



Meeting Location:
City Council Chambers
Allen City Hall
305 Century Parkway, Allen, Texas 75013

AGENDA
CITY COUNCIL REGULAR MEETING
Tuesday, May 12, 2026, 7:00 PM

1. Call to Order and Announce a Quorum is Present

2. Pledge of Allegiance

3. Public Recognition

- 3.1 Recognition of the Allen Economic Development Corporation for receiving the "Best Mixed-Use" Award from the Dallas Business Journal.
- 3.2 Presentation of a Blue Star Flag to a family of Allen service personnel currently deployed by the U.S. Armed Forces.
- 3.3 Presentation of a Proclamation from the Office of the Mayor.
- 3.4 Presentation of Mayor's Awards for Distinguished Service.

4. Citizens' Comments

[The City Council invites citizens to speak to the Council on any topic not on the agenda or not already scheduled for Public Hearing. Prior to the meeting, please complete a "Public Meeting Appearance Card" and present it to the City Secretary. The time limit is three minutes per speaker, not to exceed a total of fifteen minutes for all speakers.]

5. Presentations from Boards, Commissions, and Committees

- 5.1 Convention and Visitors' Bureau Annual Report.

6. Consent Agenda

[Routine Council business. Consent Agenda is approved by a single majority vote. Items may be removed for open discussion by a request from a Councilmember or member of staff.]

- 6.1 Approve Minutes from the April 28, 2026, Regular City Council Meeting.
- 6.2 Adopt a Resolution amending Chapter 9, "Leave," Section 9.03A, "Official Holidays," of the City of Allen Personnel Policies and Procedures Manual.
- 6.3 Adopt an Ordinance amending the Code of Ordinances, Chapter 10, "Offenses – Miscellaneous" by repealing Article VII, "Public Assembly Regulations."

- 6.4 Award Bid and authorize the City Manager to establish a shortlist of qualified vendors for third-party audio/visual production services for Credit Union of Texas Event Center with In Depth Events, ISP Creative, Stage Corps, LD Systems, and Upstage with an amount not to exceed \$803,470 with the option for four (4) one-year renewals at City of Allen's sole discretion.
- 6.5 Authorize the City Manager to execute a contract with FieldTurf USA, Inc., for replacement of artificial turf in highly impacted areas of the infield at Spirit Park Softball Complex for \$184,703.
- 6.6 Authorize the City Manager to purchase an Electronic Ticketing System, with support hardware and software from Tyler Technologies for the Allen Police Department for \$399,894.
- 6.7 Receive the Quarterly Financial Report for Period Ending March 31, 2026.
- 6.8 Receive the Quarterly Investment Report for Period Ending March 31, 2026.

7. Regular Agenda

- 7.1 Adopt a Resolution establishing rates and fees for commercial and residential solid waste, recycling and household hazardous waste services.
- 7.2 Consider all matters incident and related to the issuance and sale of "City of Allen, Texas, General Obligation Improvement and Refunding Bonds, Series 2026", including the adoption of an ordinance authorizing the issuance of such bonds in one or more series, establishing parameters for the sale and issuance of such bonds and delegating certain matters to authorized officials of the City.
- 7.3 Consider all matters incident and related to the issuance and sale of "City of Allen, Texas, Waterworks and Sewer System Revenue Refunding Bonds, Series 2026", including the adoption of an ordinance authorizing the issuance of such bonds in one or more series, establishing parameters for the sale and issuance of such bonds and delegating certain matters to authorized officials of the City.
- 7.4 Conduct a Public Hearing and adopt an Ordinance for a Specific Use Permit authorizing a "Fitness and Health Center" use for a 1,244± square foot portion of a building located on Lot 1, Pete Ford Medical Addition, commonly known as 515 W. Main Street, Suite 107. [Bodies In: Motion]

8. Other Business

[Board announcements regarding local civic and charitable events, meetings, and fundraisers.]

- 8.1 Calendar
- 8.2 Items of Interest

9. Executive Session

Legal, Section 551.071.

As authorized by Section 551.071(2) of the Texas Government Code, the Workshop Meeting and/or the Regular Agenda may be Convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the City Attorney on any Agenda Item Listed Herein, and for any Executive Session listed below. (Closed to Public as Provided in the Texas Government Code.)

- 9.1 Pursuant to Texas Government Code, Section 551.087 - Deliberation Regarding Economic Development Negotiations: Briefing regarding current and potential business enterprise recruitment, real estate, and business expansion projects along State Highway 121 and US 75 corridor.
- 9.2 Reconvene and Consider Action on Items Resulting from Executive Session.

10. Adjournment

This notice was posted at Allen City Hall, 305 Century Parkway, Allen, Texas, at a place convenient and readily accessible to the public at all times, in accordance with state law.

Shelley B. George, City Secretary

Allen City Hall is wheelchair accessible. Access to the building and special parking are available at the entrance facing Century Parkway. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary at 214.509.4105.

Date Posted: May 5, 2026

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION
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AGENDA DATE:	Tuesday, May 12, 2026, 7:00 PM
AGENDA CAPTION:	Presentation of a Blue Star Flag to a family of Allen service personnel currently deployed by the U.S. Armed Forces.
STAFF RESOURCE:	Shelley B. George, City Secretary
BOARD/COMMISSION ACTION:	None
PREVIOUS COUNCIL ACTION:	None
STRATEGIC PLANNING GOAL:	Engaged and connected Allen community.

BACKGROUND:

Allen City Council presents Blue Star Flags to the families of Allen service members currently deployed in the U.S. Armed Forces. The program honors the individuals serving our country while acknowledging the sacrifices of the families that are left behind. Originating in World War I, the Blue Star Flag is designed to hang in a front window of the family's home to reflect the service of those in the Armed Forces.

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: Tuesday, May 12, 2026, 7:00 PM

AGENDA CAPTION: Presentation of a Proclamation from the Office of the Mayor.

STAFF RESOURCE: Shelley B. George, City Secretary

BOARD/COMMISSION ACTION: None

PREVIOUS COUNCIL ACTION: None

BACKGROUND:

- Allen Teen Court Day
- Building Safety Month

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: Tuesday, May 12, 2026, 7:00 PM

AGENDA CAPTION: Approve Minutes from the April 28, 2026, Regular City Council Meeting.

STAFF RESOURCE: Shelley B. George, City Secretary

BOARD/COMMISSION ACTION: None

PREVIOUS COUNCIL ACTION: None

Attachments

[Minutes](#)

ALLEN CITY COUNCIL

REGULAR MEETING

APRIL 28, 2026

Present:

Baine L. Brooks, Mayor

Allen City Council:

Ben Trahan, Mayor Pro Tem

Michael Schaeffer

Tommy Baril

Ken Cook (arrived at 7:02 p.m.)

Amy Gnad

Carl Clemencich

City Staff:

Eric Ellwanger, City Manager

Eric Strong, Deputy City Manager

Tim Dentler, Assistant City Manager

Rebecca Vice, Assistant City Manager

Shelley B. George, City Secretary

Rocio Gonzalez, Deputy City Secretary (absent)

Chelsey Aprill, Director, Public and Media Relations

Pete Smith, City Attorney (absent)

Workshop Session

The City Council Workshop Session was canceled due to the threat of inclement weather.

Regular Meeting

1. Call to Order and Announce a Quorum is Present

With a quorum of the Allen City Council present, the Regular Meeting of the Allen City Council was called to order by Mayor Brooks at 7:00 p.m. on Tuesday, April 28, 2026, in the Council Chambers at Allen City Hall, 305 Century Parkway, Allen, Texas.

2. Pledge of Allegiance

Mayor Brooks and the Allen City Council observed a moment of silence.

3. Public Recognition

3.1 Presentation of a Proclamation by the Office of the Mayor.

4. Citizens' Comments

Aradhya Patel, a resident of Allen, Texas, spoke about the BAPS Charities Walkathon.

5. Consent Agenda

Mayor Brooks removed Item 5.4 from the Consent Agenda.

MOTION: Upon a motion made by Councilmember Clemencich and a second by Councilmember Baril, the Council voted seven (7) for and none (0) opposed to approve all remaining items on the Consent Agenda as follows:

5.1 Approve Minutes from the April 14, 2026, Regular City Council Meeting.

5.2 Adopt a Resolution authorizing the City Manager to apply for, reject, alter, or terminate a grant from the Motor Vehicle Crime Prevention Authority, providing funding to Texas law enforcement agencies to purchase equipment dedicated to curbing catalytic converter theft through the Fiscal Year 2027 SB 224 Catalytic Converter Grant Program.

RESOLUTION NO. 4215-04-26(R): A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION TO THE MOTOR VEHICLE CRIME PREVENTION AUTHORITY (MVCPA) FOR THE FISCAL YEAR 2027 SB 224 CATALYTIC CONVERTER GRANT PROGRAM, TO SUPPORT MOTOR VEHICLE CRIME PREVENTION EFFORTS (PRIMARILY, CATALYTIC CONVERTER THEFT); AUTHORIZING THE CITY MANAGER TO ACT ON BEHALF OF THE CITY IN ALL MATTERS RELATED TO THE APPLICATION; AND PROVIDING AN EFFECTIVE DATE.

5.3 Authorize the City Manager to execute an agreement with Intermountain Slurry, Inc., for the slurry seal treatment of roadways in the Hillside Village neighborhood for \$123,248.

The motion carried.

Mayor Brooks moved to Agenda Item 5.4.

5.4 Authorize the City Manager to execute a contract with Halff Associates, Inc., for Landscape Architectural Services for an Update to the City of Allen Trails and Bikeways Master Plan for \$150,000.

MOTION: Upon a motion made by Councilmember Baril and a second by Mayor Pro Tem Trahan, the Council voted seven (7) for and none (0) opposed to authorize the City Manager to execute a contract with Halff Associates, Inc., for Landscape Architectural Services for an update to the City of Allen Trails and Bikeways Master Plan. The motion carried.

6. Regular Agenda

6.1 Authorize the City Manager to execute a contract with CLW Water Group, LLC, for the Maxwell Creek and Lost Creek Lift Station Rehabilitation Projects for \$4,618,120.

MOTION: Upon a motion made by Councilmember Gnadt and a second by Councilmember Cook, the Council voted seven (7) for and none (0) opposed to authorize the City Manager to execute a

contract with CLW Water Group, LLC, for the Maxwell Creek and Lost Creek Lift Station Rehabilitation Projects. The motion carried.

6.2 Authorize the City Manager to negotiate and execute a real estate gift agreement and park maintenance agreement relating to a donation to the City of 9.65± acres in the J. Phillips Survey, Abstract No. 719, City of Allen, Collin County, Texas, and the improvements constructed thereon to be used and maintained as a public park.

MOTION: Upon a motion made by Councilmember Clemencich and a second by Councilmember Schaeffer, the Council voted seven (7) for and none (0) opposed to authorize the City Manager to negotiate and execute a real estate gift agreement and park maintenance agreement relating to a donation to the City of 9.65± acres in the J. Phillips Survey, Abstract No. 719, City of Allen, Collin County, Texas, and the improvements constructed thereon to be used and maintained as a public park. The motion carried.

7. Other Business

7.1 Calendar.

- May 2, 2026 | Election Day for the City of Allen General Election

7.2 Items of Interest.

- Councilmember Gnadt encouraged residents to drop off recycling and donations at the Great American Cleanup on May 2, 2026, at the Allen Municipal Service Center.
- Councilmember Cook encouraged residents to attend the Allen Arts Festival from May 8-10, 2026, at Watters Creek Village.
- Mayor Pro Tem Trahan congratulated the Allen Economic Development Corporation for winning the “Best Mixed-Use” Award at the Dallas Business Journal Real Estate Best Deals Awards for the Sloan Corners project, developed by Billingsley Co.
- Councilmember Baril wished the Allen Americans good luck in the playoff game series.
- Councilmember Baril congratulated Allen residents who will be graduating from college in the coming weeks.
- Mayor Brooks shared the following good news in Allen:
 - Police Chief Steve Dye was recognized as the 2026 recipient of Allen ISD’s “Friend of Education” Award for his meaningful impact on the school district by helping to strengthen community connections and support student success.
 - The Allen Sesquicentennial Celebrations held on April 24 and 25 highlighted community pride, neighbor connections, and the strong spirit that continues to guide Allen’s future. Council also expressed appreciation to City staff for their efforts in planning and hosting the successful events.

8. Executive Session

An Executive Session was not held.

9. Adjournment

Mayor Brooks adjourned the Regular Meeting of the Allen City Council at 7:49 p.m. on Tuesday, April 28, 2026.

These minutes were approved on the 12th day of May 2026.

APPROVED:

Baine L. Brooks, MAYOR

ATTEST:

Shelley B. George, TRMC, CITY SECRETARY

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: Tuesday, May 12, 2026, 7:00 PM

AGENDA CAPTION: Adopt a Resolution amending Chapter 9, "Leave," Section 9.03A, "Official Holidays," of the City of Allen Personnel Policies and Procedures Manual.

STAFF RESOURCE: Rebecca Vice, Assistant City Manager

BOARD/COMMISSION ACTION: None

PREVIOUS COUNCIL ACTION: January 23, 2024 - Resolution No. 4058-1-24(R) amending Chapter 9, "Leave Policy" of the City of Allen Personnel Policies and Procedures Manual.

BACKGROUND:

Juneteenth, observed annually on June 19, commemorates the end of slavery in the United States and marks a significant moment in our nation's history. On June 19, 1865, Union troops arrived in Galveston, Texas, and announced that all enslaved individuals were free, more than two years after the Emancipation Proclamation. As the oldest known celebration of the end of slavery, Juneteenth holds deep historical and cultural significance in Texas. In recognition of its importance, the United States Congress passed the Juneteenth National Independence Day Act on June 17, 2021. The day serves not only as a celebration of freedom, but also as an opportunity to reflect on the struggles, sacrifices, and contributions of those who endured slavery and helped shape the United States. The City of Allen has embraced this important occasion by hosting an annual Juneteenth celebration since 2024, highlighting the history and meaning of the day through music, cultural activities, and providing opportunities for residents to come together in celebration and reflection. Of the 11 cities in our comparable market, seven recognize Juneteenth as a city-observed holiday. The State of Texas also recognizes Juneteenth as an official holiday.

STAFF RECOMMENDATION:

Staff recommends approval.

MOTION:

I make a motion to adopt Resolution No. _____ amending Chapter 9, Section 9.03A, of the City of Allen Personnel Policies and Procedures Manual.

Attachments

[Resolution](#)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, AMENDING THE CITY OF ALLEN PERSONNEL POLICIES AND PROCEDURES MANUAL BY AMENDING CHAPTER NINE, SECTION 9.03A “OFFICIAL HOLIDAYS,” AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council previously adopted the City of Allen Personnel Policies and Procedures Manual on February 4, 2004; and,

WHEREAS, the policy contemplates that from time to time, revisions and amendments should be made to the manual; and,

WHEREAS, it is the responsibility of the City Council to adopt amendments to the manual.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, THAT:

SECTION 1. The City of Allen Personnel Policies and Procedures Manual is hereby amended by the policy attached hereto as Exhibit “A” and is hereby approved.

SECTION 2. The City Council directs the City Manager, or designee, to codify and promulgate the revised policies set forth herein for the benefit and understanding of all City employees.

SECTION 3. All resolutions of the City of Allen, Collin County, in conflict with this resolution are hereby repealed.

SECTION 4. The City of Allen Personnel Policies and Procedures Manual as amended herein shall continue in full force and effect until amended or repealed by resolution of the City Council.

SECTION 5. This resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ON THIS THE 12TH DAY OF MAY 2026.

APPROVED:

Baine L. Brooks, MAYOR

ATTEST:

Shelley B. George, TRMC, CITY SECRETARY

EXHIBIT "A"

**CHAPTER NINE
LEAVE**

9.03 HOLIDAYS

9.03 A OFFICIAL HOLIDAYS

The following holidays are recognized as official holidays:

1. New Year's Day
2. Martin Luther King, Jr. Day
3. Memorial Day
4. Juneteenth
5. Independence Day
6. Labor Day
7. Thanksgiving Day
8. Friday following Thanksgiving
9. Christmas Eve
10. Christmas Day
11. Personal Day – Designated as September 11th Holiday for Firefighter personnel
12. 2 Personal Days – For five years of service or greater

If a holiday falls on Saturday, the preceding Friday will be observed. If a holiday falls on Sunday, the following Monday will be observed. The City Manager reserves the right to modify the holiday schedule and will communicate any changes to City Staff.

Employees are provided a personal day each year that must be used in the calendar year it is accrued. Any unused personal day will be forfeited at the end of the calendar year. Personal Days are not paid out upon separation. Personal days must be used in whole day increments and must be approved in advance by the employee's supervisor.

Personal Days are allocated at the beginning of the calendar year in the following amounts:

- | | |
|-----------------|--|
| 1 Personal Day | start of employment to fifth anniversary |
| 2 Personal Days | fifth anniversary and beyond |

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: Tuesday, May 12, 2026, 7:00 PM

AGENDA CAPTION: Adopt an Ordinance amending the Code of Ordinances, Chapter 10, “Offenses – Miscellaneous” by repealing Article VII, “Public Assembly Regulations.”

STAFF RESOURCE: Kyle Taliaferro, Assistant Chief of Police

BOARD/COMMISSION ACTION: None

PREVIOUS COUNCIL ACTION: June 14, 2022 - Approved Ordinance No. 3920-6-22.

BACKGROUND:

This ordinance was originally recommended in response to a national trend of some public assemblies escalating into criminal behavior, including assaults and damage to public and private property.

However, existing statutes within the Texas Penal Code already address offenses such as assault, threats, property damage, and breaches of the peace. These statutes provide sufficient authority for law enforcement to respond effectively when public assemblies cross into unlawful conduct.

Therefore, we recommend that this ordinance be repealed. The police department should instead rely on established state law to ensure that public assemblies remain peaceful while respecting individuals’ First Amendment rights.

STAFF RECOMMENDATION:

Staff recommends approval.

MOTION:

I make a motion to adopt Ordinance No. _____ amending the Code of Ordinances repealing Chapter 10, Article VII, “Public Assembly Regulations” and reserving Article VII for future use.

Attachments

[Ordinance](#)

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, AMENDING THE CODE OF ORDINANCES BY AMENDING CHAPTER 10, “OFFENSES – MISCELLANEOUS” BY REPEALING ARTICLE VII, “PUBLIC ASSEMBLY REGULATIONS” AND RESERVING ARTICLE VII FOR FUTURE USE; PROVIDING FOR A REPEALING CLAUSE; PROVIDING FOR A SAVINGS CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, THAT:

SECTION 1. The Code of Ordinances of the City of Allen, Collin County, Texas, is hereby amended by amending Chapter 10, “Offenses – Miscellaneous” by repealing Article VII, “Public Assembly Regulations” and reserving Article VII for future use.

SECTION 2. All ordinances of the City of Allen in conflict with the provisions of this ordinance shall be, and the same are hereby, repealed; provided, however, that all other provisions of said ordinances not in conflict herewith shall remain in full force and effect.

SECTION 3. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this ordinance or of the Code of Ordinances, as amended hereby, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said ordinance or the Code of Ordinances, as amended hereby, which shall remain in full force and effect.

SECTION 4. This ordinance shall take effect immediately from and after its passage, as the law and charter in such cases provide.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ON THIS THE 12TH DAY OF MAY 2026.

APPROVED:

Baine L. Brooks, MAYOR

APPROVED AS TO FORM:

ATTEST:

Peter G. Smith, CITY ATTORNEY
(02-26-2026: 4936-7518-0178, v.1)

Shelley B. George, TRMC, CITY SECRETARY

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE:	Tuesday, May 12, 2026, 7:00 PM
AGENDA CAPTION:	Award Bid and authorize the City Manager to establish a shortlist of qualified vendors for third-party audio/visual production services for Credit Union of Texas Event Center with In Depth Events, ISP Creative, Stage Corps, LD Systems, and Upstage with an amount not to exceed \$803,470 with the option for four (4) one-year renewals at City of Allen's sole discretion.
STAFF RESOURCE:	Bill Herman, General Manager, CUTX Event Center
BOARD/COMMISSION ACTION:	None
PREVIOUS COUNCIL ACTION:	April 13, 2021 - awarded Bid and Authorize the City Manager to create a short list of qualified vendors for the Purchase of Third Party Audio/Visual Production Services for Allen Event Center with Epicenter Productions; Onstage Systems; Stage Corps, LLC; StageTex Productions, Inc.; and Upstage Center, Inc. for an Amount not to exceed \$200,000 with Options of Four (4) One-Year Renewals at sole discretion of City of Allen.

BACKGROUND:

In 2021, the Event Center was approved to enter into a five-year contract through a competitive Request for Qualifications (RFP) process to support event operations. That contract is now approaching expiration, and staff is seeking approval to establish a new agreement to ensure continuity of services.

The proposed contract will not only replace the expiring agreement but also provide the flexibility to engage additional vendors to support the continued growth and diversification of events hosted at the Event Center. Since the original contract was awarded, the Event Center has increased and expanded its programming to include a wider range of events, such as international multiday esports events, amateur sports competitions, additional graduation ceremonies, while maintaining nationally recognized productions such as Disney On Ice and other family shows, resulting in increased operational needs.

This new contract is structured to better align with current and anticipated event activity levels, ensuring CUTX Event Center can continue to deliver high-quality experiences while accommodating increased demand and evolving service requirement.

PROCUREMENT / SELECTION PROCESS:

Request for Qualifications (RFQ) 2026-1-26 was issued for Production Services in compliance with state and local procurement requirements. The solicitation was publicly advertised, and six (6) responses were received on March 13, 2026.

An evaluation committee comprised of CUTX Event Center staff reviewed and scored each submission using a Best Value methodology based on firm experience, company description and services, and references. The purpose of this RFQ was to establish a pool of pre-qualified vendors capable of supporting multiple production service categories.

Based on the evaluation results, five (5) vendors were determined to be the most qualified and are recommended for award to provide services on an as-needed basis.

Potential Awarded Vendors					
Lighting	In Depth Events	ISP Creative	LD Systems		
Sound	In Depth Events	ISP Creative	LD Systems		
Audio/Visual	In Depth Events	ISP Creative	LD Systems		
Live Video Production	ISP Creative	LD Systems	Stage Corps		
Staging	In Depth Events	ISP Creative	LD Systems		
Barricade	ISP Creative	LD Systems	Stage Corps	Upstage	
Backline	ISP Creative	LD Systems	Stage Corps	Upstage	
Soft Goods	ISP Creative	LD Systems	Stage Corps	Upstage	
Labor	In Depth Events	ISP Creative	LD Systems	Stage Corps	Upstage
Ancillary	ISP Creative	LD Systems	Stage Corps	Upstage	

The annual expense amount of \$803,470 is considerably higher than the agenda item approved in 2021 due to the significant increase in volume of events per year, their duration, the differing event types, what the production demands of such events will entail, and rising industry rates compared to 2021. In many cases, these are costs incurred by CUTX Event Center and are reimbursable to the facility via post-event settlement with event producers and clients.

BUDGETARY IMPACT:

\$803,470 has been initially budgeted for goods and services associated with this item in anticipation of revenue-generating events scheduled at the facility during FY2027. In many cases, these are costs incurred by CUTX Event Center and are reimbursable to the facility via post-event settlement with event producers and clients.

STAFF RECOMMENDATION:

Staff recommends approval.

MOTION:

I make a motion to award bids and to authorize the City Manager to approve a short list of qualified vendors for the purchase of Third-Party Audio/Visual Production Services for Credit Union of Texas Event Center in the amount of \$803,470 with options of (4) one-year renewals at sole discretion of City of Allen.

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: Tuesday, May 12, 2026, 7:00 PM

AGENDA CAPTION: Authorize the City Manager to execute a contract with FieldTurf USA, Inc., for replacement of artificial turf in highly impacted areas of the infield at Spirit Park Softball Complex for \$184,703.

STAFF RESOURCE: Kyle Benedict, Assistant Director, Parks and Recreation

BOARD/COMMISSION ACTION: None

PREVIOUS COUNCIL ACTION: None

BACKGROUND:

The Site Services Division of the Parks and Recreation Department oversees the maintenance and operations of all athletic fields within the City of Allen. In October 2018, the Spirit Park Softball Complex opened. Due to heavy usage, the turf in highly-trafficked areas around home plate, basepaths, and pitching rubbers is worn and must be replaced to provide a safe playing surface for the users. Staff conducted routine maintenance and upkeep to the artificial turf to prolong the life.

PROCUREMENT / SELECTION PROCESS:

BuyBoard Purchasing Cooperative contract #737-24.

BUDGETARY IMPACT:

Funding in the amount of \$184,703 for this project is identified from the Parks and Recreation Department budget.

STAFF RECOMMENDATION:

Staff recommends approval.

MOTION:

I make a motion authorizing the City Manager to execute a contract with FieldTurf USA, Inc. for the replacement of turf in the impacted areas of the infield artificial turf at Spirit Park Softball Complex for \$184,703.

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: Tuesday, May 12, 2026, 7:00 PM

AGENDA CAPTION: Authorize the City Manager to purchase an Electronic Ticketing System, with support hardware and software from Tyler Technologies for the Allen Police Department for \$399,894.

STAFF RESOURCE: Kyle Taliaferro, Assistant Chief of Police

BOARD/COMMISSION ACTION: None

PREVIOUS COUNCIL ACTION: None

BACKGROUND:

The Allen Police Department utilizes electronic ticket writers to issue citations, warnings, and juvenile field inquiries. These devices enable officers to operate efficiently in the field while engaging with the public and ensure the rapid and accurate transmission of data to the municipal court. By streamlining the citation process, electronic ticket writers significantly reduce data entry errors and overall processing time.

The department's current inventory of electronic ticket writers is between eight and twelve years old and has exceeded its expected service life. Due to their age, many of these devices are no longer repairable and are incompatible with current software updates.

The proposed purchase of new electronic ticket writers will increase the number of fully functional units and ensure compatibility with updated software systems. These modernized devices will enhance operational efficiency, improve usability for officers, and support the department's commitment to effective and reliable service delivery.

BUDGETARY IMPACT:

These funds were authorized in the FY26 Budget.

STAFF RECOMMENDATION:

Staff recommends approval.

MOTION:

I make a motion authorizing the City Manager to purchase an Electronic Ticketing System, with support hardware and software from Tyler Technologies for the Allen Police Department for \$399,894.

MEMO

To: The Honorable Mayor Baine Brooks, Members of City Council and City Manager

From: Peter Phillis, Chief Financial Officer & Allyson Baker, Controller

Date: May 12, 2026

Re: Fiscal Year 2026 – Second Quarter Financial Report

This report is for the financial activity, specifically Revenue and Expenditures, for the period between January 1, and March 31, of 2026 and for the second quarter of the fiscal year ending September 30, 2026.

GENERAL FUND

Overall Revenue for the quarter was \$88,839,649. Revenue collections are meeting expectations and in line with revenue estimates for the fiscal year.

- Property tax revenue is in-line with expectations. Most of the property tax revenue is collected within the first four months of the fiscal year; property tax is due on January 1 of the calendar year. The City has collected \$72,001,644 in property taxes this fiscal year to date, which is 100.9% of budgeted collections. The collections due to the TIF fund for TIF #1 and TIF #2 have not been transferred yet, which will bring the collections down in the third quarter.
- Sales tax revenue includes only four months of collection. The economy is working its way through geopolitical uncertainty, uncertainty of inflation, gas prices, wage increases, and interest rates, all of which can hinder the growth of the economy. Despite these pressures, the City is on track to exceed its sales tax budget due to a one-time sales tax receipt during the second quarter.
- Franchise fee revenue is trending ahead of this time last year. The majority of Franchise Fees are normally collected within 60 days of quarter-end, so the percent of budget is behind, but the City is confident in its ability to reach the budget adopted.
- Building permit activity for the year is behind prior year, but still on track to reach the budgeted amount this year.
- Charges for Services are in line with budgeted revenues, reaching 50.3% of budgeted revenues for the fiscal year. Largest revenues compared to budget were seen in Fire/EMS revenues (61% of annual budget already for the second quarter) and membership revenues for the Natatorium (56% of annual budget already for the first quarter). The Stephen G Terrell Recreation center is on track to meet budgeted revenues and has reached 52% of annual budgeted revenues in the second quarter.



- Interest earnings are slightly behind prior year, with \$2,253,229 in earnings in the first half of the year. Interest earnings are currently at 60% of the annual budget.
- Intergovernmental revenue is currently at 72% of the annual budget, mostly due to revenue from TIFMAS, which is a program that loans fire equipment and personnel to fight fires in other jurisdictions. These are harder to estimate in the budget process due to the unpredictable nature of these fire events and the timing of the reimbursement of funds for the deployment of personnel and resources.

DEBT SERVICE FUND

- A portion of the property tax collected is recognized in the City's Debt Service Fund to pay for the City's annual debt payments. These payments are made in February (interest only) and August (principal and interest) of each year. This year's debt payments total \$21,867,471.

TAX INCREMENT FINANCING (TIF) FUND

- Tax Increment Financing Zones are created within the City for specific purposes in areas that are intended to increase the appraised value of the zone. It establishes a base value of the zone and dedicates the incremental change in the value for specific purposes, usually improvements specifically within the zone. The base can be made up of any kind of taxes that are expected to increase due to the targeted improvements of the zone.
- The City has 5 TIFs. TIF 1 is commonly referred to as Watters Creek TIF formerly known as Montgomery Farms. It was established to create the development and pay for the public improvements that exist within the Watters Creek Development today. TIF 2 is the Central Business District TIF which was established for the purpose of improving the City's Central Business District which includes the City of Allen's downtown. TIF 3 is known as the Farm District and is part of an economic development agreement for the development for the area known as The Farm. TIF 4 will invest increment tax in the development of the area known as Sloan Corners in the zone in the southwest corner of the intersection of TX-121 and US-75. TIF 5 is the Hotel and Convention Center Zone on the southern corner of TX-121 and Stacy Road in Allen where the City intends to provide economic incentive to the development of a hotel and convention center.
- Revenues are generally recognized in the TIF fund in the third quarter of the fiscal year. There are certain economic thresholds for each TIF that must be met before payments can be made for the infrastructure improvements within the TIFs.

WATER & SEWER FUND

- Revenues from Water sales and Sewer Charges are meeting expectations. Weather has a significant impact on revenues and expenses of the fund. Most of the operations expense is related to North Texas Municipal Water District and these costs are passed through to the user – residents and businesses of the City of Allen. The predictability of the revenue can be relatively certain; however, in an unseasonably dry or rainy year revenue can vary from expectations. Water and

Sewer revenues through the quarter are \$33,579,429 and expenses are \$39,377,792. Most of the financial activity in the Water and Sewer fund occurs during the summer months.

SOLID WASTE FUND

- The City has contracted with CWD to dispose of its trash, North Texas Municipal Water District for composting services, and the City of Plano for household hazardous waste. The current activity is performing as expected with revenues in line with estimates and expenses meeting expectations.

