,112.57	36.31	7,212.43
521.1215	Disability Insurance	1,453.00	0.00	323.12	22.24	1,129.88
521.1220	Group Health Insurance	71,365.00	164.90	46,086.81	64.58	25,278.19
521.1240	Retirement	55,489.00	4,813.24	42,240.41	76.12	13,248.59
521.1250	Unemployment Tax (SUTA)	1,200.00	5.98	70.06	5.84	1,129.94
521.1255	Life Flight	1,280.00	0.00	640.00	50.00	640.00

.0 - General

FINANCIAL SUMMARY

DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
521.1270 Certificate Pay	7,800.00	950.00	4,725.00	60.58	3,075.00
521.1280 Workers Comp	15,743.00	0.00	13,551.73	86.08	2,191.27
TOTAL PERSONNEL SERVICES	632,760.06	42,342.72	423,034.69	66.86	209,725.37
SERVICES					
521.2103 Medical Expense	600.00	0.00	0.00	0.00	600.00
521.2130 Computer Services	1,800.00	50.00	862.50	47.92	937.50
521.2220 Building & Grounds	1,500.00	26.25	1,528.37	101.89	(28.37)
521.2224 Motor Vehicle Repair	11,000.00	2,147.79	22,060.48	200.55	(11,060.48)
521.2311 PROPERTY/LIABILITY	10,209.00	0.00	10,209.00	100.00	0.00
521.2320 Telephone	9,000.00	1,140.24	7,014.87	77.94	1,985.13
521.2325 Radio Service	3,500.00	197.90	3,242.22	92.63	257.78
521.2340 Printing	500.00	0.00	360.00	72.00	140.00
521.2350 Travel	1,500.00	0.00	0.00	0.00	1,500.00
521.2360 Professional Services	0.00	0.00	150.00	0.00	(150.00)
521.2370 Education & Training	3,500.00	0.00	1,243.02	35.51	2,256.98
521.2371 Memberships	425.00	0.00	0.00	0.00	425.00
521.2375 Radar Equip. Recertification	400.00	0.00	590.00	147.50	(190.00)
TOTAL SERVICES	43,934.00	3,562.18	47,260.46	107.57	(3,326.46)
SUPPLIES					
521.3111 Ice, Cups, Etc.	0.00	0.00	61.27	0.00	(61.27)
521.3112 Fuel	25,000.00	2,305.62	28,358.58	113.43	(3,358.58)
521.3115 Postage	125.00	0.00	86.80	69.44	38.20
521.3116 Office Supplies	4,000.00	196.55	1,840.52	46.01	2,159.48
521.3120 Utilities	2,500.00	0.00	3,080.13	123.21	(580.13)
521.3160 Minor Tools & Equipment	2,000.00	0.00	4,575.87	228.79	(2,575.87)
521.3170 Wearing Apparel	5,400.00	0.00	6,657.23	123.28	(1,257.23)
521.3171 Medical Supplies	1,000.00	0.00	0.00	0.00	1,000.00
521.3172 Miscellaneous	1,500.00	0.00	1,449.14	96.61	50.86
521.3175 Signs, Markers, Etc.	25.00	0.00	0.00	0.00	25.00
521.3176 Janitorial Supplies	30.00	0.00	0.00	0.00	30.00
521.3177 Ammunition	4,500.00	0.00	1,023.75	22.75	3,476.25
TOTAL SUPPLIES	46,080.00	2,502.17	47,133.29	102.29	(1,053.29)
CAPITAL OUTLAYS					
521.4210 PD Debt Interest	4,000.00	0.00	602.97	15.07	3,397.03
521.4220 PD Debt Principal	40,000.00	0.00	18,444.54	46.11	21,555.46
521.4235 Computer Hardware	3,000.00	0.00	0.00	0.00	3,000.00
521.4240 Computer Software	20,000.00	75.00	8,142.77	40.71	11,857.23
521.4250 Vehicle DEBT	58,651.00	0.00	58,581.14	99.88	69.86
TOTAL CAPITAL OUTLAYS	125,651.00	75.00	85,771.42	68.26	39,879.58
OTHER COSTS					
521.7210 Grant Expenditures	0.00	0.00	(2,629.97)	0.00	2,629.97
TOTAL OTHER COSTS	0.00	0.00	(2,629.97)	0.00	2,629.97

.0 -General
FINANCIAL SUMMARY
DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>DEBT SERVICE</u>						
	TOTAL Police Executive	848,425.06	48,482.07	600,569.89	70.79	247,855.17
<u>Code Enforcement</u>						
<u>PERSONNEL SERVICES</u>						
523.1022	Code Compliance Officer	30,000.00	2,964.63	16,364.13	54.55	13,635.87
523.1120	Overtime	0.00	0.00	85.32	0.00	(85.32)
523.1200	Social Security	1,045.00	183.81	1,019.87	97.60	25.13
523.1210	Medicare	1,248.00	42.99	238.53	19.11	1,009.47
523.1215	Disability Insurance	174.00	0.00	0.00	0.00	174.00
523.1220	Group Health	8,921.00	0.00	200.00	2.24	8,721.00
523.1240	Retirement	6,116.00	410.90	2,198.03	35.94	3,917.97
523.1250	Unemployment Tax (SUTA)	17.00	0.85	10.68	62.82	6.32
523.1280	Workers Comp	203.00	0.00	203.00	100.00	0.00
	TOTAL PERSONNEL SERVICES	47,724.00	3,603.18	20,319.56	42.58	27,404.44
<u>SERVICES</u>						
523.2311	Insurance of Motor Vehicle	68.00	0.00	0.00	0.00	68.00
523.2320	Telephone	0.00	0.00	376.32	0.00	(376.32)
523.2360	Professional Services	12,000.00	0.00	6,098.90	50.82	5,901.10
523.2390	Code Enforcement Expenses	456.00	0.00	0.00	0.00	456.00
	TOTAL SERVICES	12,524.00	0.00	6,475.22	51.70	6,048.78
<u>APPLIES</u>						
<u>CAPITAL OUTLAYS</u>						
	TOTAL Code Enforcement	60,248.00	3,603.18	26,794.78	44.47	33,453.22
<u>Municipal Court</u>						
<u>PERSONNEL SERVICES</u>						
330.1021	Executive	15,295.00	1,257.03	12,570.30	82.19	2,724.70
330.1200	Social Security	936.00	77.94	779.40	83.27	156.60
330.1210	Medicare	453.00	18.23	182.30	40.24	270.70
330.1215	Disability Insurance	60.00	0.00	0.00	0.00	60.00
330.1250	Unemployment Tax (SUTA)	140.00	0.85	11.70	8.36	128.30
330.1280	Workers Comp	10.00	0.00	0.00	0.00	10.00
	TOTAL PERSONNEL SERVICES	16,894.00	1,354.05	13,543.70	80.17	3,350.30

0 - General
FINANCIAL SUMMARY
DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

CT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>SERVICES</u>						
530.2102	Legal	375.00	0.00	450.00	120.00	(75.00)
530.2130	Computer Services	1,000.00	2,501.87	3,265.69	326.57	(2,265.69)
530.2310	General Liability Insurance	700.00	0.00	0.00	0.00	700.00
530.2320	Telephone	1,200.00	362.60	1,900.48	158.37	(700.48)
530.2350	Travel	150.00	0.00	123.02	82.01	26.98
530.2361	Court Costs	10,000.00	4,193.19	12,859.36	128.59	(2,859.36)
530.2370	Education & Training	500.00	0.00	0.00	0.00	500.00
	TOTAL SERVICES	13,925.00	7,057.66	18,598.55	133.56	(4,673.55)
<u>SUPPLIES</u>						
530.3115	Postage	50.00	0.00	5.53	11.06	44.47
530.3116	Office Supplies	150.00	157.05	215.69	143.79	(65.69)
	TOTAL SUPPLIES	200.00	157.05	221.22	110.61	(21.22)
<u>CAPITAL OUTLAYS</u>						
<u>INTERFUND CHARGES</u>						
TOTAL Municipal Court						
		31,019.00	8,568.76	32,363.47	104.33	(1,344.47)
<u>Fire Department</u>						
<u>PERSONNEL SERVICES</u>						
540.1280	Workers Comp	0.00	0.00	2,302.00	0.00	(2,302.00)
	TOTAL PERSONNEL SERVICES	0.00	0.00	2,302.00	0.00	(2,302.00)
<u>SERVICES</u>						
540.2220	Building & Ground DEPT SERVICE	0.00	0.00	4.70	0.00	(4.70)
540.2226	Machinery & Equipment	0.00	0.00	602.29	0.00	(602.29)
540.2320	Telephone	0.00	101.09	1,140.57	0.00	(1,140.57)
540.2321	Computer Access - Internet	0.00	129.59	934.99	0.00	(934.99)
540.2325	ICRA Radios	0.00	0.00	3,707.85	0.00	(3,707.85)
	TOTAL SERVICES	0.00	230.68	6,390.40	0.00	(6,390.40)
<u>SUPPLIES</u>						
540.3112	Fuel	0.00	0.00	3,062.77	0.00	(3,062.77)
540.3116	Office Supplies	0.00	0.00	11.50	0.00	11.50
540.3120	Utilities	0.00	0.00	3,665.81	0.00	(3,665.81)
	TOTAL SUPPLIES	0.00	0.00	6,717.08	0.00	(6,717.08)
<u>CAPITAL OUTLAYS</u>						
540.4220	FD Debt Principal	19,553.00	0.00	19,553.00	100.00	0.00
	TOTAL CAPITAL OUTLAYS	19,553.00	0.00	19,553.00	100.00	0.00

.0 -General
 FINANCIAL SUMMARY
 DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>OTHER COSTS</u>					
540.7200 Firemen's Retirement Fund	40,447.00	0.00	28,250.02	69.84	12,196.98
TOTAL OTHER COSTS	40,447.00	0.00	28,250.02	69.84	12,196.98
<u>EBT SERVICE</u>					
TOTAL Fire Department	60,000.00	230.68	63,212.50	105.35	(3,212.50)
TOTAL EXPENDITURES	1,919,787.06	92,678.13	1,538,377.38	80.13	381,409.68
REVENUES OVER/(UNDER) EXPENDITURES	(0.06)	(21,267.45)	281,859.03	0.00	(281,859.09)

Water
 FINANCIAL SUMMARY

83.33% OF FISCAL YEAR

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>REVENUE SUMMARY</u>						
	CHARGES FOR SERVICE	398,745.99	43,859.25	375,496.94	94.17	23,249.05
	MISCELLANEOUS REVENUE	750.00	20.00	390.00	52.00	360.00
	OTHER FINANCING SOURCES	207,564.00	0.00	0.00	0.00	207,564.00
	TOTAL REVENUE	607,059.99	43,879.25	375,886.94	61.92	231,173.05
<u>EXPENDITURE SUMMARY</u>						
	Water Department	607,060.00	25,679.02	336,455.60	55.42	270,604.40
	TOTAL EXPENDITURES	607,060.00	25,679.02	336,455.60	55.42	270,604.40
	REVENUES OVER/(UNDER) EXPENDITURES	(0.01)	18,200.23	39,431.34	400.00-	(39,431.35)

57 -Water
 FINANCIAL SUMMARY
 REVENUE

83.33% OF FISCAL YEAR

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>INTERGOVERNMENTAL REV</u>						
<u>CHARGES FOR SERVICE</u>						
1440	Customer Service	1,500.00	0.00	0.00	0.00	1,500.00
1442	Penalties & Interest	4,500.00	289.92	3,382.36	75.16	1,117.64
1444	Sales	388,745.99	43,569.33	366,314.58	94.23	22,431.41
1445	Tapping Fees	4,000.00	0.00	5,800.00	145.00	(1,800.00)
	TOTAL CHARGES FOR SERVICE	398,745.99	43,859.25	375,496.94	94.17	23,249.05
<u>MISCELLANEOUS REVENUE</u>						
811	Miscellaneous Revenue	750.00	20.00	390.00	52.00	360.00
	TOTAL MISCELLANEOUS REVENUE	750.00	20.00	390.00	52.00	360.00
<u>OTHER FINANCING SOURCES</u>						
900	Transfer From Another Fund	207,564.00	0.00	0.00	0.00	207,564.00
	TOTAL OTHER FINANCING SOURCES	207,564.00	0.00	0.00	0.00	207,564.00
	TOTAL REVENUE	607,059.99	43,879.25	375,886.94	61.92	231,173.05

7 -Water

FINANCIAL SUMMARY
DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

CCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Water Department</u>						
<u>PERSONNEL SERVICES</u>						
570.1023	Clerical/ Laborer	153,000.00	10,946.15	95,247.88	62.25	57,752.12
570.1100	Stand By	5,000.00	1,050.00	6,100.00	122.00	(1,100.00)
570.1110	Longevity	3,432.00	0.00	1,788.00	52.10	1,644.00
570.1120	Overtime	9,500.00	666.95	3,635.62	38.27	5,864.38
570.1200	Social Security	9,481.00	791.30	6,421.05	67.73	3,059.95
570.1210	Medicare	4,588.00	185.07	1,501.68	32.73	3,086.32
570.1215	Disability Insurance	584.00	0.00	1,727.63	295.83	(1,143.63)
570.1220	Group Health Insurance	26,762.00	35.62	45,085.92	168.47	(18,323.92)
570.1221	Employer Contribution HRA/HSA	0.00	0.00	683.32	0.00	(683.32)
570.1240	Retirement	18,259.00	1,768.97	14,970.79	81.99	3,288.21
570.1250	Unemployment Tax (SUTA)	250.00	3.42	46.83	18.73	203.17
570.1255	LifeFlight	640.00	0.00	320.00	50.00	320.00
570.1270	Certificata Pay	1,800.00	100.00	1,150.00	63.89	650.00
570.1280	Workers Comp	3,270.00	0.00	4,263.28	130.38	(993.28)
<u>TOTAL PERSONNEL SERVICES</u>		<u>236,566.00</u>	<u>15,476.24</u>	<u>182,942.00</u>	<u>77.33</u>	<u>53,624.00</u>
<u>SERVICES</u>						
570.2100	Engineering Services	12,500.00	0.00	1,500.00	12.00	11,000.00
570.2101	Grant Consultant	10,000.00	0.00	0.00	0.00	10,000.00
570.2106	Financial Consultants	500.00	0.00	13,297.97	659.59	(12,797.97)
570.2110	Debt Service Fees	0.00	400.00	400.00	0.00	(400.00)
570.2220	Building & Grounds	2,000.00	184.87	647.62	32.38	1,352.38
570.2221	Water Well Maintenance	20,000.00	3,941.88	9,794.09	48.97	10,205.91
570.2223	Tanks & Towers	20,000.00	0.00	0.00	0.00	20,000.00
570.2224	Motor Vehicle Repair	4,000.00	20.00	1,022.13	25.55	2,977.87
570.2225	Heavy Equipment	3,000.00	0.00	0.00	0.00	3,000.00
570.2226	Machinery & Equipment	4,500.00	569.14	2,379.50	52.88	2,120.50
570.2227	Water Analysis	2,250.00	0.00	1,286.09	57.16	963.91
570.2310	General Liability Insurance	4,000.00	0.00	4,000.00	100.00	0.00
570.2311	Insurance of Motor Equipment	5,268.00	0.00	2,880.86	54.69	2,387.14
570.2325	Radio Service	500.00	197.90	891.32	178.26	(391.32)
570.2350	Travel	500.00	0.00	53.41	10.68	446.59
570.2360	Permits	4,000.00	0.00	7,274.58	181.86	(3,274.58)
570.2370	Education & Training	1,500.00	0.00	966.77	64.45	533.23
570.2371	Memberships	550.00	210.66	654.81	119.06	(104.81)
<u>TOTAL SERVICES</u>		<u>95,068.00</u>	<u>5,524.45</u>	<u>47,049.15</u>	<u>49.49</u>	<u>48,018.85</u>
<u>APPLIES</u>						
570.3111	Ice, Cups, Etc.	200.00	0.00	0.00	0.00	200.00
570.3112	Fuel	5,000.00	0.00	8,583.24	171.66	(3,583.24)
570.3113	Oil & Grease	100.00	0.00	497.24	497.24	(397.24)
570.3114	Chemicals	15,000.00	3,597.85	15,599.23	103.99	(599.23)
570.3115	Postage	2,000.00	0.00	1,852.44	92.62	147.56

