



617 Tenaha Street • P.O. Box 1744  
Center, Texas 75935-1744

(936) 598-2941 • Fax (936) 598-2615  
[www.centertexas.org](http://www.centertexas.org)

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## **AGENDA**

**The Center City Council will meet in Regular Session on Monday, June 25, 2018 at 5:00 p.m. in Council Room at Center City Hall. The following items are on the agenda for appropriate action:**

- I. Welcome Guests and Visitors.**
- II. Approval of Minutes of the Regular Meeting on June 11, 2018.**
- III. Discuss Consider and Action on the Following:**
  - A.** Resolution 2018-08 Budget Calendar for 2019.
  - B.** Authorize Group Health Insurance Employee Benefit Plan for 2019.
  - C.** Approve Shelby County Appraisal District Budget for 2019.
  - D.** Approve Street Closure Request for East Texas Poultry Festival.
    - 1. Closure of Nacogdoches, Austin, San Augustine and Shelbyville Streets for Doo Dah Parade on September 26, 2018.
    - 2. Designate Closure of East Side of Inner Square for East Texas Poultry Festival Chicken Cooking Contest on September 26, 2018.
    - 3. Resolution 2018-09 Execute Agreement with TXDoT for Partial Closure of Shelbyville Street on October 6, 2018.
  - E.**
- IV. Items of Interest from Council and City Manager and Citizens – No Action Items.**
- V. Executive Session**

Consider entering executive session for legal consultation with the City Attorney and discussion of pending litigation, personnel matters and land acquisition with possible action related thereto upon reconvening in open session in accordance with Government Code Section 551.071, 551.072 and 551.074
- VI. Adjournment.**

## MEMORANDUM

TO: Mayor and City Council

FR: Chad D. Nehring, City Manager

Date: June 19, 2018

RE: Agenda Comments for Regular Meeting of June 25, 2018

### REGULAR MEETING AGENDA:

#### III.A. Resolution 2018-8 Adopting the Budget Calendar for FY19

This is the annual calendar adopted to establish timelines for workshops, establish necessary meeting dates and dates for required notices. Other than the dates for the notices and final adopting meetings, this is a guide for this year's budget development and adoption.

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#### III.B. Authorize Group Health Insurance Employee Benefit Plan for FY19

Each Summer we receive the review and rerate of the employee benefit plan for health insurance. Our incumbent provider is TML MultiState which provides health and life coverage for municipal employees through an intergovernmental pool of local government organizations. TML-Multistate has provided group coverage for Center's employees as well as optional dependent coverage paid for by the employee for almost thirty years. Unlike recent years, this year's rate is provided at a 5% increase, which is the average for entities participating in the pool for this year. After a substantial review of claims history, rate structure and group options last year, this year's proposal is much more reasonable. Staff recommends approval.

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#### III.C. Approve Shelby County Appraisal District Budget for FY19

As is required, all participating jurisdictions are provided the proposed budget for the SCAD prior to its adoption for the opportunity to approve, disapprove or offer comments. Recent issues with tax rolls and assessments regarding specific accounts have been resolved. No action is required but unless there are objections.

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III.D. Approve Street Closure Requests for East Texas Poultry Festival

1. Temporary Closure of Downtown Square for Doo-Dah Parade – Sept 26  
This is the traditional closure for the parade and authorizes staff to submit this request to TXDoT. Since it is only temporary/partial closure for this event, TXDoT reviews and approves with a letter request and City accepting responsibility for the traffic control by law enforcement personnel.
2. Closure of Inside (Parking area) of Square for ETPF Activities – Sept 26  
This has become the annual request to close the inside of the square for post-parade activities. Staff sees no issues.
3. Resolution 2018-9 Authorizing Agreement with TXDoT for Closure of 100 block of Shelbyville St - Oct 6  
This item is required since the closure is for an extended period of time and TXDoT requires official action of the Council as well as the City assuming both responsibility for traffic control and signage as well as accepting legal liability during this period. Upon action, staff can submit the required forms, insurance and notices to TXDoT for review.

Items of Interest:

Dixie Youth Baseball Regional World Series

As this has so many additional impacts and attention, I will likely leave it as an item for potential discussion until July. Download

**MINUTES OF THE CITY OF CENTER  
CITY COUNCIL MEETING  
REGULAR MEETING  
June 11, 2018**

The Center City Council met in a regular session on Monday, June 11, 2018 at 5:15 p.m. in the Council Chambers at Center City Hall. The meeting was open to the public. Notices were properly posted of the date, place and hour and the news media was notified. The following members were present:

David Chadwick	-	Mayor	Absent
Leigh Porterfield	-	Mayor Pro Tem	
Joyce Johnson	-	Council Member	
Howell Howard	-	Council Member	
Jerry Lathan	-	Council Member	
Terry Scull	-	Council Member	
Randy Collard	-	Council Member	
Chad Nehring	-	City Manager	
Barbara Boyd	-	City Secretary	
Jim Payne	-	City Attorney	

Guests signed the register.