DRAINAGE FUND

- The City has a stormwater management fee that it collects to maintain the stormwater drainage system. Most of the expense activity occurs during the summer months, meaning there is an expectation that expenses will increase in the latter half of the year.

GOLF COURSE FUND

- The Courses at Watters Creek recognized revenue of \$2,474,438 and expenses of \$2,080,729 year-to-date through the second quarter of FY2026. Revenues and expenses are performing as expected for the fiscal year. The fund is expected to generate a return.

CREDIT UNION OF TEXAS EVENT CENTER

- The Credit Union of Texas Event Center was moved to its own fund as of October 1, 2022. Revenues total \$4,711,946 so far in FY2026, representing 51.3% of original budget. Expenses total \$5,046,268 year to date, representing 54.3% of budget.

HOTEL OCCUPANCY FUND

- Hotel occupancy rates for the period averaged 62.8%, which is down slightly from 66.2% for this time last year. The average daily rate is on par with last year - \$123 compared to \$120 per night. Many of the Hotel Occupancy Tax Grants are for performance guarantees to secure events at the Event Center.

SPECIAL REVENUE FUND

- Public, Educational and Governmental (PEG) Fees are collected on a quarterly basis. These funds are used for production of content by ACTV.
- Other revenue in this fund is restricted to its use as defined by State Statute. These revenues are generated by the police department from citations and collected by the City's municipal court. Revenue is meeting expectations.
- New in this fund was the collection of Tree Mitigation fees collected from developers that the Parks Forestry and Horticulture department will use to plant trees to replace those cut down for development.

NEIGHBORHOOD REINVESTMENT FUND

- This new fund will have multiple funding sources and will be restricted for the use of improvements to City of Allen neighborhoods. Currently, the majority of funding is transferred from the General Capital Projects fund that was allocated for neighborhood reinvestment projects in that fund that will now be carried out in the Neighborhood Reinvestment fund.

GRANT FUND

- This fund accounts for most of the grant activity in the City. Grant revenue is recognized when the applicable eligibility requirements have been met by the Governmental Accounting Standards Board. The City's largest continual grant is the Community Development Block Grant (CDBG), although the current and prior fiscal year saw an increase in police department grants due to internal efforts to seek outside funding. There is a new grant in the current year operating out of the engineering department for the Green Ribbon Program for landscape and scenic enhancements along US-75. There is also a new TxDOT grant for improvements to Rowlett Trail facilitated by the Parks and Recreation department.

REPLACEMENT FUND

- Contributions are made biannually to cover required amounts needed for asset replacements in future years for the respective funds and departments. Expenditures for vehicle purchases are typically recognized later in the fiscal year to allow for the lead time required to fulfill orders. Larger vehicles like fire engines are purchased in installment payments made over a couple of years because of the build time for these vehicles. Police and Drainage have purchased several vehicles to date in FY2026.

FACILITY MAINTENANCE FUND

- The City maintains its facilities through this fund. Operating Transfers In of \$1,950,000 were allocated for this fiscal year. Year to date, the City has spent \$1,255,521 on maintenance costs. The majority of these costs year to date have been related to the Library Expansion.

RISK MANAGEMENT FUND

- Expenses related to Property & Liability Insurance and Worker's Comp premiums are paid at the beginning of each fiscal year, and the policies cover the duration of each fiscal year.
- Expenses related to Workers Compensation are dependent upon the number of claims that are paid by the Risk Fund and fluctuate from year to year.

ECONOMIC DEVELOPMENT CORPORATION

- The Allen Economic Development Corporation's major revenue source is sales tax. Currently, sales tax reflects four months of revenue totaling \$7,217,238. Expenses year to date are \$4,024,293.

COMMUNITY DEVELOPMENT CORPORATION

- The Allen Community Development Corporation's major revenue source is sales tax. Currently, sales tax reflects four months of revenue totaling \$7,217,238. Expenses year to date are \$5,918,417. The majority of non-administrative costs are related to Parks and Event Center projects.

NON-BOND CAPITAL PROJECTS

- The Non-Bond Capital Projects Fund was created for the purposes of making long-term capital improvements to the City and its facilities. These improvements are lesser in scale and scope than an improvement that generally would require the use of borrowed funds to pay for the improvement. Fiscal year to date, the City has spent \$3,102,517 on improvements within the City. The majority of expenditures were related to the Library Expansion.



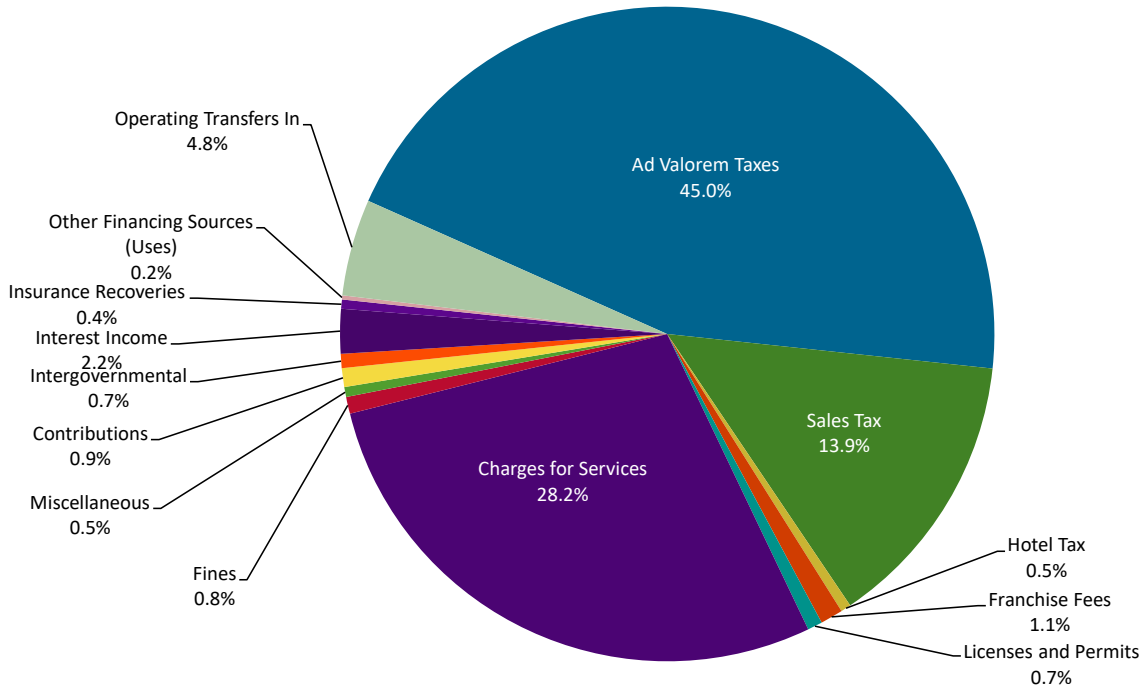
CITY OF ALLEN, TEXAS
QUARTERLY FINANCIAL REPORT
For the Quarter Ended
March 31, 2026
(Unaudited)

Prepared by: City of Allen Finance Department

City of Allen
FY2026 Quarterly Statement of Actual Revenues & Expenditures
For the Fiscal Year 2025-2026
2nd Quarter Financial Report

				Enterprise Funds					Spec. Rev.
	General Fund	Debt Service	TIF Fund	Water & Sewer	Solid Waste	Drainage Utility	Golf Course	Event Center	Hotel Occup. Tax
REVENUES									
Ad Valorem Taxes	72,001,644	22,097,555	-	-	-	-	-	-	-
Sales Tax	14,593,929	-	-	-	-	-	-	-	-
Hotel Tax	-	-	-	-	-	-	-	-	1,037,580
Franchise Fees	2,311,821	-	-	-	-	-	-	-	-
Licenses and Permits	1,550,625	-	-	-	-	-	-	-	6,800
Charges for Services	5,144,661	-	-	30,164,545	3,997,311	1,247,450	2,420,077	3,894,033	-
Fines	1,538,834	-	-	-	-	-	-	-	-
Miscellaneous	391,085	-	-	517,789	27	-	7,342	42,484	-
Contributions	125,188	-	-	1,795,969	-	-	-	-	-
Intergovernmental	1,259,520	-	-	-	-	-	-	-	-
Interest Income	2,253,229	193,881	161,037	1,067,117	23,099	18,460	47,019	428	38,540
Insurance Recoveries	15,894	-	-	-	-	-	-	-	-
Other Financing Sources (Uses)	526	-	-	-	-	-	-	-	-
Operating Transfers In	7,943,804	-	-	34,010	-	-	-	775,000	-
TOTAL REVENUES	109,130,759	22,291,437	161,037	33,579,429	4,020,437	1,265,909	2,474,438	4,711,946	1,082,920
EXPENDITURES									
Salaries	34,586,152	-	-	2,862,157	350,706	337,612	770,127	1,028,108	211,953
Benefits	13,818,703	-	-	1,330,703	152,548	175,383	342,177	438,898	81,745
Operating Costs	13,480,060	-	-	22,947,361	1,745,303	123,048	271,234	1,378,442	900,944
Supplies	717,232	-	-	227,330	16,979	41,834	131,243	54,591	850
Maintenance	3,167,800	-	-	387,476	1,178	57,792	62,951	146,389	128
Professional Services	3,563,872	-	-	862,089	1,789,660	76,924	385,244	1,999,841	184,823
Debt Service	-	4,347,222	-	449,975	-	-	-	-	-
Capital	401,351	-	-	5,098,797	-	267,680	117,752	-	-
Operating Transfers Out	302,214	-	814,831	5,211,905	497,541	345,977	-	-	100,000
TOTAL EXPENDITURES	70,037,384	4,347,222	814,831	39,377,792	4,553,914	1,426,250	2,080,729	5,046,268	1,480,445

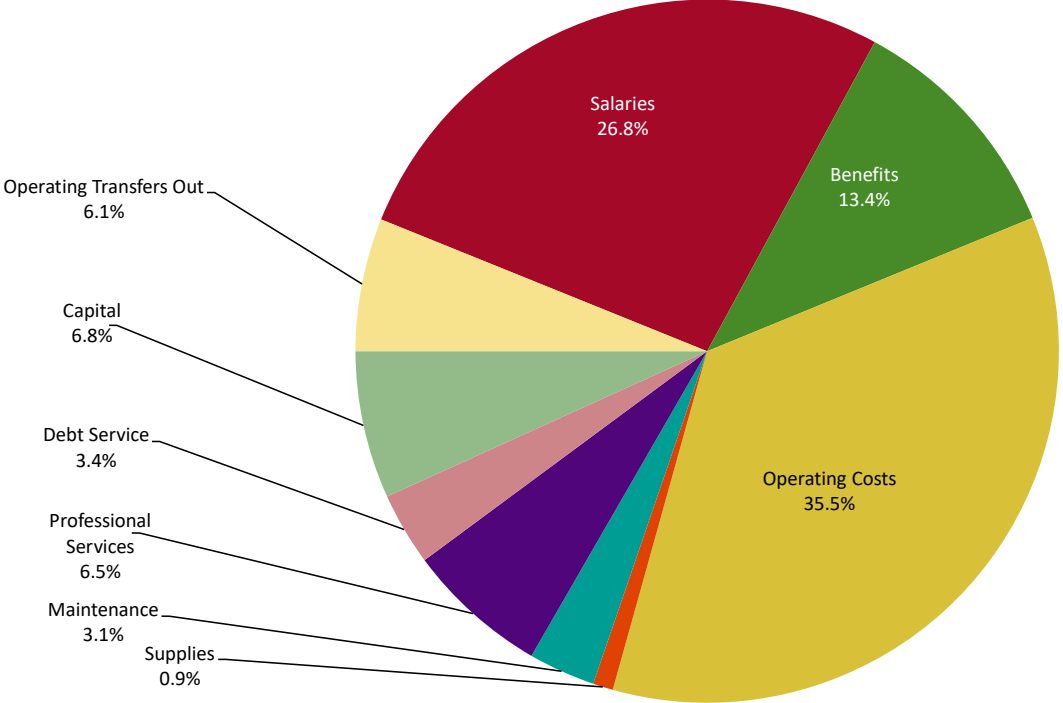
Breakdown of YTD Revenue Actuals by Character - All Funds



City of Allen
FY2026 Quarterly Statement of Actual Revenues & Expenditures
For the Fiscal Year 2025-2026
2nd Quarter Financial Report

Special Revenue				Internal Service Funds			Component Units		YTD FY2026 Actual	Total FY2026 Budget	Percent of Budget
Asset Forfeiture	Special Revenue	Grant Fund	Neighborhood Reinvestment	Replacement Fund	Facility Maintenance	Risk Management	Economic Development	Community Development			
-	-	-	-	-	-	-	-	-	94,099,199	96,664,836	97.3%
-	-	-	-	-	-	-	7,217,238	7,217,238	29,028,404	65,868,321	44.1%
-	-	-	-	-	-	-	-	-	1,037,580	2,550,000	40.7%
-	18,915	-	-	-	-	-	-	-	2,330,736	8,119,404	28.7%
-	300	-	-	-	-	-	-	-	1,557,725	3,289,200	47.4%
-	-	-	-	2,207,182	1,020,000	8,790,720	-	-	58,885,979	139,463,206	42.2%
49,835	137,795	-	-	-	-	-	-	-	1,726,463	3,368,599	51.3%
-	-	-	-	-	-	-	85,652	-	1,044,380	853,077	122.4%
-	-	-	-	-	-	-	-	-	1,921,157	160,750	1195.1%
-	-	103,441	-	-	-	-	-	121,172	1,484,132	7,183,930	20.7%
3,424	1,380	765	460	218,416	16,329	184,403	196,525	168,455	4,592,967	5,869,690	78.2%
-	-	-	-	9,536	-	910,592	-	-	936,022	540,000	173.3%
-	-	-	-	437,789	-	-	-	-	438,315	5,000	8766.3%
-	-	-	325,000	-	-	-	900,045	-	9,977,858	19,187,102	52.0%
53,259	158,390	104,206	325,460	2,872,922	1,036,329	9,885,715	8,399,459	7,506,864	209,060,917	353,123,115	59.2%
-	-	-	-	-	-	190,926	455,112	92,554	40,885,407	86,895,271	47.1%
-	-	-	-	-	-	73,463	160,867	33,381	16,607,867	34,744,325	47.8%
-	16,977	18,418	4,983	-	-	117	3,039,253	254,242	54,184,986	109,900,920	49.3%
29,125	3,440	-	-	51,489	-	3,545	5,006	135,122	1,417,786	4,269,410	33.2%
-	40	-	-	-	281,036	491	-	574,457	4,679,740	11,707,611	40.0%
12,220	6,674	21,180	88,856	24,879	-	86,718	211,028	660,073	9,974,080	26,038,694	38.3%
-	-	-	-	-	-	-	94,508	219,095	5,110,800	28,223,077	18.1%
-	-	141,842	-	1,388,685	974,368	-	-	1,953,928	10,344,403	12,946,158	79.9%
-	-	-	-	-	-	-	58,520	1,995,567	9,326,553	25,363,106	36.8%
41,345	27,131	181,439	93,839	1,465,054	1,255,521	10,359,747	4,024,293	5,918,417	152,531,622	340,088,572	44.9%

Breakdown of YTD Expenditure Actuals by Character - All Funds



CITY OF ALLEN
General Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
Property Taxes	\$ 71,350,793	\$ 71,350,793	\$ 60,965,649	\$ 72,001,644	100.9%	\$ 66,751,327	\$ 67,239,953	100.7%
Sales Tax ¹	33,088,355	33,088,355	11,781,669	14,593,929	44.1%	32,488,068	10,457,517	32.2%
Franchise Fees	8,025,897	8,025,897	2,040,244	2,311,821	28.8%	7,684,829	1,945,813	25.3%
Licenses & Permits	3,272,200	3,272,200	840,339	1,550,625	47.4%	2,733,875	2,227,597	81.5%
Charges for Services	10,222,489	10,222,489	2,636,023	5,144,661	50.3%	9,518,206	5,382,409	56.5%
Fines	2,953,599	2,953,599	794,612	1,538,834	52.1%	1,573,433	1,405,523	89.3%
Miscellaneous	619,027	619,027	246,337	391,611	63.3%	280,167	373,019	133.1%
Interest Income	3,755,918	3,755,918	1,279,970	2,253,229	60.0%	3,629,873	2,624,829	72.3%
Contributions	85,750	85,750	96,114	125,188	146.0%	64,700	27,877	43.1%
Intergovernmental	1,748,722	1,748,722	453,992	1,259,520	72.0%	2,049,882	1,572,589	76.7%
Insurance recoveries	31,600	31,600	10,894	15,894	50.3%	31,600	47,243	149.5%
Transfers In	14,761,302	14,761,302	7,693,804	7,943,804	53.8%	14,292,145	7,217,910	50.5%
TOTAL Revenue	\$ 149,915,652	\$ 149,915,652	\$ 88,839,649	\$ 109,130,759	72.8%	\$ 141,098,105	\$ 100,522,278	71.2%

EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>General Government</i>								
City Administration	\$ 1,583,581	\$ 1,583,581	\$ 501,819	\$ 898,109	56.7%	\$ 1,541,337	\$ 696,553	45.2%
City Secretary	1,324,750	1,324,750	379,853	668,973	50.5%	1,173,398	526,229	44.8%
Public & Media Relations	1,950,112	1,950,112	507,648	922,360	47.3%	1,976,609	858,258	43.4%
Information Technology	7,809,858	7,809,858	1,616,201	3,282,324	42.0%	7,684,033	3,308,026	43.1%
Human Resources	1,819,424	1,819,424	369,553	706,761	38.8%	1,704,674	741,411	43.5%
Internal Services	10,283,691	10,283,691	4,591,409	5,406,487	52.6%	10,260,073	3,268,606	31.9%
Finance	4,372,370	4,372,370	1,096,968	1,940,016	44.4%	4,217,129	1,913,251	45.4%
Municipal Court	1,167,876	1,167,876	354,006	678,306	58.1%	1,165,611	552,523	47.4%
Building Maintenance	2,282,266	2,282,266	612,766	1,013,974	44.4%	1,871,063	842,110	45.0%
Service Center	52,375	52,375	3,701	13,780	26.3%	183,743	5,846	3.2%
<i>Public Safety</i>								
Fire	28,488,065	28,488,065	8,463,328	14,426,204	50.6%	26,700,881	13,050,049	48.9%
Police	41,276,921	41,276,921	11,384,722	20,023,695	48.5%	38,511,810	19,236,451	49.9%
<i>Public Works</i>								
Community Services Admin	1,002,269	1,002,269	317,872	498,627	49.7%	860,271	405,158	47.1%
Streets	2,842,786	2,842,786	712,474	997,092	35.1%	2,670,549	1,444,197	54.1%
Engineering	6,225,895	6,225,895	2,113,506	3,154,450	50.7%	6,023,097	1,873,663	31.1%
<i>Culture & Recreation</i>								
Library	4,569,435	4,569,435	1,161,146	2,041,950	44.7%	4,242,860	1,893,927	44.6%
Parks & Recreation	26,668,776	26,668,776	5,821,106	10,579,916	39.7%	24,541,597	9,825,121	40.0%
<i>Community Development</i>								
Community Development	5,495,004	5,495,004	1,340,761	2,383,010	43.4%	5,296,744	2,149,276	40.6%
<i>Capital Expenditures</i>								
Capital Expenditures	700,198	700,198	58,051	401,351	57.3%	472,627	472,519	100.0%
TOTAL Expenditures	\$ 149,915,652	\$ 149,915,652	\$ 41,406,890	\$ 70,037,384	46.7%	\$ 141,098,105	\$ 63,063,173	44.7%

¹ Actual represents 4 months of Sales Tax collections.

CITY OF ALLEN
Debt Service Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE								
Revenue Source	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
Property Taxes	\$ 22,184,989	\$ 22,184,989	\$ 18,710,231	\$ 22,097,555	99.6%	\$ 20,396,378	\$ 20,324,859	99.6%
Interest Income	398,283	398,283	162,526	193,881	48.7%	258,582	217,454	84.1%
TOTAL Revenue	\$ 22,583,272	\$ 22,583,272	\$ 18,872,757	\$ 22,291,437	98.7%	\$ 20,654,960	\$ 20,542,313	99.5%

EXPENDITURES								
	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
Principal	\$ 13,010,000	\$ 13,010,000	\$ -	\$ -	0.0%	\$ 12,725,000	\$ -	0.0%
Interest and Fiscal Charges	8,857,471	8,857,471	4,347,222	4,347,222	49.1%	8,299,828	3,963,871	47.8%
TOTAL Expenditures	\$ 21,867,471	\$ 21,867,471	\$ 4,347,222	\$ 4,347,222	19.9%	\$ 21,024,828	\$ 3,963,871	18.9%

CITY OF ALLEN
Tax Increment Financing (TIF) Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>TIF#1 - Montgomery Farms</i>								
Property Taxes	\$ 602,371	\$ 602,371	\$ -	\$ -	0.0%	\$ 612,934	\$ -	0.0%
Intergovernmental	190,660	190,660	-	-	0.0%	190,660	-	0.0%
<i>TIF#2 - Central Business District</i>								
Property Taxes	2,526,683	2,526,683	-	-	0.0%	2,396,267	-	0.0%
Sales Tax	192,000	192,000	-	-	0.0%	222,674	-	0.0%
<i>Non-Operating Revenues</i>								
Interest Income	235,167	235,167	66,084	161,037	68.5%	173,702	177,281	102.1%
TOTAL Revenues	\$3,746,881	\$3,746,881	\$ 66,084	\$ 161,037	4.3%	\$3,596,237	\$ 177,281	4.9%

EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>TIF#1 - Montgomery Farms</i>								
Economic Grant Expenses	\$ 755,760	\$ 755,760	\$ -	\$ -	0.0%	\$ 755,760	\$ -	0.0%
Transfers Out - GF G&A	17,000	17,000	8,500	8,500	50.0%	17,000	8,500	
<i>TIF#2 - Central Business District</i>								
Operational Support	1,595,662	1,595,662	797,831	797,831		-	-	
Transfers Out - GF G&A	17,000	17,000	8,500	8,500	50.0%	17,000	8,500	50.0%
TOTAL Expenditures	\$2,385,422	\$2,385,422	\$ 814,831	\$ 814,831	34.2%	\$ 789,760	\$ 17,000	2.2%

CITY OF ALLEN
Water & Sewer Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Operating Revenues</i>								
Water Sales	\$46,822,660	\$ 46,822,660	\$ 8,230,000	\$16,301,851	34.8%	\$41,833,086	\$14,579,206	34.9%
Sewer Charges	33,132,435	33,132,435	7,805,026	13,446,039	40.6%	31,664,898	11,905,354	37.6%
Connections	75,000	75,000	17,957	56,043	74.7%	70,000	64,417	92.0%
Service Charges	891,500	891,500	169,691	360,612	40.4%	776,500	429,087	55.3%
Miscellaneous	100,000	100,000	140,423	517,789	517.8%	100,000	503,590	503.6%
<i>Non-Operating Revenues</i>								
Development Fees	-	-	768,366	1,795,969		-	1,899,722	
Interest Income	244,706	244,706	479,956	1,067,117	436.1%	244,706	857,458	350.4%
Insurance Recoveries	30,000	30,000	-	-		60,000	-	
Operating Transfer In	68,019	68,019	34,010	34,010	50.0%	917,830	3,923,117	427.4%
TOTAL Revenues	\$81,364,320	\$ 81,364,320	\$17,645,429	\$33,579,429	41.3%	\$75,667,020	\$34,161,951	45.1%

EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Operating Expenditures</i>								
<i>W&S Debt Service</i>								
Debt Service	\$ 2,101,250	\$ 2,101,250	\$ -	\$ 449,975	21.4%	\$ 2,358,000	\$ 465,600	19.7%
<i>W&S Operations</i>								
Personnel	8,076,505	8,076,505	2,192,219	3,804,046	47.1%	7,405,234	3,177,624	42.9%
Professional Services	1,237,245	1,237,245	349,400	612,203	49.5%	643,618	881,043	136.9%
Operating Costs	3,362,469	3,362,469	1,123,924	1,345,674	40.0%	1,994,908	912,470	
NTMWD - Water/Pre-Treatment	43,231,268	43,231,268	9,808,505	21,571,065	49.9%	41,912,500	17,123,010	40.9%
Supplies	530,800	530,800	96,626	224,669	42.3%	799,850	217,226	27.2%
Maintenance	2,186,765	2,186,765	243,660	387,476	17.7%	902,500	561,661	62.2%
<i>Utility Billing/Collections</i>								
Personnel	788,388	788,388	221,250	388,814	49.3%	802,632	356,709	44.4%
Professional Services	1,368,100	1,368,100	206,009	249,886	18.3%	1,032,694	410,171	
Operating Costs	113,150	113,150	23,251	30,622	27.1%	110,150	27,088	24.6%
Supplies	8,000	8,000	1,341	2,661	33.3%	8,000	3,584	44.8%
<i>Non-Operating Expenditures</i>								
Transfers Out	17,723,809	17,723,809	5,211,905	5,211,905	29.4%	16,644,328	8,739,873	52.5%
Capital	663,939	663,939	4,101,161	5,098,797	768.0%	500,000	2,935,522	587.1%
TOTAL Expenditures	\$81,391,688	\$ 81,391,688	\$23,579,250	\$39,377,792	48.4%	\$75,114,414	\$35,811,581	47.7%

CITY OF ALLEN
Solid Waste Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Operating Revenues</i>								
Garbage Fees	\$7,574,643	\$7,574,643	\$ 1,889,657	\$3,174,786	41.9%	\$7,089,214	\$ 2,842,061	40.1%
Commercial Garbage	1,447,124	1,447,124	528,904	679,561	47.0%	1,500,000	549,993	36.7%
Household Haz Waste	212,338	212,338	52,085	87,777	41.3%	225,486	83,060	36.8%
Recycling Revenues	94,784	94,784	20,843	28,014	29.6%	96,869	27,725	28.6%
Composting Revenue	90,000	90,000	23,212	27,173	30.2%	120,000	28,437	23.7%
Miscellaneous	36,500	36,500	22	27	0.1%	36,500	28	0.1%
<i>Non-Operating Revenues</i>								
Interest Income	30,046	30,046	10,961	23,099	76.9%	30,046	28,295	94.2%
TOTAL Revenues	\$9,485,435	\$9,485,435	\$ 2,525,682	\$4,020,437	42.4%	\$9,098,115	\$ 3,559,600	39.1%
EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Operating Expenditures</i>								
Personnel	\$1,012,466	\$1,012,466	\$ 268,292	\$ 503,253	49.7%	\$ 972,945	\$ 331,544	34.1%
Operating Costs	151,434	151,434	45,455	74,442	49.2%	137,074	71,466	52.1%
Solid Waste Services	2,894,325	2,894,325	716,085	1,670,861	57.7%	2,849,625	1,622,772	56.9%
Supplies	43,275	43,275	7,412	16,979	39.2%	47,705	14,191	29.7%
Maintenance	8,050	8,050	513	1,178	14.6%	8,050	1,370	17.0%
Professional Services	4,498,142	4,498,142	1,109,901	1,789,660	39.8%	4,397,523	1,774,507	40.4%
<i>Non-Operating Expenditures</i>								
Capital	-	-	-	-		50,000	41,500	83.0%
Transfers Out	695,081	695,081	497,541	497,541	71.6%	668,267	479,718	71.8%
TOTAL Expenditures	\$9,302,773	\$9,302,773	\$ 2,645,198	\$4,553,914	49.0%	\$9,131,189	\$ 4,337,067	47.5%

CITY OF ALLEN
Drainage Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Operating Revenues</i>								
Drainage Fees	\$3,036,564	\$3,036,564	\$ 745,906	\$1,227,138	40.4%	\$2,300,000	\$ 916,022	39.8%
Inspection Fees	100,000	100,000	-	20,312	20.3%	100,000	46,426	46.4%
<i>Non-Operating Revenues</i>								
Interest Income	24,350	24,350	8,781	18,460	75.8%	24,350	22,167	91.0%
Insurance Recoveries	15,000	15,000	-	-	0.0%	15,000	-	
Miscellaneous	-	-	-	-		10,000	400	4.0%
TOTAL Revenues	\$3,175,914	\$3,175,914	\$ 754,687	\$1,265,909	39.9%	\$2,449,350	\$ 985,015	40.2%
EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Operating Expenditures</i>								
Personnel	\$1,020,824	\$1,020,824	\$ 289,112	\$ 512,995	50.3%	\$ 957,517	\$ 402,984	42.1%
Operating Costs	250,301	250,301	103,730	123,048	49.2%	226,161	106,725	47.2%
Supplies	75,900	75,900	31,567	41,834	55.1%	73,475	21,436	29.2%
Maintenance	391,763	391,763	27,747	57,792	14.8%	538,763	58,440	10.8%
Professional Services	461,163	461,163	59,404	76,924	16.7%	326,218	132,991	40.8%
<i>Non-Operating Expenditures</i>								
Transfers Out	691,953	691,953	345,977	345,977	50.0%	509,905	250,817	49.2%
Capital	419,184	419,184	29,500	267,680	63.9%	53,000	48,685	91.9%
TOTAL Expenditures	\$3,311,088	\$3,311,088	\$ 887,036	\$1,426,250	43.1%	\$2,685,039	\$ 1,022,078	38.1%

CITY OF ALLEN
Golf Course Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Operating Revenues</i>								
Green Fees	\$3,433,380	\$3,433,380	\$ 774,681	\$1,625,574	47.3%	\$3,207,660	\$ 1,392,402	43.4%
Driving Range	807,200	807,200	189,887	365,089	45.2%	805,200	328,189	40.8%
Lesson Fees	315,000	315,000	50,503	97,153	30.8%	305,000	105,638	34.6%
Concession Sales	327,631	327,631	56,243	127,338	38.9%	312,919	127,559	40.8%
Alcohol Sales	250,325	250,325	42,464	96,566	38.6%	246,629	98,111	39.8%
Retail Pro Shop	183,910	183,910	37,919	90,207	49.0%	182,890	72,484	39.6%
Facility Rental	10,625	10,625	300	2,400	22.6%	10,000	6,795	68.0%
Sponsorships	50,000	50,000	1,250	15,750	31.5%	50,000	18,694	37.4%
<i>Non-Operating Revenues</i>								
Miscellaneous	-	-	26	7,342		300	6,312	2104.0%
Contributions	-	-	-	-		-	12,500	
Transfers In	-	-	-	-		-	1,400	
Insurance Recoveries	-	-	-	-		-	-	
Interest Income	-	-	22,002	47,019		-	37,048	
TOTAL Revenues	\$5,378,071	\$5,378,071	\$ 1,175,274	\$2,474,438	46.0%	\$5,120,598	\$ 2,207,132	43.1%
EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2024 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Operating Expenses</i>								
Personnel	\$2,418,095	\$2,418,095	\$ 641,308	\$1,112,304	46.0%	\$2,250,218	\$ 1,028,330	45.7%
Operating Costs	757,680	757,680	143,634	271,234	35.8%	707,521	232,918	32.9%
Supplies	268,150	268,150	38,768	131,243	48.9%	330,650	159,010	48.1%
Maintenance	123,725	123,725	31,900	62,951	50.9%	112,725	76,671	68.0%
Professional Services	1,110,250	1,110,250	183,691	385,244	34.7%	1,092,299	383,124	35.1%
<i>Non-Operating Expenditures</i>								
Capital	678,031	678,031	117,752	117,752	17.4%	48,000	169,176	352.4%
TOTAL Expenditures	\$5,355,931	\$5,355,931	\$ 1,157,054	\$2,080,729	38.8%	\$4,541,413	\$ 2,049,228	45.1%