17 -Water

FINANCIAL SUMMARY

DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
570.3120 Utilities	30,000.00	0.00	24,402.90	81.34	5,597.10
570.3160 Minor Tools & Equipment	1,200.00	0.00	679.21	56.60	520.79
570.3164 Parts & Materials	13,000.00	862.68	13,692.44	105.33	(692.44)
570.3166 Meters	5,000.00	0.00	3,197.45	63.95	1,802.55
570.3167 Fire Hydrants	3,000.00	0.00	0.00	0.00	3,000.00
570.3170 Wearing Apparel	2,500.00	217.80	2,102.24	84.09	397.76
570.3172 Miscellaneous	500.00	0.00	(1,252.04)	250.41-	1,752.04
570.3173 CREDIT CARD PAYMENTS	11,000.00	0.00	18,388.92	167.17	(7,388.92)
TOTAL SUPPLIES	88,500.00	4,678.33	87,743.27	99.14	756.73
APITAL OUTLAYS					
570.4120 New Water Lines	15,000.00	0.00	0.00	0.00	15,000.00
570.4143 Water Equipment/Projects	129,372.00	0.00	0.00	0.00	129,372.00
570.4210 Debt Interest	2,000.00	0.00	0.00	0.00	2,000.00
570.4220 Debt Principal	40,554.00	0.00	17,589.60	43.37	22,964.40
570.4240 Computer Software	0.00	0.00	1,131.58	0.00	(1,131.58)
TOTAL CAPITAL OUTLAYS	186,926.00	0.00	18,721.18	10.02	168,204.82
INTERFUND CHARGES					
DEPRECIATION & AMORIT					
OTHER COSTS					
NET SERVICE					
TOTAL Water Department	607,060.00	25,679.02	336,455.60	55.42	270,604.40
Water Department					
PERSONNEL SERVICES					
TOTAL EXPENDITURES	607,060.00	25,679.02	336,455.60	55.42	270,604.40
REVENUES OVER/ (UNDER) EXPENDITURES	(0.01)	18,200.23	39,431.34	0.00	(39,431.35)

8 -Wastewater
 FINANCIAL SUMMARY

83.33% OF FISCAL YEAR

ACT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>REVENUE SUMMARY</u>						
	CHARGES FOR SERVICE	265,000.00	22,660.69	221,295.31	83.51	43,704.69
	MISCELLANEOUS REVENUE	0.00	0.00	17,355.25	0.00	(17,355.25)
	TOTAL REVENUE	265,000.00	22,660.69	238,650.56	90.06	26,349.44
<u>EXPENDITURE SUMMARY</u>						
	sewer Department	265,000.00	1,571.25	96,411.79	36.38	168,588.21
	TOTAL EXPENDITURES	265,000.00	1,571.25	96,411.79	36.38	168,588.21
	REVENUES OVER/ (UNDER) EXPENDITURES	0.00	21,089.44	142,238.77	0.00	(142,238.77)

6 -Wastewater
 FINANCIAL SUMMARY
 REVENUE

83.33% OF FISCAL YEAR

CCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>INTERGOVERNMENTAL REV</u>						
<u>CHARGES FOR SERVICE</u>						
442	Penalties & Interest	3,000.00	191.29	2,169.91	72.33	830.09
444	Sales	256,000.00	22,469.40	215,775.40	84.29	40,224.60
445	Tapping Fees	6,000.00	0.00	3,350.00	55.83	2,650.00
	TOTAL CHARGES FOR SERVICE	265,000.00	22,660.69	221,295.31	83.51	43,704.69
<u>MISCELLANEOUS REVENUE</u>						
816	GLO CDBG MIT 22-119-001-D359	0.00	0.00	17,355.25	0.00	(17,355.25)
	TOTAL MISCELLANEOUS REVENUE	0.00	0.00	17,355.25	0.00	(17,355.25)
<u>TEER FINANCING SOURCES</u>						
	TOTAL REVENUE	265,000.00	22,660.69	238,650.56	90.06	26,349.44

8 - Wastewater
FINANCIAL SUMMARY
DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

ACT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Water Department</u>						
<u>PERSONNEL SERVICES</u>						
<u>SERVICES</u>						
580.2100	Engineering Services	2,000.00	0.00	5,735.00	286.75	(3,735.00)
580.2101	Grant Consultant	10,000.00	0.00	0.00	0.00	10,000.00
580.2200	Sewer Plant & Lift Stations	7,500.00	180.00	7,837.14	104.50	(337.14)
580.2220	Building & Grounds	500.00	0.00	598.88	119.78	(98.88)
580.2222	Water, Sewer & Electric Lines	10,000.00	0.00	0.00	0.00	10,000.00
580.2224	Motor Vehicle Repair	3,200.00	0.00	155.30	4.85	3,044.70
580.2225	Heavy Equipment	3,000.00	0.00	0.00	0.00	3,000.00
580.2226	Machinery & Equipment	4,000.00	40.00	590.78	14.77	3,409.22
580.2227	Effluent Analysis	15,000.00	1,351.25	11,964.75	79.77	3,035.25
580.2310	General Liability Insurance	0.00	0.00	847.00	0.00	(847.00)
580.2311	Insurance of Motor Equipment	847.00	0.00	44.75	5.28	802.25
580.2350	Travel	0.00	0.00	9.18	0.00	(9.18)
580.2360	Permits	5,500.00	0.00	0.00	0.00	5,500.00
580.2370	Education & Training	700.00	0.00	267.02	38.15	432.98
580.2371	Memberships	550.00	0.00	444.15	80.75	105.85
	TOTAL SERVICES	62,797.00	1,571.25	28,493.95	45.37	34,303.05
<u>SUPPLIES</u>						
580.3111	Ice, Cups, Etc.	125.00	0.00	0.00	0.00	125.00
580.3112	Fuel	6,000.00	0.00	1,756.00	29.27	4,244.00
580.3113	Oil & Grease	100.00	0.00	0.00	0.00	100.00
580.3114	Chemicals	15,000.00	0.00	7,745.00	51.63	7,255.00
580.3115	Postage	2,000.00	0.00	1,844.95	92.25	155.05
580.3120	Utilities	29,000.00	0.00	24,860.12	85.72	4,139.88
580.3160	Minor Tools & Equipment	4,000.00	0.00	42.28	1.06	3,957.72
580.3164	Parts & Materials	5,000.00	0.00	5,314.24	106.28	(314.24)
580.3172	Miscellaneous	100.00	0.00	0.00	0.00	100.00
	TOTAL SUPPLIES	61,325.00	0.00	41,562.59	67.77	19,762.41
<u>CAPITAL OUTLAYS</u>						
580.4120	New Wastewater Lines	8,000.00	0.00	0.00	0.00	8,000.00
580.4135	Future Sludge Removal	24,667.00	0.00	0.00	0.00	24,667.00
580.4601	GLO CDBG 22-119- D359 EXP	0.00	0.00	26,355.25	0.00	(26,355.25)
	TOTAL CAPITAL OUTLAYS	32,667.00	0.00	26,355.25	80.68	6,311.75
<u>INTERFUND CHARGES</u>						
<u>DEPRECIATION & AMORT</u>						

8 -Wastewater
 FINANCIAL SUMMARY
 DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

CCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>OTHER COSTS</u>						
<u>EBT SERVICE</u>						
580.8259	Transfer to Electric Fund	108,211.00	0.00	0.00	0.00	108,211.00
	TOTAL DEBT SERVICE	108,211.00	0.00	0.00	0.00	108,211.00
<hr/>						
	TOTAL Sewer Department	265,000.00	1,571.25	96,411.79	36.38	168,588.21
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	TOTAL EXPENDITURES	265,000.00	1,571.25	96,411.79	36.38	168,588.21
<hr/>						
	REVENUES OVER/(UNDER) EXPENDITURES	0.00	21,089.44	142,238.77	0.00	(142,238.77)

9 -Electric
 FINANCIAL SUMMARY

83.33% OF FISCAL YEAR

CCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>REVENUE SUMMARY</u>						
	CHARGES FOR SERVICE	3,550,004.10	289,457.66	2,522,704.19	71.06	1,027,299.91
	MISCELLANEOUS REVENUE	114,211.00	590.00	17,552.81	15.37	96,658.19
	TOTAL REVENUE	3,664,215.10	290,047.66	2,540,257.00	69.33	1,123,958.10
<u>EXPENDITURE SUMMARY</u>						
	Electric Distribution	1,492,797.00	31,807.12	1,224,870.96	82.05	267,926.04
	Generation & Transmission	2,171,418.00	182,900.10	1,775,394.64	81.76	396,023.36
	TOTAL EXPENDITURES	3,664,215.00	214,707.22	3,000,265.60	81.88	663,949.40
	EVENTS OVER/ (UNDER) EXPENDITURES	0.10	75,340.44	(460,008.60)	600.00-	460,008.70

19 -Electric
FINANCIAL SUMMARY
REVENUE

83.33% OF FISCAL YEAR

ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
CHARGES FOR SERVICE					
440 Customer Service	35,000.00	0.00	7,554.18	21.58	27,445.82
441 Administrative Fee	1,800.00	125.00	975.00	54.17	825.00
442 Penalties & Interest	23,000.00	1,764.56	21,222.54	92.27	1,777.46
444 Sales	1,516,977.10	104,223.08	872,168.15	57.49	644,808.95
445 Power Cost Recovery Factor	1,973,227.00	183,345.02	1,620,784.32	82.14	352,442.68
TOTAL CHARGES FOR SERVICE	3,550,004.10	289,457.66	2,522,704.19	71.06	1,027,299.91
INVESTMENT INCOME					
MISCELLANEOUS REVENUE					
811 Miscellaneous Revenue	6,000.00	590.00	17,552.81	292.55	(11,552.81)
858 Transfer from Wastewater	108,211.00	0.00	0.00	0.00	108,211.00
TOTAL MISCELLANEOUS REVENUE	114,211.00	590.00	17,552.81	15.37	96,658.19
OTHER FINANCING SOURCES					
TOTAL REVENUE	3,664,215.10	290,047.66	2,540,257.00	69.33	1,123,958.10

59 -Electric

FINANCIAL SUMMARY
DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Electric Distribution</u>						
PERSONNEL SERVICES						
590.1021	Executive	81,977.00	5,292.47	55,327.05	67.49	26,649.95
590.1023	Clerical/Laborer	200,667.00	11,067.22	145,396.44	72.46	55,270.56
590.1100	Stand By	8,000.00	800.00	9,800.00	122.50	(1,800.00)
590.1110	Longevity	7,000.00	0.00	6,318.00	90.26	682.00
590.1120	Overtime	10,000.00	0.00	1,156.46	11.56	8,843.54
590.1200	Social Security	16,690.00	1,050.06	12,617.25	75.60	4,072.75
590.1210	Medicare	8,076.00	245.57	2,950.82	36.54	5,125.18
590.1215	Disability Insurance	484.00	0.00	240.82	49.76	243.18
590.1220	Group Health Insurance	35,683.00	0.00	19,700.66	55.21	15,982.34
590.1221	Employer Contribution HRA/HSA	0.00	0.00	183.06	0.00	(183.06)
590.1230	Group Dental Insurance	0.00	0.00	290.04	0.00	(290.04)
590.1240	Retirement	39,571.00	2,471.46	31,693.72	80.09	7,877.28
590.1250	Unemployment Tax (SUTA)	300.00	4.27	58.53	19.51	241.47
590.1255	LifeFlight	800.00	0.00	960.00	120.00	(160.00)
590.1270	Certificate Pay	7,200.00	650.00	6,250.00	86.81	950.00
590.1280	Workers Comp	4,530.00	0.00	5,477.45	120.92	(947.45)
TOTAL PERSONNEL SERVICES		420,978.00	21,581.05	298,420.30	70.89	122,557.70
SERVICES						
590.2100	Engineering Services	5,000.00	958.07	17,245.62	344.91	(12,245.62)
590.2106	Financial Consultants	0.00	0.00	24,891.63	0.00	(24,891.63)
590.2130	Computer Services	49,000.00	325.63	42,349.94	86.43	6,650.06
590.2220	Building & Grounds	2,500.00	0.00	1,711.03	68.44	788.97
590.2224	Motor Vehicle Repair	5,000.00	0.00	809.37	16.19	4,190.63
590.2225	Heavy Equipment	10,000.00	7,740.82	20,121.26	201.21	(10,121.26)
590.2226	Machinery & Equipment	2,500.00	0.00	400.13	16.01	2,099.87
590.2228	Contracting Services	3,000.00	0.00	757.00	25.23	2,243.00
590.2310	General Liability Insurance	5,000.00	0.00	4,465.18	89.30	534.82
590.2311	Insurance of Motor Equipment	8,454.00	0.00	2,330.00	27.56	6,124.00
590.2320	Telephone	7,250.00	195.99	5,760.32	79.45	1,489.68
590.2321	Computer Access - Internet	2,775.00	0.00	914.47	32.95	1,860.53
590.2325	Radio Services	1,661.00	197.90	2,306.47	138.86	(645.47)
590.2350	Travel	150.00	0.00	9.19	6.13	140.81
590.2370	Education & Training	900.00	0.00	535.00	59.44	365.00
590.2371	Memberships	659.00	460.67	935.67	141.98	(276.67)
590.2380	Clean-up	7,500.00	0.00	36,088.09	481.17	(28,588.09)
590.2390	Franchise Fee	834,000.00	0.00	660,783.00	79.23	173,217.00
TOTAL SERVICES		945,349.00	9,879.08	822,413.37	87.00	122,935.63
UTILITIES						
590.3111	Ice, Cups, Etc.	220.00	0.00	37.75	17.16	182.25
590.3112	Fuel	6,500.00	0.00	2,836.55	43.64	3,663.45
590.3113	Oil & Grease	400.00	0.00	275.40	68.85	124.60

19 -Electric

FINANCIAL SUMMARY

DEPARTMENT EXPENDITURES

83.33% OF FISCAL YEAR

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
590.3114	Chemicals	1,200.00	0.00	330.32	27.53	869.68
590.3115	Postage	2,800.00	0.00	1,867.55	66.70	932.45
590.3116	Office Supplies	2,500.00	43.17	2,488.38	99.54	11.62
590.3120	Utilities	2,000.00	0.00	2,646.93	132.35	(646.93)
590.3160	Minor Tools & Equipment	1,500.00	30.98	2,891.29	192.75	(1,391.29)
590.3164	Parts & Materials	35,000.00	0.00	75,132.65	214.66	(40,132.65)
590.3166	Meters	3,500.00	0.00	1,835.82	52.45	1,664.18
590.3170	Wearing Apparel	4,000.00	272.84	3,777.13	94.43	222.87
590.3172	Miscellaneous	850.00	0.00	148.52	17.47	701.48
	TOTAL SUPPLIES	60,470.00	346.99	94,268.29	155.89	(33,798.29)

CAPITAL OUTLAYS

590.4240	Computer Software	1,000.00	0.00	184.00	18.40	816.00
590.4250	Vehicle	65,000.00	0.00	0.00	0.00	65,000.00
590.4600	Capital Outlay	0.00	0.00	9,585.00	0.00	(9,585.00)
	TOTAL CAPITAL OUTLAYS	66,000.00	0.00	9,769.00	14.80	56,231.00

DEPRECIATION & AMORT

OTHER COSTS

DEBT SERVICE

TOTAL Electric Distribution	1,492,797.00	31,807.12	1,224,870.96	82.05	267,926.04
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Generation & Transmission

SUPPLIES

591.3100	Wholesale Electric Purchase	1,973,227.00	182,900.10	1,775,394.64	89.97	197,832.36
591.3110	Ancillary Services Fee (Feb21)	198,191.00	0.00	0.00	0.00	198,191.00
	TOTAL SUPPLIES	2,171,418.00	182,900.10	1,775,394.64	81.76	396,023.36

TOTAL Generation & Transmission

TOTAL Generation & Transmission	2,171,418.00	182,900.10	1,775,394.64	81.76	396,023.36
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TOTAL EXPENDITURES

TOTAL EXPENDITURES	3,664,215.00	214,707.22	3,000,265.60	81.88	663,949.40
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REVENUES OVER/(UNDER) EXPENDITURES

REVENUES OVER/(UNDER) EXPENDITURES	0.10	75,340.44	(460,008.60)	0.00	460,008.70
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CITY OF FLATONIA

Agenda Summary Form

Agenda # DA8.1.2023.1	Title: Consider and take appropriate action on the lease for the United States Postal Service.
Summary: Consider and take appropriate action on the lease for the United States Postal Service.	
Option(s): <input type="checkbox"/> I move to approve the lease for the United States Postal Service. <input type="checkbox"/> If you are opposed to not 2 nd or make any motion. If a motion is not made, the item is dead.	
Sears: _____ Seale: _____ Kocian: _____ Cockrell: _____ Mayor Pro Tem Eversole: _____ Mayor Geesaman _____	

"Negative" motions are generally not permitted. To dispose of a business item, the motion should be phrased as a positive action to take, and then, if the group desires not to take this action, the motion should be voted down. The exception to this rule is when a governing body is asked to take action on a request and wishes to create a record as to why the denial is justified.