**Item I. Mayor Pro Tem Leigh Porterfield opened the meeting and welcomed the visitors.**

**Item II. Approval of Minutes of the Workshop and Regular Meeting on May 14, 2018.**

Council Member Randy Collard made a motion to approve the minutes. Council Member Howell Howard seconded the motion. All voted in favor.

**Item III. Consider Discussion and Possible Action on the following:**

- A. Approve Hotel/Motel Fund Budget Amendment. City Manager, Chad Nehring stated two requests have been made for funding through the hotel/motel fund. Mr. Nehring stated the Hotel Motel Advisory Board met and has recommended funding allocations for both a historic renovation request by the County Historical Commission and replacement of some light pole banners. Mr. Nehring stated the need to increase the expenditure budget and that funds will be available due to unanticipated revenue increases to sufficiently offset these two items at the recommended levels. Council Member Howell Howard made a motion to approve the Hotel Motel Fund Budget Amendment. Council Member Joyce Johnson seconded the motion. All voted in favor.
- B. Approve Extension of Lawn Service Agreement. City Manager, Chad Nehring stated the lawn service/mowing contract was originally bid and awarded with up to three two-year extension terms, provided unit prices were not changed. Mr. Nehring stated all department heads have agreed to the extension this year. Council Member Howell Howard made a motion to approve the Extension of the Lawn Service Agreement. Council member Jerry Lathan seconded the motion. All voted in favor.
- C. Award Bid on Tax Foreclosed Property – 1203 Bolton Street, SCAP Prop ID 20633. City Manager, Chad Nehring stated the County has forwarded this offer for a property on the struck-off list due to tax delinquency and lack of purchase at tax sale. Council Member Terry Scull made a motion to Award the Bid on the Tax Foreclosed Property

at 1203 Bolton Street. Council Member Jerry Lathan seconded the motion. All voted in favor.

**D. Approve Street Closure and Route for 2018 What A Melon Crawl 5K.** City Manager, Chad Nehring stated the request is the same route used the last couple of years that does not require the detour or closure of TXDOT roadways and this route provides a much safer environment for participants. Council member Howell Howard made a motion to approve the Street Closure and Route for the 2018 What A Melon Crawl 5K. Council Member Jerry Lathan seconded the motion. All voted in favor.

**E. Approve Dedicate Use of Square – Shelby County Cancer Fund Fundraiser.** City Manager, Chad Nehring stated this is for a community garage/trunk sale and is a charitable fundraiser which wants to use one side of the square for the event. Council Member Terry Scull made a motion to approve the Dedicated Use of the Square for the Shelby County Cancer Fund Fundraiser. Council Member Howell Howard seconded the motion. All voted in favor.

**F. Appointments:**

**1. Planning & Zoning** - City Manager, Chad Nehring stated All current members have agreed to continue serving and remain eligible.

**2. Zoning Board of Adjustments** – City Manager, Chad Nehring stated Casey Williams has moved outside of town, so has become ineligible to continue serving on this Board, but others have agreed to continue.

Council Member Terry Scull made a motion to reappoint all members to the boards with the exception of Mr. Williams and to move the first alternate, Andi Foster to replace Mr. Williams. Council Member Howell Howard seconded the motion. All voted in favor.

**Item IV. Items of Interest from Council and City Manager, and Citizens – No Action Items.**

**1.** Rodrick Gardner addressed the Council regarding the Father's Day event he is holding at Perry Samson Park on June 17<sup>th</sup>.

**Item V. Executive Session.**

Consider entering executive session for legal consultation with the City Attorney and discussion of pending litigation, personnel matters and land acquisition with possible action related thereto upon reconvening in open session in accordance with Local Government Code Section 551.071, 551.072 and 551.074.3.

**Item VI. Adjournment.** Mayor David Chadwick adjourned the meeting at 5:59 pm.

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David Chadwick, Mayor

Attest:

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Barbara Boyd, City Secretary

## **RESOLUTION 2018-8**

**A RESOLUTION OF THE CITY OF CENTER, ADOPTING THE BUDGET CALENDAR FOR THE FY 2019 PROPOSED BUDGET AND CALLING TWO PUBLIC HEARINGS FOR THE TAX RATE AND ONE PUBLIC HEARING FOR THE PROPOSED BUDGET.**

**WHEREAS**, the City of Center annually adopts its' operating budget and sets the property tax rate; and

**WHEREAS**, the Texas Local Government Code requires that the City Council call public hearings in conjunction with this process; and

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CENTER, TEXAS, that:**

1. The Center City Council call public hearings on the proposed tax rate on August 27 and September 10, 2017, at the regular City Council meetings.
2. The Center City Council call a public hearing on the FY 2019 proposed budget on September 10, 2017, at the regular City Council meeting.
3. The Center City Council adopts the FY 2018 proposed budget calendar (Exhibit A).
4. The Center City Council will also adopt the FY 2019 proposed budget and set the tax rate at their regular meeting on September 24, 2018.