CITY OF ALLEN
Allen Event Center Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Operating Revenues</i>								
<i>Ice Rink</i>								
Facility/Activities Rentals	\$ 228,664	\$ 228,664	\$ 54,786	\$ 146,490	64.1%	\$ 228,664	\$ 167,836	73.4%
Membership/Admission	1,216,700	1,216,700	386,016	689,417	56.7%	1,216,700	704,003	57.9%
Retail Pro Shop	64,506	64,506	22,315	38,295	59.4%	51,605	37,455	72.6%
Sponsorships	36,000	36,000	6,732	12,153	33.8%	36,000	19,331	53.7%
<i>Box Office</i>								
Facility Ticket Fees	375,727	375,727	134,390	232,011	61.7%	395,010	230,004	58.2%
Administrative Fees	483,100	483,100	84,742	151,272	31.3%	520,063	159,745	30.7%
<i>Food & Beverage</i>								
Concessions	2,030,809	2,030,809	466,168	1,133,218	55.8%	1,880,809	1,272,406	67.7%
Alcohol	1,068,100	1,068,100	236,448	455,389	42.6%	918,100	561,993	61.2%
Retail Pro Shop	10,000	10,000	-	21,964	219.6%	30,000	5,506	18.4%
<i>Operations</i>								
Facility Rentals	2,556,950	2,556,950	329,716	931,830	36.4%	2,451,066	914,562	37.3%
Sponsorships	385,582	385,582	28,247	81,995	21.3%	385,582	106,090	27.5%
<i>Non-Operating Revenues</i>								
Interest Income	-	-	146	428	-	-	1,896	-
Miscellaneous	75,050	75,050	21,086	42,484	56.6%	74,520	45,806	61.5%
Intergovernmental	-	-	-	-	-	-	-	-
Operating Transfer In	1,550,000	1,550,000	387,500	775,000	50.0%	1,700,000	850,000	50.0%
TOTAL Revenues	\$ 10,081,188	\$ 10,081,188	\$ 2,158,291	\$ 4,711,946	46.7%	\$9,888,119	\$ 5,076,633	51.3%

EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Operating Expenses</i>								
Personnel	\$ 3,513,081	\$ 3,513,081	\$ 809,306	\$ 1,467,006	41.8%	\$3,308,241	\$ 1,539,201	46.5%
Operating Costs	2,843,882	2,843,882	759,794	1,378,442	48.5%	2,752,556	1,404,323	51.0%
Supplies	178,246	178,246	23,361	54,591	30.6%	193,654	90,212	46.6%
Maintenance	368,170	368,170	78,183	146,389	39.8%	367,807	265,726	72.2%
Professional Services	3,132,536	3,132,536	940,716	1,999,841	63.8%	3,173,556	2,041,145	64.3%
Capital	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	44,450	-	0.0%
TOTAL Expenditures	\$ 10,035,915	\$ 10,035,915	\$ 2,611,359	\$ 5,046,268	50.3%	\$9,840,264	\$ 5,340,607	54.3%

CITY OF ALLEN
Hotel Occupancy Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
Hotel Occupancy Tax	\$2,550,000	\$2,550,000	\$ 586,949	\$1,037,580	40.7%	\$2,418,156	\$ 1,033,522	42.7%
Licenses & Permits	17,000	17,000	2,600	6,800	40.0%	-	7,688	0.0%
Interest Income	52,978	52,978	18,240	38,540	72.7%	64,750	40,142	62.0%
TOTAL Revenue	\$2,619,978	\$2,619,978	\$ 607,789	\$1,082,920	41.3%	\$2,482,906	\$ 1,081,352	43.6%

EXPENDITURES	Original FY2024 Budget	Revised FY2024 Budget	2nd Quarter FY2024 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Hotel Tax Admin</i>								
Hotel Tax Grants*	\$ 280,000	\$ 280,000	\$ 16,500	\$ 27,913	10.0%	\$ 355,500	\$ 26,207	7.4%
Economic Grants	790,000	790,000	772,737	772,737	97.8%	750,000	-	0.0%
Operating Costs	-	-	-	-	-	36,660	-	0.0%
Professional Services	32,400	32,400	6,854	17,040	52.6%	34,000	179	0.5%
<i>Convention/Visitor Bureau</i>								
Personnel	744,416	744,416	165,786	293,698	39.5%	732,605	283,618	38.7%
Operating Costs	410,306	410,306	49,793	100,295	24.4%	397,738	177,787	44.7%
Supplies	5,000	5,000	592	850	17.0%	5,000	5,915	118.3%
Maintenance	512	512	128	128	25.1%	512	51	9.9%
Professional Services	218,987	218,987	108,950	167,783	76.6%	198,694	85,000	42.8%
Operating Transfer Out	200,000	200,000	50,000	100,000	50.0%	355,562	175,000	49.2%
TOTAL Expenditures	\$2,681,621	\$2,681,621	\$ 1,171,340	\$1,480,445	55.2%	\$2,866,271	\$ 753,758	26.3%

HOTEL TAX GRANTS*	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Grant Organizations</i>								
Allen-Fairview Chamber	\$ 1,000	\$ 1,000	\$ 12,500	\$ 12,620	1262.0%	\$ 1,000	\$ -	0.0%
Allen Arts Alliance	7,500	7,500	-	-	0.0%	-	-	0.0%
Allen Civic Ballet	10,000	10,000	-	-	0.0%	10,000	-	0.0%
Allen Community Band	6,000	6,000	-	-	0.0%	6,000	-	0.0%
Allen Community Outreach	-	-	-	-	-	-	1,500	0.0%
Allen Heritage Guild	2,500	2,500	-	2,500	100.0%	2,500	-	0.0%
Allen ISD	-	-	-	-	-	-	10,000	0.0%
Allen Philharmonic Symphony	30,000	30,000	-	-	0.0%	30,000	7,430	24.8%
Allen's Community Theatre	3,000	3,000	-	-	0.0%	3,000	-	0.0%
City of Allen - Parks & Recreation	60,000	60,000	-	-	0.0%	60,000	7,277	12.1%
CUTXEC	150,000	150,000	1,500	6,290	4.2%	235,000	-	0.0%
Connemara Conservancy	3,000	3,000	-	-	0.0%	3,000	-	0.0%
Friends of the Library	5,000	5,000	-	4,003	80.1%	5,000	-	0.0%
Foundation for Allen Schools	-	-	2,500	2,500	-	-	-	0.0%
Note-Ably North Texas Chorus	2,000	2,000	-	-	0.0%	-	-	0.0%
TOTAL Grant Amounts	\$ 280,000	\$ 280,000	\$ 16,500	\$ 27,913	10.0%	\$ 355,500	\$ 26,207	7.4%

CITY OF ALLEN
Asset Forfeiture Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
State Forfeiture	\$ 35,000	\$ 35,000	\$ 7,500	\$ 49,835	142.4%	\$ 35,000	\$ 99,294	283.7%
Federal Forfeiture	150,000	150,000	-	-	0.0%	150,000	-	0.0%
Auction Revenue	-	-	-	-	0.0%	-	-	0.0%
Interest Income	4,975	4,975	1,629	3,424	68.8%	5,559	3,817	68.7%
TOTAL Revenues	\$ 189,975	\$ 189,975	\$ 9,129	\$ 53,259	28.0%	\$ 190,559	\$ 103,111	54.1%

EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
Supplies	\$ -	\$ -	\$ 22,259	\$ 29,125	0.0%	\$ -	\$ 65,242	0.0%
Professional Services	\$ 32,687	\$ 32,687	\$ 4,925	\$ 12,220	37.4%	\$ 32,687	\$ 10,081	30.8%
TOTAL Expenditures	\$ 32,687	\$ 32,687	\$ 27,184	\$ 41,345	126.5%	\$ 32,687	\$ 75,323	230.4%

CITY OF ALLEN
Special Revenue Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Operating Revenues</i>								
PEG Fees	\$ 93,507	\$ 93,507	\$ 18,915	\$ 18,915	20.2%	\$ 115,357	\$ 23,457	20.3%
Juvenile Case Management	80,000	80,000	26,201	50,217	62.8%	39,701	46,018	115.9%
Court Security	80,000	80,000	24,945	48,169	60.2%	37,500	44,493	118.6%
Court Technology	70,000	70,000	20,414	39,409	56.3%	30,650	36,420	118.8%
Tree Mitigation	-	-	200	300		-	582,800	
<i>Non-Operating Revenues</i>								
Interest Income	27,919	27,919	597	1,380	4.9%	27,919	4,695	16.8%
TOTAL Revenues	\$ 351,426	\$ 351,426	\$ 91,271	\$ 158,390	45.1%	\$ 251,127	\$ 737,882	293.8%
EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Restricted Expenditures</i>								
PEG Expenses	\$ 23,840	\$ 23,840	\$ 8,256	\$ 25,850	108.4%	\$ 30,500	\$ 21,333	69.9%
Juvenile Case Management	80,000	80,000	-	-	0.0%	39,701	19,851	50.0%
Court Security	80,000	80,000	-	-	0.0%	37,500	18,750	50.0%
Court Technology	7,300	7,300	-	1,281	17.5%	4,500	4,200	93.3%
Tree Mitigation	-	-	-	-		-	-	
TOTAL Expenditures	\$ 191,140	\$ 191,140	\$ 8,256	\$ 27,131	14.2%	\$ 112,201	\$ 64,133	57.2%

CITY OF ALLEN
Neighborhood Reinvestment Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Non-Operating Revenues</i>								
Interest Income	\$ -	\$ -	\$ 182	\$ 460		\$ -	\$ 3,967	
Miscellaneous Revenue	27,500	27,500	-	-	0.0%	12,500	-	
Transfers In	75,000	75,000	325,000	325,000	433.3%	120,960	85,480	70.7%
TOTAL Revenues	\$ 177,500	\$ 177,500	\$ 325,182	\$ 325,460	183.4%	\$ 133,460	\$ 89,447	67.0%
EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
Professional Services	\$ 207,500	\$ 207,500	\$ 74,206	\$ 88,856	42.8%	\$ 117,500	\$ 449,995	383.0%
Operating Costs	15,960	15,960	4,983	4,983	31.2%	15,960	-	0.0%
TOTAL Expenditures	\$ 223,460	\$ 223,460	\$ 79,189	\$ 93,839	42.0%	\$ 133,460	\$ 449,995	337.2%

CITY OF ALLEN
Grant Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Grant Revenue</i>								
Fire Grants	\$ -	\$ -	\$ 1,726	\$ 8,155		\$ 800	\$ 6,493	811.7%
Police Grants	44,000	44,000	17,395	71,095	161.6%	232,560	65,266	28.1%
Library Grants	3,950	3,950	-	-	0.0%	1,800	5,365	298.1%
Community Development Block Grants	496,598	496,598	24,191	24,191	4.9%	408,000	22,780	5.6%
American Rescue Plan Act Grant	-	-	-	-		-	263,961	
Environmental Health/CE Grants	-	-	-	-		-	941	
Municipal Court Grants	-	-	-	-		-	98,911	
Information Technology Grants	-	-	-	-		152,150	-	0.0%
Park & Recreation Grants	3,500,000	3,500,000	-	-	0.0%	3,500,000	-	0.0%
Engineering Grants	1,200,000	1,200,000	-	-	0.0%	-	-	
<i>Non-Operating Revenues</i>								
Interest Income	-	-	312	765		-	8,976	
Operating Transfers	135,000	135,000	-	-	0.0%	1,300	-	0.0%
TOTAL Revenues	\$ 5,379,548	\$ 5,379,548	\$ 43,624	\$ 104,206	1.9%	\$ 4,296,610	\$ 472,692	11.0%

EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Fire Department Grants</i>								
Operating Costs	\$ -	\$ -	\$ -	\$ -		\$ 800	\$ 65	8.1%
<i>Police Department Grants</i>								
Operating Costs	-	-	3,000	3,000		15,300	-	0.0%
Professional Services	-	-	-	-		25,000	-	0.0%
Supplies	-	-	-	-		123,560	-	0.0%
Capital	44,000	44,000	141,842	141,842	322.4%	70,000	-	0.0%
<i>Library Grants</i>								
Operating Costs	-	-	-	-		-	2,500	
Professional Services	3,950	3,950	-	-	0.0%	1,800	-	0.0%
<i>Community Development Block Grants</i>								
Operating Costs	8,000	8,000	-	14,957	187.0%	5,000	16,310	326.2%
Professional Services	488,598	488,598	19,284	21,180	4.3%	403,000	6,470	1.6%
<i>American Rescue Plan Act Grant</i>								
Maintenance	-	-	-	-		-	176,161	
Capital	-	-	-	-		-	87,800	
<i>Environmental Health/Community Enhancement Grants</i>								
Operating Costs	-	-	-	461		-	941	
<i>Municipal Court Grants</i>								
Professional Services	-	-	-	-		-	98,911	
<i>Information Technology Grants</i>								
Operating Costs	-	-	-	-		-	7,883	
Professional Services	-	-	-	-		152,150	-	0.0%
<i>Park & Recreation Grants</i>								
Capital	3,500,000	3,500,000	-	-	0.0%	3,500,000	-	0.0%
<i>Engineering Grants</i>								
Capital	1,335,000	1,335,000	-	-		-	-	
TOTAL Expenditures	\$ 5,379,548	\$ 5,379,548	\$ 164,126	\$ 181,439	3.4%	\$ 4,296,610	\$ 397,040	9.2%

CITY OF ALLEN
Replacement Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Charges for Services</i>								
General Fund	\$2,937,571	\$2,937,571	\$ 1,468,786	\$1,468,786	50.0%	\$2,115,447	\$ 1,057,724	50.0%
Risk Fund	2,998	2,998	1,499	1,499	50.0%	14,505	7,253	50.0%
Water & Sewer Fund	1,335,800	1,335,800	667,900	667,900	50.0%	331,132	165,566	50.0%
Solid Waste Fund	24,016	24,016	12,008	12,008	50.0%	43,457	21,729	50.0%
Drainage Fund	112,661	112,661	56,331	56,331	50.0%	116,819	58,410	50.0%
Hotel Fund	1,317	1,317	659	659	50.0%	1,317	659	50.0%
Golf Fund	-	-	-	-	-	-	-	-
<i>Non-Operating Revenues</i>								
Miscellaneous	-	-	-	-	-	-	15	-
Interest Income	338,540	338,540	98,389	218,416	64.5%	338,540	297,619	87.9%
Insurance Recoveries	-	-	9,536	9,536	-	-	-	-
Auction Revenue	-	-	106,067	437,789	-	260,000	4,764	1.8%
TOTAL Revenues	\$4,752,903	\$4,752,903	\$ 2,421,174	\$2,872,922	60.4%	\$3,221,217	\$ 1,613,737	50.1%

EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>By Department</i>								
Information Technology	\$ 385,000	\$ 385,000	\$ 39,975	\$ 51,489	13.4%	\$ 630,473	\$ 535,953	85.0%
Fire	420,000	420,000	79,500	79,500	18.9%	4,638,250	1,901,039	41.0%
Police	480,000	480,000	421,553	668,591	139.3%	-	400,959	-
Parks & Recreation	527,558	527,558	190,521	198,145	37.6%	355,069	439,948	123.9%
Community Development	-	-	-	401	-	150,342	147,948	98.4%
Community Enhancement	100,000	100,000	-	1,230	1.2%	-	5,327	-
Community Services	-	-	-	1,084	-	218,895	64,095	29.3%
Engineering	300,000	300,000	-	-	0.0%	50,114	48,685	97.1%
Water & Sewer	956,330	956,330	52,724	99,798	10.4%	640,658	649,222	101.3%
Drainage	724,722	724,722	-	364,272	50.3%	72,465	97,160	134.1%
Solid Waste	-	-	-	544	-	60,895	56,770	93.2%
Golf	-	-	-	-	-	-	-	-
Event Center	-	-	-	-	-	-	-	-
TOTAL Expenditures	\$3,893,610	\$3,893,610	\$ 784,272	\$1,465,054	37.6%	\$6,817,161	\$ 4,347,104	63.8%

CITY OF ALLEN
Facility Maintenance Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
Charges for Services	\$ 1,950,000	\$ 1,950,000	\$ 1,020,000	\$ 1,020,000	52.3%	\$ 1,800,000	\$ 900,000	50.0%
Interest Income	27,986	27,986	7,398	16,329	58.3%	27,986	20,619	73.7%
TOTAL Revenues	\$ 1,977,986	\$ 1,977,986	\$ 1,027,398	\$ 1,036,329	52.4%	\$ 1,827,986	\$ 920,619	50.4%

EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
Operating Expenses	\$ 242,000	\$ 242,000	\$ 184,114	\$ 281,153	116.2%	\$ 242,000	\$ 181,241	74.9%
Capital	1,950,000	1,950,000	342,053	974,368	50.0%	2,738,335	52,989	1.9%
TOTAL Expenditures	\$ 2,192,000	\$ 2,192,000	\$ 526,167	\$ 1,255,521	57.3%	\$ 2,980,335	\$ 234,230	7.9%

CITY OF ALLEN
Risk Management Fund
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Operating Revenues:</i>								
Medical & Dental	\$ 12,703,690	\$ 12,703,690	\$ 3,527,916	\$ 6,581,503	51.8%	\$ 12,703,690	\$ 6,587,769	51.9%
Workers Comp.	881,073	881,073	447,108	822,954	93.4%	881,073	636,213	72.2%
Property/Liability	1,980,334	1,980,334	987,417	987,417	49.9%	1,558,837	776,669	49.8%
Insurance Recoveries	463,400	463,400	467,296	910,592	196.5%	501,000	973,384	194.3%
<i>Non-Operating Revenues</i>								
Interest Income	115,405	115,405	76,150	184,403	159.8%	115,405	184,221	159.6%
Operating Transfer In	797,691	797,691	398,846	398,846	50.0%	797,691	398,846	50.0%
TOTAL Revenues	\$ 16,941,593	\$ 16,941,593	\$ 5,904,733	\$ 9,885,715	58.4%	\$ 16,557,696	\$ 9,557,101	57.7%

EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
Administration	\$ 1,618,500	\$ 1,618,500	\$ 379,409	\$ 509,193	31.5%	\$ 1,257,465	\$ 551,558	43.9%
Health & Dental Insurance	13,688,161	13,688,161	3,645,575	7,134,586	52.1%	12,528,057	6,810,813	54.4%
Workers Comp Insurance	890,000	890,000	151,860	873,657	98.2%	890,000	645,220	72.5%
Property & Liability Insurance	2,297,855	2,297,855	61,589	1,842,312	80.2%	1,859,900	1,525,368	82.0%
Transfers Out	-	-	-	-	-	375,000	-	0.0%
TOTAL Expenditures	\$ 18,494,516	\$ 18,494,516	\$ 4,238,433	\$ 10,359,747	56.0%	\$ 16,910,422	\$ 9,532,959	56.4%

CITY OF ALLEN
Economic Development Corporation
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
Sales Tax	\$ 16,293,983	\$ 16,293,983	\$ 5,831,156	\$ 7,217,238	44.3%	\$ 15,974,493	\$ 5,131,547	32.1%
Interest Income	306,124	306,124	94,523	196,525	64.2%	292,958	411,967	140.6%
Sale of Assets	-	-	-	-		-	17,585,830	
Miscellaneous	-	-	85,652	85,652		-	130,667	
Operational Support	1,800,090	1,800,090	900,045	900,045	50.0%	201,028	20,100,514	9998.9%
TOTAL Revenues	\$ 18,400,197	\$ 18,400,197	\$ 6,911,376	\$ 8,399,459	45.6%	\$ 16,468,479	\$ 43,360,525	263.3%

EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Operating Expenditures</i>								
Personnel	\$ 1,268,434	\$ 1,268,434	\$ 346,726	\$ 615,979	48.6%	\$ 1,165,532	\$ 510,335	43.8%
Operating Costs	447,200	447,200	81,867	231,989	51.9%	456,800	190,037	41.6%
Marketing/BRE	508,000	508,000	63,252	221,148	43.5%	428,000	146,629	34.3%
Supplies	15,000	15,000	1,984	5,006	33.4%	12,000	2,598	21.7%
Professional Services	1,876,440	1,876,440	102,869	211,028	11.2%	258,278	1,195,421	462.8%
<i>Non-Operating Expenditures</i>								
Capital	-	-	-	-		-	145,000	
Debt Service ¹	1,836,516	1,836,516	94,508	94,508	5.1%	1,836,346	126,923	6.9%
Economic Grant Expense	6,851,786	6,851,786	712,101	2,586,115	37.7%	6,729,296	3,573,937	53.1%
Operational Support	117,040	117,040	58,520	58,520	50.0%	114,745	57,373	50.0%
TOTAL Expenditures	\$ 12,920,416	\$ 12,920,416	\$ 1,461,826	\$ 4,024,293	31.1%	\$ 11,000,997	\$ 5,948,251	54.1%

¹ Revenue and Expenditures correspond with the Advance Refunding and Defeasance of Revenue Bonds.

CITY OF ALLEN
Community Development Corporation
FY2026 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
Sales Tax	\$ 16,293,983	\$ 16,293,983	\$ 5,831,156	\$ 7,217,238	44.3%	\$ 15,974,493	\$ 5,131,547	32.1%
Interest Income	307,293	307,293	77,332	168,455	54.8%	204,862	295,028	144.0%
TOTAL Revenues	\$ 16,601,276	\$ 16,601,276	\$ 6,029,659	\$ 7,506,864	45.2%	\$ 16,179,355	\$ 5,426,575	33.5%

EXPENDITURES	Original FY2026 Budget	Revised FY2026 Budget	2nd Quarter FY2026 Actual	YTD Actual as of 3/31/26	Percent of Original Budget	Original FY2025 Budget	2nd Quarter FY2025 YTD Actual	Percent of Original Budget
<i>Org - Character</i>								
<i>CDC Administration</i>								
Personnel	\$ 267,056	\$ 267,056	\$ 71,520	\$ 125,934	47.2%	\$ 249,649	\$ 183,348	73.4%
Operating Costs	135,360	135,360	10,999	27,823	20.6%	132,587	8,073	6.1%
Supplies	287,250	287,250	-	-	0.0%	287,250	18	0.0%
Maintenance	560,000	560,000	69,521	86,813	15.5%	1,400,000	105,798	7.6%
Professional Services	443,272	443,272	149,070	321,885	72.6%	273,272	272,174	99.6%
Economic Incentives	920,000	920,000	-	226,418	24.6%	832,600	163,844	19.7%
Capital	-	-	113,078	113,078		500,000	-	0.0%
<i>CDC - Allen Event Center Administration</i>								
Supplies	-	-	15,346	135,122		-	59,269	
Professional Services	175,000	175,000	332,000	332,000	189.7%	-	108	
Maintenance	1,250,000	1,250,000	478,632	482,732	38.6%	-	584,315	
Capital	329,369	329,369	-	5,216	1.6%	-	76,877	
<i>CDC - Capital Improvement Fund</i>								
Capital	237,354	237,354	1,397,014	1,846,734	778.0%	-	746,730	
<i>CDC - Debt Service</i>								
Debt Service	2,417,840	2,417,840	215,595	219,095	9.1%	2,418,370	238,360	9.9%
<i>CDC - Contribution</i>								
Operational Support ¹	3,491,133	3,491,133	1,508,067	1,995,567	57.2%	3,585,843	21,792,922	607.7%
TOTAL Expenditures	\$ 10,513,634	\$ 10,513,634	\$ 4,360,842	\$ 5,918,417	56.3%	\$ 9,679,571	\$24,231,836	250.3%

¹ Operational Support to:

Allen Event Center	\$ 950,000	
General Fund	267,998	Project Admin Fees & Staff Support
	99,985	Parks Planner
	160,000	Allen USA Celebration
	1,888,150	SGTRC Contribution to pay \$25MM CO Bond
	125,000	Third-Party Plan
	<u>3,491,133</u>	

CITY OF ALLEN
Non-Bond Capital Projects
Statement of Activities
For the Quarter Ended
March 31, 2026
(Unaudited)

CITY OF ALLEN
Non-Bond Capital Projects
Statement of Activities
As of March 31, 2026

REVENUE	FY2025	2nd Quarter	FY2026 YTD	Life to Date	Life to Date	LTD as %	Variance
Revenue Source	Actual	Actual	Actual	Actual	Budgeted	of Budget	Over(Under)
Sweep	\$ -	\$ -	\$ -	\$ 2,350,000	\$ 2,350,000	100.00%	\$ -
Streets & Alleys Repairs	-	-	-	1,650,000	1,650,000	100.00%	-
Interest Revenue	491,240	175,313	379,142	2,404,854	2,404,854	100.00%	-
Reimbursements	-	-	-	1,233,617	1,233,617	100.00%	-
Transfer In	5,328,989	-	-	7,228,989	7,228,989	100.00%	-
TOTAL Revenues	\$ 5,820,230	\$ 175,313	\$ 379,142	\$ 14,867,460	\$ 14,867,460	100.00%	\$ -

EXPENDITURES	Project Total	FY2025	2nd Quarter	FY2026 YTD	Life to Date	Life to Date	LTD as %	Variance
	Prior to 9/30/24	Actual	Actual	Actual	Actual	Budgeted	of Budget	Over(Under)
AD2301 Comprehensive Plan Update	133,765	116,235	-	-	250,000	250,000	100.00%	-
AD2500 FY25 Transfer to General Fund	-	289,469	-	-	289,469	289,469	100.00%	-
AD2600 FY26 Transfer to General Fund	-	-	539,469	539,469	539,469	539,469	100.00%	-
DR2404 2025 Creek Bank Stabilization & Trail	-	-	92,209	92,209	92,209	250,000	36.88%	157,791
IT2600 AI Pilot Programs	-	-	19,795	19,795	19,795	100,000	19.80%	80,205
LB1901 Library Expansion Phase II	145,863	511,860	1,013,935	2,092,277	2,750,000	2,750,000	100.00%	-
PO2503 City Hall Front Steps	-	-	257,989	257,989	257,989	566,476	45.54%	308,487
PO2600 City Secretary & Routunda Furniture	-	-	9,312	9,312	9,312	73,000	12.76%	63,688
PR2603 Rowlett Trail Construction	-	-	-	-	-	4,500,000	0.00%	4,500,000
PR2604 Joe Farmer Repairs	-	-	1,456	1,456	1,456	500,000	0.29%	498,544
PR2605 Joe Farmer Roof	-	-	-	-	-	1,300,000	0.00%	1,300,000
PS2101 PD Headquarter Parking Lot Improvement	852,147	9,242	-	-	861,389	861,389	100.00%	-
PS2201 PD HQ 2	-	-	-	-	-	4,500,000	0.00%	4,500,000
ST2501 2025 Streets & Alley Rehabilitation	-	-	-	-	-	31,377	0.00%	31,377
ST2504 US75 Green Ribbon	-	6,465	54,893	90,010	96,475	129,435	74.54%	32,960
<i>Closed</i>	<i>Closed</i>							
AD2101 The Farm Economic Development	3,562,980	-	-	-	3,562,980	3,562,980	100.00%	-
AD2304 Neighborhood Revitalization	450,000	-	-	-	450,000	450,000	100.00%	-
CE2200 Neighborhood Revitalization	110,000	-	-	-	110,000	110,000	100.00%	-
CE2201 Neighborhood Entryway Improvements	900,000	-	-	-	900,000	900,000	100.00%	-
CE2300 Neighborhood Revitalization	250,000	-	-	-	250,000	250,000	100.00%	-
LB2501 Rountree Lease	-	216,866	-	-	216,866	216,866	100.00%	-
PO2208 Lithonia Lighting	373,208	-	-	-	373,208	373,208	100.00%	-
PR1907 SGTRC Grant will be reimbursed	410,377	-	-	-	410,377	410,377	100.00%	-
PR2505 Cricket Pitch Shade	-	73,644	-	-	73,644	73,644	100.00%	-
PS1901 Fire Station #6	748,346	600,942	-	-	1,349,288	2,234,039	60.40%	884,751
ST2102 CBD Street Rehabilitation	263,980	-	-	-	263,980	263,980	100.00%	-
ST2202 2022 Street & Alley	1,349,962	-	-	-	1,349,962	1,349,962	100.00%	-
ST2203 Bridge Evaluation	900,000	-	-	-	900,000	900,000	100.00%	-
ST2301 2023 Concrete Street Repairs	897,209	-	-	-	897,209	897,209	100.00%	-
ST2401 2024 Street & Alley Rehabilitation	-	-	-	-	-	-	0.00%	-
ST2403 Bridge Repairs	905,760	144,240	-	-	1,050,000	1,050,000	100.00%	-
ST2503 McDermott Dr Asphalt Overlay	-	115,182	-	-	115,182	115,182	100.00%	-

TOTAL Expenditures	\$ 2,084,144	\$ 1,989,059	\$ 3,102,517	\$ 17,440,259	\$ 29,798,063	58.53%	\$ 12,357,803
NET CHANGE	3,736,085	(1,813,746)	(2,723,376)	(2,572,799)	(14,930,602)		(12,357,803)
BALANCE, BEGINNING	20,534,010	24,270,096	24,270,096	20,534,010	20,534,010		-
BALANCE, ENDING	\$ 24,270,096	\$ 22,456,350	\$ 21,546,720	\$ 17,961,211	\$ 5,603,408		\$ (12,357,803)

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: Tuesday, May 12, 2026, 7:00 PM

AGENDA CAPTION: Receive the Quarterly Investment Report for Period Ending March 31, 2026.

STAFF RESOURCE: Pete Phillis, Chief Financial Officer

BOARD/COMMISSION ACTION: None

PREVIOUS COUNCIL ACTION: None

BACKGROUND:

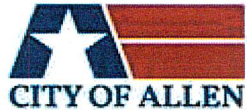
In agreement with the Public Funds Investment Act (the Act), the investment officer of an entity is required to prepare and submit a written investment report to the governing body for all funds covered under this chapter for the preceding reporting period. This report must be submitted quarterly. The attached report for the period ending March 31, 2026, fulfills this requirement. The Act mandates that the report include the following information: beginning market value, ending market value, beginning book value, ending book value, accrued interest, and maturity date. Additionally, the report must be prepared and signed by all authorized investment officers, certifying the accuracy of the presented information.