February 24, 2023

CITY OF FLATONIA
PO BOX 329
FLATONIA, TX 78941-0329

SUBJECT: FLATONIA MAIN OFFICE, 105 E SOUTH MAIN ST, FLATONIA, CO 78941-9998
Expiration Date: 02/28/25

Dear United States Postal Service Landlord,

On behalf of the United States Postal Service ("Postal Service"), JLL is pleased to present the enclosed Lease Agreement for the above referenced property. Should you have feedback to the enclosed Lease Agreement, please contact me at 404-775-5866 or jordan.bennett@jll.com.

The following instructions have been added for your convenience to help expedite lease execution:

- **Lease Agreement:**
 - Sign each copy of the agreement where indicated.
 - Date each copy of the agreement on the designated line.
- **Real Estate Conflict of Interest (COI) Certification Form:**
 - Complete one COI form for each per person who signs the lease. Sign and date where indicated.
- **IRS Form W-9:**
 - Complete items 1-7 where applicable, Part I, Part II, sign, and date where indicated.
- **Commission Agreement:**
 - Sign name, print name, and date where indicated.
- **Evidence of Title:** Provide Deed/Certificate of Transfer of Title.

****PLEASE SIGN AND RETURN THIS LEASE PACKET NO LATER THAN 04/10/23**.**

Using the enclosed envelope, please mail **all requested forms with original signatures**. Please note that postage is required. Upon acceptance and execution by the Postal Service, an original executed Lease will be returned to you.

Notice: All owners of record are advised to read the Lease thoroughly to ensure that each party is in agreement with the terms and conditions of this contract.

Respectfully,

A handwritten signature in black ink that reads "Jordan Bennett".

Jordan Bennett
Manager, Transactions Management
Jones Lang LaSalle (JLL)
1225 17th Street, Suite 1850
Denver, CO 80202
M: (404) 775 5866
jordan.bennett@am.jll.com

CC: Sara West

FACILITIES HEADQUARTERS



October 1, 2022

Dear Postal Service Landlord:

The Postal Service awarded a National Contract for Real Estate Services to Jones Lang LaSalle Americas, Inc. (JLL) in April 2017. JLL has experience and expertise in real property transactions and will be providing real estate support services, including lease management and brokerage services. The contract with JLL became effective on April 21, 2017.

This National Contract for our Real Estate Services Provider (RESP) entitles JLL to serve as the Tenant Representative on the behalf of the Postal Service for your leasing transaction. The Postal Service expects that you will pay a commission to the JLL representative for leasing services pursuant to a separate agreement between you and the JLL representative. The Postal Service understands that the rental rate may reflect this commission payment, along with other market-based factors.

The Postal Service expects that the JLL representative will be respectful and professional in representing the Postal Service's interests and that you will work cooperatively with the JLL representative on the leasing transaction. We appreciate your cooperation in working with the Postal Service's Tenant Representative.

If you have any questions, please contact Tim Kastens, JLL Contract Executive at 202-719-5749 or at Tim.Kastens@am.jll.com.

Sincerely yours,

A handwritten signature in cursive script that reads "Donald L. Mackey".

A handwritten flourish or mark consisting of a large, stylized loop.

Donald L. Mackey
Director, Facilities Leasing (A)

USPS Letter of Intent – FLATONIA MAIN OFFICE (FLATONIA, CO 78941-9998)

Property ID: 483110-001

Date Submitted:	February 24, 2023
Submitted To:	CITY OF FLATONIA as representative of Landlord
Submitted By:	Jones Lang LaSalle Americas, Inc. as co-broker to Jones Lang LaSalle Americas, Inc., as representative of the Tenant
Description of Requirement:	Renewal of Lease
Response Date Requested:	Please submit a written response in the space provided within ten (10) days of receipt.
Issue	Proposal of Terms Landlord Response
1. Building:	FLATONIA MAIN OFFICE, 105 E SOUTH MAIN ST, FLATONIA, CO 78941-9998
2. Landlord:	CITY OF FLATONIA, PO BOX 329, FLATONIA, TX 78941-0329
3. Tenant:	United States Postal Service shall be the entity defined in the lease agreement.
4. Lease Commencement Date:	3/1/2025
5. Lease Term:	Five (5) years
6. USPS Lease Form:	This transaction is subject to use of the United States Postal Service's current standard lease form.
7. Premises:	2,025 square feet (net interior)
8. Proposed Annual Rent:	\$14,175.00 per annum, <u>inclusive of a market commission</u>
9. Utilities/Services/Equipment:	Per the terms of the current Lease Agreement: Utilities Services & Equipment Rider
10. Maintenance:	Per the terms of the current Lease Agreement: Landlord Responsibility
11. Real Estate Taxes:	Per the terms of the current Lease Agreement: Landlord Responsibility
12. Parking:	Per the terms of the current Lease Agreement
13. Termination Option:	Tenant shall have the right to terminate with at least 30 days advance written notice to Landlord (per the terms of the current lease.)
14. Renewal Option:	Tenant shall have two (2) renewal options of five (5) years each with at least 0 days advance written notice to Landlord. The annual rent for each option term shall be at a 8% increase over the prior term.
15. Commissions:	Tenant is represented by Jones Lang LaSalle Americas, Inc. as co-broker to Jones Lang LaSalle Americas, Inc.. Tenant requires Landlord to enter into a separate agreement with Broker, under which Landlord agrees to pay Broker a market real estate commission ("Commission") in the amount of \$2,835.00, equivalent to 4 percent (4%) of the total aggregate Lease value. The entire Commission shall be due and payable upon the execution of Lease Agreement or equivalent document.
16. Required Documentation:	Please provide the following documents with an accepted proposal: <ul style="list-style-type: none"> • Copy of recorded Warranty Deed (confirming ownership) • Completed IRS Form W9 (confirming ownership)

This is a non-binding document. This document is not intended, nor should it be interpreted, to be a lease or any other type of contract between Tenant and Landlord. Rather, this letter expresses the general desire of the parties to potentially conduct negotiations concerning a possible real estate lease transaction, with both parties acknowledging that other material terms have not been discussed and that there is no obligation to do so. Either Tenant or Landlord may, for any reason whatsoever or without cause, terminate discussions or negotiations at any time in each party's sole and absolute discretion. Any such termination shall be without obligation or liability whatsoever. Notwithstanding any written or verbal communication(s), or series of communications, to the contrary, Tenant shall not be deemed to have entered into a lease or any other binding agreement unless and until (if at all) the terms and conditions of any such lease or agreement shall have been fully negotiated by Tenant and Landlord, (ii) Tenant's senior management and legal counsel shall have approved the terms and conditions of any such lease or agreement and shall have approved the execution of a formal document intended to evidence the same, and (iii) an authorized representative of both Tenant and Landlord shall have fully executed and delivered a formal agreement of lease to the other. Real estate brokers, tenant representatives, consultants and the like do not have authority to enter into oral or written agreements that are binding upon Tenant.



February 24, 2023



UNITED STATES
POSTAL SERVICE™

Lease (Not to Exceed \$25K)

**FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998**



Lease (Not to Exceed \$25K)

Single-Tenant

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

This Lease, by and between CITY OF FLATONIA, ("**Landlord**") and the United States Postal Service ("**USPS**" or "**Postal Service**"), is made as of the Effective Date. The "**Effective Date**" is the date the Postal Service executes this Lease.

In consideration of the mutual promises set forth and for other good and valuable consideration, the sufficiency of which are hereby acknowledged, the parties covenant and agree as follows:

1. **PREMISES:** Landlord hereby leases to the Postal Service and the Postal Service leases from Landlord, the following premises (the "**Premises**") consisting of the entire building having a street address of 105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998 (the "**Building**") situated upon the real property with an Assessor's Parcel Number of 27735. The Premises is located on the property described in Exhibit A attached hereto and incorporated herein (the "**Property**"). The Premises consists of approximately 2,025 square feet of net interior space and 12,600 square feet of exterior space consisting of platform, ramp, reserved parking and maneuvering, access areas, driveways and drive aisles and sidewalks. The reserved parking area, if any, is shown on Exhibit B attached hereto and incorporated herein. The Premises Area is shown on Exhibit C attached hereto and incorporated herein.

If the Premises is only a portion of the Property, then the Postal Service shall have the non-exclusive right in common with other tenants, if any, of the Building to use any and all stairways, halls, toilets and sanitary facilities, and all other general common facilities in the Building as well as appurtenances and easements benefiting the Premises and the Property, and all common sidewalks, driveways, drive lanes, entrances, exits, access lanes, roadways, service areas, parking and other common areas, wherever located in or on the Property, which the Postal Service deems necessary or appropriate to support its intended use of the Premises and to exercise its rights under this Lease. Landlord shall not make any changes to the size, location, nature, use or place any installations upon, the common areas immediately adjacent to the Premises, including, without limitation the sidewalks and parking areas, which impair the accessibility to or visibility of or ease of use of the Premises by the Postal Service and/or its customers, as reasonably determined by the Postal Service.

The Landlord has supplied the following systems and equipment:

1. Heating System
2. Air Conditioning System
3. Electrical Distribution System
4. Light Fixtures
5. Water Distribution System including hot water supply
6. Sewer or Septic System

The maintenance of these items is governed by the Maintenance Rider Landlord Responsibility attached to this Lease (the "**Maintenance Rider**").

2. **TERM:** The Lease shall be effective as of the Effective Date but the term of this Lease and the obligations of the Postal Service, including the payment of any charges or rent under this Lease, shall be for a period of 5 years commencing on March 01, 2025 ("**Commencement Date**") and ending on February 28, 2030, unless sooner terminated or extended as provided herein. If this Lease is extended, then such extended period shall also be referred to herein as the "**term**."



Lease (Not to Exceed \$25K)

Single-Tenant

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

3. RENT: The Postal Service will pay Landlord an annual rent of: \$14,175.00 ("**Rent**"), payable in equal installments at the end of each calendar month during the term. Rent for a part of a month will be prorated according to the number of days of the month occurring during term.

Rent shall be paid to:
CITY OF FLATONIA
PO BOX 329
FLATONIA, TX 78941-0329

4. RENEWAL OPTIONS: The Postal Service shall have the right to the following renewal options:

Period		Annual Rent
03/01/2030	02/28/2035	\$15,309.00
03/01/2035	02/29/2040	\$16,533.00

provided that the Postal Service send notice of exercise of each such renewal option is sent in writing, to the Landlord at least 0 days before the end of the initial Lease term and each renewal term. All other terms and conditions of this Lease will remain the same during any renewal term unless stated otherwise herein.

5. OTHER PROVISIONS: When used herein the term "lease" or "Lease" includes all of the following additional provisions, modifications, riders, layouts, and/or forms which were agreed upon prior to execution and made a part of this Lease.

- General Conditions to USPS Lease
- Exhibit A (Legal Description of Property)
- Exhibit B (Parking Area)
- Exhibit C (Premises Area)
- Utilities and Services Rider
- Maintenance Rider Landlord Responsibility

6. TERMINATION: The Postal Service shall have a right to terminate this Lease upon 30 days' prior written notice to Landlord at any time during the term of this Lease (including any renewal periods). Upon such termination, the Postal Service's obligations under this Lease shall cease except for the restoration obligation under Section 4(b) of the General Conditions to USPS Lease.

7. CONFLICT OF INTEREST. To avoid actual or apparent conflicts of interest, the Postal Service requires the certification set forth on the signature page from Landlord. The Postal Service will be relying on the accuracy of the statements made by you in this certification. If Landlord's certifications below are false, or Landlord breaches the certification and fails to notify the Postal Service Contracting Officer as provided below, then the Postal Service



Lease (Not to Exceed \$25K)

Single-Tenant

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

may exercise any or all of the following remedies: (i) withhold Rent and all other payments and reimbursements due or to become due under this Lease until Landlord remedies the misrepresentation or the Postal Service waives such conflict of interest, (ii) terminate the Lease on a date set forth in the notice to Landlord without penalty, or (iii) exercise any other remedy it may have for damages or injunctive relief.

[Conflict of Interest/Signature Page Follows]



Conflict of Interest/Signature Page

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

CONFLICT OF INTEREST CERTIFICATION BY LANDLORD

LANDLORD: Please check all that apply in item A below and complete item B below if necessary.

The undersigned certifies to the Postal Service as follows:

A. (Check all that apply) Landlord is:

- (i) A Postal Service employee or a business organization owned or controlled by a Postal Service employee;
- (ii) The spouse of a Postal Service employee or a business organization owned or controlled by a spouse of a Postal Service employee;
- (iii) A family member of a Postal Service employee or a business organization owned or controlled by a family member of a Postal Service employee;
(Relationship) _____
- (iv) An individual residing in the same household as a Postal Service employee or a business organization owned or controlled by an individual residing in the same house as a Postal Service employee;
- (v) None of the above.

B. If you checked any of A (i) through (iv) above complete as applicable:

- (i) Postal Service Employee:
(Name) _____ (Title) _____ (Location) _____
- (ii) Spouse who works for the Postal Service:
(Name) _____ (Title) _____ (Location) _____
- (iii) Family member who works for the Postal Service:
(Name) _____ (Title) _____ (Location) _____
- (iv) Household Member who works for the Postal Service:
(Name) _____ (Title) _____ (Location) _____

C. If you have checked "none of the above" and during the lease term or any renewal term, you do fall into any of the categories listed in A (i) through (iv) above, you must notify the Postal Service's Contracting Officer in writing within 30 days of the date you fall into any of the categories and shall include an explanation of which of the above categories now applies.

The person signing this Lease certifies under penalty of perjury that he/she/they has full power and authority to bind the Landlord named below.

LANDLORD NAME: CITY OF FLATONIA

Signature: _____

Print Name: _____

Title: _____

Date: _____

Telephone No: _____

Email Address: _____

(Official notices under the Lease are delivered pursuant to Section 10(n) of the General Conditions to USPS Lease)

POSTAL SERVICE:

Signature: _____

Print Name: TERRENCE BRENNAN

Title: Contracting Officer

Date: _____



Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

Exhibit A

[Legal Description of Property]

A parcel or tract of land out of one of City Park, not numbered, in the Town of Flatonia, Fayette County, Texas, described by metes and bounds as follows: BEGINNING at a point on the East side of Penn Street 50 feet South of the center of the main line tract of the Southern Pacific Railroad, said place of beginning being approximately 170 feet North from the Northwest corner of Lot 16, Block 36, in the city of Flatonia, according to the original plat of same; THENCE East parallel to and 50 feet from the center line of the Southern Pacific Railroad main track, a distance of 140 feet to a point 225 West from the East line of Market Street; THENCE South parallel with the East side of Penn Street, a distance of 90 feet to the North side of South Main Street; THENCE West parallel with the North side of South Main Street, a distance of 140 feet to the East side of Penn Street; THENCE North along the East side of Penn Street, a distance of 90 feet to the place of beginning; This being a rectangular tract of land 90 feet wide by 140 feet deep, containing approximately 12,600 square feet,



Facility Name/Location
FLATONIA - MAIN OFFICE (4831 10-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

Exhibit B

Parking Area

Intentionally Left Blank



Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

Exhibit C

Premises Area

Lease Defined Space Measurements	Sq ft
Rentable SF:	2,025
Total USPS Leased SF:	2,025
Total Property Site SF:	12,600
Exterior, Platform and Ramp:	80

Area Comments



General Conditions to USPS Lease

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

1. APPLICABLE CODES AND ORDINANCES

The Landlord shall comply with all codes and ordinances applicable to the ownership and operation of the Building and Property without regard to the Postal Service tenancy. The Postal Service agrees to comply with all applicable codes and ordinances to the operations of the Postal Service at the Premises, to the extent enforceable against the Postal Service. Nothing herein shall be construed as a waiver of the Postal Service's sovereign immunity.

2. LANDLORD'S INTEREST

a. Landlord represents and warrants to the Postal Service that as of the Effective Date, (i) Landlord owns the Building and the Property; (ii) there are no encumbrances, liens, agreements, or covenants in effect that would materially interfere with the Postal Service's ability to operate, or materially impair the Postal Service's rights or materially increase the Postal Service's obligations under this Lease; and (iii) Landlord is unaware of any existing or impending condemnation plans, proposed special assessments or other adverse physical conditions relating to the Property (provided that if the Premises has been previously occupied by the Postal Service, then Landlord's representation regarding adverse physical conditions is limited to conditions that Landlord is responsible for under this Lease).

b. If this Lease provides for payments aggregating \$10,000 or more to Landlord, claims for monies due or to become due from the Postal Service this Lease may be assigned by Landlord to a bank, trust company, or other financing institution, including any federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any assignment or reassignment must cover all amounts payable and must not be made to more than one party at a time, except that assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in financing this Lease. No assignment or reassignment by Landlord will be recognized as valid and binding upon the Postal Service unless a written notice of the assignment or reassignment, together with a true copy of the instrument of assignment and other reasonable documentation, including without limitation, a W-9, is filed with:

1. the Postal Service's Contracting Officer; and
2. the surety or sureties, if any, upon any bond.

c. Assignment by Landlord of this Lease or any interest in this Lease other than in accordance with the provisions of this clause will be grounds for termination of this Lease by the Postal Service.

d. Nothing contained herein shall be construed so as to prohibit transfer of ownership of the Premises by Landlord, provided that:

1. such transfer is subject to this Lease;
2. a copy of the recorded deed or other official transfer instrument evidencing the transfer is provided to the Postal Service; and
3. Landlord shall cause its assignee or transferee to assume the provisions of this Lease in a writing that is delivered to the Postal Service along with a notice of the transfer. These should be delivered to the Postal Service within 15 days of the date of the transfer or assignment. In addition, both the original Landlord and the new landlord must execute the standard *Certificate of Transfer of Title to Leased Property and Lease Assignment and Assumption* form within 15 days after receipt of such form from the Postal Service. In addition



General Conditions to USPS Lease

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

the new landlord shall provide a Federal W-9 form. Until the Postal Service has the required forms, the Postal Service will continue to pay rent and give all notices to Landlord and not the new landlord. Provided Landlord's successor or assignee expressly assumes Landlord's duties and covenants under this Lease, Landlord shall be released from all liability toward the Postal Service arising from any act, occurrence or omission of Landlord's successor or assign occurring after the transfer of Landlord's interest in this Lease. However, Landlord will not be relieved of liability for its acts, omissions or obligations occurring or accruing up to and including the date of such transfer, and the Postal Service can pursue its remedies for default against either the Landlord or the new landlord.

3. ASSIGNMENT/SUBLEASE BY THE POSTAL SERVICE

The Postal Service may sublet all or any part of the Premises or assign this Lease only with the prior written consent of Landlord, such consent not to be unreasonably withheld, conditioned, or delayed, but the Postal Service shall not be relieved from any obligation under this Lease by reason of any subletting or assignment. If Landlord fails to respond in writing to a written request to sublease or assign from the Postal Service within thirty days after receipt by Landlord of the Postal Service's written request, Landlord shall be deemed to have consented to such sublease or assignment, as applicable.

4. ALTERATIONS AND RESTORATION

a. The Postal Service shall have the right to make alterations, attach fixtures and erect additions, structures and install flags and flagpoles or signs in or upon the Premises or install flags and flagpoles and collection boxes in the common areas (provided such alterations, additions, structures, or signs shall not be detrimental to or inconsistent with the rights granted to other tenants on the Property); which fixtures, additions, structures, flags or signs so placed in, upon or attached to the Premises or common areas shall be and remain the property of the Postal Service and may be removed or otherwise disposed of by the Postal Service at any time and from time to time, including, without limitation, at the end of the term or any renewal term, subject to the provisions of Section 4b below.

b. Upon expiration or termination of this Lease, the Postal Service shall remove its personal property and restore the Premises to a "broom clean" condition with any systems and structures for which the Postal Service is responsible (under the Maintenance Rider attached to this Lease) in working order. The Postal Service is not responsible to restore any condition due to reasonable and ordinary wear and tear, damages by the elements, or by circumstances over which the Postal Service has no control. The Postal Service at its sole option may, prior to the expiration or termination of the Lease, remove any or all of the alterations or improvements or elect to abandon the alterations or improvements in or on the Premises. If the Postal Service elects to abandon, the abandoned alterations and improvements shall become the property of the Landlord and the Postal Service shall be relieved of any liability in connection therewith; provided, however, if following expiration of the Lease the Postal Service enters into a new lease agreement with Landlord to remain in the Premises, the Postal Service shall have continued responsibility for maintenance of such alterations or improvements which were installed by the Postal Service during the term of this Lease (and not by Landlord) in accordance with the Maintenance Rider attached to this Lease.

5. [INTENTIONALLY BLANK]

6. [INTENTIONALLY BLANK]

7. HAZARDOUS/TOXIC CONDITIONS CLAUSE



General Conditions to USPS Lease

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000789210

a. Definitions. As used in this Lease, the following terms have the following meanings:

"Environmental Laws" mean all federal, state or local statutes, laws, ordinances, rules or regulations, relating to protection of human health or the environment, including but not limited to (i) all laws relating to the release of Hazardous Materials into the air, surface water, groundwater or land, or relating to the reporting, investigation or remediation of, licensing, manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials; (ii) all laws pertaining to the protection of the health and safety of employees.

"Hazardous Materials" mean (i) any toxic substance or hazardous waste, substance or related material, or any pollutant or contaminant that is or may hereafter be defined as or included in the definition of "hazardous substances," "toxic substances," "hazardous materials," "hazardous waste" or words of similar import under any and all Environmental Laws; (ii) petroleum, radon gas, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers or other equipment that contain dielectric fluid containing levels of polychlorinated biphenyls in excess of federal, state or local safety guidelines, whichever are more stringent; and (iii) any substance, gas material or chemical that is or may hereafter be defined as or included in the definition of "hazardous substances," "toxic substances," "hazardous materials," "hazardous waste" or words of similar import under any Environmental Laws.

"Environmental Contamination" means the presence of any Hazardous Materials which includes the presence of friable asbestos materials at any level, in, on, or under the Property, the Premises, common areas or the Building, at levels that require reporting to the enforcing environmental regulatory agency and/or environmental response action (s) under applicable Environmental Laws.

"Asbestos-Containing Material" (ACM) means any material containing more than 1% asbestos as determined by using the method specified in 40 CFR Part 763, Subpart E, Appendix E. "Friable asbestos material" means any ACM that, when dry, can be crumbled, pulverized, or reduced to powder by hand pressure.

b. Landlord Certification. By execution of this Lease, the Landlord certifies that, to the best of its knowledge and excluding any written disclosures made to the Postal Service: (i) the Property and premises are free of Environmental Contamination; (ii) there are no undisclosed underground storage tanks or associated piping on, in, or under the premises or Property; (iii) there are no ACMs, radon, lead-based paint, or lead piping or solder in drinking water systems, or in or on the Property; and (iv) Landlord has not received, nor is Landlord aware of, any notification or other communication from any party concerning any environmental condition, or violation or potential violation of any Environmental Law, regarding the Property or its vicinity. If the Landlord becomes aware of any such conditions, potential conditions, or violations of any Environmental Laws regarding the Property or its vicinity defined herein, subsequent to Lease commencement or any renewal thereof, Landlord must disclose the new information to the Postal Service as soon as possible, and under no circumstances later than 5 business days after first becoming aware.

c. Environmental Condition of the Premises.

(i) Unless due to the negligence of the Postal Service, if after the Commencement Date or any renewal thereof, Environmental Contamination is at any time identified on the Property, upon notification by the Postal Service, Landlord agrees to remediate or abate such Environmental Contamination to the extent required by Environmental Laws. Prior to performing any work, Landlord must seek and receive written approval by the Postal Service Contracting Officer of the Landlord's contractor and scope of work, and such approval will not be unreasonably withheld. The foregoing notwithstanding, the Postal Service shall pay that portion of the costs of remediation of



General Conditions to USPS Lease

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

Environmental Contamination caused directly by the negligence of the Postal Service. The parties agree that neither of the following shall constitute the negligence of the Postal Service: (a) reasonable and ordinary wear and tear and (b) damages by the elements or by circumstances over which the Postal Service has no control.

(ii) If the Landlord fails to diligently remove, or otherwise respond to in accordance with Environmental Law, any Environmental Contamination, the Postal Service shall have the right to perform the work, and withhold the cost plus administrative costs and/or interest, from Rent and other payments and reimbursements due or to become due or to become due to Landlord from the Postal Service or federal government. Alternatively, if Landlord fails to prosecute the work as required and the Postal Service determines that the Premises are untenantable or unfit for use or occupancy, the Postal Service may, with reasonable discretion, cancel this Lease in its entirety without liability. The remedies provided in this section are non-exclusive and are in addition to any remedies available to the Postal Service under applicable law. Completion of the work by Postal Service shall not relieve Landlord of its responsibility to perform the work in the future. In addition, the Postal Service may proportionally abate the Rent and all other payments and reimbursements due or to become due under this Lease for any period the Premises, or any part thereof, are determined by the Postal Service to have been rendered untenantable or unavailable to it by reason of such condition. If non-friable ACM, whether disclosed by the Landlord prior to execution of this Lease or subsequently found in or on the Property after execution of this Lease, should become friable due to any cause other than the negligence of the Postal Service, the removal, abatement, containment, repair, remediation, replacement or environmental response to such friable ACM shall be performed by the Landlord at the Landlord's sole cost and expense. If ACM in or on the Property or the Building was rendered friable due to the negligence of the Postal Service (including any such negligence of the Postal Service under any prior lease or leases of the Premises), the Postal Service shall be liable for the removal, abatement, containment, repair, remediation, replacement or environmental response to such friable ACM at the Postal Service's sole cost and expense. The parties agree as follows: (1) to the extent a failure by the Postal Service to maintain the improvements containing ACM in accordance with the Postal Service's obligations under the Maintenance Rider in the current or a prior lease of the Premises causes asbestos in ACM in the Premises to become friable, such failure shall constitute the negligence of the Postal Service hereunder, and the Postal Service shall be liable for the removal, abatement, containment, repair, remediation, replacement or environmental response to such friable ACM at the Postal Service's sole cost and expense; and (2) to the extent a failure by the Landlord to maintain the improvements containing ACM in accordance with the Landlord's obligations under the Maintenance Rider in the current or a prior lease of the Premises causes asbestos in ACM in the Premises to become friable, such failure shall constitute the negligence of the Landlord hereunder, and the Landlord shall be liable for the removal, abatement, containment, repair, remediation, replacement or environmental response to such friable ACM at the Landlord's sole cost and expense.

(iii) Without limiting the foregoing, regardless of whether Landlord is required by this Lease to provide fuel for a heating system as set forth in the Utilities and Services Rider, any investigative and remediation cost associated with a release or suspected release of fuel from the heating system, including any fuel tank, shall be the responsibility of the Landlord, unless, and to the extent that, the release is caused by the negligence of the Postal Service's agents or employees, in which event the Postal Service shall be responsible for a portion of the investigative and remediation costs associated with the release to the extent such release was due directly to the Postal Service's agents' or employees' negligence.

d. Rights to Contribution. Nothing stated herein is intended to limit the right of the Landlord or the Postal Service to make claims for contribution or cost recovery under applicable laws against each other or any other persons or entities responsible for such Environmental Contamination.

e. Landlord Indemnification of Postal Service. The Landlord hereby indemnifies and holds harmless the Postal Service and its officers, agents, representatives, and from and against any and all claims, losses, damages,



General Conditions to USPS Lease

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

actions, causes of action, expenses, fees and/or liability resulting from, brought for, or on account of any violation of this Clause or in any way arising out of or connected to Environmental Contamination on the Property, except that Landlord shall not be required to indemnify the Postal Service for, and to the extent of, that portion of the Environmental Contamination caused directly by the negligence of the Postal Service. The parties agree that neither of the following shall constitute the negligence of the Postal Service: (a) reasonable and ordinary wear and tear and (b) damages by the elements or by circumstances over which the Postal Service has no control.

8. FORCE MAJEURE

In the event that either party shall be delayed or hindered in or prevented from the performance of any covenant, agreement, work, service, or other act required under this Lease to be performed by such party (a "**Required Act**"), and such delay or hindrance is due to causes entirely beyond its control such as riots, insurrections, martial law, civil commotion, war, acts or threats of terrorism, fire, flood, earthquake, delays by governmental authorities or other casualty or acts of God (a "**Force Majeure Event**"), then the performance of such Required Act shall be excused for the period of delay, and the time period for performance of the Required Act shall be extended by the same number of days in the period of delay. For purposes of this Lease, the financial inability of Landlord or the Postal Service to perform any Required Act, including (without limitation) failure to obtain adequate or other financing, shall not be deemed to constitute a Force Majeure Event. A Force Majeure Event shall not be deemed to commence sooner than 15 days before the date on which the party who asserts some right, defense or remedy arising from or based upon such Force Majeure Event gives written notice thereof to the other party hereto. If abnormal adverse weather conditions are the basis for a claim for an extension of time due to a Force Majeure Event, the written notice shall be accompanied by data substantiating (i) that the weather conditions were abnormal for the time and could not have been reasonably anticipated and (ii) that the weather conditions complained of had a significant adverse effect on the performance of a Required Act. To establish the extent of any delay to the performance of a Required Act due to abnormal adverse weather, a comparison will be made of the weather for the time of performance of the Required Act with the average of the preceding ten (10) years climatic range based on the National Weather Service statistics for the nearest weather reporting station to the Premises. No extension of time for or excuse for a delay in the performance of a Required Act will be granted for rain, snow, wind, cold temperatures, flood or other natural phenomena of normal intensity for the locality where the Premises are located.

9. GOVERNING LAW; CLAIMS AND DISPUTES

- a. This Lease shall be governed by federal law, including but not limited to, the Contract Disputes Act of 1978 (41 U.S.C. 7101-7109) (the "**Act**"). Except as provided in the Act, all disputes arising under or relating to this Lease must be resolved under this clause.
- b. "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this Lease. However, a written demand or written assertion by the Landlord seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified as required by subparagraph d below. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.
- c. A claim by the Landlord must be made in writing and submitted to the Postal Service Contracting Officer for a written decision. A claim by the Postal Service against the Landlord is subject to a written decision by the Postal Service Contracting Officer. For Landlord claims exceeding \$100,000, the Landlord must submit with the claim the following certification:



General Conditions to USPS Lease

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

"I certify that the claim is made in good faith, that the supporting data are accurate and complete to the best of my knowledge and belief, that the amount requested accurately reflects the contract adjustment for which the Landlord believes the Postal Service is liable, and that I am duly authorized to certify the claim on behalf of the Landlord."

The certification may be executed by any person duly authorized to bind the Landlord with respect to the claim.

d. For Landlord claims of \$100,000 or less, the Postal Service Contracting Officer must, if requested in writing by the Landlord, render a decision within 60 days of the request. For Landlord-certified claims over \$100,000, the Postal Service Contracting Officer must, within 60 days, decide the claim or notify the Landlord of the date by which the decision will be made.

e. The Postal Service Contracting Officer's decision is final unless the Landlord appeals or files a suit as provided in the Act.

f. When a claim is submitted by or against a Landlord, the parties by mutual consent may agree to use an alternative dispute resolution (ADR) process to assist in resolving the claim. A certification as described in subparagraph d of this clause must be provided for any claim, regardless of dollar amount, before ADR is used.

g. The Postal Service will pay interest on the amount found due and unpaid from:

1. the date the Postal Service Contracting Officer receives the claim (properly certified if required); or
2. the date payment otherwise would be due, if that date is later, until the date of payment.

h. Simple interest on claims will be paid at a rate determined in accordance with the Act.

i. Landlord must proceed diligently with performance of this Lease, pending final resolution of any request for relief, claim, appeal, or action arising under this Lease, and comply with any decision of the Postal Service Contracting Officer.

j. In the case where the Landlord has alleged a Postal Service default, and where the Postal Service has vacated the Premises, Landlord must use reasonable efforts to obtain another tenant for the Premises at a fair market rental and to otherwise mitigate its damages.

k. In no event shall the Postal Service or Landlord be liable for any consequential, punitive, or special damages under this Lease. The parties agree that this restriction shall not apply to liquidated damages, if any, provided for in any work letter or other rider or attachment to this Lease.