MOTION:

I make a motion to receive the Quarterly Investment Report for Period Ending December In agreement with the Public Funds Investment Act (the Act), the investment officer of an March 31, 2026.

Attachments

[2026 Qtr 2 Investment Report signed.pdf](#)



City of Allen
Quarterly Investment Report
January 1, 2026 to March 31, 2026



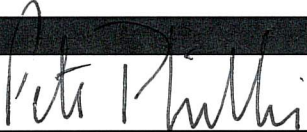
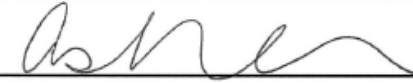

City of Allen | Compliance

This quarterly report is in full compliance with the investment policy and strategy as established for the City of Allen, Texas and the Public Funds Investment Act (Chapter 2256, Texas Government Code). This report, which covers the quarter ended March 31, 2026, is signed by the City's investment officers and includes the disclosures required in the PFIA.

Performance Benchmark

US Treasury | 6 Months per policy

Month	Market Value	Book Value	Unrealized Gain/Loss	YTM @ Cost	Treasury 6 Month	Interest Earned	Days To Maturity
1/31/2026	384,581,929.66	384,749,455.66	-167,526.00	3.73	3.59	1,155,293.07	242
2/28/2026	405,749,893.44	405,797,997.44	-48,104.00	3.72	3.60	1,147,174.33	185
3/31/2026	397,100,375.88	397,570,820.88	-470,445.00	3.77	3.72	1,295,831.66	225
Total / Average	395,810,732.99	396,039,424.66	-228,691.67	3.74	3.64	3,598,299.06	217

	<u>5/12/26</u>		<u>5/12/26</u>
Pete Phillis, CFO	Date	Ashley Capangangan, Accounting Supervisor	Date
	<u>5/12/26</u>		
Allyson Baker, Controller	Date		

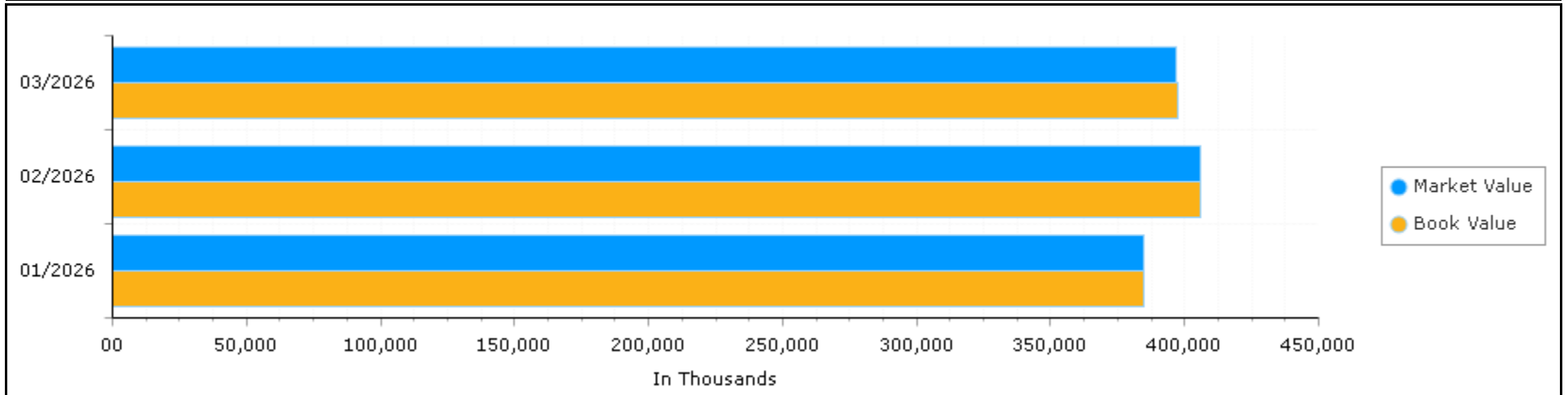


City of Allen | TX Portfolio Summary by Month All Portfolios

Begin Date: 1/31/2026, End Date: 3/31/2026

Month	Market Value	Book Value	Unrealized Gain/Loss	YTM @ Cost	YTM @ Market	Duration	Days To Maturity
1/31/2026	384,581,929.66	384,749,455.66	-167,526.00	3.73	3.85	0.61	242
2/28/2026	405,749,893.44	405,797,997.44	-48,104.00	3.72	3.78	0.47	185
3/31/2026	397,100,375.88	397,570,820.88	-470,445.00	3.77	3.82	0.57	225
Total / Average	395,810,732.99	396,039,424.66	-228,691.67	3.74	3.82	0.55	217

Market Value / Book Value Comparison





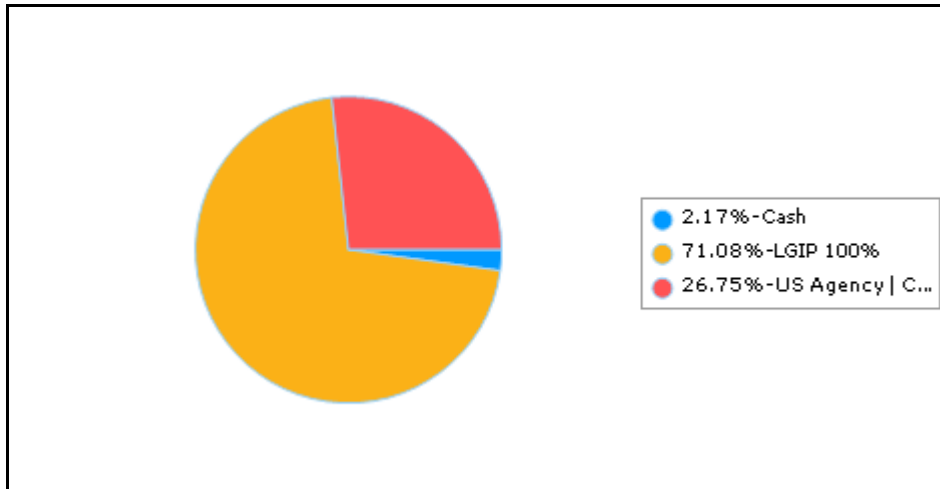
City of Allen | TX Distribution by Asset Category - Market Value All Portfolios

Begin Date: 12/31/2025, End Date: 3/31/2026

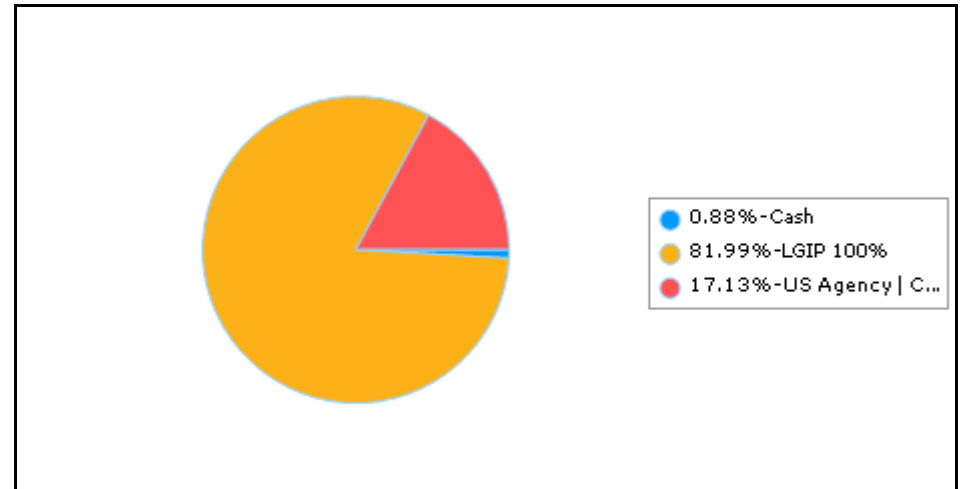
Asset Category Allocation

Asset Category	Market Value 12/31/2025	% of Portfolio 12/31/2025	Market Value 3/31/2026	% of Portfolio 3/31/2026
Cash	7,446,401.53	2.17	3,481,867.43	0.88
LGIP 100%	243,826,368.48	71.08	325,588,953.45	81.99
US Agency Callable 70%	91,758,231.50	26.75	68,029,555.00	17.13
Total / Average	343,031,001.51	100.00	397,100,375.88	100.00

Portfolio Holdings as of 12/31/2025



Portfolio Holdings as of 3/31/2026





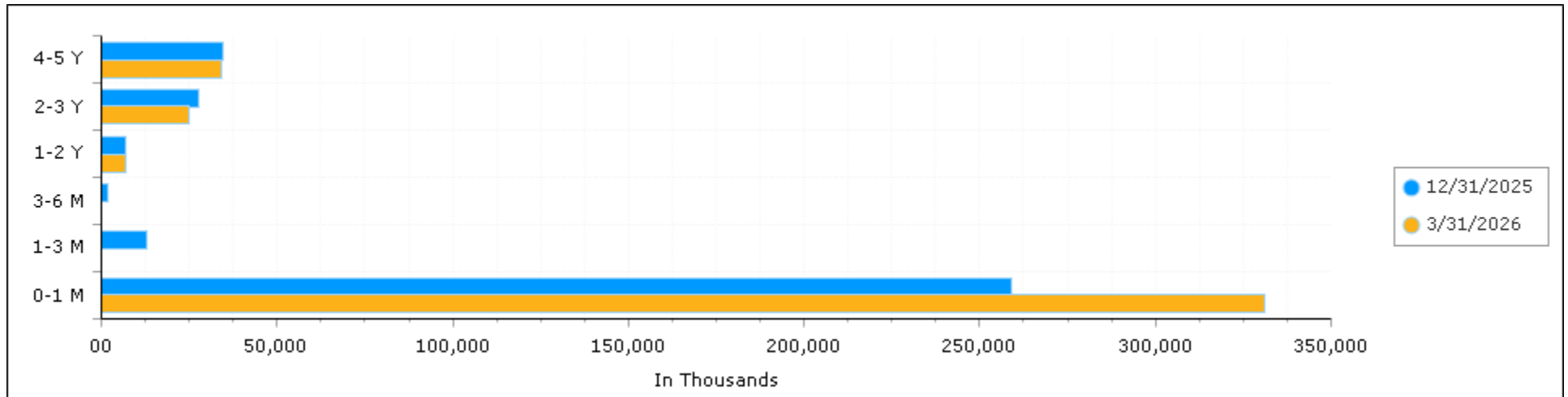
City of Allen | TX Distribution by Maturity Range - Market Value All Portfolios

Begin Date: 12/31/2025, End Date: 3/31/2026

Maturity Range Allocation

Maturity Range	Market Value 12/31/2025	% of Portfolio 12/31/2025	Market Value 3/31/2026	% of Portfolio 3/31/2026
0-1 Month	259,257,770.01	75.58	331,068,720.88	83.37
1-3 Months	12,886,086.50	3.76	0.00	0.00
3-6 Months	1,985,100.00	0.58	0.00	0.00
1-2 Years	6,953,510.00	2.03	6,940,360.00	1.75
2-3 Years	27,509,475.00	8.02	24,940,600.00	6.28
4-5 Years	34,439,060.00	10.04	34,150,695.00	8.60
Total / Average	343,031,001.51	100.00	397,100,375.88	100.00

Portfolio Holdings





City of Allen | TX
Portfolio Holdings by Asset Category
All Portfolios

Date: 3/31/2026

Description	Face Amount / Shares	Settlement Date	Cost Value	Market Price	Market Value	% Portfolio	Credit Rating	Days To Call/Maturity
CUSIP		YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unre. Gain/Loss	Credit Rating	Duration To Maturity
Cash								
JPMorgan Chase MM		7/31/2022	3,481,867.43	100.00	3,481,867.43	0.88%	NR	1
CHASE-MM0757	3,481,867.43	2.07	3,481,867.43	2.07		0.00	NR	0
			3,481,867.43		3,481,867.43	0.88%		1
Sub Total Cash	3,481,867.43	2.07	3,481,867.43	2.07		0.00		0
LGIP 100%								
Texas CLASS LGIP		7/31/2022	986,958.88	100.00	986,958.88	0.25%	NR	1
TEXCLASS02-F701	986,958.88	3.78	986,958.88	3.78		0.00	NR	0
Texas CLASS LGIP		7/31/2022	246,185.72	100.00	246,185.72	0.06%	NR	1
TEXCLASS03-F390	246,185.72	3.78	246,185.72	3.78		0.00	NR	0
Texas CLASS LGIP		9/30/2022	296,095,631.53	100.00	296,095,631.53	74.48%	None	1
TEXCLASS01	296,095,631.53	3.78	296,095,631.53	3.78		0.00	None	0
Texas CLASS LGIP		7/31/2022	33,380.75	100.00	33,380.75	0.01%	NR	1
TEXCLASS08-F550	33,380.75	3.78	33,380.75	3.78		0.00	NR	0
TexPool LGIP		7/31/2022	1,940,957.41	100.00	1,940,957.41	0.49%	NR	1
TEXPOOL05-F700	1,940,957.41	3.67	1,940,957.41	3.67		0.00	NR	0
TexPool LGIP		7/31/2022	1,780,186.84	100.00	1,780,186.84	0.45%	NR	1
TEXPOOL47-F801	1,780,186.84	3.67	1,780,186.84	3.67		0.00	NR	0
TexPool LGIP		9/30/2022	1,579.55	100.00	1,579.55	0%	NR	1
TEXPOOL013	1,579.55	3.67	1,579.55	3.67		0.00	NR	0
TexPool LGIP		9/11/2023	440,899.60	100.00	440,899.60	0.11%	NR	1
TEXPOOL07-F801	440,899.60	3.67	440,899.60	3.67		0.00	NR	0
TexPool LGIP		7/31/2022	1,674,871.13	100.00	1,674,871.13	0.42%	NR	1
TEXPOOL44-F700	1,674,871.13	3.67	1,674,871.13	3.67		0.00	NR	0
TexPool LGIP		7/31/2022	20,154,046.31	100.00	20,154,046.31	5.07%	NR	1
TEXPOOL18-F400	20,154,046.31	3.67	20,154,046.31	3.67		0.00	NR	0



City of Allen | TX
Portfolio Holdings by Asset Category
All Portfolios

Date: 3/31/2026

Description	Face Amount / Shares	Settlement Date	Cost Value	Market Price	Market Value	% Portfolio	Credit Rating	Days To Call/Maturity
CUSIP		YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unre. Gain/Loss	Credit Rating	Duration To Maturity
TexPool LGIP		7/31/2022	2,234,255.73	100.00	2,234,255.73	0.56%	NR	1
TEXPOOL46-F804	2,234,255.73	3.67	2,234,255.73	3.67		0.00	NR	0
Sub Total LGIP 100%	325,588,953.45	3.77	325,588,953.45	3.77	325,588,953.45	81.9%	0.00	0
US Agency Callable 70%								
FFCB 4.03 12/23/2030-26		12/23/2025	24,500,000.00	99.03	24,262,595.00	6.16%	None	267
3133ET4V6	24,500,000.00	4.03	24,500,000.00	4.26	268,778.61	-237,405.00	None	4.3
FHLB 1.05 4/15/2026-21		4/15/2021	2,000,000.00	99.90	1,997,900.00	0.5%	Moodys-Aaa	15
3130ALU51	2,000,000.00	1.05	2,000,000.00	3.74	9,683.33	-2,100.00	S&P-AA+	0.04
FHLB 3 4/21/2027-22		4/21/2022	5,000,000.00	99.08	4,954,200.00	1.26%	Moodys-Aaa	21
3130ARGE5	5,000,000.00	3.00	5,000,000.00	3.89	66,666.67	-45,800.00	S&P-AA+	1.03
FHLB 3.175 4/19/2027-22		4/20/2022	2,000,000.00	99.31	1,986,160.00	0.5%	Moodys-Aaa	19
3130ARHJ3	2,000,000.00	3.18	2,000,000.00	3.85	28,575.00	-13,840.00	S&P-AA+	1.03
FHLMC 4.02 12/17/2030-26		12/17/2025	5,000,000.00	99.11	4,955,350.00	1.26%	None	261
3134HCJA8	5,000,000.00	4.02	5,000,000.00	4.23	59,183.33	-44,650.00	None	4.29
FHLMC 4.2 3/26/2029-27		3/26/2026	15,000,000.00	99.89	14,983,800.00	3.77%	None	360
3134HCC64	15,000,000.00	4.20	15,000,000.00	4.24	21,000.00	-16,200.00	None	2.83
FNMA 3.875 2/27/2029-26		2/27/2026	10,000,000.00	99.57	9,956,800.00	2.52%	None	149
3136GCPA7	10,000,000.00	3.88	10,000,000.00	4.03	45,208.33	-43,200.00	None	2.76
FNMA 4 12/17/2030-27		12/30/2025	5,000,000.00	98.66	4,932,750.00	1.26%	None	443
3136GCC52	5,000,000.00	4.00	5,000,000.00	4.32	54,444.44	-67,250.00	None	4.29
Sub Total US Agency Callable 70%	68,500,000.00	3.85	68,500,000.00	4.17	553,539.71	-470,445.00		3.29
TOTAL PORTFOLIO	397,570,820.88	3.77	397,570,820.88	3.82	553,539.71	-470,445.00		0.57

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE:	Tuesday, May 12, 2026, 7:00 PM
AGENDA CAPTION:	Adopt a Resolution establishing rates and fees for commercial and residential solid waste, recycling and household hazardous waste services.
STAFF RESOURCE:	Steve Massey, Director, Community Services
BOARD/COMMISSION ACTION:	None
PREVIOUS COUNCIL ACTION:	September 23, 2025 - adopted Resolution No. 4181-9-25(R) establishing the current solid waste rates.

BACKGROUND:

Since 1988, Community Waste Disposal (CWD) has provided waste services to Allen's residential and commercial customers. The City's current contract with CWD extends through May 31, 2029. Under this contract, CWD may request one annual residential and commercial rate adjustment based on the U.S. Department of Labor's Consumer Price Index (CPI). These CPI-based adjustments are capped at a maximum of five percent per year. For the one year ending February 2026, the CPI increased 2.98 percent, well below the cap.

The proposed CPI adjustment increases the City's monthly payment to CWD for residential service by 2.98 percent. This adjustment does not change the rates Allen residents pay to the city. Residential rate adjustments are considered as part of the annual budget process. The proposed FY27 residential rate increase will be presented during the budget workshop, and pending City Council approval, will take effect October 1, 2026.

Commercial customer rates, paid directly to CWD, will also increase 2.98 percent due to the CPI change. Commercial rates include the cost of waste disposal. CWD remits the disposal revenues it collects to the City to pay the commercial waste disposal fees charged by the North Texas Municipal Water District (NTMWD). For more than 12 years, the NTMWD disposal rate remained unchanged at \$38.35 per ton. NTMWD is now entering a period of steady rate increases due to the reconstruction of the Plano transfer station and the development of a new Frisco station. The current disposal rate will increase from \$38.85 to \$40.92 per ton. This is a 5.3 percent increase.

The City's contract with CWD specifies that "*the City and Contractor will also adjust commercial rates to recognize changes to the North Texas Municipal Water District disposal costs that are set in the City's then-current solid waste resolutions.*" Because NTMWD disposal rates remained unchanged for more than a decade, this provision has not been used during that time.

Over the next five years (FY27–FY31), disposal rates are projected to increase an average of 5.31 percent annually, or about \$2.17 per ton per year. This will add approximately \$168,000 per year to the City's NTMWD disposal expenses. Roughly half of the increased revenue comes from commercial customer fees paid to CWD; the remainder comes from residential fees collected by the City.

To address these increases, the City and CWD collaborated to develop a disposal cost adjustment methodology that is transparent, equitable, and cost-neutral to CWD:

- 1. Only rates and fees that include a disposal cost component receive a disposal cost adjustment.** All other rates will only increase by the CPI.

2. Rates that include disposal costs receive a combined CPI + NTMWD disposal adjustment. This ensures that CWD can reimburse the City for increased disposal costs while being budget-neutral to their revenues.

City Council is always concerned about the “fairness” of rate increases. The following example illustrates how the combined CPI and Disposal Cost increases were developed. It takes one example rate increase and presents how the additional revenue is “broken out.”

Example Supporting the Disposal Adjustment Methodology

The most common commercial container in Allen is an 8-cubic-yard front-load dumpster. These are often collected 3 times per week. Three times a week collection is twelve collections per month, and the total volume then collected is 96 cubic yards (CY). The current monthly service cost for three collections per week is \$471.45 per month. The proposed Rate Resolution, including both the CPI and disposal cost adjustment, the monthly charge increases from \$471.45 to \$496.73, a total increase of \$25.28 per month.

The NTMWD disposal cost per ton is increasing from \$38.85 to \$40.92, an increase of \$2.07 per ton.

The \$25.28 added CWD monthly revenue, including both CPI and the disposal cost increase, for an 8-cubic-yard front-load dumpster collected three times per week is allocated as follows:

- \$14.05 - The increase of the existing rate by the 2.98% CPI ($\$471.45 \times 0.0298$)
- \$ 3.79 – The Increase in CWD franchise fees paid due to the \$25.28 monthly rate increase ($\$25.28 \times 0.15$)
- \$ 7.44 – The remainder that is the disposal cost increase collected by CWD and remitted to the city to pay NTMWD for waste disposal costs ($\$25.28 - \$14.05 - \$3.79 = \7.44)

To determine if the \$7.44 disposal cost portion of the rate increase is reasonable, staff used the U.S. Environmental Protection Agency’s (EPA) published “Volume-to-Weight” conversion factors to provide an unbiased means to consider the disposal cost portion of the rate increase. The EPA’s “loose commercial waste” and “commercial uncompacted waste” weight per cubic yard varies between 138 and 300 pounds. The table below reflects the range of the added disposal cost per month based on the EPA low and high figures.

Column A	Column B	Column C	Column D	Column E	Column F
Disposal Volume in Cubic Yards/Month	EPA Pounds/Cubic Yard - Low and High	Total Pounds = A X B	Total Tons = C / 2,000	Tonnage Cost Increase per Ton	Range of Added Disposal Cost per Month D X E
96	138 - Low	13,248	6.62	\$2.07	\$13.70 - Low
96	300 - High	28,800	14.4	\$2.07	\$29.81 - High

The portion of the proposed rate increase for the containers due to the increased disposal cost is \$7.44 per month. This is well below the low end of the increased disposal cost increase using the EPA Volume to Weight conversion range. This reflects that Allen's rate adjustment for disposal cost is reasonable. A similar positive result is found across the entire proposed Rate Resolution for the portion of the rate increase that is due to the NTMWD disposal cost increase.

Conclusion

The methodology used to calculate disposal cost increases for rate resolution lines that include disposal fees is reasonable and supported by EPA's independently developed CY-to-weight conversion estimates. All applicable commercial rate lines were adjusted using this combined CPI and disposal weight increase methodology. Commercial rates without a disposal component increased by only 2.98 percent CPI.

The rate resolution also increases the City's payment to CWD for residential services by 2.98 percent. Residential customer rate changes will be presented separately during the FY27 budget process.

BUDGETARY IMPACT:

Disposal cost revenues and expenses to pay NTMWD for waste disposal by the Solid Waste Fund will remain aligned, as CWD's payments to the City will match commercial NTMWD charges. The City's FY26 budget assumed a 3 percent CPI increase for residential waste services payments to CWD becoming effective June 1, 2026. The estimate in the FY26 budget assures residential customers pay their share of disposal costs like those paid by our commercial customers.

STAFF RECOMMENDATION:

Staff recommends approval.

MOTION:

I make a motion to adopt Resolution No. _____ establishing rates and fees for commercial and residential solid waste, recycling, and household hazardous waste services.

Attachments

[Resolution](#)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ESTABLISHING FEES AND RATES FOR RESIDENTIAL AND COMMERCIAL SOLID WASTE COLLECTION SERVICES; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Code of Ordinances of the City of Allen authorizes the City Council to amend the fees and rates for solid waste and household hazardous waste collection services by Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, THAT:

SECTION 1. The City Council of the City of Allen, Texas, hereby establishes the following residential and commercial solid waste and household hazardous waste collection service fees:

1. RESIDENTIAL Solid Waste Services

(Garbage, bulk waste, recycling, yard waste, and Household Hazardous Waste (HHW))

Residential rate per month to CWD	\$10.06
Residential rate per month to City	\$19.52
Residential Household Hazardous Waste (HHW) rate per month to City	\$0.57
Senior rate (residential customers who are 65 years of age or older and who own or lease and occupy the residence) per month, 20% discount from the standard residential rate	\$15.62
Senior rate Household Hazardous Waste (HHW) rate per month to City	\$0.46
Additional garbage poly cart per month to CWD	\$5.42
Additional garbage poly cart per month to City (limit of two additional)	\$11.49
Additional recycle poly-cart per month to CWD	\$2.79
Additional recycle poly-cart per month to City (limit of two additional)	\$2.71
Replace lost/stolen garbage or recycle poly-cart to CWD	\$100.60
Replace lost/stolen red HHW bin provided by City for collections	\$65.00

2. COMMERCIAL Solid Waste Services

All commercial costs in Paragraph 2 include the City of Allen's 15% Franchise Fee.

All commercial services in Paragraph 2 that include waste disposal include a \$40.92-per-ton disposal fee. This fee of \$40.92 per ton is reimbursed to the City by the franchised solid waste services provider. The City pays both commercial and residential disposal fees at the same rate of \$40.92 per ton.

Side-Loading Commercial Trash Poly Carts

Size	Fee
One (1) Poly Cart Per Month	\$23.47
Two (2) Poly Carts Per Month	\$43.85

Three (3) Poly Carts Per Month	\$61.87
Three commercial trash poly carts are the maximum allowed per account	

Front-Loading Trash Dumpsters:

Monthly rates based on container size and collection frequencies expressed in collections per Week.

Size Container (in cubic yards)	One Time Per Week Fee	Two Times Per Week Fee	Three Times Per Week Fee	Four Times Per Week Fee	Five Times Per Week Fee	Six Times Per Week Fee	Extra Pick-Ups Fee	Refills Fee per Refill
3 CY	\$116.85	\$226.49	\$312.01	N/A	N/A	N/A	\$55.05	\$39.55
4 CY	\$128.05	\$240.57	\$348.83	\$443.75	\$530.61	\$607.29	\$58.02	\$42.34
6 CY	\$158.15	\$296.18	\$423.46	\$539.94	\$645.61	\$738.66	\$63.91	\$48.48
8 CY	\$186.36	\$346.52	\$496.73	\$634.52	\$760.06	\$873.15	\$69.76	\$54.36

Front-Loading Trash Compactors

2 cu. yd. containers per pickup	\$105.14
3 cu. yd. containers per pickup	\$122.25
4 cu. yd. containers per pickup	\$133.99
6 cu. yd. containers per pickup	\$165.67
8 cu. yd. containers per pickup	\$226.67

Rolloff Trash Compactor Containers – Haul charges to the transfer station or landfill include a waste disposal fee of \$40.92 per ton, with a maximum load limit of 6 tons per haul. This weight limit applies to all container sizes listed below. Waste disposal weights exceeding the 6-ton (12,000-pound) limit will be charged at \$200 per ton for the weight over 6 tons.

When listed as a commercial cost in this resolution, a “Trip Charge or Dry Run” has the same meaning. This is when the franchised waste provider attempts to pick up a container that is not accessible to be serviced, is overloaded to the extent it cannot be covered by the transport vehicle’s tarp, is obviously overloaded by excess volume or weight, and/or is of a weight that would exceed state roadway load limits.

Trip Charge or Dry Run- Container not Accessible/Available - weekday	\$144.11
Trip Charge or Dry Run- Container not Accessible/Available - weekend	\$186.77
Haul Charges	
20 cu. yd. per load - weekday	\$412.67
20 cu. yd. per load - weekend	\$456.31
35 cu. yd. per load - weekday	\$577.52

35 cu. yd. per load - weekend	\$621.16
42 cu. yd. per load - weekday	\$643.90
42 cu. yd. per load - weekend	\$687.54

Open Top Roll Off Trash/Construction Waste Containers – Haul charges to the transfer station or landfill include a waste disposal fee of \$ 40.92 per ton, with a maximum load limit of 6 tons per haul. This weight limit applies to all container sizes. Waste disposal weights over the 6-ton (12,000 pound) limit will be charged at \$200 per ton for the weight over 6 tons.

Charge Type	Fee Amount
Delivery-Weekday	\$138.35
Delivery-Weekend	\$179.27
Trip/Dry Run Charge Weekday	\$138.35
Trip/Dry Run Charge - Weekend	\$179.27
Weekly Rental	\$52.74
Monthly Rental	\$228.24
Haul Charge to Melissa Landfill-Weekday	\$641.86
Haul Charge to Melissa Landfill-Weekend	\$683.79

SPECIAL COLLECTIONS

Appliances: List Below Stoves, ovens, water heaters, furnaces, garbage compactors, etc., and refrigerators, freezers, and ice makers (with refrigerant professionally removed and certified)	\$37.82
Furniture: Listed Below Couch, bed, love seat, tables, EZ chairs, etc.	\$27.25

COMMERCIAL SPECIAL RECYCLING SERVICES

Mandatory commercial apartment recycling price per month per apartment unit charged to apartment owner/operator	\$0.79		
First 95-gallon Automated Side Loading (ASL) Recycling Cart- charge-per-month	\$15.41		
Additional (up to two additional carts allowed) 95-gallon ASL Recycling Carts-charge per extra Cart per month	\$12.35		
Franchisee will provide site-specific fees for commercial recycling collections based on the types and volumes of recyclables, the type of recycling container, and the collection frequency.			
Cardboard (OCC) collected in Front Load 8 Cubic Yard Containers			
	Monthly Recycle Fee	Monthly Trash Fee	Savings/Month by Recycling
One pickup per week	\$127.78	\$186.36	\$58.58
Two pickups per week	\$237.57	\$346.52	\$108.95
Three pickups per week	\$340.48	\$496.73	\$156.25
Four pickups per week	\$434.82	\$634.52	\$199.70

Five pickups per week	\$520.02	\$760.06	\$240.04
Six pickups per week	\$597.39	\$873.15	\$275.76
Rolloff Recycling Containers - Larger Volume Commercial Recyclers			
	Fee Per Recycle Haul	Fee Per Trash Haul	Savings Per Haul by Recycling
Rolloff Container Weekday	\$428.83	\$641.86	\$215.07
Rolloff Container Weekend	\$465.57	\$683.75	\$221.97
Trip/Dry Run Fee Weekday	\$144.11	-	
Trip/Dry Run Fee Weekend	\$186.74	-	
Additionally, larger-volume Rolloff Recyclers qualify for a recycling profit-sharing rebate to further encourage recycling. The customer rebate from profits varies from 40 to 85 percent of the net value of the commodity sold. The standard profit-sharing template is incorporated into the franchised waste carrier's current contract.			
For unique recycling requirements, the franchisee will develop special cost proposals for the city to review prior to presenting them to the customer. Unique situations include special recycling circumstances, such as when businesses are striving for Leadership in Energy and Environmental Design (LEED) certification for facilities under construction or renovation.			