10. GENERAL

a. **Quiet Enjoyment.** Without limiting any rights the Postal Service may have by statute or common law, Landlord covenants and agrees that, provided that the Postal Service is not in default under this Lease, and for so long as this Lease is in full force and effect, the Postal Service shall lawfully and quietly hold, occupy and enjoy the Premises during the term of this Lease from and after Landlord's delivery of the Premises to the Postal Service until the end of the term, without disturbance by Landlord or by any person having title paramount to Landlord's title or by any person claiming by, through or under Landlord. In the event of substantial, material or unreasonable interference by Landlord as a result of the Landlord exercising its rights and obligations under this Lease, the Rent and all other payments and reimbursements due or to become due under this Lease all shall be equitably abated if the interference continues for more than 24 hours. In the event such interference shall continue for longer than 6



General Conditions to USPS Lease

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

months, the Postal Service shall have the option to terminate this Lease or continue to operate with rent abatement until the interruption ceases. Notwithstanding the foregoing, in the event that, as a result of any substantial, material or unreasonable interference, the Postal Service is legally required to move any of its operations, then Landlord shall reimburse the Postal Service for the actual reasonable costs incurred in connection with such move.

b. Exterior of Building. Landlord shall not place, or allow any other person or entity to place, any advertising, bas reliefs, murals or other decorations on the exterior walls of the area in which the Premises is located nor shall Landlord place, or allow any other person or entity to place any additional landscaping or plantings in such area in excess of that landscaping or planting in existence at the commencement of this Lease. Nothing stated herein is intended to prohibit Landlord from replacing the landscaping or plantings in existence at the commencement of this Lease as needed.

c. Landlord's Access. Landlord and Landlord's agents shall have the right to enter the Premises upon reasonable prior written notice for the purpose of performing inspections, maintenance or repairs that are the responsibility of Landlord under this Lease; provided that no inspections may occur during the Postal Service's peak season (November 1 of each year through January 31 of the following year) other than those necessitated by the sale or refinance of the Property. The Landlord's right of entry hereunder shall be exercisable only during normal business hours and only on the terms set forth in a separate right of entry agreement available to Landlord upon written request to the Postal Service. All other access to the Premises, including but not limited to showing the property to potential buyers, and within 30 days of the end of the Lease term, showing the property to potential tenants, shall be at the sole discretion of the Postal Service.

d. Calendar Days. All references herein to "days" shall mean calendar days unless specified to the contrary.

e. Counterparts. This Lease may be executed in counterparts, which together shall constitute a single instrument. The parties agree that if the signature(s) of either Landlord or the Postal Service on this Lease or any amendments, addendums, assignments, or other records associated with this Lease is not an original but is an electronic signature, scanned signature or a digitally encrypted signature, then such electronic signature, scanned signature or digitally encrypted signature shall be as enforceable, valid and binding as, and the legal equivalent to, an authentic original wet signature penned manually by its signatory. Signatures required under this Lease, or any amendments, addendums, assignments, or other records associated therewith, may be transmitted by email or by fax and, once received by the party to whom such signatures were transmitted, shall be binding on the party transmitting its signatures as though they were an original signature of such party.

f. Notices. Whenever a provision is made under this Lease for any demand, notice or declaration of any kind, or where it is deemed desirable or necessary by either party to give or serve any such notice, demand or declaration to the other party, it shall be in writing and sent by (i) United States mail, certified, postage prepaid or (ii) by Priority Mail Express (overnight), in each instance to the addresses set forth below or at such address as either party may advise the other from time to time in writing. Notices to the Postal Service must include the identification of the facility name and location to be effective. Notices given as required by this Lease will be deemed to have been given three (3) days after the date of certified mailing or the next business day after being sent by Priority Mail Express (regardless whether the addressee rejects, refuses to sign, or fails to pick up such delivery).



General Conditions to USPS Lease

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

To Landlord at: CITY OF FLATONIA
PO BOX 329
FLATONIA, TX 78941-0329

With a copy to: _____

To the Postal Service at: Contracting Officer
USPS Facilities Leasing West
PO Box 5527
Denver, CO 80217-5527

With a copy to: Postmaster/Installation Head
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

Anything in the foregoing to the contrary notwithstanding, in the case of multiple persons or entities comprising Landlord under this Lease or in the case of a person or entity acting as an agent of Landlord, notices to any one of such multiple persons or entities or notice to an agent of Landlord shall be deemed to be sufficient notice to Landlord.

11. FACILITIES NONDISCRIMINATION

- a. By executing this Lease, the Landlord certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform services at any location under its control where segregated facilities are maintained.
- b. The Landlord will insert this clause in all contracts or purchase orders under this Lease unless exempted by Secretary of Labor rules, regulations, or orders issued under Executive Order 11246.

12. CLAUSES REQUIRED TO IMPLEMENT POLICIES, STATUTES, OR EXECUTIVE ORDERS

The following clauses are incorporated in this Lease by reference. The text of incorporated terms may be found in the Postal Service's Supplying Principles and Practices, accessible at <http://about.usps.com/manuals/spp/html/spp10.htm> or by searching www.usps.com.

- Clause 1-5, Gratuities or Gifts
- Clause 1-6, Contingent Fees
- Clause 9-3, Davis-Bacon Act¹
- Clause 9-7, Equal Opportunity²
- Clause 9-13, Equal Opportunity for Workers with Disabilities³
- Clause 9-14, Equal Opportunity for VEVRAA Protected Veterans⁴
- Clause 9-16, Employer Reports on Employment of Protected Veterans⁴
- Clause B-25, Advertising of Contract Awards



General Conditions to USPS Lease

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

Note: For purposes of applying the above standard clauses to this Lease, the terms "supplier," "contractor," and "lessor" are synonymous with "Landlord," and the term "contract" is synonymous with "Lease."

-
- ¹ For premises with net interior space in excess of 6,500 SF.
 - ² For leases aggregating payments of \$10,000 or more.
 - ³ For leases aggregating payments of \$10,000 or more.
 - ⁴ For leases aggregating payments of \$25,000 or more.



Maintenance Rider Landlord Responsibility

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

1. **Landlord Responsibilities.** Landlord shall, except as otherwise specified herein and except for damage resulting from, and to the extent of, the negligence of the Postal Service's agents or employees (which portion of the damage arising directly from Postal Service's agents or employees negligence shall be the responsibility of the Postal Service), maintain the Premises, including the building and any and all equipment, fixtures, systems, common facilities and appurtenances (including but not limited to parking lots, driveways, fencing and sidewalks), furnished by Landlord under this Lease, in good repair and tenantable condition consistent with standards of comparable buildings and/or projects located in the vicinity of the Property. Landlord's duties under this Rider shall include repair and replacement, as necessary, and includes without limitation:
- a. **Pest Control.** Landlord is responsible for inspection, prevention and eradication of vermin, birds, insects, including, without limitation, termites and any other wood-eating insects and for repairs of any damage resulting therefrom.
 - b. **Casualty.** Landlord is responsible to repair damages resulting from Acts of God; acts of public enemy, riot or insurrection; and vandalism and damages resulting from fire or other casualty (except to the extent such damages were caused due to the negligence of the Postal Service agents or employees in which case the Postal Service shall be responsible for the portion of repairs caused directly by its negligence).
 - c. **HVAC.** Any heating system and air conditioning equipment furnished by Landlord must be properly sized for the facility, must be in good working order at the commencement of the term, and must be maintained and, if necessary, replaced by Landlord to ensure that it remains in good working order and in proper operation; such system and equipment must be capable of providing heat to a minimum temperature of 68 degrees Fahrenheit (68°F) and cooling to a maximum temperature of 78 degrees Fahrenheit (78°F) in all enclosed portions of the Premises (excluding any rear vestibule) at all times during the appropriate seasons. Landlord shall be responsible for maintaining and servicing of the heating system and air-conditioning equipment, including, refrigerant and filters per manufacturer's recommendation as required for proper operation of the equipment and for replacing the same at the end of its useful life or earlier.
 - d. **Heating and Hot Water Supply.** Boilers and unfired pressure vessels provided by Landlord as part of the Premises shall be maintained and, if necessary, replaced by the Landlord in accordance with the most stringent of the federal, state or local codes and ordinances. Current safety certificates issued by an organization recognized by the National Board of Boiler and Pressure Vessel Inspectors or a federal, state or municipal authority which has adopted the American National Standard Institute/American Society of Mechanical Engineers Boiler and Vessel Code, must be provided by Landlord for boilers and unfired pressure vessels. In the event local jurisdictions do not require periodic inspection of such equipment, the Postal Service shall have the right to conduct inspections and require corrective actions by Landlord.
 - e. **Electrical System.** Any electrical/power system furnished by Landlord must be properly sized for the facility, must be in good working order at the commencement of the term, and must be maintained and, if necessary, replaced by Landlord to ensure that it remains in good working order and in proper operation.
 - f. **Water and Sewer.** Whether public or private water or sewer systems are provided, said systems (including potable water) must be properly sized for the facility and be maintained, in good working order at all times during the term and replaced by Landlord as necessary to ensure that the same remain in good working order including having any inspections that may be required performed.



Maintenance Rider Landlord Responsibility

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

g. Wiring. Any wiring, including, but not limited to, wiring for the Electronic Security and Surveillance Equipment, Closed Circuit Television, Very Small Aperture Terminal, Criminal Investigation System, Intrusion Detection System, etc., installed by Landlord shall be maintained, and if necessary, replaced by Landlord. However, the Landlord shall not attempt any maintenance of, or repair of, or interfere with, the actual security, telephone, or telecommunications equipment, such as cameras, consoles, monitors, satellite dishes, telephone handsets, and Point-of-Service equipment of the Postal Service.

h. Utilities Distribution Systems. Landlord is responsible for all utilities (i.e., water, gas, electrical, sewer) distribution systems and structures and the components thereof which deliver such utility services to the Premises and the Property, including but not limited to base building electrical, plumbing, pipes, conduit, wiring, and related components located within the facility including, without limitation, behind walls, under floors and inside ceilings. This excludes additional systems and/or structures that were specifically installed by the Postal Service or its contractors for the Postal Service's particular furniture, fixtures, and equipment needs.

2. Postal Service Responsibilities. Notwithstanding anything herein to the contrary, the Postal Service shall, except for damage resulting from, and to the extent of, the negligence of Landlord's, agents, employees, or contractors, maintain the following items at the Premises if originally installed by the Postal Service: flag poles, dock lifts, roll-up customer service windows, roll-up doors, scissor lifts, electronic security systems, and lobby and back-door locks. The Postal Service's duties include repair and replacement, as necessary, of the aforementioned items and shall be fulfilled at such time and in such manner as the Postal Service reasonably considers necessary. The Landlord shall be responsible for the portion of maintenance, repair and replacement costs for damage to such items resulting directly from its negligence.

3. Completion of Maintenance, Repair, or Replacement by Landlord.

a. If the Landlord is required to maintain, repair or replace something under this Lease, including, without limitation, this Rider, Landlord must perform all maintenance, repairs and replacements promptly and in any event within the time period provided in the Postal Service's notice to Landlord and submit photographs of the completed repair to the Postal Service at the address designated in such notice provided by the Postal Service. If Landlord does not finish such maintenance, repairs or replacements within the time period set forth in the Postal Service's notice, then unless the Landlord requests more time, and the Postal Service grants more time using its reasonable judgment, then the Postal Service may (i) perform the maintenance, repair, or replacement (by contract or otherwise) and recover the cost plus any administrative cost and/or interest, from the Landlord and from Rent and any other payments and reimbursements due or to become due to Landlord from the Postal Service or federal government, or (ii) terminate the Lease on a date specified by the Postal Service in the notice to Landlord.

b. In the case of an emergency (as reasonably determined by the Postal Service), then notwithstanding the above provision, the Postal Service may give Landlord notice by phone or other method and may give such shorter notice as is practicable under the circumstances. Upon notice, Landlord must immediately start the maintenance, repairs or replacements and if Landlord fails to start such maintenance, repairs or replacements immediately, the Postal Service may immediately perform the maintenance, repair, or replacement (by contract or otherwise) and recover the cost plus any administrative cost and/or interest, from



Maintenance Rider Landlord Responsibility

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

the Landlord and from Rent and any other payments and reimbursements due or to become due to Landlord from the Postal Service or the federal government.

c. In addition to any other remedies of the Postal Service, the Postal Service may abate Rent and all other payments and reimbursements due or to become due under this Lease for any period the Postal Service reasonably determines all or any portion of the Premises, any common areas of the Property providing access to the Premises, or parking areas are untenantable or unfit for the Postal Service's use as a result of Landlord's failure to maintain, repair or replace as required by this Lease. Rent and other payments due or to become due to Landlord will be abated in proportion to the impairment or loss of use as determined by the Postal Service.

4. Health and Safety. In performing the maintenance, repair and/or replacement obligations under this Lease, Landlord must:

a. comply with applicable Occupational Safety and Health Standards, title 29 Code of Federal Regulations (CFR) (including but not limited to Parts 1910 and 1926), promulgated pursuant to the authority of the Occupational Safety and Health Act of 1970 (OSHA);

b. comply with any other applicable federal, state, or local regulation governing workplace safety to the extent they are not in conflict with section (a) above; and

c. take all other proper precautions to protect the health and safety of:

- (1) any laborer or mechanic employed by the Landlord in performance of this Lease;
- (2) Postal Service employees; and
- (3) the public.

Landlord must include this clause in all contracts hereunder and require its inclusion in all subcontracts of a lower tier. The term "Landlord" as used in this clause in any contract must be deemed to refer to the contractor.

5. Landlord Access. In the event of emergency requiring access after-hours, Landlord must call the Postal Inspection Service at 1-877-876-2455 Option 2 "Emergency" prior to entry. When entering or performing any repair, maintenance, replacements or other work in the Premises, Landlord, its agents, employees and/or contractors (i) shall identify themselves to the Postal Service's personnel immediately upon entering the Premises, and must be accompanied by a Postal Service employee when not in public areas; and (ii) shall use commercially reasonable, good faith efforts not to affect, interrupt or interfere with the Postal Service's use, business or operations on the Premises or obstruct the visibility of or access to the Premises by more than a de minimis extent, as determined by the Postal Service



Utilities and Services Rider

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

Unless otherwise indicated below, the responsibilities of Landlord identified in this Utilities and Services Rider are a part of the Rent paid under the Lease and are not subject to reimbursement by the Postal Service.

1. HEAT

The Postal Service pays all recurring fuel charges to the Premises, provided such charges are separately metered, by a meter or sub-meter installed by Landlord at Landlord's expense, to measure the Postal Service's consumption of fuel.

2. ELECTRICITY

The Postal Service will pay all recurring electric bills, provided such charges are separately metered, by a meter or sub-meter installed by Landlord at Landlord's expense, to measure the Postal Service's consumption.

3. WATER

At all times, Landlord must ensure that there is potable water serving the Premises. If at any time the water provided to the Premises is not potable, then the Landlord shall furnish potable water in a quantity sufficient to serve the maximum number of postal employees located at the Premises on a regular basis, and shall ensure such potable water is available at all times. Landlord must pay for all recurring charges related to the provision of such potable water.

The Premises are hooked up to a public water system. The Postal Service must pay for all recurring charges for provision of such water services, provided such charges are separately metered by a meter or sub-meter installed by Landlord at Landlord's expense, to measure the Postal Service's consumption.

4. SEWER

The Premises are hooked up to a public sewer system. The Postal Service must pay for all recurring charges for such sewer services, provided such charges are separately metered, by a meter or sub-meter installed at Landlord's expense, for the measurement of Postal Service's consumption.