Commercial Special Services

All commercial costs in this paragraph include the City of Allen's 15% Franchise Fee.

Deodorize containers - per container	\$77.16
Caster container - per collection per container moved by contractor (<4 cu. yd.)	\$13.88
To unlock gates and open and close gates - per pickup	\$10.81
To unlock secured trash containers - per pickup	\$10.81
Signed receipts – per pickup	\$10.81

Other Charges

Returned Check Fee	\$30.64
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SECTION 2. All provisions of the Resolutions of the City of Allen, Texas, in conflict with the provisions of this Resolution, be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this Resolution shall remain in full force and effect.

SECTION 3. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this Resolution, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said Resolution which shall remain in full force and effect.

SECTION 4. This Resolution shall take effect from and after its passage, except that service fees established herein shall take effect for services provided beginning June 1, 2026.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ON THIS THE 12th DAY OF MAY 2026.

APPROVED:

Baine L. Brooks, MAYOR

ATTEST:

Shelley B. George, CITY SECRETARY

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE:	Tuesday, May 12, 2026, 7:00 PM
AGENDA CAPTION:	Consider all matters incident and related to the issuance and sale of "City of Allen, Texas, General Obligation Improvement and Refunding Bonds, Series 2026", including the adoption of an ordinance authorizing the issuance of such bonds in one or more series, establishing parameters for the sale and issuance of such bonds and delegating certain matters to authorized officials of the City.
STAFF RESOURCE:	Pete Phillis, Chief Financial Officer
BOARD/COMMISSION ACTION:	None
PREVIOUS COUNCIL ACTION:	None

BACKGROUND:

Attached is a Parameters Ordinance prepared by Norton Rose Fulbright US LLP, the City's bond counsel, that authorizes the sale and issuance of "City of Allen, Texas, General Obligation Improvement and Refunding Bonds, Series 2026." The General Obligation Improvement bonds are being issued to provide funds for the construction, acquisition, and improvements of projects authorized in the 2023 Bond Election, specifically streets, community enhancement projects and Ford Park. The amount for the Refunding Bonds, Series 2026 are being sold to save the City money.

The new funding will be used for parks, streets and community enhancement as authorized in the 2023 Bond Election - \$5,630,000 for streets and community enhancement and \$7,150,000 for Ford Park. The refunding of existing General Obligation Bonds and Refunding Bonds from, Series 2013, 2014, 2015, 2016, and 2018 is expected to save almost \$300,000 or an estimated \$297,037. The anticipated savings is subject to market conditions at the time of the sale of the new refunding bonds for the City's Series Bonds previously mentioned. This Ordinance establishes the parameters for the City to enter the market and issue these bonds for the said purposes.

The general terms of the Parameters Ordinance allow the City to issue bonds in the said amount at a true interest cost that is not to exceed 5.00% and is to be repaid within a period of 20 years or less. It also allows the City to issue refunding bonds that produce a present value debt service savings of at least 2.00% and are to be paid within a period of 9 years or less. The amount being considered for a refunding is currently set at \$11,000,000. Staff will determine the economic feasibility of the refunding on the date of sale given the parameters described herein.

This approved action authorizes the issuance of the bonds, the form of the bonds, and the delivery of the bonds to the purchaser of the bonds. The bonds are obligations of the City and are payable from a levy of ad valorem taxes on property within the City of Allen, Texas. The sale will be finalized upon the final approval of the Pricing Officer(s). The Pricing Officer(s) listed in the Ordinance are the City's Chief Financial Officer and the Mayor of the City. The plan is to price the bonds and close the transaction or sale of the bonds on August 26, 2025. The closing documents, such as the Bond Purchase Agreement and Paying Agent/Registrar Agreement, will be finally executed by an authorized Pricing Officer.

BUDGETARY IMPACT:

The bond sale has been planned so that the City's total annual debt payments will remain fairly consistent with previous years' payments so as not to increase the tax rate of the city. The debt will be structured to mature in twenty years or less, depending on market conditions at the time of the sale.

STAFF RECOMMENDATION:

Staff recommends approval

MOTION:

I make a motion to adopt Ordinance No. _____ authorizing the issuance of "City of Allen, Texas, General Obligation Improvement and Refunding Bonds, Series 2026," establishing the parameters for the sale and issuance of such bonds, and delegating certain matters to authorized officials of the City.

Attachments

[ALLEN GO IMP REF 2026 - Ordinance](#)

ORDINANCE NO. _____

**CITY OF ALLEN, TEXAS
GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BONDS,
SERIES 2026**

ADOPTED: MAY 12, 2026

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ORDINANCE NO. [_____]

AN ORDINANCE authorizing the issuance of "CITY OF ALLEN, TEXAS, GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BONDS, SERIES 2026"; levying a continuing direct annual ad valorem tax for the payment of said Bonds; and resolving other matters incident and related to the issuance, sale, payment, and delivery of said Bonds, including establishing parameters therefor and delegating matters relating to the sale and issuance of the Bonds to authorized City officials

WHEREAS, the City Council (the "City Council") of the City of Allen, Texas (the "City"), hereby finds and determines that general obligation bonds approved and authorized to be issued at an election held November 7, 2023 (the "Election"), be authorized to be issued at this time; a summary of the general obligation bonds authorized at said election, the principal amounts authorized, amounts previously issued, amounts being issued pursuant to this ordinance and amounts remaining to be issued will be set forth in the Pricing Certificate (hereinafter referenced); and

WHEREAS, the City Council hereby reserves and retains the right to issue the balance of unissued bonds approved at the Election and the May 12, 2007, election (as reflected in the Pricing Certificate) in one or more installments when, in the judgment of the City Council, funds are needed to accomplish the purposes for which such bonds were voted; and

WHEREAS, the City has heretofore issued, sold and delivered, and there are currently outstanding, obligations of the City of the following issues or series (hereinafter referred to as the "Refundable Bonds"), to wit: (1) City of Allen, Texas, General Obligation Bonds, Series 2013, dated June 1, 2013, (2) City of Allen, Texas, General Obligation Bonds, Series 2014, dated May 1, 2014, (3) City of Allen, Texas, General Obligation Refunding and Improvement Bonds, Series 2015, dated April 15, 2015; (4) City of Allen, Texas, General Obligation Refunding Bonds, Series 2016, dated September 1, 2016, and (5) City of Allen, Texas, General Obligation Bonds, Series 2018, dated July 15, 2018, and

WHEREAS, pursuant to the provisions of Texas Government Code, Chapter 1207, as amended, the City Council is authorized to issue refunding bonds and deposit the proceeds of sale directly with any place of payment for the Refunded Bonds, or other authorized depository, and such deposit, when made in accordance with said statute and the ordinances authorizing the issuance of the Refundable Bonds, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refundable Bonds; and

WHEREAS, the City shall by this Ordinance, in accordance with the provisions of Texas Government Code, Chapters 1207 and Chapter 1371, as amended, delegate to a Pricing Officer (hereinafter designated) the authority to determine the principal amount of Bonds to be issued and negotiate the terms of sale thereof and to select the specific maturities, in whole or in part, of the Refundable Bonds to be refunded and to negotiate the terms of sale thereof; and

WHEREAS, the City Council hereby finds and determines that it is a public purpose and in the best interests of the City to refund the Refundable Bonds in order to achieve a present value debt service savings and to authorize the issuance of the Bonds in one or more series with the terms of such bonds to be included in one or more pricing certificates (each, a "Pricing Certificate") to be executed by the Pricing Officer (hereafter designated), all in accordance with

the provisions of Texas Government Code, Section 1207.007, and Texas Government Code, Chapter 1371, as amended; now, therefore:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ALLEN, TEXAS:

SECTION 1: Authorization - Series Designation - Principal Amount - Purpose - Bond Date. General obligation bonds of the City shall be and are hereby authorized to be issued in one or more series in the aggregate principal amount set forth in the applicable Pricing Certificate to be designated and bear the title "CITY OF ALLEN, TEXAS GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BONDS, SERIES 2026" (herein referred to as the "Bonds") and/or such additional or different series as specified by the Pricing Officer in an applicable Pricing Certificate, for any one or more of the following purposes, to wit: (1) in the amounts specified in the Pricing Certificate for permanent public improvements and public purposes, to wit: (i) designing, developing, constructing, repairing, resurfacing, reconstructing, extending, expanding, improving and maintaining streets, thoroughfares, alleys, sidewalks, bridges and other public ways, including associated neighborhood streetscapes, screening walls, streetlights, pedestrian intersection and crossings and ADA improvements; necessary or incidental utility infrastructure and drainage relocation and improvements; signalization and monitoring equipment and other traffic controls; grade separations, landscaping and beautification and acquiring land, easements, rights-of-way, and other real property interests necessary therefor or incidental thereto; and (ii) constructing, developing, improving, expanding, renovating and equipping Ford Park, including the installation and development of athletic fields and sport courts; (2) for the discharge and final payment of all or a portion of the Refundable Obligations (those Refundable Obligations actually refunded, as identified in the applicable Pricing Certificate, are referred to herein as the "Refunded Bonds"); and (3) to pay the costs and expenses of issuance, all as provided in the applicable Pricing Certificate and in accordance with the authority conferred by and in conformity with the Constitution and laws of the State of Texas, including Texas Government Code, Chapters 1207, 1331 and 1371, as amended. The Bonds shall be dated (the "Bond Date") as provided in the applicable Pricing Certificate.

SECTION 2: Fully Registered Obligations - Terms. The Bonds shall be issued as fully registered obligations, without coupons, and the Bonds (other than the Initial Bond(s) referenced in Section 8 hereof) shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, shall be lettered "R" and numbered consecutively from one (1) upward and principal shall become due and payable on a date certain in each of the years and in amounts (the "Stated Maturities") and bear interest at the rate(s) per annum in accordance with the details of the Bonds as set forth in the Pricing Certificate.

The Bonds shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate at the rate(s) per annum shown in the applicable Pricing Certificate (calculated on the basis of a 360-day year consisting of twelve 30-day months). Interest on the Bonds shall be payable in each year, on the dates, and commencing on the date, set forth in the applicable Pricing Certificate.

SECTION 3: Delegation of Authority to Pricing Officer (a) As authorized by Texas Government Code, Chapter 1207, as amended, and Texas Government Code, Chapter 1371, as amended, each of the Mayor, City Manager and Chief Financial Officer (any one of them, a "Pricing Officer") is hereby authorized to act on behalf of the City in selling and delivering the Bonds and carrying out the other procedures specified in this Ordinance, including determining whether the Bonds shall be issued in one or more series, the selection of the specific maturities or series in whole or in part of the Refundable Bonds to be refunded, determining the aggregate

principal amount of each series of Bonds, the aggregate principal amount to be issued for new money purposes and the amounts to be issued from each proposition, the aggregate principal amount to be issued for refunding purposes, as applicable, the date of each series of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds of each series will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the interest payment dates, the record date, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, the designation of a paying agent/registrar, the designation of an escrow agent satisfying the requirements of Texas Government Code, Chapter 1207, as amended, the terms of any bond insurance applicable to the Bonds, the designation of one or more funds for the payment of the Bonds, and all other matters relating to the issuance, sale, and delivery of the Bonds, including any modification of the Rule 15c2-12 continuing disclosure undertaking contained in Section 32 hereof, all of which shall be specified in the applicable Pricing Certificate, provided that:

(i) the aggregate original principal amount of the Bonds issued for refunding purposes shall not exceed \$11,000,000;

(ii) the refunding must produce present value debt service savings of at least 2.00%, net of any contribution by the City;

(iii) the true interest cost rate for the Bonds issued for refunding purposes shall not exceed 5.00%;

(iv) the maximum maturity date for the Bonds issued for refunding purposes shall not exceed August 15, 2034;

(v) the aggregate original principal amount of the Bonds issued for new money purposes shall not exceed \$12,780,000;

(vi) the true interest cost rate for the Bonds issued for new money purposes shall not exceed 5.00%; and

(vii) the maximum maturity date for the Bonds issued for new money purposes shall not exceed August 15, 2046.

The execution of the applicable Pricing Certificate shall evidence the sale date of the Bonds by the City to the Purchasers (hereinafter defined).

(b) The delegation made hereby shall expire if not exercised by the Pricing Officer within 365 days of the date hereof. The Pricing Officer may exercise such delegation on more than one occasion during such time period.

SECTION 4: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of

America, which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of the Paying Agent/Registrar for the Bonds shall be as provided in the applicable Pricing Certificate. Books and records relating to the registration, payment, exchange and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as **Exhibit A** and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Pricing Officer is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution, or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

The Bonds shall be payable at their Stated Maturities or upon their earlier redemption, only upon the presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices as provided in the applicable Pricing Certificate (the "Designated Payment/Transfer Office") provided, however, while a Bond is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount thereof may be accomplished without presentation and surrender of such Bond. Interest on a Bond shall be paid by the Paying Agent/Registrar to the Holders whose names appears in the Security Register at the close of business on the Record Date (which shall be set forth in the applicable Pricing Certificate) and such interest payments shall be made (i) by check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a non-payment of interest on one or more maturities of the Bonds on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such past due interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder of the Bonds appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every Holder of the Bonds issued under and pursuant to the provisions of

this Ordinance, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of like maturity, and amount and in authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar at its Designated Payment/Transfer Office for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for assignment or transfer of any Bond (other than the Initial Bond(s) authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, one or more new Bonds, executed on behalf of and furnished by the City, shall be registered and issued to the assignee or transferee of the previous Holder; such Bonds to be of authorized denominations, of like Stated Maturity, and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond(s) authorized in Section 8 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds, executed on behalf of and furnished by the City, to the Holder requesting the exchange.

All Bonds issued upon any such transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States Mail, first class postage prepaid, to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligation to pay and entitled to the same benefits under this Ordinance, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered, and delivered in lieu thereof pursuant to the provisions of Section 11 hereof, and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within forty-five (45) days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in Sections 4 and 5 hereof relating to the payment and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement, and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the requirements and procedures identified in the current DTC Operational Arrangements memorandum, as amended, the Blanket Issuer Letter of Representation, by and between the City and DTC, and the Letter of Representation from the Paying Agent/Registrar to DTC (collectively, the "Depository Agreement") relating to the Bonds.

Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar, and payment of such Bonds shall be made in accordance with the provisions of Sections 4 and 5 hereof.

SECTION 7: Execution - Registration. The Bonds shall be executed on behalf of the City by the Mayor or Mayor Pro Tem under the City's seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officials on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officials of the City on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in Chapter 1201, Texas Government Code, as amended.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas, or his or her duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered, and delivered.

SECTION 8: Initial Bond(s). The Bonds herein authorized shall be initially issued either (i) as a single fully registered bond in the aggregate principal amount of the Bonds with principal installments to become due and payable as provided in the applicable Pricing Certificate and numbered T-1, or (ii) as multiple fully registered bonds, being one bond for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1

and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas, and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

(a) Forms Generally. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Bonds, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and, with the Bonds to be completed and modified with the information set forth in the applicable Pricing Certificate, may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends on insured Bonds and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the Pricing Officer. Each Pricing Certificate shall set forth the final and controlling forms and terms of the Bonds. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond(s) shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

(b) Form of Bonds.

REGISTERED
NO. R-_____

PRINCIPAL AMOUNT
\$_____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF ALLEN, TEXAS
GENERAL OBLIGATION [IMPROVEMENT AND] [REFUNDING] BOND
SERIES 2026

Bond Date:

Interest Rate:

Stated Maturity:

CUSIP No.:

Registered Owner:

Principal Amount:

DOLLARS

The City of Allen (hereinafter referred to as the "City"), a body corporate and political subdivision in the County of Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption), and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is prior to the initial interest payment date in which case it shall bear interest from the _____) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____ and _____ in each year, commencing _____, until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or redemption to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor; provided, however, while this Bond is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Bond. Interest is payable to the registered owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the _____ day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$_____ (herein referred to as the "Bonds") for the purpose of providing funds for (1) permanent public improvements and public purposes, to wit: (i) designing, developing, constructing, repairing, resurfacing, reconstructing, extending, expanding, improving and maintaining streets, thoroughfares, alleys, sidewalks, bridges and other public ways, including associated neighborhood streetscapes, screening walls, streetlights, pedestrian intersection and crossings and ADA improvements; necessary or incidental utility infrastructure and drainage relocation and improvements; signalization and monitoring equipment and other traffic controls; grade separations, landscaping and beautification and acquiring land, easements, rights-of-way, and other real property interests necessary therefor or incidental thereto; and (ii) constructing, developing, improving, expanding, renovating and equipping Ford Park, including the installation and development of athletic fields and sport courts; (2) the discharge and final payment of certain outstanding obligations of the City; and (3) to pay the costs and expenses of issuance, under and in strict conformity with the Constitution and laws of the State of Texas, including Texas

Government Code, Chapters 1207, 1331 and 1371, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

[The Bonds maturing on the dates hereinafter identified (the "Term Bonds") are subject to mandatory redemption prior to maturity with funds on deposit in the Interest and Sinking Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the date of redemption, and without premium, on the dates and in the principal amounts as follows:

<u>Term Bonds due</u>		<u>Term Bonds due</u>	
<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>

The particular Term Bonds of a Stated Maturity to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Term Bonds for a Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Bonds of like Stated Maturity which, at least fifty (50) days prior to a mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.]

The Bonds maturing on and after _____, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on _____, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty (30) days prior to the date fixed for any redemption of Bonds, the City shall cause a written notice of such redemption to be sent by United States Mail, first class postage prepaid, to the registered owners of each Bond to be redeemed, in whole or in part, at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Bond (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date such Bond (or the portion of its principal sum to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

In the event a portion of the principal amount of a Bond is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Bond to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Bond is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Bond to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Bond redeemed in part.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Ordinance have been met and moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for redemption. If a conditional notice of redemption is given and such prerequisites to the redemption or sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City. Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the owner or holder of this Bond by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its maturity or redemption, and deemed to be no longer Outstanding thereunder; and for other terms and provisions contained therein. Capitalized terms used herein and not otherwise defined have the meanings assigned in the Ordinance.

This Bond, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the registered owner whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal at the Stated Maturity, or its redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a Bond on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each registered owner of a Bond appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented, and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution

and laws of the State of Texas; that the issuance of the Bonds is duly authorized by law; that all acts, conditions, and things required to exist and be done precedent to and in the issuance of the Bonds to render the same lawful and valid obligations of the City have been properly done, have happened, and have been performed in regular and due time, form, and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Bonds do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Bonds by the levy of a tax as aforesated. In case any provision in this Bond shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be duly executed under the official seal of the City.

CITY OF ALLEN, TEXAS

COUNTERSIGNED:

Mayor

City Secretary

(SEAL)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond(s) only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER
OF PUBLIC ACCOUNTS

(
(
(
(

REGISTER NO. _____

THE STATE OF TEXAS

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____.

(SEAL)

Comptroller of Public Accounts
of the State of Texas

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Bonds only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered in the name of the Registered Owner shown above under the provisions of the within-mentioned Ordinance; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated office of the Paying Agent/Registrar in _____ is the Designated Payment/Transfer Office for this Bond.

as Paying Agent/Registrar

Registration Date:

By: _____
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee): _____

(Social Security or other identifying number: _____
_____) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____

attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature guaranteed:

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.

(f) The Initial Bond(s) shall be in the form set forth therefor in paragraph (b) of this Section, except the form of a single registered Initial Bond shall be modified as follows:

Heading and paragraph one shall be amended to read as follows:

NO. T-1 \$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF ALLEN, TEXAS
GENERAL OBLIGATION [IMPROVEMENT AND] [REFUNDING] BOND
SERIES 2026

Bond Date: _____

Registered Owner:

Principal Amount:

The City of Allen (hereinafter referred to as the "City"), a body corporate and political subdivision in the County of Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the registered owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on _____ in the years and in principal installments in accordance with the following schedule:

<u>Stated</u> <u>Maturity</u>	<u>Principal</u> <u>Installment</u>	<u>Interest</u> <u>Rate(s)</u>
----------------------------------	--	-----------------------------------

(Information to be inserted from Pricing Certificate).

(or so much principal thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid principal installments hereof from the _____ at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____, and each _____ and _____ thereafter, until maturity or prior redemption. Principal installments of this Bond are payable in the year of maturity or on a redemption date to the registered owner hereof by _____ (the "Paying Agent/Registrar"), upon presentation and surrender, at its designated offices in _____ (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Bond whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the _____ day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the registered owner hereof and in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

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

SECTION 10: Levy of Taxes. To provide for the payment of the “Debt Service Requirements” of the Bonds, being (i) the interest on the Bonds and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount is the greater) there is hereby levied, and there shall be annually assessed and collected in due time, form, and manner, a tax on all taxable property in the City, within the limitations prescribed by law, sufficient to pay the Debt Service Requirements of the Bonds as the same becomes due and payable; and such tax hereby levied on each one hundred dollars’ valuation of taxable property in the City for the payment of the Debt Service Requirements of the Bonds shall be at a rate from year to year as will be ample and sufficient to provide funds each year to pay the principal of and interest on said Bonds while Outstanding; full allowance being made for delinquencies and costs of collection; the taxes levied, assessed, and collected for and on account of the Bonds shall be accounted for separate and apart from all other funds of the City and shall be deposited in one or more special funds as specified in the applicable Pricing Certificate by the Pricing Officer (the “Interest and Sinking Fund”) to be maintained at an official depository of the City’s funds; and such tax hereby levied, and to be assessed and collected annually, is hereby pledged to the payment of the Bonds.

Provided, however, in regard to the payment to become due on the Bonds prior to the tax delinquency date next following the annual assessment of taxes levied which next follows the Bond Date, if any, sufficient current funds will be available and are hereby appropriated to make such payments; and the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Chief Financial Officer and City Secretary of the City, individually or jointly, are hereby authorized and directed to transfer and deposit in the Interest and Sinking Fund such current funds which, together with the accrued interest, if any, received from the initial purchasers, will be sufficient to pay the payments due on the Bonds prior to the tax delinquency date next following the annual assessment of taxes levied which next follows the Bond Date.

The Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Chief Financial Officer and City Secretary of the City, individually or jointly, are hereby authorized and directed to cause to be transferred to the Paying Agent/Registrar for the Bonds, from funds on deposit in the Interest and Sinking Fund, amounts sufficient to fully pay and discharge promptly each installment of interest and principal of the Bonds as the same accrues or matures or comes due by reason of redemption prior to maturity; such transfers of funds to be made in such manner as will cause collected funds to be deposited with the Paying Agent/Registrar on or before each principal and interest payment date for the Bonds.

SECTION 11: Mutilated – Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost, or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond; and with respect to a lost, destroyed, or stolen Bond, a replacement Bond may be issued only upon the approval of the City and after (i) the filing by the Holder with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss, or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying

Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, or destroyed, lost, or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation of the City, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Bonds.

SECTION 12: Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Ordinance and the applicable Pricing Certificate, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities shall mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. In the event of a defeasance of the Bonds, the City shall deliver a certificate from its financial advisor, the Paying Agent/Registrar, an independent certified public accountant, or another qualified third party concerning the sufficiency of the deposit of cash and/or Government Securities to pay, when due, the principal of, redemption premium (if any), and interest due on any defeased Bonds. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall, upon the request of the City, be remitted to the City against a written receipt

therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

Unless otherwise provided in the applicable Pricing Certificate, the term "Government Securities" shall mean (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations under applicable law that may be used to defease obligations such as the Bonds.

The City reserves the right, subject to satisfying the requirements of (i) and (ii) above, to substitute other Government Securities for the Government Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the City moneys in excess of the amount required for such defeasance.

Upon such deposit as described above, such Bonds shall no longer be regarded to be outstanding or unpaid. Provided, however, the City has reserved the option, to be exercised at the time of the defeasance of the Bonds, to call for redemption, at an earlier date, those Bonds which have been defeased to their maturity date, if the City: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the Holders of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

SECTION 13: Ordinance a Contract - Amendments - Outstanding Bonds. This Ordinance, together with the applicable Pricing Certificate, shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section and in Section 32 hereof. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance or any provision in the applicable Pricing Certificate in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Holders who own a majority of the aggregate of the principal amount of the Bonds then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance or any provision in the applicable Pricing Certificate; provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

The term “Outstanding” when used in this Ordinance with respect to Bonds means, as of the date of determination, all Bonds theretofore issued and delivered under this Ordinance, except:

(1) those Bonds cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Bonds deemed to be duly paid by the City in accordance with the provisions of Section 12 hereof; and

(3) those mutilated, destroyed, lost, or stolen Bonds which have been replaced with Bonds registered and delivered in lieu thereof as provided in Section 11 hereof.

SECTION 14: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

“*Closing Date*” means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

“*Code*” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

“*Computation Date*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“*Gross Proceeds*” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

“*Investment*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“*Nonpurpose Investment*” means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

“*Rebate Amount*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“*Regulations*” means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

“*Yield*” of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction, or improvement of which is to be financed (or refinanced) directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Bonds:

(i) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds (including property financed with Gross Proceeds of the Refunded Bonds), and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department, and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the Refunded Bonds), other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed, or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield

from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six (6) years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the Holders thereof for federal income tax purposes, the City shall pay to the United States from an appropriate fund, or if permitted by applicable Texas statute, regulation, or opinion of the Attorney General of the State of Texas, the Interest and Sinking Fund, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place, and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (ii) and (iii), and if an error is made, to discover and promptly correct such error within a

reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Chief Financial Officer, and City Secretary of the City, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as one or more of such persons deems necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption, or similar or other appropriate certificate, form, or document.

(k) Bonds Not Hedge Bonds. At the time the original obligations refunded by the Bonds were issued, (1) the City reasonably expected to spend at least 85% of the spendable proceeds of such bonds within three years after such bonds were issued, and (2) not more than 50% of the proceeds of the original obligations refunded by the Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

(l) Current Refunding. The Bonds are a current refunding of the Refunded Bonds in that the Refunded Bonds will be paid or redeemed within 90 days of the date of the delivery of the Bonds.

SECTION 15: Sale of Bonds – Official Statement. The Bonds authorized by this Ordinance may be sold by the City to the purchaser(s) (herein referred to as the “Purchasers”) by (i) negotiated sale, in accordance with one or more bond purchase agreements (each, a “Purchase Contract”), (ii) private placement, in accordance with an agreement to purchase or other agreement, or (iii) competitive bidding, in accordance with the successful bid submitted therefor, as determined by the Pricing Officer, in accordance with Section 3 hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract, agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable, for and on behalf of the City and as the act and deed of this City Council.

The Pricing Officer is hereby authorized and directed to execute said Purchase Contract for and on behalf of the City and as the act and deed of this City Council.

With regard to such terms and provisions of said Purchase Contract as a result of a negotiated sale, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

1. The details of the purchase and sale of the Bonds;
2. The details of the public offering of the Bonds by the Purchasers;

3. The details of an Official Statement (and, if appropriate, any Preliminary Official Statement) relating to the Bonds and the City's Rule 15c2-12 compliance;
4. A security deposit for the Bonds;
5. The representations and warranties of the City to the Purchasers;
6. The details of the delivery of, and payment for, the Bonds;
7. The Purchasers' obligations under the Purchase Contract;
8. The certain conditions to the obligations of the City under the Purchase Contract;
9. Termination of the Purchase Contract;
10. Particular covenants of the City;
11. The survival of representations made in the Purchase Contract;
12. The payment of any expenses relating to the Purchase Contract;
13. Notices; and
14. Any and all such other details that are found by the Pricing Officer to be necessary and advisable for the purchase and sale of the Bonds.

The Mayor and City Secretary of the City are further authorized and directed to deliver for and on behalf of the City copies of one or more Preliminary Official Statements and Official Statements, prepared in connection with the offering of the Bonds by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement in the form and content as approved by the Pricing Officer shall be deemed to be approved by the City Council of the City and constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 16: Escrow Agreement. An "Escrow Agreement" (the "Escrow Agreement") by and between the City and an authorized escrow agent (the "Escrow Agent") if any such agreement is required in connection with the issuance of the Bonds, shall be attached to, and approved in, the applicable Pricing Certificate. Such Escrow Agreement is hereby authorized to be finalized and executed by the Pricing Officer for and on behalf of the City and as the act and deed of this City Council; and such Escrow Agreement as executed by said Pricing Officer shall be deemed approved by the City Council and constitute the Escrow Agreement herein approved. With regard to the finalization of certain terms and provisions of said Escrow Agreement, a Pricing Officer is hereby authorized to come to an agreement with the Escrow Agent on the following details, among other matters:

The identification of the Refunded Bonds;

The creation and funding of the Escrow Fund; and

The Escrow Agent's compensation, administration of the Escrow Fund, and the settlement of any paying agents' charges relating to the Refunded Bonds.

Furthermore, appropriate officials of the City in cooperation with the Escrow Agent are hereby authorized and directed to make the necessary arrangements for the purchase of the escrowed securities referenced in the Escrow Agreement (the "Escrowed Securities"), if any, and the delivery thereof to the Escrow Agent on the day of delivery of the Bonds to the Purchasers for deposit to the credit of the "CITY OF ALLEN, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2026 ESCROW FUND" (referred to herein as the "Escrow Fund"), or such other designation as specified on the applicable Pricing Certificate; all as contemplated and provided in Texas Government Code, Chapter 1207, as amended, this Ordinance, the applicable Pricing Certificate, and the Escrow Agreement. At the written direction of the City, the Escrow Agent shall reinvest cash balances representing receipts from the Escrowed Securities, make substitutions of the Escrowed Securities or redeem the Escrowed Securities and reinvest the proceeds thereof in substituted Escrowed Securities and enter into any associated contract with a provider of Escrowed Securities as long as any such substituted Escrowed Securities mature on the dates and in the amounts specified in the verification report as sufficient to pay the principal of and redemption premium, if any, and interest on the Refunded Bonds when due. All Escrowed Securities delivered under such an arrangement shall be delivered to the Escrow Agent on a "delivery versus payment" basis. To the extent the Pricing Officer determines such an arrangement is in the City's best interest, the Pricing Officer is authorized to provide such written direction of the City to the Escrow Agent and sign any associated contract, agreement, certificate or instruction letter with respect to such arrangement from time to time.

On or immediately prior to the date of the delivery of the Bonds to the Purchasers, the Pricing Officer shall also cause to be deposited (and is hereby authorized to cause to be deposited) with the Escrow Agent from moneys on deposit in the debt service fund(s) maintained for the payment of the Refunded Bonds an amount which, together with the proceeds of sale, and the investment earnings thereon, will be sufficient to pay in full the Refunded Bonds (or the amount of accrued interest due thereon) scheduled to mature and authorized to be redeemed on the earliest date established in the applicable Pricing Certificate for the redemption of any of the Refunded Bonds (or the earliest date of payment, to be made from moneys in the Escrow Fund, as established in the applicable Pricing Certificate, of the amount of accrued interest due thereon).