5. TRASH

Postal Service is responsible for all trash removal and disposal from the Premises and will provide its own trash receptacle or receptacles at its cost in a location acceptable to the Postal Service either on the Premises or in the common areas, if any.

6. SNOW

The Postal Service agrees to remove snow and ice at the cost of the Postal Service from only those areas used exclusively by the Postal Service, which may include all or only portions of the sidewalks, driveways, drive aisles, entrances, exits, parking and maneuvering areas, and any other areas providing exclusive access to the Premises used by the Postal Service's employees, contractors, or customers (including, but not limited to, stairs, handicap access ramps, carrier ramps, etc.). The Postal Service is not responsible for, and will not pay the costs of, the removal of snow and ice from the roof or any areas not exclusively used by the Postal Service. Landlord is responsible for and must pay the costs of the timely removal of snow and ice from the roof, as well as all areas not exclusively used by the Postal Service.



Utilities and Services Rider

Facility Name/Location
FLATONIA - MAIN OFFICE (483110-001)
105 E SOUTH MAIN ST, FLATONIA, TX 78941-9998

County: Fayette
Lease: QU0000769210

7. CUSTODIAL SERVICES

Custodial Services for purposes of this Lease means the following: all duties considered necessary or desirable by the Postal Service to maintain cleanliness at the Premises and the Property. Custodial services include, but are not limited to the following tasks: vacuum and mop floors, empty trash containers, clean windows, sanitize bathroom fixtures and carry out any other tasks related to cleaning dirt and debris from the inside or the outside of a particular building. Custodial services do not include roof or gutter cleaning, or landscaping.

The Postal Service will provide its own custodial services for the interior and exterior of the Premises at its cost.

8. LANDSCAPING

Landscaping for purposes of this Lease means an exterior area devoted to or developed and maintained with plantings, decorative outdoor landscape elements, sculptures, benches, water features, paved or decorated surfaces of rock, stone, brick, block or similar material (excluding sidewalks, driveways, parking, loading or storage areas).

The Postal Service has no responsibility for any landscaping, except that the Postal Service will be responsible for cutting the grass and trimming low shrubs at such times and in such manner as the Postal Service determines necessary in its sole discretion.

February 24, 2023

COMMISSION AGREEMENT

This Agreement, made as of the last date written below, is between **CITY OF FLATONIA** ("Lessor"), and **Jones Lang LaSalle Americas, Inc. ("Broker")** as co-broker to **Jones Lang LaSalle Americas, Inc. ("Agreement")**, and confirms the terms under which Lessor will pay a real estate brokerage commission to Broker for the lease ("Lease") between Lessor and the United States Postal Service ("Tenant") of that certain real property described as:

FLATONIA MAIN OFFICE, 105 E SOUTH MAIN ST, FLATONIA, CO
USPS Property ID 483110-001

1. Lessor will pay Broker, and Broker will accept as its full and only compensation for services rendered in connection with the Lease, an agreed upon rate that is in accordance with local business practices. The Lessor and Broker have agreed upon a commission equal to:

Annual Rent	Total Rent	Commission Rate	Amount Due
\$14,175.00	\$70,875.00	4%	\$2,835.00

2. The commission will be earned 100% upon full execution of the Lease and will be paid within ninety (90) days of execution without further condition or contingency.
3. The Aggregate Lease Value will include the initial rental to be paid by Tenant on all space leased by the Tenant and any fixed annual or other periodic bumps and/or fixed annual other periodic rent escalations occurring during the initial term of the Lease. The Aggregate Lease Value will not include any rental abatement, operating expenses and/or real estate taxes, any additional amounts paid by Tenant for services over and above those furnished by Lessor as part of the Lease, and option periods and/or lease terms beyond the initial term of the Lease. In no event shall the foregoing preclude Broker from receiving a commission for any extension, renewal, expansion or additional leasing in the event Tenant has engaged Broker to represent it.
4. Lessor agrees that it will not modify or in any way reduce the amount of Broker's commission hereunder. If either party institutes any action or proceeding against the other relating to the provisions of this Agreement, the unsuccessful party in the action or proceeding will reimburse the prevailing party all reasonable expenses, attorneys' fees, and disbursements. THE PARTIES HEREBY WAIVE TRIAL BY JURY.
5. This Agreement will continue to be in effect until the first anniversary of its full execution. If on the first anniversary the Lessor and Tenant are still negotiating for the Lease of the subject property, to the extent not prohibited by law, this Agreement will be automatically extended until such negotiations cease or a lease is fully executed.
6. This Agreement constitutes the entire agreement between Lessor and Broker and supersedes all prior discussions, negotiations, and agreements, whether oral or written. No amendment, alteration, or withdrawal of this Agreement will be valid or binding unless made in writing and signed by both Lessor and Broker. This Agreement will be binding upon the successors and assignees of the parties.
7. Lessor and Broker each represents and warrants to the other that, in connection with Tenant's Lease of the subject property, it has not employed or dealt with any broker, agent, or finder other than Broker. Lessor and Broker shall each indemnify and hold the other harmless from and against any claims for brokerage fees or other commissions asserted by any broker, agent or finder employed by Lessor or Broker, respectively, or with whom Lessor or Broker, respectively, has dealt.
8. Lessor and Broker agree not to disclose confidential financial information on commission, or any other information having an adverse effect on the agreement and will refrain from using the information for any other purpose than that for which it was furnished. The parties agree that there may be a client fee share, if allowed by applicable law.
9. Each party shall be responsible to the other party only for the reasonably foreseeable direct damages caused by its breach of this Agreement and in no event will either party be liable to the other for any loss of or damage to revenues, profits, or goodwill or other special, incidental, indirect, or consequential damage of any kind resulting from its performance or failure to perform pursuant to the terms of this Agreement. In no event shall Broker's liability for damages in connection with a claim made hereunder, including any indemnification obligation arising hereunder, exceed the amount of any commission actually received by Broker under this Agreement.
10. Each signatory to this Agreement represents and warrants that it has full authority to sign this Agreement on behalf of the party for whom it signs and that this Agreement binds such party.

BROKER:

Jones Lang LaSalle Americas, Inc.

By: _____

Name and Title

Dated: _____

LESSOR:

CITY OF FLATONIA

By: _____

Name and Title

Dated: _____

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Go to www.irs.gov/FormW9 for instructions and the latest information.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

Individual/sole proprietor or single-member LLC

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Other (see instructions) ▶ _____

C Corporation

S Corporation

Partnership

Trust/estate

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

6 City, state, and ZIP code

7 List account number(s) here (optional)

Requester's name and address (optional)

Print or type. See Specific Instructions on page 3.

Part I Tax

Enter your TIN in the backup withholding. If you are a resident alien, sole proprietor, or other individual, it is your employment TIN, later.

Note: If the account is in your name, you must give the Requester the TIN.

TAX ID ON FILE:

XX-XXX-0842

given on line 1 to avoid backup withholding. However, for a resident alien, later. For other individuals, see *How to get a TIN*.

Social security number

				-			-				
--	--	--	--	---	--	--	---	--	--	--	--

or

Employer identification number

		-									
--	--	---	--	--	--	--	--	--	--	--	--

Part II Certification

Under penalties of perjury,

- The number shown on this form is my correct taxpayer identification number (TIN), and I am not subject to backup withholding because I am a U.S. citizen or other individual, and I have not been notified by the Internal Revenue Service (IRS) that I am no longer subject to backup withholding.
- I am not subject to backup withholding because I am a U.S. citizen or other individual, and I have not been notified by the Internal Revenue Service (IRS) that I am no longer subject to backup withholding.
- I am a U.S. citizen or other individual, and I have not been notified by the Internal Revenue Service (IRS) that I am no longer subject to backup withholding.
- The FATCA code(s) entered on this form, indicating that I am exempt from FATCA reporting is correct.

I am waiting for a number to be issued to me; and (b) I have not been notified by the Internal Revenue Service (IRS) that I am no longer subject to backup withholding, or (c) the IRS has notified me that I am no longer subject to backup withholding.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here

Signature of U.S. person ▶

Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor ²
5. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
6. Sole proprietorship or disregarded entity owned by an individual	The owner ³
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor ⁴

For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity ⁴
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

CITY OF FLATONIA

Agenda Summary Form

Agenda # DA8.1.2023.2	Title: Consider and take appropriate action on approving TML health benefits changes for employees.
Summary: Consider and take appropriate action on approving TML health benefits for employees.	
Option(s): <input type="checkbox"/> I move to approve TML health benefits changes for employees. <input type="checkbox"/> If you are opposed to not 2 nd or make any motion. If a motion is not made, the item is dead.	
Sears: _____ Seale: _____ Kocian: _____ Cockrell: _____ Mayor Pro Tem Eversole: _____ Mayor Geesaman _____	

"Negative" motions are generally not permitted. To dispose of a business item, the motion should be phrased as a positive action to take, and then, if the group desires not to take this action, the motion should be voted down. The exception to this rule is when a governing body is asked to take action on a request and wishes to create a record as to why the denial is justified.



May 25, 2023

City of Flatonia
PO Box 329
Flatonia, TX 78941

Dear Tamela Louvier,

Thank you for your partnership with the Pool this year. We have some important news to share with you. We are changing our name to **Texas Health Benefits Pool (TX Health Benefits Pool)**.

Why are we changing our name? The Pool was started over 40 years ago to help municipalities find comprehensive coverage at an affordable rate. Over these 40 years, the Pool has expanded to offer coverage to other political subdivisions and government agencies, not just municipalities. As our mission grew, our name didn't fully reflect that, and we recognized the need to change our name to encompass *all* the Texas public employees we serve.

TX Health Benefits Pool is still governed by the same Board of Directors, led by current and former public officials who look out for the best interests of our member groups. You will work with the same staff members who have supported you until now. Most importantly you will continue to have the same protections that the Pool has provided you, your employees, and their families for many years. As we make this name change, we are recommitting to our 44-year-long promise to provide quality healthcare benefits at an exceptional value for our nearly 50,000 members. *We are changing our name — not our purpose.*

Benefit Changes for the Upcoming Plan Year

Mental Health Parity – In compliance with the federal Mental Health Parity law, TML Health will now offer mental/behavioral health and substance abuse coverage with no limits on the number of treatments. Certain treatments, such as inpatient admissions, may be subject to prior authorization.

Deer Oaks EAP and Wondr Health – Effective 10/01/23, Deer Oaks EAP, and Wondr Health will no longer be offered. After careful consideration, the Board determined that the cost of these programs far outweighed the benefits to the Pool and our members. Utilization of these programs was very low.

There are also some booklet updates for benefit and eligibility that we will communicate to you in a webinar in the coming weeks. Please be on the lookout for a save the date and invite to attend the webinar which will include details for these important updates.

Plan Options

There are plan options we can share with you to help reduce the impact of the projected rate increase you have received, please reach out to your Account Executive, Heather VonGonten at 512-719-6519 for assistance. They will be able to consult with you on reviewing the healthcare options available for you which can fit your budget. Also, if it is available in your area, they can also talk to you about the savings that can be achieved by looking at an HMO option or how consumer spending account products, such as FSA, DCA, HRA, or HSA may be able to help your employees save on their out-of-pocket costs.

Open Enrollment

We offer several ways to manage open enrollment, including Employee Self-Service options. So, if you want to allow your employees to make their elections on their own, then make sure you indicate that option on your renewal. All you need to do is check the box for Employee Self Service. As a reminder, if you do not give your employees this option, you as the Benefit Coordinator will enter their elections online.

Don't forget that we also allow all members to call Member Services to enroll by phone. This is an easy and convenient option for your employees that do not have computers. We provide a follow up email with confirmation of their elections, and also provide you with a summary so that you can update your payroll deductions, if applicable.

Renewal Timeline

To ensure your benefits are set up in time for your open enrollment period, we need to have your benefits decision at least **90 days prior** to your anniversary date. **Thus, if we do not receive your decision by the renewal deadline, this could interrupt your employee's ability to access healthcare.**

How to Renew

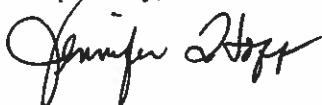
If you need assistance completing your renewal, that's where your Account Executive, Heather VonGonten comes in. They will be reaching out to you shortly to answer any of your questions regarding the renewal timeline and to help you accurately designate your elections. For faster processing, please return the completed, signed form by email to Heather.VonGonten@tmlhb.org as soon as possible, but no later than **07/01/2023**.

Our Partnership

Many of you have been longstanding members of the Pool and we sincerely thank you for your loyalty. As we move into this next chapter with our new name, we look forward to our continued partnership into the future.

On behalf of the Trustees and the entire **TX Health Benefits Pool**, thank you for trusting us with your employees' healthcare needs. We look forward to serving you, your employees, and your retirees during this new plan year.

Respectfully,



Jennifer Hoff
Executive Director



MEDICAL COST PROJECTION
 Flatonia - 23401hp
 05/30/23
 MEMBER OPTION

5/30/2023 8:16 PM

Current Plan

	2022-2023	2023-2024
	30% Increase	
Current Rates	New Rates	
Collective III Copy-1K-3K ER 80% / 50%	Collective III Copy-1K-3K ER 80% / 50%	
PPO (copyay)	PPO (copyay)	
\$1,000 In Ded	\$1,000 In Ded	
\$2,000 Out Ded	\$2,000 Out Ded	
\$3,000 In OOP	\$3,000 In OOP	
\$0 Teia Health Copyay	\$0 Teia Health Copyay	
\$30 OV/\$60 SP/\$75 UC/\$500 ER Copyay DAW1&2 Rr Plan	\$30 OV/\$60 SP/\$75 UC/\$500 ER Copyay DAW1&2 Rr Plan	
EE	\$647.58	\$841.86
EE + Spouse	\$1,314.64	\$1,709.04
EE + Child(ren)	\$1,139.76	\$1,481.70
EE + Family	\$1,910.42	\$2,483.56

New Plan Options

	Option 1 - Single Plan	Option 2 - Single Plan	Option 3 - Single Plan	Option 4 - Single Plan
	17.26% Increase Copy-1500-5K ER 80% / 50%	10.19% Increase Copy-2K-6K ER 80% / 50%	5.54% Increase Copy-2500-6K ER 80% / 50%	5.05% Increase Copy-3K-5K ER 80% / 50%
PPO (copyay)	PPO (copyay)	PPO (copyay)	PPO (copyay)	PPO (copyay)
\$1,500 In Ded	\$2,000 In Ded	\$2,500 In Ded	\$3,000 In Ded	\$3,000 In Ded
\$3,000 Out Ded	\$4,000 Out Ded	\$5,000 Out Ded	\$5,000 Out Ded	\$6,000 Out Ded
\$5,000 In OOP	\$6,000 In OOP	\$6,000 In OOP	\$6,000 In OOP	\$6,000 In OOP
\$0 Teia Health Copyay	\$0 Teia Health Copyay	\$0 Teia Health Copyay	\$0 Teia Health Copyay	\$0 Teia Health Copyay
\$30 OV/\$60 SP/\$75 UC/\$500 ER Copyay DAW1&2 Rr Plan	\$30 OV/\$60 SP/\$75 UC/\$500 ER Copyay DAW1&2 Rr Plan	\$30 OV/\$60 SP/\$75 UC/\$500 ER Copyay DAW1&2 Rr Plan	\$30 OV/\$60 SP/\$75 UC/\$500 ER Copyay DAW1&2 Rr Plan	\$30 OV/\$60 SP/\$75 UC/\$500 ER Copyay DAW1&2 Rr Plan
EE	\$759.38	\$713.54	\$683.46	\$680.28
EE + Spouse	\$1,541.60	\$1,448.54	\$1,387.48	\$1,381.02
EE + Child(ren)	\$1,336.54	\$1,255.86	\$1,202.92	\$1,197.32
EE + Family	\$2,240.24	\$2,105.00	\$2,016.25	\$2,006.86

Please sign & date option chosen:

Signature / Date _____ Signature / Date _____ Signature / Date _____ Signature / Date _____

THIS DOES NOT COMPLETE THE RERATE PROCESS. YOU WILL NEED TO SIGN THE MEMBER OPTION AND RETURN TO YOUR MARKETING CONTACT BY 06/26/2023.
THEN A NEW RERATE NOTICE WILL BE GENERATED AND MAILED TO YOU. THE RERATE SHEET MUST BE SIGNED AND RECEIVED IN AUSTIN BY 07/01/2023 FOR THE NEW BENEFITS AND RATES TO BE EFFECTIVE FOR 20/01/2023.
 The information contained in this option includes proprietary information that should not be shared with other competitors or used to circumvent the requirements of Texas Competitive Bidding laws.