To the extent an Escrow Agreement is not required in connection with the issuance of the Bonds, the Pricing Officer is authorized to enter into a deposit letter agreement or such other comparable document which evidences the receipt of refunding bond proceeds with the paying agent for the Refunded Bonds. The deposit letter agreement or such other comparable document as executed by the Pricing Officer shall be deemed approved by the City Council and constitute the agreement herein approved.

SECTION 17: Refunded Bonds. (a) In order to provide for the refunding, discharge and retirement of the Refunded Bonds, the Refunded Bonds identified, described and in the amount set forth in the applicable Pricing Certificate are called for redemption on the first date such Refunded Bonds are subject to redemption or such other date specified by the Pricing Officer in the applicable Pricing Certificate at the price of par plus accrued interest to the redemption date, and a notice of such redemption shall be given in accordance with the applicable provisions of the ordinance(s) adopted by the City Council of the City, which authorized the issuance of the Refunded Bonds. The Pricing Officer is hereby authorized and directed to provide documentation, including a copy of this Ordinance and the applicable Pricing Certificate, to the paying agent/registrar for the Refunded Bonds, together with a suggested form of notice of redemption to be sent to holders, such suggested form of notice of redemption for the Refunded Bonds to be substantially the form(s) set forth as an exhibit to the applicable Pricing Certificate, in accordance with the redemption provisions applicable to the Refunded Bonds.

(b) The paying agent/registrars for the Refunded Bonds is hereby directed to provide the appropriate notice of redemption as required by the ordinance(s) authorizing the Refunded Bonds and is hereby directed to make appropriate arrangements so that the Refunded Bonds may be redeemed on the redemption date.

(c) The source of funds for payment of the principal of and interest on the Refunded Bonds on their respective maturity or redemption dates shall be from the funds deposited with the paying agent/registrars for the Refunded Bonds or the Escrow Agent pursuant to the Escrow Agreement finalized by the Pricing Officer and approved in Section 16 of this Ordinance and by the Pricing Officer in the applicable Pricing Certificate.

SECTION 18: Control and Custody of Bonds. The Mayor shall be and is hereby authorized to take and have charge of all necessary ordinances, resolutions, orders and records, including the definitive Bonds and the Initial Bond(s), pending the investigation and approval of the Initial Bond(s) by the Attorney General of the State of Texas, and the registration of the Initial Bond(s) to the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

Furthermore, the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Chief Financial Officer, and City Secretary of the City, any one or more of said officials, are hereby authorized and directed to furnish and execute such documents and certifications relating to the City and the issuance of the Bonds, including a certification as to facts, estimates, circumstances, and reasonable expectations pertaining to the use, expenditure, and investment of the proceeds of the Bonds, as may be necessary for the issuance of the Bonds, the approval of the Attorney General, the registration by the Comptroller of Public Accounts, and the delivery of the Bonds to the Purchasers and, together with the City's financial advisor, bond counsel and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Bond(s) to the Purchasers and the initial exchange thereof for definitive Bonds.

SECTION 19: Proceeds of Sale. Immediately following the delivery of the Bonds, the proceeds of sale (less those proceeds of sale designated to pay costs of issuance, amounts to pay municipal bond insurance premium, if any, any accrued interest received from the Purchasers of the Bonds, premium in the amount, if any, specified in the applicable Pricing Certificate, and amounts to be deposited to the construction fund) shall be deposited with the paying agent/registrars for the Refunded Bonds, or the Escrow Agent for application and disbursement in accordance with the provisions of the Escrow Agreement, as provided in the applicable Pricing Certificate. The proceeds of sale of the Bonds not so deposited with the paying agent/registrars for the Refunded Bonds, or the Escrow Agent, for the refunding of the Refunded Bonds shall be disbursed for payment of costs of issuance, disbursed for the payment of municipal bond insurance premium, if any, disbursed to pay costs of accomplishing the new money purposes for which a portion of the Bonds are being issued, or deposited in the Interest and Sinking Fund for the Bonds, all in accordance with written instructions from the City or its Financial Advisor. Accrued interest and premium in the amount, if any, specified in the applicable Pricing Certificate received from the sale of the Bonds shall be deposited to the credit of the Interest and Sinking Fund. Such proceeds of sale may be invested in authorized investments and any investment earnings realized may be (with respect to the accrued interest received from the Purchasers) deposited in the Interest and Sinking Fund as shall be determined by the City Council of the City.

Pending expenditure for authorized projects and purposes, such proceeds of sale deposited to the construction fund may be invested in authorized investments in accordance with the provisions of Texas Government Code, Chapter 2256, including guaranteed investment contracts permitted in Texas Government Code, Section 2256.015, et seq., and any investment

earnings realized may be expended for such authorized projects and purposes or deposited in the Interest and Sinking Fund as shall be determined by the City Council. Any excess bond proceeds issued for new money purposes, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Interest and Sinking Fund.

Additionally, the Pricing Officer shall determine the amount, if any, of any City contribution to the refunding from moneys on deposit in the interest and sinking fund(s) maintained for the payment of the Refunded Bonds.

SECTION 20: [Reimbursement]. The City reasonably expects to reimburse capital expenditures made from its own funds with respect to the projects described in Section 1 hereof with proceeds of the Bonds and this Ordinance shall constitute a declaration of official intent under Treas. Reg. § 1.150-2. The maximum principal amounts of obligations to be issued for the projects is set forth in Section 3 hereof.]

SECTION 21:Notices to Holders-Waiver. Wherever this Ordinance or a Pricing Certificate provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case in which notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance or a Pricing Certificate provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 22: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Bonds held by the Paying Agent/Registrar shall be returned to the City.

SECTION 23: Bond Counsel Opinion. The obligation of the Purchasers to accept delivery of the Bonds is subject to being furnished a final opinion of Norton Rose Fulbright US LLP ("Bond Counsel"), Attorneys, Dallas, Texas, approving the Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds. A true and correct reproduction of said opinion is hereby authorized to be printed on the Bonds, or an executed counterpart thereof is hereby authorized to be either printed on definitive printed obligations or deposited with DTC along with the global certificates for the implementation and use of the Book-Entry-Only System used in the settlement and transfer of the Bonds. The prior engagement of Norton Rose Fulbright US LLP as Bond Counsel by the City is hereby ratified, confirmed and approved.

SECTION 24: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof, and neither the City nor attorneys approving the Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

SECTION 25: Benefits of Ordinance. Nothing in this Ordinance or a Pricing Certificate, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof or a Pricing Certificate, this Ordinance and all of its provisions and the applicable Pricing Certificate being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar, and the Holders.

SECTION 26: Inconsistent Provisions. All ordinances or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance or a Pricing Certificate, are hereby repealed to the extent of such conflict, and the provisions of this Ordinance and the applicable Pricing Certificate shall be and remain controlling as to the matters contained herein and therein.

SECTION 27: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 28: Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 29: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

SECTION 30: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the City Council of the City hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 31: Incorporation of Findings and Determinations. The findings and determinations of the City Council of the City contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 32: Continuing Disclosure Undertaking. The Pricing Officer is hereby authorized to determine whether a continuing disclosure undertaking is required in connection with the issuance of the Bonds. To the extent it is determined that an undertaking under the Rule is required, this Section 32 shall apply.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any

such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year of the City beginning in the year stated in the applicable Pricing Certificate, financial information and operating data with respect to the City of the general type included in the final Official Statement approved by the Pricing Officer and described in the applicable Pricing Certificate, and (2) if not provided as part such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles described in the applicable Pricing Certificate, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the Official Statement, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within twelve (12) months after any such fiscal year end, then the City shall file unaudited financial statements within such twelve-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB’s Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-

TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

- (7) Modifications to rights of holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
- (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding subsection (c)12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City, and (b) the City intends the words used in the immediately preceding subsections (c)15 and (c)16 and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section while, but only while, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) hereof of any Bond calls and defeasance that cause the City to be no longer such an "obligated person."

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

Notwithstanding anything to the contrary in this Ordinance, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a Person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid,

but only if and to the extent that reservation of the City's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) hereof an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 33: Municipal Bond Insurance. The Bonds may be sold with the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Bonds and make the determination of the provisions of any commitment therefor.

SECTION 34: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Chief Financial Officer, and City Secretary, are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance of the Bonds. In addition, prior to the initial delivery of the Bonds, the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Chief Financial Officer, City Secretary or Bond Counsel to the City are each hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance, including each applicable Pricing Certificate: (i) in order to cure any technical ambiguity, formal defect, or omission in the Ordinance or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of the Ordinance, which determination shall be final. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 35: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 36: Effective Date. This Ordinance shall take effect and be in full force immediately from and after its adoption on the date hereof in accordance with the provisions of Texas Government Code, Section 1201.028, as amended.

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DULY PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF ALLEN,
COLLIN COUNTY, TEXAS, ON THIS THE 12th DAY OF MAY, 2026.

CITY OF ALLEN, TEXAS

BAIN L. BROOKS
Mayor

ATTEST:

SHELLEY B. GEORGE
TRMC, City Secretary

(City Seal)

EXHIBIT A
FORM OF PAYING AGENT/REGISTRAR AGREEMENT

PAYING AGENT/REGISTRAR AGREEMENT

THIS AGREEMENT is entered into as of _____, 2026 (this "Agreement"), by and between _____, a banking association duly organized and existing under the laws of the United States of America (the "Bank") and the City of Allen, Texas (the "Issuer"),

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "City of Allen, Texas, General Obligation Improvement and Refunding Bonds, Series 2026" (the "Securities"), dated _____, 2026, such Securities scheduled to be delivered to the initial purchasers thereof on or about _____, 2026; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01 Appointment. The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

Section 1.02 Compensation. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto; provided however, notwithstanding anything herein or in Annex A to the contrary, the aggregate value of this agreement shall be less than the dollar limitation set forth in Sections 2271.002(a)(2), 2274.002(a)(2) and 2276.002(a)(2) of the Texas Government Code, as amended.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

ARTICLE TWO DEFINITIONS

Section 2.01 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

“Acceleration Date” on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

“Authorizing Document” means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

“Bank Office” means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

“Holder” and “Security Holder” each means the Person in whose name a Security is registered in the Security Register.

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

“Predecessor Securities” of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

“Redemption Date”, when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

“Responsible Officer”, when used with respect to the Bank, means any managing director, President, Vice President, senior associate, associate, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

“Security Register” means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

“Stated Maturity” means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

Section 2.02 Other Definitions. The terms “Bank,” “Issuer,” and “Securities (Security)” have the meanings assigned to them in the recital paragraphs of this Agreement.

The term “Paying Agent/Registrar” refers to the Bank in the performance of the duties and functions of this Agreement.

**ARTICLE THREE
PAYING AGENT**

Section 3.01 Duties of Paying Agent. As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder’s risk and expense.

Section 3.02 Payment Dates. The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

**ARTICLE FOUR
REGISTRAR**

Section 4.01 Security Register - Transfers and Exchanges. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the “Security Register”) for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the Financial Industry Regulatory Authority, such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

Section 4.02 Securities. The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03 Form of Security Register. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

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

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

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05 Return of Cancelled Securities. The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities. The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and

bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

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

ARTICLE FIVE THE BANK

Section 5.01 Duties of Bank. The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

Section 5.02 Reliance on Documents, Etc.

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

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

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

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

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

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

(g) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum or letter as prepared by the Issuer, the Issuer's financial advisor or other agent. The Bank may act on an e-mail transmission of the closing memorandum or letter acknowledged by the Issuer, the Issuer's financial advisor or other agent as the final closing memorandum or letter. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

Section 5.03 Recitals of Issuer. The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

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

Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization. A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

Section 5.06 Indemnification. To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or willful misconduct on its part, arising out of or in connection with its acceptance or

administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07 Interpleader. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the state and county where the administrative office of the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

In the event the Bank becomes involved in litigation in connection with this Section, the Issuer, to the extent permitted by law, agrees to indemnify and save the Bank harmless from all loss, cost, damages, expenses, and attorney fees suffered or incurred by the Bank as a result. The obligations of the Bank under this Agreement shall be performable at the principal corporate office of the Bank in the City of _____, [Texas].

Section 5.08 DTC Services. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements", which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

ARTICLE SIX MISCELLANEOUS PROVISIONS

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

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

Section 6.03 Notices. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

Section 6.04 Effect of Headings. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05 Successors and Assigns. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.06 Severability. In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07 Merger, Conversion, Consolidation, or Succession. Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

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

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

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

Section 6.11 Termination. This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with the other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

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

Notwithstanding anything contained herein, the representations and covenants contained in Section 6.12 hereof shall survive the termination of this Agreement until the statute of limitations has run.

Section 6.12 Iran, Sudan or Foreign Terrorist Organizations. The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following page of such officer's internet website:

<https://comptroller.texas.gov/purchasing/publications/divestment.php>

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

Section 6.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[Remainder of page left blank intentionally.]

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

[PAYING AGENT/REGISTRAR]

By: _____

Title: _____

Address:

CITY OF ALLEN, TEXAS

By: _____
Pricing Officer

Address: One Allen Civic Plaza
Allen, Texas 75013

ANNEX A

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: Tuesday, May 12, 2026, 7:00 PM

AGENDA CAPTION: Consider all matters incident and related to the issuance and sale of "City of Allen, Texas, Waterworks and Sewer System Revenue Refunding Bonds, Series 2026", including the adoption of an ordinance authorizing the issuance of such bonds in one or more series, establishing parameters for the sale and issuance of such bonds and delegating certain matters to authorized officials of the City.

STAFF RESOURCE: Pete Phillis, Chief Financial Officer

BOARD/COMMISSION ACTION: None

PREVIOUS COUNCIL ACTION: None

BACKGROUND:

Attached is a Parameters Ordinance prepared by Norton Rose Fulbright US LLP, the City's bond counsel, that authorizes the sale and issuance of "City of Allen, Texas, Waterworks and Sewer System Revenue Refunding Bonds, Series 2026." The bonds are being issued to save the City money.

The refunding of existing Waterworks and Sewer System Bonds, Series 2018 is expected to save almost \$200,000 or an estimated \$184,772. The anticipated savings is subject to market conditions at the time of the sale of the new refunding bonds. This Ordinance establishes the parameters for the City to enter the market and issue these bonds for the said purposes.

The general terms of the Parameters Ordinance allow the City to issue the refunding bonds in the said amount at a true interest cost that is not to exceed 5.00% and is to be repaid within a period of 11 years or less. It also allows the City to issue refunding bonds that produce a present value debt service savings of at least 2.00%. The amount being considered for a refunding is currently set at \$6,500,000. Staff will determine the economic feasibility of the refunding on the date of sale given the parameters described herein.

This approved action authorizes the issuance of the bonds, the form of the bonds, and the delivery of the bonds to the purchaser of the bonds. The bonds are obligations of the City and are payable from the revenue generated from the waterworks and sewer system within the City of Allen, Texas. The sale will be finalized upon the final approval of the Pricing Officer(s). The Pricing Officer(s) listed in the Ordinance are the City's Chief Financial Officer and the Mayor of the City. The plan is to price the bonds and close the transaction or sale of the bonds in August of 2026. The closing documents, such as the Bond Purchase Agreement and Paying Agent/Registrar Agreement, will be finally executed by an authorized Pricing Officer.

STAFF RECOMMENDATION:

Staff recommends the approval of the Parameters Ordinance

MOTION:

I make a motion to adopt Ordinance No. _____ authorizing the issuance of City of Allen, Texas, "Waterworks and Sewer System Revenue Refunding Bonds, Series 2026," establishing the parameters for the sale and issuance of such bonds, and delegating certain matters to authorized officials of the City.

Attachments

[ALLEN WS REV REF 2026 - Ordinance](#)

ORDINANCE NO. []

AN ORDINANCE authorizing the issuance of "CITY OF ALLEN, TEXAS, WATERWORKS AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2026"; pledging the net revenues of the City's combined Waterworks and Sewer System to the payment of the principal of and interest on said Bonds; and resolving other matters incident and related to the issuance, sale, payment, and delivery of said Bonds, including establishing parameters therefor and delegating matters relating to the sale and issuance of the Bonds to authorized City officials

WHEREAS, the City Council of the City of Allen, Texas (the "City"), heretofore issued, sold, and delivered, and there is currently outstanding, obligations of the following issue or series (hereinafter referred to as the "Refunded Bonds"), to wit: City of Allen, Texas, Waterworks and Sewer System Revenue Bonds, Series 2018, dated July 15, 2018, and

WHEREAS, pursuant to the provisions of Texas Government Code, Chapter 1207, as amended, the City Council is authorized to issue refunding bonds and deposit the proceeds of sale directly with any place of payment for the Refunded Bonds, or other authorized depository, and such deposit, when made in accordance with said statute, and ordinance authorizing the issuance of the Refunded Bonds, shall constitute the making of firm banking and financial arrangements for their discharge and final payment; and

WHEREAS, the City shall by this Ordinance, in accordance with the provisions of Texas Government Code, Chapters 1207 and 1371, as amended, delegate to a Pricing Officer (hereinafter designated) the authority to determine the principal amount of Bonds to be issued and to negotiate the terms of sale thereof and to select the specific maturities, in whole or in part, of the Refunded Bonds to be refunded and to negotiate the terms of sale thereof; and

WHEREAS, the City Council hereby finds and determines that it is a public purpose and in the best interest of the City to refund the Refunded Bonds in order to achieve a present value debt service savings and to authorize the issuance of the Bonds in one or more series with the terms of such bonds to be included in one or more pricing certificates (each, a "Pricing Certificate") to be executed by the Pricing Officer (hereafter designated), all in accordance with the provisions of Texas Government Code, Section 1207.007, and Texas Government Code 1371, as amended, and

WHEREAS, the City Council hereby further finds and determines that all of such revenue bonds can and should be issued on a parity with the City's outstanding revenue bonds (hereinafter defined and identified as "Previously Issued Bonds") payable from and secured by a first lien on and pledge of the Net Revenues of the City's combined Waterworks and Sewer System (the "System") in that (i) the Chief Financial Officer of the City will execute a certificate stating (a) that, to the best of his knowledge and belief, the City is not now in default as to any covenant, obligation or agreement contained in any ordinance or other proceeding relating to any obligations of the City payable from and secured by a lien on and pledge of the Net Revenues of the System that would materially affect the security or payment of such obligations and (b) payments into all special funds or accounts created and established for the payment and security of all outstanding obligations payable from and secured by a lien on and pledge of the Net Revenues of the System have been made and that the amounts on deposit in such special funds or accounts are the amounts now required to be on deposit therein; (ii) the bonds herein authorized will mature as to principal on June 1 or December 1 in each year; and (iii) the City will secure a certificate or opinion

of a Certified Public Accountant to the effect that, according to the books and records of the City, the Net Earnings, for the last completed Fiscal Year, are at least equal to 1.20 times the "Average Annual Debt Service" for all "Bonds Similarly Secured" to be outstanding after giving effect to the issuance of the bonds herein being issued; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ALLEN, TEXAS:

SECTION 1: Authorization - Series Designation - Principal Amount - Purpose - Bond Date. Revenue refunding bonds of the City shall be and are hereby authorized to be issued in one or more series in the aggregate principal amount set forth in the applicable Pricing Certificate to be designated and bear the title "CITY OF ALLEN, TEXAS, WATERWORKS AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2026" (herein referred to as the "Bonds"), in the amount specified in the applicable Pricing Certificate (i) for the discharge and final payment of all or a portion of the Refunded Bonds (identified in the preamble hereof as the "Refunded Bonds"); and (ii) to pay the costs and expenses of issuance, all as provided in the applicable Pricing Certificate and in accordance with the authority conferred by and in conformity with the Constitution and laws of the State of Texas, including Government Code, Chapter 1207, as amended, and Texas Government Code, Chapter 1371, as amended. The Bonds shall be dated (the "Bond Date") as provided in the applicable Pricing Certificate.

SECTION 2: Fully Registered Obligations - Terms. The Bonds shall be issued as fully registered obligations, without coupons, and the Bonds (other than the Initial Bond(s) referenced in Section 8 hereof) shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, shall be lettered "R" and numbered consecutively from one (1) upward and principal shall become due and payable on a date certain in each of the years and in amounts (the "Stated Maturities") and bear interest at the rate(s) per annum in accordance with the details of the Bonds as set forth in the applicable Pricing Certificate.

The Bonds shall bear interest on the unpaid principal amounts from the date specified in the applicable Pricing Certificate at the rate(s) per annum shown in the applicable Pricing Certificate (calculated on the basis of a 360-day year consisting of twelve 30-day months). Interest on the Bonds shall be payable in each year, on the dates, and commencing on the date, set forth in the applicable Pricing Certificate.

SECTION 3: Delegation of Authority to Pricing Officer. (a) As authorized by Texas Government Code, Chapter 1207, as amended, and Texas Government Code, Chapter 1371, as amended, each of the Mayor, City Manager and Chief Financial Officer (any one of them, a "Pricing Officer") is hereby authorized to act on behalf of the City in selling and delivering the Bonds and carrying out the other procedures specified in this Ordinance, including determining the aggregate principal amount of the Bonds, the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the record date, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, the designation of one or more paying agent/registrars, designation of one or more escrow agents, if applicable, satisfying the requirements of Texas Government Code, Chapter 1207, as amended, the terms of any bond insurance applicable to the Bonds, including any modification of the continuing disclosure undertaking contained in Section 46 hereof as may be required by the purchasers of the Bonds in connection with any amendments to the

Rule (hereinafter defined), and all other matters relating to the issuance, sale and delivery of the Bonds, all of which shall be specified in the Pricing Certificate, provided that:

- (i) the aggregate original principal amount of the Bonds shall not exceed \$6,500,000;
- (ii) the maximum true interest cost rate for the Bonds shall not exceed 5.00%;
- (iii) the refunding must produce a present value debt service savings of at least 3.00%, net of any contribution by the City;
- (iv) the maximum maturity date for the Bonds shall not exceed June 1, 2038.

The execution of the applicable Pricing Certificate shall evidence the sale date of the Bonds by the City to the Purchasers (hereinafter defined).

(b) The delegation made hereby shall expire if not exercised by the Pricing Officer within 365 days of the date hereof. The Pricing Officer may exercise such delegation on more than one occasion during such time period.

SECTION 4: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of the Paying Agent/Registrar for the Bonds shall be as provided in the applicable Pricing Certificate. Books and records relating to the registration, payment, exchange and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as **Exhibit A** and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Pricing Officer is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution, or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

The Bonds shall be payable at their Stated Maturities or upon their earlier redemption, only upon the presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices as provided in the applicable Pricing Certificate (the "Designated Payment/Transfer Office") provided, however, while a Bond is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount thereof may be

accomplished without presentation and surrender of such Bond. Interest on a Bond shall be paid by the Paying Agent/Registrar to the Holders whose names appears in the Security Register at the close of business on the Record Date (which shall be set forth in the applicable Pricing Certificate) and such interest payments shall be made (i) by check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a non-payment of interest on one or more maturities of the Bonds on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such past due interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder of the Bonds appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every Holder of the Bonds issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of like maturity, and amount and in authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar at its Designated Payment/Transfer Office for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for assignment or transfer of any Bond (other than the Initial Bond(s) authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, one or more new Bonds, executed on behalf of and furnished by the City, shall be registered and issued to the assignee or transferee of the previous Holder; such Bonds to be of authorized denominations, of like Stated Maturity, and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond(s) authorized in Section 8 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds, executed on behalf of and furnished by the City, to the Holder requesting the exchange.

All Bonds issued upon any such transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by

United States Mail, first class postage prepaid, to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligation to pay and entitled to the same benefits under this Ordinance, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered, and delivered in lieu thereof pursuant to the provisions of Section 30 hereof, and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within forty-five (45) days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in Sections 4 and 5 hereof relating to the payment and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement, and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the requirements and procedures identified in the current DTC Operational Arrangements memorandum, as amended, the Blanket Issuer Letter of Representation, by and between the City and DTC, and the Letter of Representation from the Paying Agent/Registrar to DTC (collectively, the "Depository Agreement") relating to the Bonds.

Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register

maintained by the Paying Agent/Registrar, and payment of such Bonds shall be made in accordance with the provisions of Sections 4 and 5 hereof.

SECTION 7: Execution - Registration. The Bonds shall be executed on behalf of the City by the Mayor or Mayor Pro Tem under the City's seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officials on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officials of the City on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in Chapter 1201, Texas Government Code, as amended.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas, or his or her duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered, and delivered.

SECTION 8: Initial Bond(s). The Bonds herein authorized shall be initially issued either (i) as a single fully registered bond in the aggregate principal amount of the Bonds with principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1, or (ii) as multiple fully registered bonds, being one bond for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas, and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

(a) Forms Generally. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Bonds, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and, with the Bonds to be completed and modified with the information set forth in the applicable Pricing Certificate, may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends on insured Bonds and any reproduction

of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the Pricing Officer. The Pricing Certificate shall set forth the final and controlling forms and terms of the Bonds. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond(s) shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

(b) Form of Bonds.

REGISTERED
NO. R-_____

PRINCIPAL AMOUNT
\$_____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF ALLEN, TEXAS
WATERWORKS AND SEWER SYSTEM REVENUE REFUNDING BOND
SERIES 2026

Bond Date: _____ Interest Rate: _____ Stated Maturity: _____ CUSIP No.: _____

Registered Owner:

Principal Amount: _____ DOLLARS

The City of Allen (hereinafter referred to as the "City"), a body corporate and political subdivision in the County of Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, solely from the revenues hereinafter identified, on the Stated Maturity date specified above the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption), and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is prior to the initial interest payment date in which case it shall bear interest from the _____) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____ and _____ in each year, commencing _____, until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or redemption to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor; provided, however, while this Bond is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Bond. Interest is payable to the registered owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the 15th day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to

the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$_____ (herein referred to as the "Bonds") (i) for the discharge and final payment of all or a portion of the Refunded Bonds (identified in the preamble hereof as the "Refunded Bonds"); and (ii) to pay the costs and expenses of issuance, under and in strict conformity with the Constitution and the laws of the State of Texas, including Texas Government Code, Chapter 1207 and Chapter 1371, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

[The Bonds maturing on the dates hereinafter identified (the "Term Bonds") are subject to mandatory redemption prior to maturity with funds on deposit in the Bond Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the date of redemption, and without premium, on the dates and in the principal amounts as follows:

<u>Term Bonds due</u>	<u>Principal Amount</u>	<u>Term Bonds due</u>	<u>Principal Amount</u>
<u>Redemption Date</u>		<u>Redemption Date</u>	

The particular Term Bonds of a Stated Maturity to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Term Bonds for a Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Bonds of like Stated Maturity which, at least fifty (50) days prior to a mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.]

The Bonds maturing on and after _____, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on _____, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty (30) days prior to the date fixed for any redemption of Bonds, the City shall cause a written notice of such redemption to be sent by United States Mail, first class postage prepaid, to the registered owners of each Bond to be redeemed, in whole or in part, at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Bond (or any portion of its principal sum) shall have been duly called for

redemption and notice of such redemption duly given, then upon such redemption date such Bond (or the portion of its principal sum to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

In the event a portion of the principal amount of a Bond is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Bond to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Bond is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Bond to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Bond redeemed in part.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Ordinance have been met and moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for redemption. If a conditional notice of redemption is given and such prerequisites to the redemption or sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds are special obligations of the City, and, together with the outstanding Previously Issued Bonds (identified and defined in the Ordinance), are payable solely from and equally and ratably secured by a first lien on and pledge of the Net Revenues (as defined in the Ordinance) of the City's combined Waterworks and Sewer System (hereinafter referred to as the "System"). The Bonds do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any property of the City or the System, except with respect to the Net Revenues. The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

Subject to satisfying the terms and conditions prescribed therefor, the City has reserved the right to issue additional revenue obligations payable from and equally and ratably secured by a parity lien on and pledge of the Net Revenues of the System, in the same manner and to the same extent as the Bonds.

Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the security for the Bonds; the properties constituting the System; the Net Revenues pledged to the payment of the principal of and interest on the Bonds; the nature and extent and manner of enforcement of the lien and pledge securing the payment of the Bonds; the terms and conditions for the issuance of additional revenue obligations; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the

Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which the liens, pledges, charges and covenants made therein may be discharged at or prior to the maturity or redemption of this Bond, and this Bond deemed to be no longer Outstanding thereunder; and for the other terms and provisions contained therein. Capitalized terms used herein have the same meanings assigned in the Ordinance.

This Bond, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the registered owner whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal at the Stated Maturity, or its redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a Bond on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each registered owner of a Bond appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented and covenanted that the City is a duly organized and legally existing municipal corporation under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Bonds is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Bonds to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Bonds do not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Bonds by a pledge of the Net Revenues of the System as aforestated. In case any provision in this Bond or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be duly executed under the official seal of the City.

CITY OF ALLEN, TEXAS

COUNTERSIGNED:

Mayor

City Secretary

(SEAL)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond(s) only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER
OF PUBLIC ACCOUNTS

(
(
(
(

REGISTER NO. _____

THE STATE OF TEXAS

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____.

(SEAL)

Comptroller of Public Accounts
of the State of Texas

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Bonds only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered in the name of the Registered Owner shown above under the provisions of the within-mentioned Ordinance; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated office of the Paying Agent/Registrar in _____ is the Designated Payment/Transfer Office for this Bond.

_____,
as Paying Agent/Registrar

Registration Date:

By: _____
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee): _____

(Social Security or other identifying number: _____
_____) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____

attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature guaranteed:

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.

(f) The Initial Bond(s) shall be in the form set forth therefor in paragraph (b) of this Section, except the form of a single registered Initial Bond shall be modified as follows:

Heading and paragraph one shall be amended to read as follows:

NO. T-1 \$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF ALLEN, TEXAS
WATERWORKS AND SEWER SYSTEM REVENUE REFUNDING BOND
SERIES 2026

Bond Date:

Registered Owner:

Principal Amount:

The City of Allen (hereinafter referred to as the "City"), a body corporate and political subdivision in the County of Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the registered owner named above, or the registered assigns thereof, solely from the revenues hereinafter identified, the Principal Amount hereinabove stated on _____ in the years and in principal installments in accordance with the following schedule:

<u>Stated Maturity</u>	<u>Principal Installment</u>	<u>Interest Rate(s)</u>
----------------------------	----------------------------------	-----------------------------

(Information to be inserted from Pricing Certificate).

(or so much principal thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid principal installments hereof from the _____ at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____, and each _____ and _____ thereafter, until maturity or prior redemption. Principal installments of this Bond are payable in the year of maturity or on a redemption date to the registered owner hereof by _____ (the "Paying Agent/Registrar"), upon presentation and surrender, at its designated offices in _____ (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Bond whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the _____ day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the registered owner hereof and in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday,

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

SECTION 10: Definitions. For all purposes of this Ordinance and in particular for clarity with respect to the issuance of the Bonds herein authorized and the pledge and appropriation of revenues to the payment of the Bonds, the following definitions are provided:

"Additional Parity Bonds" - Revenue bonds or other evidences of indebtedness which the City reserves the right to issue or enter into, as the case may be, in the future in accordance with the terms and conditions provided in Section 18 hereof and which are equally and ratably secured by a first lien on and pledge of the Net Revenues of the System.

"Average Annual Debt Service" - That amount which, at the time of computation, is derived by dividing the total amount of Debt Service to be paid over a period of years as the same is scheduled to become due and payable by the number of years taken into account in determining the total Debt Service. Capitalized interest payments provided from bond proceeds shall be excluded in making the aforementioned computation.

"Bonds" - The "City of Allen, Texas, Waterworks and Sewer System Revenue Refunding Bonds, Series 2026", authorized by this Ordinance.

"Bonds Similarly Secured" - Collectively, the Previously Issued Bonds, the Bonds and Additional Parity Bonds.

"City" - The City of Allen located in the County of Collin, Texas.

"Debt Service" - As of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the City as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear, or would have borne, interest at the highest rate reached, or that would have been applied to such obligations (using the index or measure for computing interest applicable to such obligations) during the twenty-four (24) month period next preceding the date of computation, and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to maturity, the principal amounts thereof will be redeemed prior to maturity in accordance with the mandatory redemption provisions applicable thereto.

"Fiscal Year" - The twelve month accounting period used by the City in connection with the operation of the System which may be any twelve consecutive month period established by the City.

"Government Securities" – unless other provided in the applicable Pricing Certificate, (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their

acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (iv) any other then authorized securities or obligations under applicable law that may be used to defease obligations such as the Bonds.

"Gross Revenues" - All income, receipts and revenues of every nature derived or received from the operation and ownership (excluding refundable meter deposits, restricted gifts and grants in aid of construction) of the System, including earnings and income derived from the investment or deposit of moneys in any special funds or accounts created and established for the payment and security of the Bonds Similarly Secured and other obligations payable solely from and secured only by a lien on and pledge of the Net Revenues.

"Net Earnings" - The meaning assigned to such term in Section 18 hereof.

"Net Revenues" - Gross Revenues of the System, with respect to any period, after deducting the System's Operating and Maintenance Expenses during such period.

"Operating and Maintenance Expenses" - All current expenses of operating and maintaining the System, including all salaries, labor, materials, repairs and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised, are necessary to maintain the operations and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair obligations payable from Net Revenues shall be deducted in determining "Net Revenues". Depreciation charges shall not be considered Operating and Maintenance Expenses. Operating and Maintenance Expenses shall include payments under contracts for the purchase of water supply or the treatment of sewage or other materials, goods, services or facilities for the System to the extent authorized by law and the provisions of such contract.

"Outstanding" - When used in this Ordinance with respect to Bonds or Bonds Similarly Secured, as the case may be, means, as of the date of determination, all Bonds and Bonds Similarly Secured theretofore sold, issued and delivered by the City, except:

(1) those Bonds or Bonds Similarly Secured cancelled or delivered to the transfer agent or registrar for cancellation in connection with the exchange or transfer of such obligations;

(2) those Bonds or Bonds Similarly Secured paid or deemed to be paid in accordance with the provisions of Section 28 hereof; and

(3) those Bonds or Bonds Similarly Secured that have been mutilated, destroyed, lost, or stolen and replacement bonds have been registered and delivered in lieu thereof in accordance with the provisions of Section 30 hereof.

"Previously Issued Bonds" - The presently outstanding and unpaid revenue bonds payable from and secured by a first lien on and pledge of the Net Revenues of the System, more particularly described as follows: (1) "City of Allen, Texas, Waterworks and Sewer System Revenue Bonds, Series 2018", dated July 15, 2018, originally issued in the principal amount of

\$9,330,000, (2) "City of Allen, Texas, Waterworks and Sewer System Revenue Bonds, Series 2019", dated June 1, 2019, originally issued in the principal amount of \$3,845,000, (3) "City of Allen, Texas, Waterworks and Sewer System Revenue Bonds, Series 2020", dated June 15, 2020, originally issued in the principal amount of \$4,880,000, and (4) "City of Allen, Texas, Waterworks and Sewer System Revenue Bonds, Series 2021", dated June 1, 2021, originally issued in the principal amount of \$10,675,000.

"Required Reserve" - The amount required to be accumulated and maintained in the Reserve Fund under the provisions of Section 14 hereof.

"System" - All properties, facilities and plants owned, operated and maintained by the City for the supply, treatment and transmission of potable water and for the collection, treatment and disposal of water-carried wastes, together with all future extensions, improvements, replacements and additions thereto; provided, however, that notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term "System" shall not mean to include facilities of any kind which are declared not to be a part of the System and which are hereafter acquired or constructed by or on behalf of the City with the proceeds from the issuance of "Special Facilities Bonds", which are hereby defined as being special revenue obligations of the City which are not Bonds Similarly Secured but which are payable from and secured by other liens on and pledges of any revenues, sources or payments, not pledged to the payment of the Bonds Similarly Secured including, but not limited to, special contract revenues or payments received from any other legal entity in connection with such facilities.

SECTION 11: Pledge. The City hereby covenants and agrees that the Net Revenues of the System, with the exception of those in excess of the amounts required for the payment and security of the Bonds Similarly Secured, are hereby irrevocably pledged, to the payment and security of the Previously Issued Bonds, the Bonds and Additional Parity Bonds, if issued, including the establishment and maintenance of the special funds created and established by this Ordinance, all as hereinafter provided, and it is hereby ordained that the lien on and pledge of the Net Revenues securing the payment of the Bonds Similarly Secured and interest thereon shall constitute a first lien on the Net Revenues of the System and be valid and binding and fully perfected from and after the date of adoption of this Ordinance without physical delivery or transfer of control of the Net Revenues, the filing of this Ordinance or any other act; all as provided in Texas Government Code, Chapter 1208, as amended ("Chapter 1208").

Chapter 1208 applies to the issuance of the Bonds and the pledge of the Net Revenues granted by the City under this Section 11, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are Outstanding such that the pledge of the Net Revenues granted by the City under this Section 11 is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, as amended, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 12: System Fund. The City hereby covenants and agrees that Gross Revenues of the System (excluding earnings and income derived from investments held in the Bond Fund and Reserve Fund) shall be deposited as collected to the credit of a fund maintained at an official depository of City funds and known on the books and records of the City as the "Waterworks and Sewer System Fund" (herein called the "System Fund"), and such revenues of the System shall be kept separate and apart from all other funds of the City. All revenues

deposited in the System Fund shall be pledged and appropriated to the extent required for the following uses and in the order of priority shown:

(1) To the payment of all necessary and reasonable Operating and Maintenance Expenses of the System as defined herein or required by statute to be a first charge on and claim against the Gross Revenues thereof.

(2) To the payment of the amounts required to be deposited in the Bond Fund for the payment of Debt Service on the Bonds Similarly Secured as the same becomes due and payable.

(3) To the payment of the amounts required to be deposited in the Reserve Fund to establish and maintain the Required Reserve in accordance with the provisions of this Ordinance or any other ordinance relating to issuance of Bonds Similarly Secured.

(4) Any Net Revenues remaining in the System Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment thereof, may be appropriated and used for any other City purpose now or hereafter permitted by law.

SECTION 13: Bond Fund. For purposes of providing funds to pay the principal of and interest on the Bonds as the same becomes due and payable, the City agrees to maintain a separate and special account or fund on the books and records of the City known as the "City of Allen Interest and Sinking Revenue Bond Fund" (the "Bond Fund"), and all monies deposited to the credit of such Fund shall be held in a special banking fund or account maintained at an official depository of the City. In addition to the deposits to the Bond Fund for the payment of the Previously Issued Bonds, the City covenants that there shall be deposited into the Bond Fund prior to each principal and interest payment date from the Net Revenues an amount equal to one hundred per centum (100%) of the interest on and the principal of the Bonds then falling due and payable by reason of maturity or redemption, and such deposits to pay principal and accrued interest on the Bonds shall be made in substantially equal monthly installments on or before the 25th day of each month, beginning on or before the 25th day of the month next following the delivery of the Bonds to the initial purchaser.

The required monthly deposits to the Bond Fund for the payment of principal of and interest on the Bonds shall continue to be made as hereinabove provided until (i) the total amount on deposit in the Bond Fund and Reserve Fund is equal to the amount required to fully pay and discharge all Outstanding Bonds Similarly Secured (principal and interest) or (ii) the Bonds are no longer Outstanding.

Accrued interest and premium, if any, received from the purchaser(s) of the Bonds, as well as earnings derived from the investment of moneys in the Bond Fund, shall be deposited to the credit of the Bond Fund and taken into consideration and reduce the amount of the monthly deposits hereinabove required to be deposited in the Bond Fund from the Net Revenues of the System.

SECTION 14: Reserve Fund. For purposes of accumulating and maintaining funds as a reserve for the payment of the Bonds Similarly Secured, the City reaffirms its covenant with the owners of the Previously Issued Bonds and agrees with the Holders of the Bonds to maintain a separate and special fund or account at a depository of city funds to be known as the "City of

Allen Revenue Bond Reserve Fund" (the "Reserve Fund"), and all funds deposited therein (excluding earnings and income derived or received from deposits or investments which may be transferred to the System Fund established in Section 12 hereof during such periods as there is on deposit in the Reserve Fund the Required Reserve) shall be used solely for the payment of the principal of and interest on the Bonds Similarly Secured when (whether at maturity, upon a mandatory redemption date or any interest payment date) other funds available for such purposes are insufficient, and, in addition, may be used to the extent not required to maintain the "Required Reserve", to pay, or provide for the payment of, the final principal amount of a series of Bonds Similarly Secured so that such series of Bonds Similarly Secured is no longer deemed to be "Outstanding" as such term is defined herein.

The amount currently on deposit to the credit of the Reserve Fund in accordance with the provisions of the ordinances authorizing the issuance of the Previously Issued Bonds will be stated in the applicable Pricing Certificate (the "Current Reserve"). By reason of the issuance of the Bonds, the total amount required to be accumulated and maintained in said Fund shall be determined by the Pricing Officer and specified in the applicable Pricing Certificate (the "Required Reserve") which amount shall be equal to or exceed the Average Annual Debt Service for the Bonds and the Previously Issued Bonds (calculated on a Fiscal Year basis as of the date the Bonds are to be delivered). Beginning on the 25th day of the month following the delivery of the Bonds and on or before the 25th day of each month thereafter, the City agrees and covenants to make monthly deposits to the credit of the Reserve Fund from the Net Revenues of the System equal to not less than 1/60th of the difference between the Required Reserve and the Current Reserve, if required.

When and so long as the cash and investments in the Reserve Fund total not less than the Required Reserve, no deposits need be made to the credit of the Reserve Fund; but, if and when the Reserve Fund at any time contains less than the Required Reserve (other than as the result of the issuance of Additional Parity Bonds as provided in the paragraph below), the City covenants and agrees to cure the deficiency in the Required Reserve by making monthly deposits to said Fund from the Net Revenues of the System; such monthly deposits to be in amounts equal to not less than 1/60th of the then total Required Reserve to be maintained in said Fund and to be made on or before the 25th day of each month until the total Required Reserve then to be maintained in said Fund has been fully restored. The City further covenants and agrees that, subject only to the payments to be made to the Bond Fund, the Net Revenues shall be applied and appropriated and used to establish and maintain the Required Reserve and to cure any deficiency in such amounts as required by the terms of this Ordinance and any other ordinance pertaining to the issuance of Additional Parity Bonds.

As and when Additional Parity Bonds are delivered or incurred, the Required Reserve shall be increased, if required, to an amount equal to the lesser of (i) the Average Annual Debt Service (calculated on a Fiscal Year basis) for all Bonds Similarly Secured then Outstanding, as determined on the date each series of Additional Parity Bonds are delivered or incurred, as the case may be, or (ii) the maximum amount in a reasonably required reserve fund that can be invested without restriction as to yield pursuant to subsection (d) of section 148 of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder. Any additional amount required to be maintained in the Reserve Fund shall be so accumulated by the deposit in the Reserve Fund of all or any part thereof in cash immediately after the delivery of the then proposed Additional Parity Bonds, or, at the option of the City, by the deposit of monthly installments, made on or before the 25th day of each month following the month of delivery of the then proposed Additional Parity Bonds, of not less than 1/60th of the additional amount to be

maintained in said Fund by reason of the issuance of the Additional Parity Bonds then being issued (or 1/60th of the balance of the additional amount not deposited immediately in cash).

During such time as the Reserve Fund contains the total Required Reserve, the City may, at its option, withdraw all surplus in the Reserve Fund in excess of the Required Reserve and deposit such surplus in the System Fund.

The City retains the right to fund the Required Reserve in whole or in part with a surety bond or insurance policy issued by an insurance company or other entity that is rated either for the long term unsecured debt of the issuer of such surety bond or for obligations insured, secured or guaranteed by such issuer that have a rating in the in the highest two letter categories (i.e., AA- or equivalent or higher) by one nationally recognized municipal securities rating or evaluation services and money deposited to the credit of the Reserve Fund may be used to make any payments required to satisfy the City's repayment obligation to the issuer of such surety bond or insurance policy in the same manner and with like effect as if such payments were being used to accumulate, maintain or restore the Required Reserve in cash or with authorized investments.

SECTION 15: Deficiencies. If on any occasion there shall not be sufficient Net Revenues of the System to make the required deposits into the Bond Fund and the Reserve Fund, then such deficiency shall be cured as soon as possible from the next available Net Revenues of the System, or from any other sources available for such purpose.

SECTION 16: Payment of Bonds. While any of the Bonds are Outstanding, the Chief Financial Officer (or other designated financial officer of the City) shall cause to be transferred to the Paying Agent/Registrar, from funds on deposit in the Bond Fund, and, if necessary, in the Reserve Fund, amounts sufficient to fully pay and discharge promptly as each installment of interest and principal of the Bonds accrues or matures or comes due by reason of redemption prior to maturity; such transfer of funds to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar for the Bonds at the close of the business day next preceding the date of payment for the Bonds.

SECTION 17: Investments - Security of Funds. Money in any Fund referenced in this Ordinance may, at the option of the City, be invested in eligible investments described in the Texas Public Funds Investment Act, Texas Government Code, Chapter 2256, consistent with the investment policy approved by the City Council. Such investments as described in this Section (except State and Local Government Series investments held in book-entry form, which shall at all times be valued at cost) shall be valued in terms of current market value within 45 days of the close of each Fiscal Year and, with respect to investments held for the account of the Reserve Fund, within 30 days of the date of passage of each ordinance authorizing the issuance of Additional Parity Bonds. All interest and income derived from deposits and investments in the Bond Fund immediately shall be credited to, and any losses debited to, the Bond Fund. All interest and interest income derived from deposits in and investments of the Reserve Fund shall, subject to the limitations provided in Section 14 hereof, be credited to and deposited in the System Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds.

Money in all Funds created by this Ordinance, to the extent not invested, shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds.

SECTION 18: Issuance of Additional Parity Bonds. Subject to the provisions hereinafter appearing as to conditions precedent which must be satisfied, the City reserves the right to issue, from time to time as needed, Additional Parity Bonds for any lawful purpose. Such Additional Parity Bonds may be issued in such form and manner as now or hereafter authorized by the laws of the State of Texas for the issuance of evidences of indebtedness or other instruments, and should new methods or financing techniques be developed that differ from those now available and in normal use, the City reserves the right to employ the same in its financing arrangements provided only that the following conditions precedent for the authorization and issuance of the same are satisfied, to wit:

(1) The Chief Financial Officer of the City (or other officer of the City then having the primary responsibility for the financial affairs of the City) shall have executed a certificate stating (a) that, to the best of his knowledge and belief, the City is not then in default as to any covenant, obligation or agreement contained in any ordinance or other proceeding relating to any obligations of the City payable from and secured by a lien on and pledge of the Net Revenues of the System that would materially affect the security or payment of such obligations and (b) either (i) payments into all special funds or accounts created and established for the payment and security of all outstanding obligations payable from and secured by a lien on and pledge of the Net Revenues of the System have been made and that the amounts on deposit in such special funds or accounts are the amounts then required to be on deposit therein or (ii) the application of the proceeds of sale of such obligations then being issued will cure any such deficiency.

(2) The Additional Parity Bonds shall be scheduled to mature or be payable as to principal on June 1 or December 1 (or both) in each year the same are to be outstanding or during the term thereof.

(3) The City has secured a certificate or opinion of a Certified Public Accountant (the "Accountant") to the effect that, according to the books and records of the City, the Net Earnings for the last completed Fiscal Year, or for 12 consecutive months out of the 15 months, immediately preceding the month the ordinance authorizing the issuance of the Additional Parity Bonds is adopted are at least equal to 1.20 times the Average Annual Debt Service for all Outstanding Bonds Similarly Secured after giving effect to the issuance of the Additional Parity Bonds then being issued. In making a determination of the Net Earnings, the Accountant may take into consideration a change in the rates and charges for services and facilities afforded by the System that became effective at least sixty (60) days prior to the last day of the period for which Net Earnings are determined and, for purposes of satisfying the above Net Earnings test, make a pro forma determination of the Net Earnings of the System for the period of time covered by his certification or opinion based on such change in rates and charges being in effect for the entire period covered by the Accountant's certificate or opinion.

As used in this Section, the term "Net Earnings" shall mean the Gross Revenues of the System after deducting the Operating and Maintenance Expenses of the System, but not depreciation charges or other expenditures which, under generally accepted accounting principles, should be treated as capital expenditures.

SECTION 19: Refunding Bonds. The City reserves the right to issue refunding bonds to refund all or any part of the Bonds Similarly Secured (pursuant to any law then available) upon such terms and conditions as the City Council of the City may deem to be in the best interest of the City and its inhabitants, and if less than all such Bonds Similarly Secured then outstanding are refunded, the conditions precedent prescribed (for the issuance of Additional Parity Bonds) set forth in subparagraph (3) of Section 18 hereof shall be satisfied and the Accountant's certificate or opinion required in subparagraph (3) shall give effect to the Debt Service of the proposed refunding bonds (and shall not give effect to the Debt Service of the Bonds Similarly Secured being refunded following their cancellation or provision being made for their payment).

SECTION 20: Obligations of Inferior Lien and Pledge. The City hereby reserves the right to issue obligations payable from and secured by a lien on and pledge of the Net Revenues of the System, junior and subordinate in rank and dignity to the lien and pledge securing the payment of the Bonds Similarly Secured, as may be authorized by the laws of the State of Texas.

SECTION 21: Rates and Charges. For the benefit of the Holders of the Bonds and in addition to all provisions and covenants in the laws of the State of Texas and in this Ordinance, the City hereby expressly stipulates and agrees, while any of the Bonds are Outstanding, to establish and maintain rates and charges for facilities and services afforded by the System that are reasonably expected, on the basis of available information and experience and with due allowance for contingencies, to produce Gross Revenues in each Fiscal Year sufficient:

- (1) To pay Operating and Maintenance Expenses;
- (2) To produce Net Revenues sufficient to pay the principal of and interest on the Bonds Similarly Secured and the amounts required to be deposited in any reserve or contingency fund created for the payment and security of the Bonds Similarly Secured, and other obligations or evidences of indebtedness issued or incurred that are payable only from and secured solely by a lien on and pledge of the Net Revenues of the System;
- (3) To produce Net Revenues equal to at least 1.20 times the annual Debt Service for the Fiscal Year on the Outstanding Bonds Similarly Secured; and
- (4) To pay all other indebtedness payable from the Net Revenues and/or secured by a lien on the properties or the revenues of the System.

SECTION 22: Maintenance and Operation - Insurance. (a) The City shall maintain the System in good condition and operate the System in an efficient manner and at reasonable cost. While any Bonds are Outstanding, the City agrees to maintain casualty and other insurance on the System of a kind and in an amount customarily carried by municipal corporations owning and operating similar properties. Nothing in this Ordinance shall be construed as requiring the City to expend any funds derived from sources other than the operation of the System, but nothing herein shall be construed as preventing the City from doing so.

(b) The foregoing notwithstanding, but subject to any similar covenant made in an ordinance authorizing Previously Issued Bonds, the City may self-insure against risks, accidents or casualties.

SECTION 23: Sale or Lease of Properties. The City, to the extent and in the manner authorized by law, may sell or exchange for consideration representing the fair value thereof, as

determined by the City Council of the City, any property not necessary or required in the efficient operations of the System, or any equipment not necessary or useful in the operations thereof or which is obsolete, damaged or worn out or otherwise unsuitable for use in the operation of the System. The proceeds of any sale of properties of the System shall be deposited in the System Fund.

SECTION 24: Records and Accounts. The City hereby covenants and agrees that so long as any of the Bonds are Outstanding, it will keep and maintain separate and complete records and accounts pertaining to the operations of the System in which complete and correct entries shall be made of all transactions relating thereto, as provided by Texas Government Code, Chapter 1502, as amended, or other applicable law. The Holders of any Bonds or any duly authorized agent or agents of such Holders shall have the right at all reasonable times to inspect such records, accounts and data relating thereto, and to inspect the System and all properties comprising same. The City further agrees that following the close of each Fiscal Year, it will cause an audit of such books and accounts to be made by an independent firm of certified public accountants. Each such audit, in addition to whatever other matters may be thought proper by the Accountant, shall particularly include the following:

(1) A statement of the income and expenses of the System for such Fiscal Year.

(2) A balance sheet for the System as of the end of such Fiscal Year.

(3) A statement describing the sources and application of funds of the System for such Fiscal Year.

(4) The Accountant's comments regarding the manner in which the City has carried out the requirements of this Ordinance and any other ordinance authorizing the issuance of Additional Parity Bonds and his recommendations for any changes or improvements in the operations, records and accounts of the System.

(5) A list of insurance policies in force at the end of the Fiscal Year covering the properties of the System, setting out as to each policy the amount thereof, the risk covered, the name of the insurer and the policy's expiration date.

(6) Expenses incurred in making an annual audit of the operations of the System are to be regarded as Operating and Maintenance Expenses. Copies of each annual audit shall be furnished to the Executive Director of the Municipal Advisory Council of Texas at his office in Austin, Texas, and, upon request, to the initial purchasers of the Bonds and subsequent Holders of any of said Bonds. The audits herein required shall be made within 180 days following the close of each Fiscal Year insofar as is possible.

SECTION 25: Special Covenants. The City further covenants and agrees by and through this Ordinance as follows:

(1) It has the lawful power to pledge the Net Revenues of the System to the payment of the Bonds to the extent provided herein and has lawfully exercised said power under the Constitution and laws of the State of Texas, and that the Previously Issued Bonds, the Bonds issued hereunder, together with the

Additional Parity Bonds, shall be equally and ratably secured in such manner that no one bond shall have preference over any other bond of said issues.

(2) The Net Revenues of the System have not been in any manner pledged or encumbered to the payment of any debt or obligation of the City or the System, save and except for the Previously Issued Bonds and the Bonds.

(3) No free services of the System shall be allowed, and should the City or any of its agents or instrumentalities make use of the services and facilities of the System, payment of the reasonable value thereof shall be made by the City out of funds from sources other than the revenues and income of the System.

(4) To the extent that it legally may and while any of the Bonds are Outstanding, no franchise shall be granted for the installation or operation of any competing waterworks or sewer system facilities.

(5) The City will comply with all of the terms and conditions of any and all franchises, permits and authorizations applicable to or necessary with respect to the ownership and operation of municipal facilities for the supply and distribution of potable water and the collection, treatment and disposal of water-carried wastes, and which have been obtained from any governmental agency; and the City has or will obtain and keep in full force and effect all franchises, permits, authorizations and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation and maintenance of such properties and facilities.

SECTION 26: Remedy in Event of Default. In addition to all rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City (a) defaults in payments to be made to the Bond Fund or the Reserve Fund as required by this Ordinance or (b) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance, the Holders of any of the Bonds shall be entitled to a writ of mandamus issued by a court of proper jurisdiction, compelling and requiring the City and its officers to observe and perform any covenant, condition or obligation prescribed in this Ordinance. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

The specific remedy herein provided shall be cumulative of all other existing remedies and the specification of such remedy shall not be deemed to be exclusive.

SECTION 27: Special Obligations. The Bonds are special obligations of the City payable from the pledged Net Revenues of the System and the Holders thereof shall never have the right to demand payment thereof out of funds raised or to be raised by taxation.

SECTION 28: Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Ordinance and the applicable Pricing Certificate, then the pledge of Net Revenues of the System under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which shall mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. In the event of a defeasance of the Bonds, the City shall deliver a certificate from its financial advisor, the Paying Agent/Registrar, an independent certified public accountant, or another qualified third party concerning the sufficiency of the deposit of cash and/or Government Securities to pay, when due, the principal of, redemption premium (if any), and interest due on any defeased Bonds. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall, upon the request of the City, be remitted to the City against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

SECTION 29: Ordinance a Contract - Amendments - Outstanding Bonds. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section and in Section 46 hereof. The City, may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance or the applicable Pricing Certificate in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the written consent from the owners holding a majority in aggregate principal amount of the Bonds Similarly Secured then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the written consent of all Holders of Outstanding Bonds, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds or Bonds Similarly Secured, as the case may be, required to be held for consent to any such amendment, addition, or rescission.

SECTION 30: Mutilated – Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost, or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond; and with respect to a lost, destroyed, or stolen Bond, a replacement Bond may be issued only upon the approval of the City and after (i) the filing by the Holder with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss, or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, or destroyed, lost, or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation of the City, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Bonds.

SECTION 31: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

"*Closing Date*" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

"*Code*" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"*Computation Date*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Gross Proceeds*" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"*Investment*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Nonpurpose Investment*" means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"*Rebate Amount*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Regulations*" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"*Yield*" of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction, or improvement of which is to be financed (or refinanced) directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Bonds:

(i) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department, and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed, or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity

under a take-or-pay, output, or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six (6) years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the Holders thereof for federal income tax purposes, the City shall pay to the United States from an appropriate fund, or if permitted by applicable Texas statute, regulation, or opinion of the Attorney General of the State of Texas, the Bond Fund, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the

installments, to the place, and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (ii) and (iii), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Chief Financial Officer, and City Secretary of the City, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as one or more of such persons deems necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption, or similar or other appropriate certificate, form, or document.

SECTION 32: Sale of Bonds – Official Statement. The Bonds authorized by this Ordinance may be sold by the City to the purchaser(s) (herein referred to as the "Purchasers") by (i) negotiated sale, in accordance with one or more bond purchase agreements (each, a "Purchase Contract"), (ii) private placement, in accordance with an agreement to purchase or other agreement, or (iii) competitive bidding, in accordance with the successful bid submitted therefor, as determined by the Pricing Officer, in accordance with Section 3 hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract, agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable, for and on behalf of the City and as the act and deed of this City Council.

The Pricing Officer is hereby authorized and directed to execute said Purchase Contract for and on behalf of the City and as the act and deed of this City Council.

With regard to such terms and provisions of said Purchase Contract as a result of a negotiated sale, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

1. The details of the purchase and sale of the Bonds;
2. The details of the public offering of the Bonds by the Purchasers;

3. The details of an Official Statement (and, if appropriate, any Preliminary Official Statement) relating to the Bonds and the City's Rule 15c2-12 compliance;
4. A security deposit for the Bonds;
5. The representations and warranties of the City to the Purchasers;
6. The details of the delivery of, and payment for, the Bonds;
7. The Purchasers' obligations under the Purchase Contract;
8. The certain conditions to the obligations of the City under the Purchase Contract;
9. Termination of the Purchase Contract;
10. Particular covenants of the City;
11. The survival of representations made in the Purchase Contract;
12. The payment of any expenses relating to the Purchase Contract;
13. Notices; and
14. Any and all such other details that are found by the Pricing Officer to be necessary and advisable for the purchase and sale of the Bonds.

The Mayor and City Secretary of the City are further authorized and directed to deliver for and on behalf of the City copies of one or more Preliminary Official Statements and Official Statements, prepared in connection with the offering of the Bonds by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement in the form and content as approved by the Pricing Officer shall be deemed to be approved by the City Council of the City and constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 33: Control and Custody of Bonds. The Mayor shall be and is hereby authorized to take and have charge of all necessary ordinances, resolutions, orders and records, including the definitive Bonds and the Initial Bond(s), pending the investigation and approval of the Initial Bond(s) by the Attorney General of the State of Texas, and the registration of the Initial Bond(s) to the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

Furthermore, the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Chief Financial Officer, and City Secretary of the City, any one or more of said officials, are hereby authorized and directed to furnish and execute such documents and certifications relating to the City and the issuance of the Bonds, including a certification as to facts, estimates, circumstances, and reasonable expectations pertaining to the use, expenditure, and investment of the proceeds of the Bonds, as may be necessary for the issuance of the Bonds, the approval of the Attorney General, the registration by the Comptroller of Public Accounts, and the delivery of the Bonds to the Purchaser and, together with the City's financial advisor, bond counsel and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Bond(s) to the Purchaser and the initial exchange thereof for definitive Bonds.

SECTION 34: Proceeds of Sale. Immediately following the delivery of the Bonds, the proceeds of sale (less those proceeds of sale designated to pay costs of issuance and any accrued interest received from the Purchasers of the Bonds or additional proceeds being deposited to the Interest and Sinking Fund) shall be deposited with the Escrow Agent (as defined in Section 47 hereof) for application and disbursement in accordance with the provisions of the Escrow Agreement (as defined in Section 47 hereof) or deposited with the paying agent/registrar for the Refunded Bonds for the redemption and payment of the Refunded Bonds. The proceeds of sale of the Bonds not so deposited with the Escrow Agent or the paying agent/registrar for the Refunded Bonds for the refunding of the Refunded Bonds shall be disbursed for payment of costs of issuance or deposited in the Interest and Sinking Fund for the Bonds. Accrued interest and premium in the amount, if any, specified in the applicable Pricing Certificate received from the sale of the Bonds shall be deposited to the credit of the Bond Fund. Such proceeds of sale may be invested in authorized investments and any investment earnings realized may be (with respect to the accrued interest received from the Purchasers) deposited in the Bond Fund as shall be determined by the City Council of the City.

Additionally, the Pricing Officer shall determine the amount, if any, of any City contribution to the refunding from moneys on deposit in the interest and sinking fund(s) maintained for the payment of the Refunded Bonds.

SECTION 35: Notices to Holders-Waiver. Wherever this Ordinance or a Pricing Certificate provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case in which notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance or a Pricing Certificate provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 36: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Bonds held by the Paying Agent/Registrar shall be returned to the City.