CITY OF FLATONIA

Agenda Summary Form

Agenda # DA8.1.2023.3	Title: Consider and take appropriate action on the First Quarter of 2023 Hotel Occupancy Tax Expenditure Reports from Flatonia Chamber of Commerce, Special Projects, and EA Arnim Archives and Museum.
Summary: Consider and take appropriate action on the First Quarter of 2023 Hotel Occupancy Tax Expenditure Reports from Flatonia Chamber of Commerce, Special Projects, and EA Arnim Archives and Museum.	
Option(s): <input type="checkbox"/> I move to approve the First Quarter of 2023 Hotel Occupancy Tax Expenditure Reports from Flatonia Chamber of Commerce, Special Projects, and EA Arnim Archives and Museum. <input type="checkbox"/> If you are opposed to not 2 nd or make any motion. If a motion is not made, the item is dead.	
Sears: _____ Seale: _____ Kocian: _____ Cockrell: _____ Mayor Pro Tem Eversole: _____ Mayor Geesaman _____	

"Negative" motions are generally not permitted. To dispose of a business item, the motion should be phrased as a positive action to take, and then, if the group desires not to take this action, the motion should be voted down. The exception to this rule is when a governing body is asked to take action on a request and wishes to create a record as to why the denial is justified.

THE CHAMBER OF COMMERCE OF FLATONIA TEXAS
INCOME STATEMENT - OTA
APRIL - JUNE 2023

	<u>Apr - Jun 23</u>	<u>Jan - Jun 23</u>
Ordinary Income/Expense		
Income		
OTA Income		
OTA Interest	1.57	3.95
OTA Revenue	8,438.00	16,876.00
Total OTA Income	<u>8,439.57</u>	<u>16,879.95</u>
Total Income	<u>8,439.57</u>	<u>16,879.95</u>
Gross Profit	<u>8,439.57</u>	<u>16,879.95</u>
Expense		
Chamber of Commerce		
Office Supplies	0.00	22.50
Member Supplies	45.00	45.00
Payroll Expense		
Payroll Tax	555.18	1,419.73
Salaries & Wages	6,923.07	17,302.83
Total Payroll Expense	<u>7,478.25</u>	<u>18,722.56</u>
Total Chamber Expense	<u>7,523.25</u>	<u>18,790.06</u>
CIF Expense		
Advertisement	0.00	200.00
Total OTA Expense	<u>0.00</u>	<u>200.00</u>
Crawfest Expense		
Advertisement	166.38	366.38
Total OTA Expense	<u>166.38</u>	<u>366.38</u>
OTA Expense		
Advertisement	0.00	334.50
Advertisement-Website	0.00	131.46
Advertisement-Billboard	500.00	500.00
Computer Services	146.22	146.22
Marketing Supplies	0.00	70.95
Total OTA Expense	<u>646.22</u>	<u>1,183.13</u>
Total Expense	<u>8,335.85</u>	<u>20,539.57</u>
Net Ordinary Income	<u>103.72</u>	<u>-3,659.62</u>
Net Income	<u><u>103.72</u></u>	<u><u>-3,659.62</u></u>

E. A. Arnim Archives & Museum of Flatonia

2nd Quarter 2023 HOT Tax Income/Expense Report

Balance Forward \$ 3,736.45

HOT TAX INCOME IN 2nd QUARTER

City of Flatonia \$ 6,563.00

Interest Income \$ 1.89

TOTAL INCOME **\$ 6,564.89**

HOT TAX EXPENSES IN 2nd QUARTER

Utilities

Electric & Water \$ 506.02

Telephone & Internet \$ 394.41

TOTAL Utilities \$ 900.43

Wages \$ 1,551.48

Payroll Tax \$ 309.06

Office Expenses \$ 40.00

Security \$ 240.06

Insurance \$ 679.00

Advertising and Promotion \$ 224.00

TOTAL EXPENSES **\$ 3,944.03**

Balance Forward: **\$6,357.31**

Flatonla Special Projects
P. O. Box 14
Flatonla, Texas 78841

7/7/2023

2023
April through June
Re: Second Quarter

Beginning Balance
10,657.47

	HOT Funds		Income	
			3,750.00	
Total income			3,750.00	
Expenses		Description		
	Rubin Cedillos	Mowing/Cleaning Removing Hanging Lights	-285.00	
	City of Flatonla	Utilities/ March	-181.31	
		April	-172.28	
		May	-108.72	
	Dennis Olsovsky	Contract Labor	-960.00	
	Fayette County Record	Summer Fun Ad	-795.00	
	Victoria Advocate	June Ad Bundle Advertising	-1,095.00	
	Matt Balboa	April Rail Fare Door Prizes	-109.26	

-3,706.57

Total Expenses

10,600.90

Endng Balance

CITY OF FLATONIA

Agenda Summary Form

Agenda # DA8.1.2023.4	Title: Consider and take appropriate action on setting dates for budget workshops. The deadline for the budget to be completed and submitted is August 29, 2023.
Summary: Proposed dates for the 2023 budget workshops.	
Option(s): <input type="checkbox"/> I move to approve the dates _____ for budget workshops. <input type="checkbox"/> If you are opposed to not 2 nd or make any motion. If a motion is not made, the item is dead.	
Sears: _____ Seale: _____ Kocian: _____ Cockrell: _____ Mayor Pro Tem Eversole: _____ Mayor Geesaman _____	

"Negative" motions are generally not permitted. To dispose of a business item, the motion should be phrased as a positive action to take, and then, if the group desires not to take this action, the motion should be voted down. The exception to this rule is when a governing body is asked to take action on a request and wishes to create a record as to why the denial is justified.

CITY OF FLATONIA

Agenda Summary Form

Agenda # DA8.1.2023.5	Title: Consider and take appropriate action on the offer to lease for oil and gas exploration from Rosewood Resources.
Summary: Consider and take appropriate action on the offer to lease for oil and gas exploration from Rosewood Resources.	
Option(s): <input type="checkbox"/> I move to approve the lease for oil and gas exploration from Rosewood Resources. <input type="checkbox"/> If you are opposed to not 2 nd or make any motion. If a motion is not made, the item is dead.	
Sears: _____ Seale: _____ Kocian: _____ Cockrell: _____ Mayor Pro Tem Eversole: _____ Mayor Geesaman _____	

"Negative" motions are generally not permitted. To dispose of a business item, the motion should be phrased as a positive action to take, and then, if the group desires not to take this action, the motion should be voted down. The exception to this rule is when a governing body is asked to take action on a request and wishes to create a record as to why the denial is justified.



May 18, 2023

City of Flatonia
P.O. Box 329
Flatonia, Texas 78941

Re: Offer to Lease for Oil and Gas Exploration
21.936 acres, M. Muldoon League #14, A-76 and the W. A. Faires Survey, A-180
Fayette County, Texas
(hereinafter referred to as "Subject Land")

Dear Sir or Madam:

Please consider this formal offer from Rosewood Resources, Inc. (hereinafter referred to as "Rosewood"), for an oil and gas lease on the mineral interest owned by you, in the Subject Land, at the following terms:

- Primary Term: 3 years
- Bonus: \$600 per net mineral acre (the "Bonus")
- Royalty: 22.5%
- Option to extend for an additional 2 years @ \$400 per net mineral acre
- Lease Form: mutually agreeable

Prior to closing, Rosewood shall have the ongoing right to confirm marketable title to the lands covered by the Lease.

Rosewood Resources reserves the right to terminate this offer at any point in time.

We hope to hear from you regarding this offer.

Best Regards,

Shawn Davis

Shawn Davis, RPL
Contract Landman for Rosewood Resources, Inc.
(979) 702-1289
Shawnmdavis91@gmail.com

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

MEMORANDUM OF OIL AND GAS LEASE

STATE OF TEXAS §
 § KNOW ALL MEN BY THE PRESENTS:
COUNTY OF FAYETTE §

Be it remembered that made effective as of the 18th day of May, 2023, an Oil, Gas and Mineral Lease (the "Lease") was made and entered into between **City of Flatonia** hereinafter referred to as "LESSOR", whose address is P.O. Box 329, Flatonia, Texas 78941, and **Rosewood Resources, Inc.**, a Delaware corporation hereinafter referred to as "LESSEE", whose address is 2101 Cedar Springs Rd., Ste. 1500, Dallas, TX 75201. Under the terms of the Lease, Lessors granted, leased and let exclusively unto Lessee for the purpose of exploring, drilling, operating for, producing and owning oil, gas and their respective constituent products, together with the right to make surveys, lay pipelines, build tanks and roads and other structures thereon necessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing and transporting said products from the land leased thereunder, those certain lands of the Lessors situated in Fayette County, Texas, comprising 21.936 acres of land, more or less, described as follows:

21.936 acres of land, more or less, being a part of the M. Muldoon League #14, Abstract 76, and the W. A. Faires Survey, Abstract 180, Fayette County, Texas, being more particularly described as the following five (5) tracts:

Tract 1 – 17,840 Square Feet of land, more or less, being a part of the M. Muldoon League #14, Abstract 76, Fayette County, Texas, being more particularly described in that certain Warranty Deed dated November 18, 1964 from F. X. Brunner and Annette Brunner, husband and wife to City of Flatonia, recorded in Volume 365, at Page 133, Deed Records, Fayette County, Texas.

Tract 2 – 10.00 acres of land, more or less, being a part of the M. Muldoon League #14, Abstract 76, Fayette County, Texas, being more particularly described in that certain Warranty Deed dated September 22, 1938 from E. A. Arnim to City of Flatonia, recorded in Volume 175, at Page 12, Deed Records, Fayette County, Texas.

Tract 3 – 10.50 acres of land, more or less, being a part of the M. Muldoon League #14, Abstract 76, Fayette County, Texas, being more particularly described as First Tract and Second Tract in that certain Warranty Deed dated June 10, 1949 from Quinn Braddock, et al to L. A. Wheeler, Mayor of the City of Flatonia, recorded in Volume 234, at Page 39, Deed Records, Fayette County, Texas.

Tract 4 – 2,970 Square Varas of land, more or less, being a part of the W. A. Faires Survey, Abstract 180, Fayette County, Texas, being more particularly described in that certain Warranty Deed dated October 7, 1925 from E. A. Arnim and Mary A. Johnson to M. Fernau, Mayor of the City of Flatonia, recorded in Volume 127, at Page 78, Deed Records, Fayette County, Texas.

Tract 5 – 0.50 acres of land, more or less, being a part of the W. A. Faires Survey, Abstract 180, Fayette County, Texas, being more particularly described in that certain Warranty Deed dated September 15, 1925 from John Farek and wife, Louise Farek to M. Fernau, Mayor of the City of Flatonia, recorded in Volume 127, at Page 79, Deed Records, Fayette County, Texas.

Including such land, if any, which may underlie roads, rights of way, or easements on or adjoining the above described lands (the "Leased Premises.")

Unless sooner terminated or longer kept in force under other provisions thereof, the Lease shall remain in effect for a term of three (3) years from the date thereof (therein called "primary term"), with an option to extend said primary term for an additional two (2) years, and as long thereafter as operations, as therein defined, are conducted upon said land.

Executed copies of the Lease are in the possession of Lessors and Lessee at the offices of Lessors and Lessee at their addresses listed first above.

This instrument may be executed either as one instrument or in several partially executed counterparts and the original and all counterparts shall be construed together and shall constitute one instrument. Should less than all of the named Lessors execute this instrument, this instrument shall be binding on those who are signatories. For recordation and all other purposes, the separate signature pages and acknowledgments may be affixed to the body of an original instrument without necessity of recording the entirety of each separate counterpart.

IN WITNESS WHEREOF, the parties hereto have executed and made this instrument effective as of the 18th day of May, 2023 to evidence of record in the Official Records of the County Clerk of Fayette County, Texas, the existence of the Lease and for all other purposes.

LESSOR:

City of Flatonia

By: _____
Its: _____

ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF _____

This instrument was acknowledged before me on this _____ day of _____, 2023, by _____,
as _____ of the City of Flatonia.

Notary Public, State of Texas

STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

PAID UP OIL AND GAS LEASE

THIS LEASE is made and entered into to be effective on the 18th day of May, 2023, deemed the Effective Date, between City of Flatonia, whose address is P.O. Box 329, Flatonia, Texas 78941, hereinafter referred to as "LESSOR" and Rosewood Resources, Inc., a Delaware corporation hereinafter referred to as "LESSEE", whose address is 2101 CEDAR SPRINGS RD., STE. 1500, DALLAS, TX 75201.

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described land, hereinafter called leased premises:

21.936 acres of land, more or less, being a part of the M. Muldoon League #14, Abstract 76, and the W. A. Faires Survey, Abstract 180, Fayette County, Texas, being more particularly described as the following five (5) tracts:

Tract 1 – 17,840 Square Feet of land, more or less, being a part of the M. Muldoon League #14, Abstract 76, Fayette County, Texas, being more particularly described in that certain Warranty Deed dated November 18, 1964 from F. X. Brunner and Annette Brunner, husband and wife to City of Flatonia, recorded in Volume 365, at Page 133, Deed Records, Fayette County, Texas.

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in the county of Fayette, State of Texas, containing **21.936 gross acres**, more or less, (including any interests therein which Lessor may hereafter acquire by reversion, prescriptions or otherwise), for the purpose exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith. The term "gas" as used herein included helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. All other minerals are reserved to the Lessor herein. In addition to the above described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shutin royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of **three (3)** years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be **22.5%** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casinghead gas) and all other substances covered hereby, the royalty shall be **22.5%** of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut in or production therefrom is not

being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purpose of maintaining this lease. If for a period of 90 consecutive days such well or wells are shut in or production therefrom is not being sold by Lessee, then Lessee shall pay shut-in royalty of twenty five dollars (\$25.00) per acre then covered by this lease, such payment to be made to Lessor or to Lessor's credit in the depository designated below, on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the leased premises or lands pooled therewith, no shut-in royalty shall be due until the end of the 90-day period next following cessation of such operations or production. Lessee's failure to properly pay shut-in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.

4. All shut-in royalty payments under this lease shall be paid or tendered to Lessor or to Lessor's credit in **DIRECT TO LESSOR AT ABOVE ADDRESS** or its successors, which shall be Lessor's depository agent for receiving payments regardless of changes in the ownership of said land. All payments or tenders may be made in currency, or by check or by draft and such payments or tenders to Lessor or to the depository by deposit in the U.S. Mails in a stamped envelope addressed to the depository or to the Lessor at the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse to accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution as depository agent to receive payments.

5. If Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, then in the event this lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 90 days after completion of operations on such dry hole or within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production therefrom, this lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities from the leased premises or lands pooled therewith. After completion of a well capable of producing in paying quantities hereunder, Lessee shall drill such additional wells on the leased premises or lands pooled therewith as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or lands pooled therewith, or (b) to protect the leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

6. (A) Lessee, at its option, is hereby given the right and power to pool or combine the leased premises, or any portion thereof, as to oil and gas, or either of them, with any other land covered by this lease, or with any other contiguous land, lease or leases to the extent stipulated herein.

(i) Units pooled for oil hereunder may include any amount of acreage up to, but not exceeding:

- (a) 80 acres for each oil well that is not a Horizontal Drainhole Well as defined by Railroad Commission of Texas Statewide Rule 86(4) (a "Horizontal Drainhole Well"); or
- (b) if the oil well is a Horizontal Drainhole Well, 640 acres plus a maximum acreage tolerance of 10%.

(ii) Units pooled for gas hereunder may include any amount of acreage up to, but not exceeding:

- (a) 640 acres, plus a maximum acreage tolerance of 10%, around each gas well that is not a Horizontal Drainhole Well; or
- (b) If the gas well is a Horizontal Drainhole Well, the greater of (x) 640 acres plus a maximum acreage tolerance of 10%, or (y) 40 acres plus an additional amount of acreage equal to 40 acres for each 500 feet of horizontal displacement of the well bore between the first and last Take Points.

(iii) In any case, an area larger (but not smaller) than those described in (i) or (ii) above, (x) if permitted by the Texas Railroad Commission in accordance with its rules; or (y) in order to conform to the well spacing or density pattern of the Railroad Commission of Texas under the Statewide or Special Field Rules applicable to the reservoir or field interval in question. The terms "oil well" and "gas well" mean the well classification given to the applicable well by the Railroad Commission of Texas.

(B) Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the units into which the lease is pooled in any other stratum or strata and oil units need not conform to gas units. The pooling in one or more instances shall not exhaust the rights of the lessee to pool this lease or portions thereof into other units, and pooling for a vertical well does not preclude separate pooling for Horizontal Drainhole Wells. A unit formed containing more than one stratum may be modified at any time to exclude one or more strata, so long as there is no production of unitized substances from such excluded stratum or strata at the time of such modification.

(C) Lessee shall file for record in the appropriate records of the county in which the leased premises are located an instrument describing and designating the pooled unit and upon such recordation the unit will be effective as to all parties hereto, their heirs successors and assigns irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty or other rights in land included in such unit.

(D) Lessee may at its discretion exercise its pooling option before or after commencing operations or completing an oil or gas well on the leased premises and the pooled unit may include but it is not required to include land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. A pooled unit established hereunder shall be effective for all purposes even though there may be mineral, royalty or leasehold interests in the lands included in the unit which are not effectively pooled or unitized.

(E) If any pooled unit formed hereunder contains less than the maximum number of acres specified above, Lessee may, at any time, whether before or after production is obtained, enlarge the pooled unit by adding additional acreage, but the enlarged unit shall in no event exceed the applicable size set forth

above. If an existing unit is enlarged or otherwise amended, the amendment will be effective on the first day of the first month following its recordation in the applicable county, unless the amendment states a different effective date.

- (F) For purposes of maintaining this lease in force and effect, operations or production anywhere on a pooled unit or units including any part of the leased premises shall be considered to be operations or production on this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. There shall be allocated to the acreage covered by this lease and included in the pooled unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or in each such separate tract) and included in the pooled unit bears to the total number of surface acres included in the pooled unit.
- (G) By filing of record in the applicable county a declaration of termination, Lessee may terminate any pooled unit created hereunder at any time, so long as at such time there is no production in paying quantities from such pooled unit.
- (H) If this lease now or hereafter covers separate tracts, no pooling of royalty interest as between any separate tracts is intended or shall be implied merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool as provided herein with consequent allocation of production as provided above. The term "separate tract" means any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that of any other part of the leased premises. Pooling hereunder shall not constitute a cross-conveyance of interests.
- (I) In addition to the creation of pooled units as provided for in this provision, Lessee may, at its option, drill Cross Unit Wells.
- (J) For the purpose of computing the royalty to which owners of royalties and payments out of production are entitled on production of oil or gas from a Cross Unit Well, there shall be allocated to each pooled unit containing Take Points in a Cross Unit Well a pro rata portion of the production from the Cross Unit Well, which pro rata portion is equal to the total production from the Cross Unit Well multiplied by a fraction, the numerator of which is the Productive Drainhole Length in the applicable pooled unit and the denominator of which is the total Productive Drainhole Length in the Cross Unit Well. The portion of the production from a Cross Unit Well allocated to a pooled unit containing this lease shall be further allocated to the owners of royalties and payments out of production under this lease as provided for in paragraph F hereof. Operations on or production from a Cross Unit Well shall be deemed to be operations on or production on this lease.
- (K) Certain Defined Terms:
 - (i) "Cross Unit Well" means a Horizontal Drainhole Well with Take Points in: (x) two or more pooled units, or (y) a pooled unit and one or more leases not included in such pooled unit.
 - (ii) "Take Point" means any point along a horizontal wellbore where oil or gas can be produced in the wellbore from the reservoir or field interval in question.
 - (iii) "Productive Drainhole Length" means the horizontal length of the wellbore path that begins at the first Take Point and runs along the actually surveyed path of the wellbore to the last Take Point. This length will be determined by an "as drilled" survey performed after the cross-unit well is drilled and completed.

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized therewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from

any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessors consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

12. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so.

13. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

14. Should the right or interest of Lessee hereunder be disputed by Lessor, or any other person, the time covered by the pendency of such dispute shall not be counted against Lessee either as affecting the term of the lease or for any other purpose, and Lessee may suspend all payments without interest until there is a final adjudication or other determination of such dispute.

15. Lessee is specifically authorized to utilize and traverse the sub-surface of the leased premises for all purposes incidental to the exploration for oil and gas by means of directionally drilling a well or wells to be bottomed beneath other lands not owned by Lessor, including the right to directionally drill, complete, operate and produce such well or wells, to conduct any operations which may be necessary, useful or desirable in exploring for or producing minerals therefrom, to plug or abandon such well or wells and to remove casing and other equipment therefrom, which rights, if commenced during the term of this lease, shall continue until one hundred eighty (180) days after cessation of the use or exercise thereof.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

FOR ADDITIONAL PROVISIONS TO THIS LEASE, PLEASE SEE EXHIBIT "A" ATTACHED TO AND MADE A PART OF FOR ALL PURPOSES.

LESSOR:

City of Flatonia

By: _____

Its: _____

ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF _____

This instrument was acknowledged before me on this _____ day of _____, 2023, by _____,

as _____ of the City of Flatonia.

Notary Public, State of Texas

EXHIBIT "A" ADDENDUM

ATTACHED TO AND MADE A PART OF OIL, GAS AND MINERAL LEASE BY AND BETWEEN CITY OF FLATONIA, AS LESSOR, AND ROSEWOOD RESOURCES, INC., AS LESSEE.

1. ***This Exhibit A Takes Precedence.*** NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, the following provisions shall apply as an exhibit to the foregoing Oil, Gas and Mineral Lease, and shall be in force and effect as a part of said Lease. In the event of a conflict between the provisions contained in this Exhibit "A" and the provisions as stated on the printed lease form, the provisions in this Exhibit "A" shall prevail.

2. ***Liquids and Gas Only.*** Notwithstanding any provision in this Lease to the contrary, it is hereby agreed between Lessor and Lessee that this Lease covers only oil, gas, and associated hydrocarbons, as well as sulphur, all in liquid, gaseous or vaporous forms or state, which can or may be produced through the bore of a well. No other minerals or substances including iron ore, coal, lignite, bentonite and gravel or any other hard minerals shall be covered hereby.

3. ***Additional Property.*** This lease also covers (a) any and all accretions to the above described lease premises; (b) any and all small or nominal strips or parcels of land contiguous or adjacent to the above described lease premises, and which are owned or claimed by lessor by limitation, prescription, possession, reversion or unrecorded instrument, or as to which Lessor has preferential right of acquisition; and (c) any and all lakes, rivers, streams, roads, easements and right of ways now or hereafter owned or claimed by Lessor which traverse or adjoin any of the above described lease premises. It is not the intent of the foregoing provision to effect a lease of any large tracts of land, which are capable of being separately described, but which are not specifically described as part of the leased premises.

4. ***Further Acts.*** Lessor and Lessee acknowledge that for the consideration paid herein, they agree to execute, if applicable, any instruments to clarify the full mineral interest leased, property description and/or acreage content of the lands leased herein. It is further agreed and understood, if applicable, that the Lessors and their predecessors, ancestors, and/or heirs in title, agree to execute respective agreements necessary to acknowledge, ratify, quitclaim, subordinate and/or clarify the full mineral ownership of the lands leased herein pursuant to the numerous conveyances transferring interest in and to the acreage leased herein.

5. ***Counterparts.*** This instrument may be signed in any number of counterparts, each of which shall be binding on the party or parties so signing regardless of whether all of the owners join in the granting of this agreement and the failure of any party named herein as Lessor to sign this agreement shall not affect its validity as to those whose signatures appear hereon or on a counterpart hereof. For convenience in recording, the Lessor hereby authorizes the Lessee to detach the signature pages and the acknowledgment pages from any counterpart of this Lease, attach them to a single counterpart and record them together as a single instrument.

6. ***Geographic Pugh Clause.*** Notwithstanding anything to the contrary herein contained, when a pooled unit or units are created, either by governmental authority or by voluntary action of the parties, or by Lessee pursuant to the terms of this Lease, which include all or a portion of the Leased Premises, drilling operations, payment of shut-in gas royalty or production from the pool, sand, or formation for which such unit or units were created, all as defined by said governmental authority, or by said voluntary unitization agreement, or by said pooling declaration, shall maintain this Lease in force after the expiration of the primary term, but only as to that portion of the Leased Premises included in said unit or units, regardless of whether said drilling operations or production are on or from the Leased Premises. As to any portion or portions of the Leased Premises not included in the geographic boundaries of the pooled unit or units, this Lease shall terminate at the end of the primary term (as defined herein).

7. ***Shut In Royalty Limitation.*** Notwithstanding any provision in this Oil, Gas and Mineral Lease to the contrary, Lessee cannot hold this lease under the shut-in royalty provision for more than two (2) years in the aggregate beyond the primary term of this lease or any extension.

8. ***Lease Memorandum.*** Lessor and Lessee agree that, at Lessee's option, Lessee may decide not to record this Lease in the public records, but may decide to record a Notice of Lease. In the event that the Lease is recorded, this Exhibit A shall be recorded with it, and together this Lease and this Exhibit A shall be considered to be one document.

9. ***Operations.*** Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing completion, reworking, re-completing, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other mineral, in paying quantities.

10. ***Free Royalty.*** It is agreed between the Lessor and Lessee that, notwithstanding any language herein to the contrary, all oil, gas or other proceeds accruing to the Lessor under this lease or by state law shall be without deduction, directly or indirectly, for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and marketing the oil, gas and such other products produced hereunder to transform the product into marketable form.

11. Depth Severance. At the expiration of the primary term or cessation of continuous development as provided herein, whichever is later, this Lease shall terminate as to all depths and horizons greater than 100 feet below the base of the deepest formation to which a well has been drilled and found to be capable of production in paying quantities.

12. Horizontal Pooling. If the well is a Horizontal Drainhole Well, then the pooling size will be the greater of (x) 640 acres plus a maximum acreage tolerance of 10%, or (y) 40 acres plus an additional amount of acreage equal to 40 acres for each 330 feet of horizontal displacement of the well bore between the first and the last Take Points.

13. Land Use: (Reference herein to Lessor also refers to surface owner)

A. Should Lessor or tenants on the leased premises suffer loss of, or damage to, crops, trees, turf, livestock, water wells, fences, roads, other personal property, buildings or other improvements, as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor or such tenants the actual amount of their said loss or damage.

B. Within a reasonable time, Lessee shall fill all pits made by Lessee upon the leased premises, level off all mounds made by Lessee upon the lease premises, and remove all debris and rubbish placed by Lessee upon the leased premises. Upon cessation of use thereof by Lessee, it will notify Lessor of such cessation and at the option of the Lessee will leave on the premises as part of the property of Lessor all cattle guards, water wells, bridges and roads placed thereon by Lessee, its successors or assigns. An oilfield gate shall be placed at the entrance onto the lease premises through which the Lessee will have access to the premises with regard to any well being drilled on the lease premises or land pooled therewith. Said oilfield gate shall be kept closed and locked at all times except during times of entrance by Lessee, its agents and parties operating under the Lessee. Lessee agrees to maintain all roads and paths upon which it travels in a condition which is as good as or better than the condition of such road or pathway prior to Lessee's entry upon the above-described tract. Lessee will use its best effort to build roads in a location as to least affect the surface of the lease premises. While a drilling rig is on location Lessee must post a 24-hour guard at its point of entry to the leased premises to prohibit entry to the property by unauthorized persons.

C. The well equipment and location shall be kept as clean as possible at all times, and roads used by Lessee should be kept in good state of repair. If Lessor inspects any meters or any other production equipment Lessor is doing so at Lessor's own risk and Lessor assumes all liabilities for any damage or loss caused by Lessor's actions.

D. Notwithstanding the general terms of grant contained in this lease, the Lessee is not given the right to erect or maintain refining facilities, or any other extraction or treating facilities on the leased premises unless directly related to the production, treatment, and recovery of oil, gas, sulphur, and other leased minerals from this lease or from land pooled therewith.

14. Other Provisions. Neither Lessee, nor its agent, employees or contractors shall be permitted to bring firearms, alcohol or dogs or do any hunting or fishing upon the lease premises.

15. Removal of Equipment. All equipment owned by Lessee must be removed from the leased premises within a reasonable amount of time after the termination of this lease. Under no circumstances should the same become the property of Lessor.

16. Surface Damages. Lessee shall pay to Lessor surface damages in the amounts set forth below:

A. Two Thousand and Five Hundred Dollars (\$2,500.00) per acre covered by any Drilling Pad placed, used or occupied by Lessee. Such Drilling Pads shall not exceed six (6) acres each in area.

B. One Thousand and No/100 Dollars (\$1,000.00) per acre otherwise utilized by Lessee, or covered by any roads, access ways, ditches, canals, other rights of way or structures placed or used by Lessee on the Leased Premises.

17. Pipelines.

A. Lessee may construct pipelines and flowlines as necessary to transport oil, gas and other hydrocarbon and non-hydrocarbon substances produced from the leased premises and/or lands pooled therewith and maintain such easements on and across the leased premises as necessary to service and maintain them. Lessee agrees to pay Lessor damages in the amount of One Thousand and No/100 Dollars (\$1,000.00) per acre for all pipelines constructed on the leased premises and damages and right of way acquisition in the amount of One Thousand and No/100 Dollars (\$1,000.00) per acre for all pipelines constructed on the unleased premises.

- B. Lessee agrees to bury all pipelines with a cover of at least thirty-six (36") inches from the top of the pipe to the surface of the ground and to place all pipeline improvements below the surface outside of Drilling and Production Pads. Lessee agrees to "double ditch" all pipeline trenches. The top soil will be placed to one side and in backfilling the ditch, the top soil will be replaced on top of the backfill after the construction.

18. Cross Unit Wells. In addition to the creation of pooled units as provided for in this lease, Lessee may, at its option, drill Cross Unit Wells. For the purpose of computing the royalty to which owners of royalties and payments out of production are entitled on production of oil or gas from a Cross Unit Well, there shall be allocated to each pooled unit containing Take Points in a Cross Unit Well a pro rata portion of the production from the Cross Unit Well, which pro rata portion is equal to the total production from the Cross Unit Well multiplied by a fraction, the numerator of which is the Productive Drainhole Length in the applicable pooled unit and the denominator of which is the total Productive Drainhole Length in the Cross Unit Well. The portion of the production from a Cross Unit Well allocated to a pooled unit containing this lease shall be further allocated to the owners of royalties and payments out of production under this lease as provided for in paragraph 6 hereof. Operations on or production from a Cross Unit Well shall be deemed to be operations on or production on this lease. For the purposes of this agreement, "Cross Unit Well" means a Horizontal Drainhole Well with Take Points in: (x) two or more pooled units, or (y) a pooled unit and one or more leases not included in such pooled unit, "Take Point" means any point along a horizontal wellbore where oil or gas can be produced in the wellbore from the reservoir or field interval in question, and "Productive Drainhole Length" means the horizontal length of the wellbore path that begins at the first Take Point and runs along the actually surveyed path of the wellbore to the last Take Point. This length will be determined by an "as drilled" survey performed after the cross-unit well is drilled and completed.

19. Option to Extend. Lessee is hereby given the option to extend the primary term of this lease for an additional two (2) year period. This option may be exercised by Lessee at any time during the primary term of the lease by payment to the Lessor of \$400.00 per net mineral acre. Should this option be exercised as herein provided, then this lease shall be considered for all purposes as having a primary term of five (5) years.

20. No Surface Operations. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, LESSEE SHALL NOT CONDUCT ANY SURFACE OPERATIONS OF ANY KIND ON THE SURFACE OF THE LEASED PREMISES (INCLUDING, BUT NOT LIMITED TO, DRILLING OPERATIONS, CONSTRUCTION OF ROADS, CONSTRUCTION OF PIPELINES, DRILLING OF WATER WELLS, CONSTRUCTION OF ELECTRIC POWER LINES, ETC.), UNLESS CONSENT IS GIVEN BY LESSOR OR THEIR SUCCESSORS OR ASSIGNS.

LESSOR:

City of Flatonia

By: _____

Its: _____