SECTION 37: Bond Counsel Opinion. The obligation of the Purchasers to accept delivery of the Bonds is subject to being furnished a final opinion of Norton Rose Fulbright US LLP ("Bond Counsel"), Attorneys, Dallas, Texas, approving the Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds. A true and correct reproduction of said opinion is hereby authorized to be printed on the Bonds, or an executed counterpart thereof is hereby authorized to be either printed on definitive printed obligations or deposited with DTC along with the global certificates for the implementation and use of the Book-

Entry-Only System used in the settlement and transfer of the Bonds. The City Council confirms Norton Rose Fulbright US LLP as the City's bond counsel.

SECTION 38: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof, and neither the City nor attorneys approving the Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

SECTION 39: Benefits of Ordinance. Nothing in this Ordinance or a Pricing Certificate, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof or a Pricing Certificate, this Ordinance and all of its provisions and the applicable Pricing Certificate being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar, and the Holders.

SECTION 40: Inconsistent Provisions. All ordinances or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance or the applicable Pricing Certificate, are hereby repealed to the extent of such conflict, and the provisions of this Ordinance and the applicable Pricing Certificate shall be and remain controlling as to the matters contained herein and therein.

SECTION 41: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 42: Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 43: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

SECTION 44: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the City Council of the City hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 45: Incorporation of Findings and Determinations. The findings and determinations of the City Council of the City contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 46: Continuing Disclosure Undertaking. The Pricing Officer is hereby authorized to determine whether a continuing disclosure undertaking is required in connection with the issuance of the Bonds. To the extent it is determined that an undertaking under the Rule is required, this Section 46 shall apply.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year of the City beginning in the year stated in the applicable Pricing Certificate, financial information and operating data with respect to the City of the general type included in the final Official Statement approved by the Pricing Officer and described in the applicable Pricing Certificate, and (2) if not provided as part such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles described in the applicable Pricing Certificate, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the Official Statement, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within twelve (12) months after any such fiscal year end, then the City shall file unaudited financial statements within such twelve-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) Modifications to rights of holders of the Bonds, if material;

(8) Bond calls, if material, and tender offers;

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the Bonds, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;

(13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding subsection (c)12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City, and (b) the City intends the words used in the immediately preceding subsections (c)15 and (c)16 and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section while, but only while, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) hereof of any Bond calls and defeasance that cause the City to be no longer such an "obligated person."

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

Notwithstanding anything to the contrary in this Ordinance, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a Person that is unaffiliated with the City (such as nationally

recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) hereof an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 47: Escrow Agreement. An "Escrow Agreement" (the "Escrow Agreement") by and between the City and an authorized escrow agent (the "Escrow Agent") if any such agreement is required in connection with the issuance of the Bonds, shall be attached to, and approved in, the applicable Pricing Certificate. Such Escrow Agreement is hereby authorized to be finalized and executed by the Pricing Officer for and on behalf of the City and as the act and deed of this City Council; and such Escrow Agreement as executed by said Pricing Officer shall be deemed approved by the City Council and constitute the Escrow Agreement herein approved. With regard to the finalization of certain terms and provisions of said Escrow Agreement, a Pricing Officer is hereby authorized to come to an agreement with the Escrow Agent on the following details, among other matters:

The identification of the Refunded Bonds;

The creation and funding of the Escrow Fund; and

The Escrow Agent's compensation, administration of the Escrow Fund, and the settlement of any paying agent's charges relating to the Refunded Bonds.

Furthermore, appropriate officials of the City in cooperation with the Escrow Agent are hereby authorized and directed to make the necessary arrangements for the purchase of the escrowed securities referenced in the Escrow Agreement (the "Escrowed Securities"), if any, and the delivery thereof to the Escrow Agent on the day of delivery of the Bonds to the Purchasers for deposit to the credit of the "CITY OF ALLEN, TEXAS, WATERWORKS AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2026 ESCROW FUND" (referred to herein as the "Escrow Fund"), or such other designation as specified on the applicable Pricing Certificate; all as contemplated and provided in Texas Government Code, Chapter 1207, as amended, this Ordinance, the applicable Pricing Certificate, and the Escrow Agreement. At the written direction of the City, the Escrow Agent shall reinvest cash balances representing receipts from the Escrowed Securities, make substitutions of the Escrowed Securities or redeem the Escrowed Securities and reinvest the proceeds thereof in substituted Escrowed Securities and enter into any associated contract with a provider of Escrowed Securities as long as any such substituted Escrowed Securities mature on the dates and in the amounts specified in the verification report as sufficient to pay the principal of and redemption premium, if any, and interest on the Refunded Bonds when due. All Escrowed Securities delivered under such an arrangement shall be delivered to the Escrow Agent on a "delivery versus payment" basis. To the extent the Pricing Officer determines such an arrangement is in the City's best interest, the Pricing Officer is authorized to provide such written direction of the City to the Escrow Agent and sign any associated contract, agreement, certificate or instruction letter with respect to such arrangement from time to time.

On or immediately prior to the date of the delivery of the Bonds to the Purchasers, the Pricing Officer shall also cause to be deposited (and is hereby authorized to cause to be deposited) with the Escrow Agent from moneys on deposit in the debt service fund(s) maintained for the payment of the Refunded Bonds an amount which, together with the proceeds of sale, and the investment earnings thereon, will be sufficient to pay in full the Refunded Bonds (or the amount of accrued interest due thereon) scheduled to mature and authorized to be redeemed on the earliest date established in the applicable Pricing Certificate for the redemption of any of the Refunded Bonds (or the earliest date of payment, to be made from moneys in the Escrow Fund, as established in the applicable Pricing Certificate, of the amount of accrued interest due thereon).

To the extent an Escrow Agreement is not required in connection with the issuance of the Bonds, the Pricing Officer is authorized to enter into a deposit letter agreement or such other comparable document which evidences the receipt of refunding bond proceeds with the paying agent for the Refunded Bonds. The deposit letter agreement or such other comparable document as executed by the Pricing Officer shall be deemed approved by the City Council and constitute the agreement herein approved.

SECTION 48: Refunded Bonds. (a) In order to provide for the refunding, discharge and retirement of the Refunded Bonds, the Refunded Bonds identified, described and in the amount set forth in the applicable Pricing Certificate are called for redemption on the first date such Refunded Bonds are subject to redemption or such other date specified by the Pricing Officer in the applicable Pricing Certificate at the price of par plus accrued interest to the redemption date, and a notice of such redemption shall be given in accordance with the applicable provisions of the ordinance adopted by the City Council of the City, which authorized the issuance of the Refunded Bonds. The Pricing Officer is hereby authorized and directed to provide documentation, including a copy of this Ordinance and the applicable Pricing Certificate, to the paying agent/registrar for the Refunded Bonds, together with a suggested form of notice of redemption to be sent to holders, such suggested form of notice of redemption for the Refunded Bonds to be substantially the form(s) set forth as an exhibit to the applicable Pricing Certificate, in accordance with the redemption provisions applicable to the Refunded Bonds.

(b) The paying agent/registrar for the Refunded Bonds is hereby directed to provide the appropriate notice of redemption as required by the ordinance(s) authorizing the Refunded Bonds and is hereby directed to make appropriate arrangements so that the Refunded Bonds may be redeemed on the redemption date.

(c) The source of funds for payment of the principal of and interest on the Refunded Bonds on their respective maturity or redemption dates shall be from the funds deposited with the paying agent/registrar for the Refunded Bonds or the Escrow Agent pursuant to the Escrow Agreement finalized by the Pricing Officer and approved in Section 47 of this Ordinance and by the Pricing Officer in the applicable Pricing Certificate.

SECTION 49: Municipal Bond Insurance. The Bonds may be sold with the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Bonds and make the determination of the provisions of any commitment therefor.

SECTION 50: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Chief Financial Officer, and City Secretary, are hereby expressly authorized, empowered and directed from time to time and at any time to do and

perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance of the Bonds. In addition, prior to the initial delivery of the Bonds, the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, Assistant Chief Financial Officer, City Secretary or Bond Counsel to the City are each hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance, including each applicable Pricing Certificate: (i) in order to cure any technical ambiguity, formal defect, or omission in the Ordinance or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of the Ordinance, which determination shall be final. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 51: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 52: Effective Date. This Ordinance shall take effect and be in full force immediately from and after its adoption on the date hereof in accordance with the provisions of Texas Government Code, Section 1201.028, as amended.

[remainder of page left blank intentionally]

DULY PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF ALLEN,
COLLIN COUNTY, TEXAS, ON THIS THE 12th DAY OF MAY, 2026.

CITY OF ALLEN, TEXAS

BAIN L. BROOKS
Mayor

ATTEST:

SHELLEY B. GEORGE
TRMC, City Secretary

(City Seal)

EXHIBIT A
FORM OF PAYING AGENT/REGISTRAR AGREEMENT

PAYING AGENT/REGISTRAR AGREEMENT

THIS AGREEMENT is entered into as of _____, 2026 (this "Agreement"), by and between _____, a banking association duly organized and existing under the laws of the United States of America (the "Bank") and the City of Allen, Texas (the "Issuer"),

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "City of Allen, Texas, Waterworks and Sewer System Revenue Refunding Bonds, Series 2026" (the "Securities"), dated _____, 2026, such Securities scheduled to be delivered to the initial purchasers thereof on or about _____, 2026; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01 Appointment. The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

Section 1.02 Compensation. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto; provided however, notwithstanding anything herein or in Annex A to the contrary, the aggregate value of this agreement shall be less than the dollar limitation set forth in Sections 2271.002(a)(2), 2274.002(a)(2) and 2276.002(a)(2) of the Texas Government Code, as amended.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

ARTICLE TWO DEFINITIONS

Section 2.01 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

“Acceleration Date” on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

“Authorizing Document” means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

“Bank Office” means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

“Holder” and “Security Holder” each means the Person in whose name a Security is registered in the Security Register.

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

“Predecessor Securities” of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

“Redemption Date”, when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

“Responsible Officer”, when used with respect to the Bank, means any managing director, President, Vice President, senior associate, associate, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

“Security Register” means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

“Stated Maturity” means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

Section 2.02 Other Definitions. The terms “Bank,” “Issuer,” and “Securities (Security)” have the meanings assigned to them in the recital paragraphs of this Agreement.

The term “Paying Agent/Registrar” refers to the Bank in the performance of the duties and functions of this Agreement.

**ARTICLE THREE
PAYING AGENT**

Section 3.01 Duties of Paying Agent. As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder’s risk and expense.

Section 3.02 Payment Dates. The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

**ARTICLE FOUR
REGISTRAR**

Section 4.01 Security Register - Transfers and Exchanges. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the “Security Register”) for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the Financial Industry Regulatory Authority, such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

Section 4.02 Securities. The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03 Form of Security Register. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

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

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

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05 Return of Cancelled Securities. The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities. The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and

bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

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

ARTICLE FIVE THE BANK

Section 5.01 Duties of Bank. The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

Section 5.02 Reliance on Documents, Etc.

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

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

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

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

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

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

(g) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum or letter as prepared by the Issuer, the Issuer's financial advisor or other agent. The Bank may act on an e-mail transmission of the closing memorandum or letter acknowledged by the Issuer, the Issuer's financial advisor or other agent as the final closing memorandum or letter. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

Section 5.03 Recitals of Issuer. The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

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

Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization. A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

Section 5.06 Indemnification. To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or willful misconduct on its part, arising out of or in connection with its acceptance or

administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07 Interpleader. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the state and county where the administrative office of the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

In the event the Bank becomes involved in litigation in connection with this Section, the Issuer, to the extent permitted by law, agrees to indemnify and save the Bank harmless from all loss, cost, damages, expenses, and attorney fees suffered or incurred by the Bank as a result. The obligations of the Bank under this Agreement shall be performable at the principal corporate office of the Bank in the City of _____, [Texas].

Section 5.08 DTC Services. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements", which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

ARTICLE SIX MISCELLANEOUS PROVISIONS

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

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

Section 6.03 Notices. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

Section 6.04 Effect of Headings. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05 Successors and Assigns. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.06 Severability. In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07 Merger, Conversion, Consolidation, or Succession. Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

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

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

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

Section 6.11 Termination. This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with the other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

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

Notwithstanding anything contained herein, the representations and covenants contained in Section 6.12 hereof shall survive the termination of this Agreement until the statute of limitations has run.

Section 6.12 Iran, Sudan or Foreign Terrorist Organizations. The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following page of such officer's internet website:

<https://comptroller.texas.gov/purchasing/publications/divestment.php>

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

Section 6.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[Remainder of page left blank intentionally.]

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

[PAYING AGENT/REGISTRAR]

By: _____

Title: _____

Address:

CITY OF ALLEN, TEXAS

By: _____
Pricing Officer

Address: One Allen Civic Plaza
Allen, Texas 75013

ANNEX A

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE:	Tuesday, May 12, 2026, 7:00 PM
AGENDA CAPTION:	Conduct a Public Hearing and adopt an Ordinance for a Specific Use Permit authorizing a "Fitness and Health Center" use for a 1,244± square foot portion of a building located on Lot 1, Pete Ford Medical Addition, commonly known as 515 W. Main Street, Suite 107. [Bodies In: Motion]
STAFF RESOURCE:	Nabiha Ahmed, Senior Planner
BOARD/COMMISSION ACTION:	April 21, 2026, the Planning and Zoning Commission voted unanimously to recommend approval of the request., the Planning and Zoning Commission voted unanimously to recommend approval of the request.
PREVIOUS COUNCIL ACTION:	May 22, 2018 - Planned Development No. 136 - Approved - Ordinance No. 3576-5-18

BACKGROUND:

The subject property is located at 515 W. Main Street, Suite 107. The zoning designations of the surrounding properties are as follows:

- North (across W. Main Street): Downtown District
- East: Shopping Center (SC)
- South (across Belmont Drive): SC
- West (across Central Expressway): Planned Development No. 54 with a base zoning of Corridor Commercial

The subject property retains a zoning designation of Planned Development No. 136 with a base zoning of SC. The Allen Land Development Code requires a Specific Use Permit (SUP) for a "Fitness and Health Center" use within the SC zoning district. The establishment will offer individual training as well as small group sessions by appointment only.

The applicant submitted a business summary in conjunction with the SUP application. The business summary is purely informational as the SUP will not regulate the internal business operations. The following is a summary of the proposed business operations:

- Approximate Hours of Operation for members: 8:00 am to 8:00 pm
- Average Staff Count: 3
- Average people at any given time for the classes provided: 3

No outdoor activities are proposed as part of this use. The lease space, comprising approximately 1,244± square feet, is intended for a Fitness and Health facility, which requires a total of 6 parking spaces. The subject property provides 80 parking spaces in total, which is adequate to serve the parking demand of the overall development.

LEGAL NOTICES:

Public Hearing Letter - April 8, 2026

Public Zoning Sign - April 8, 2026

Newspaper Notice - April 24, 2026

STAFF RECOMMENDATION:

Staff recommends approval.

MOTION:

I make a motion to adopt Ordinance No. _____ for a Specific Use Permit for a Fitness and Health Center use for a portion of Lot 1, Pete Ford Medical Addition.

Attachments

[Ordinance](#)

[Draft Minutes of the April 21, 2026, Planning and Zoning Commission Meeting](#)

[Notification Map](#)

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, AMENDING THE ALLEN LAND DEVELOPMENT CODE AND ZONING MAP, AS PREVIOUSLY AMENDED BY GRANTING SPECIFIC USE PERMIT NO. 194 AUTHORIZING AN APPROXIMATELY 1,244± SQUARE FOOT PORTION OF A BUILDING LOCATED ON LOT 1, PETE FORD MEDICAL ADDITION, COMMONLY KNOWN AS 515 W. MAIN STREET, SUITE 107, PRESENTLY ZONED FOR PLANNED DEVELOPMENT NO. 136 WITH A BASE ZONING OF SHOPPING CENTER “SC” TO BE USED FOR FITNESS AND HEALTH CENTER USE; PROVIDING A CONFLICTS RESOLUTION CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission of the City of Allen, Texas, and the governing body of the City of Allen, Texas, in compliance with the laws of the State of Texas and the ordinances of the City of Allen, Texas, have given the requisite notices by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all the property owners generally and to all persons interested and situated in the affected area, and in the vicinity thereof, and in the exercise of its legislative discretion, have concluded that Allen Land Development Code Zoning Regulations and Zoning Map of the City of Allen, Texas, as previously adopted, should be amended.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, THAT:

SECTION 1. The Allen Land Development Code Zoning Regulations and Zoning Map of the City of Allen, Collin County, Texas, be amended, by granting Specific Use Permit No. 194 authorizing an approximately 1,244± square foot portion of the building shown on Exhibit “A,” attached hereto and incorporated herein by reference located on property described as Lot 1, Pete Ford Medical Addition, an addition to the City of Allen, Collin County, Texas, according to the plat recorded in Volume 158, Page 141, Plat Records, Collin County, Texas, and commonly known as 515 W. Main Street, Suite 107 (the “Property”), which is presently zoned Planned Development No. 136 with a base zoning of Shopping Center “SC” to be used for a Fitness and Health Center use.

SECTION 2. The Property shall be used only in the manner and for the purposes provided for in the Allen Land Development Code Zoning Regulations, as heretofore amended, and as amended herein, and if used for a Fitness and Health Center use, such use shall be limited to the area of the Property shown in Exhibit “A” and incorporated herein by reference.

SECTION 3. To the extent of any irreconcilable conflict with the provisions of this Ordinance and other ordinances of the City of Allen governing the use and development of the Property and which are not expressly amended by this Ordinance, the provisions of this Ordinance shall be controlling.

SECTION 4. Should any word, sentence, paragraph, subdivision, clause, phrase, or section of this Ordinance, or of the Allen Land Development Code Zoning Regulations, as amended hereby, be adjudged, or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said ordinance or the Allen Land Development Code Zoning Regulations, as amended hereby, which shall remain in full force and effect.

SECTION 5. An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Allen Land Development Code Zoning Regulations, as amended, in effect when the offense was committed, and the former law is continued in effect for this purpose.

SECTION 6. Any person, firm or corporation violating any of the provisions or terms of this Ordinance shall be subject to the same penalty as provided for in Allen Land Development Code Zoning Regulations of the City of Allen, as previously amended, and upon conviction shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000) for each offense.

SECTION 7. This Ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Allen, and it is accordingly so ordained.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ON THIS 12TH DAY OF MAY 2026.

APPROVED:

Baine L. Brooks, MAYOR

APPROVED AS TO FORM:

ATTEST:

Peter G. Smith, CITY ATTORNEY

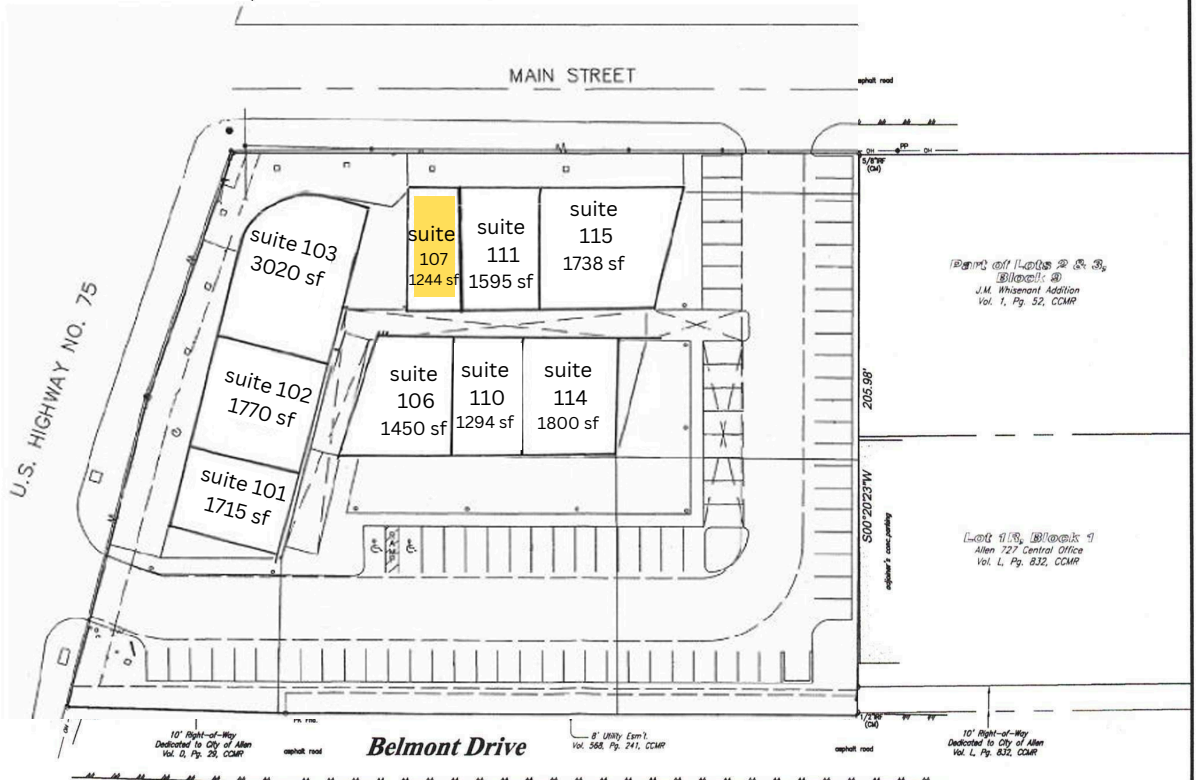
Shelley B. George, TRMC, CITY SECRETARY

EXHIBIT "A"
SUP SITE PLAN

Bodies In:Motion site plan

Legal Description

Being Lot 1 (One), Pete Ford Medical Addition, an Addition to the City of Allen, Collin County, Texas, according to the Map/Plat thereof recorded in Volume D, Page 29 of the Map/Plat Records of Collin County, Texas.



1.3064 acres

Owner: Doubletree Properties, LP

Surveyor's Certificate

To: Double Tree Properties L.P. and and/or Assigns, Allen Bobas Ltd., a Texas limited partnership, Chicago Title, and Chicago Title Insurance Company

I hereby certify that on the 25th day of March, 2011, this survey was made on the ground as per the field notes shown on the survey and is true, correct, and accurate as to the boundaries and areas of the subject property and the size, location, and types of buildings and improvements thereon, if any, and as to the other matters shown hereon, and correctly shows the location of all visible easements and rights-of-way and of all rights-of-way, easements, and any other matters of record, or of which I have knowledge or have been advised, whether or not of record, affecting the subject property, and the location of all curb cuts and driveways, if any.

Except as shown on the survey, there are no encroachments upon the subject property by improvements on adjacent property, there are no encroachments on adjacent property, streets, or alleys by any improvements on the subject property, and there are no conflicts or discrepancies.

Both vehicular and pedestrian ingress to and egress from the subject property is provided by U.S. Highway No. 75 (Frontage Road) and Main Street, same being paved, dedicated public right-of-way, which abut(s) the subject property, and is physically open and being used.

This survey complies with the current Texas Society of Professional Surveyors Standards and Specifications for a Category 1A, Condition II Survey.

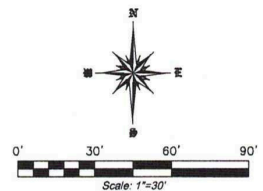
F.E. Bemenderfer Jr.
F.E. Bemenderfer Jr.
Registered Professional Land
Surveyor No. 4051



Notes: 1) CM is a controlling monument; 2) Surveyor's signature will appear in red ink on certified copies; 3) Source bearing per Pete Ford Medical Addition, an addition to the City of Allen as recorded in Volume D, Page 29 of the Collin County Map Records; 4) No part of the subject property is shown to lie within a Special Flood Hazard Area inundated by 100-year flood per Map No. 4805C0385 J of the F.E.M.A. Flood Insurance Rate Maps for Collin County, Texas and Incorporated Areas, dated June 2, 2009 (Zone X); 5) This survey was performed with the benefit of Title Commitment GF No. CTDL41-CT000052732 issued March 8, 2011. 6) This survey is intended for the exclusive use of the hereon noted owner, purchaser, title company and/or mortgage company only and the survey is made in accordance with the title commitment referenced by the GF number shown hereon as provided by the above stated title company. 7) The following instrument affect the subject property: a) Memorandum of Agreement as recorded under Document No. 20061023001514690 of the Collin County Land Records; b) Lease Agreement between Allen Bobas, Ltd. and Fairmount Impact JV#1 as recorded under Document No. 20070918001301010 and 20090622000773120 of the Collin County Land Records.

Parking Spaces

- 78 Regular Parking Spaces
- 2 Handicap Parking Spaces
- 80 Total Parking Spaces



Legend

Roome Cad BRS	Roome Capped Iron Rod Set
C.C.M.R.	Collin County Map Records
C.C.L.R.	Collin County Land Records
IRF	Iron Rod Found
WM	Water Meter
WV	Water Valve
FH	Fire Hydrant
PP	Power Pole
FL	Fluorescent Light
FL	Flood Light
conc.	Concrete
SWM	Southwestern Bell Marking
OH	Overhead Lines
City	City

As-Built Survey

515 West Main Street
William Perrin Survey, Abstract No. 708
City of Allen, Collin County, Texas
March 25, 2011

P:\MCD\2011\01\MCD4974.dwg

Roome Land Surveying, Inc.
2000 Avenue G, Suite 810
Plano, Texas 75074
Phone (972) 423-4372 / Fax (972) 423-7523
www.roomesurveying.com

April 21, 2026, Planning and Zoning Commission Meeting Minutes

Conduct a Public Hearing and consider a request for a Specific Use Permit authorizing a "Fitness and Health Center" use for a 1,244± square foot portion of a building located on Lot 1, Pete Ford Medical Addition, commonly known as 515 W. Main Street, Suite 107. [Bodies In: Motion]

Ms. Ahmed, Senior Planner, presented the item to the Commission and stated that staff recommends approval of the item.

Chair Metevier opened the Public Hearing.

With no one speaking, Chair Metevier closed the Public Hearing.

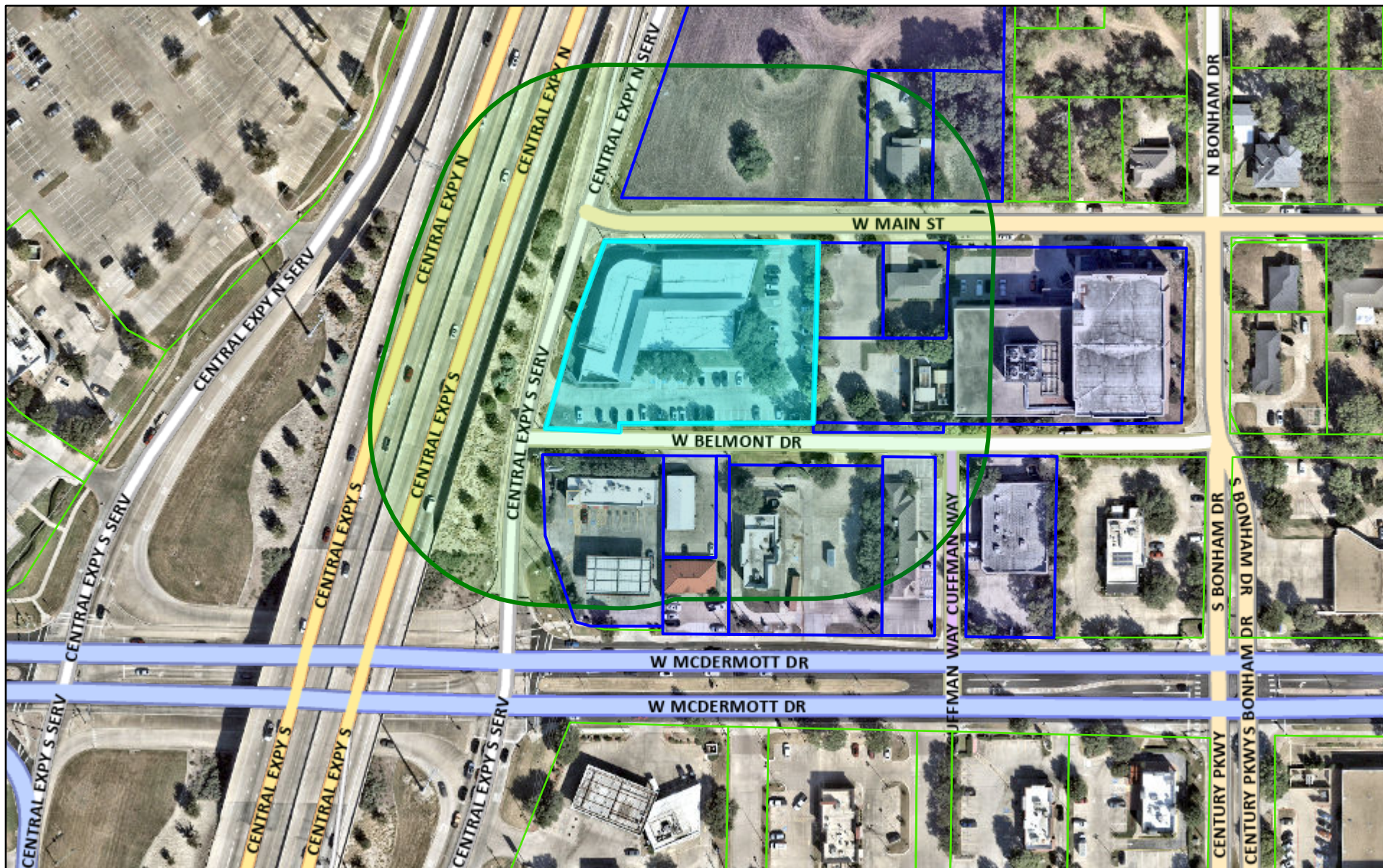
Motion: Upon a motion by 2nd Vice-Chair Kathuria and a second by Commissioner Galletti, the Commission voted 7 IN FAVOR and 0 OPPOSED to recommend approval of a request for a Specific Use Permit for a Fitness and Health Center use for a portion of Lot 1, Pete Ford Medical Addition. The motion carried.

ATTENDANCE:

Commissioners Present:

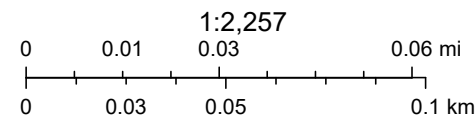
Dan Metevier, Chair
Gary Stocker, 1st Vice-Chair
Sandeep Kathuria, 2nd Vice-Chair
Doug Galletti
Tim Voss
Cynthia Walker
Danielle Westgard

Bodies in Motion - Public Notification



4/2/2026, 8:10:22 AM

- Collin County Appraisal District Parcels
- Properties within 200'
- 200' Buffer
- Subject Property



Sources: Esri, Vantor, Airbus DS, USGS, NGA, NASA, CGIAR, N Robinson, NCEAS, NLS, OS, NMA, Geodatastyrelsen, Rijkswaterstaat, GSA, Geoland,

City of Allen