**PASSED and APPROVED on the 25<sup>th</sup> day of June, 2018.**

\_\_\_\_\_  
David Chadwick, Mayor

**ATTEST:**

\_\_\_\_\_  
Barbara Boyd, City Secretary

# EXHIBIT A

# FY 2019 PROPOSED BUDGET AND TAX RATE ADOPTION CALENDAR

Date	Budget Development	Meeting Notices	Council Workshops	Council Public Hearings	Published Notices	Council Action: Property Tax Rate and Budget Adoption
4/23/2018	Staff begins development of mid-year estimates					
4/25/2018	Department heads are provided budget worksheets					
4/30/2018	Staff begins development of revenue projections					
5/14/2018			Council Workshop - Financial Forecast			
5/21/2018	Departmental budget requests are returned					
5/28/2018						
6/25/2018	City Council is provided FY 2019 Proposed Budget Calendar		Council Workshop - CIP			Council adopts FY 2019 Proposed Budget calendar including calling the public hearings
Week of July 23 through 27	Hotel/Motel Advisory Committee, 4A EDC and 4B EDC meetings to review and recommend annual budgets		<b>SHOULD GET CERTIFIED TAX ROLLS - BEGIN TAX RATE CALCULATIONS</b>			
7/20/2018	First draft of FY 2019 Proposed Budget is complete	Post notice of July 23 meeting and agenda				
7/23/2018	Council is provided a draft of the FY 2019 Proposed Budget		Council Workshop - FY 2019 First Draft Budget			
8/1/2018	Revenue and expenditure budgets are finalized					
8/10/2018		Post notice of August 13 meeting and agenda			Get the "Notice of 2019 Tax Year Proposed Property Tax Rate for Center" to the L&C and website	
8/13/2018			Council Workshop - Budget			Council votes to consider a rate higher than the effective tax rate
8/17/2018	File the FY 2019 Proposed Budget with the City Secretary					
8/17/2018					"Notice of 2019 Tax Year Proposed Property Tax Rate for Center" published in the L&C	
8/24/2018					Get the FY 2019 Budget Public Hearing Notice to the L&C and website	
8/24/2018		Post notice of August 27 meeting and agenda				
8/27/2018			Council Workshop - Overall Budget	First Public Hearing on 2019 Tax Rate		
8/31/2018					Publish notice of FY 2019 Proposed Budget Public Hearing	
9/7/2018		Post notice of September 10 meeting and agenda				
9/10/2018				Second Public Hearing on FY 2019 Tax Rate Public Hearing on 2019 Proposed Budget		
9/21/2018		Post notice of September 24 meeting and agenda				
9/24/2018						Council votes to adopt FY 2019 Proposed Budget Council votes to create higher revenue from taxes in 2019 Council votes to adopt 2019 tax rate

Council Public Hearings - 3

2 on the tax rate  
1 on the FY 2019 budget

Public Hearing Notices - 2

1 for the tax rate  
1 for the budget

## Council Meetings

May 14  
June 11  
June 25  
July 9  
July 23  
August 13  
August 27  
September 10  
September 24





# TML MultiState Intergovernmental Employee Benefits Pool Rerate Notice and Benefit Verification Form

## Center

Original

Plan Year 2018-2019 (12 Months)

Rates are subject to change if there is any legislation passed during the plan year affecting benefits.  
Supplemental benefits cannot be accessed without accessing the TML MultiState IEBP Medical Benefit Plan

### Medical

#### Employer Group Medical Plan

Plan	Benefit Percent	In Net Ded	Out Net Ded	In Net OOP	Office Visit	XRay & Lab in OV	Rates	Current	New	Employee Subsidy	195% of Employee
P75-10-50-Mac A Choice	70/50	\$100	\$350	\$5000	N/A	No	Employee:	\$592.62	\$622.26	\$622.26	\$1,213.40
							Spouse:	\$889.22	\$933.68	\$933.68	\$1,820.68
							Child(ren):	\$467.02	\$490.38	\$490.38	\$956.22
							Family:	\$958.38	\$1,006.30	\$1,006.30	\$1,962.28

### Dental Plan

No Dental Coverage

### Vision Plan

No Vision Coverage

### Calendar Year Pre-65 Retiree Medical

Pre Sixty-five Pool Metal Plan Options  
Retirees at 195% of Active Plan

### Calendar Year Pre-65 Retiree Dental

No Pre-65 Retiree Dental Coverage

### Calendar Year Pre-65 Retiree Vision

No Pre-65 Retiree Vision Coverage

### LTD

No LTD Coverage

### STD

No STD Coverage

**Basic Life and AD&D: Plan 13 (\$50,000 City Manager/Chief Financial Officer, \$20,000 EE )**

	<u>Current Rate</u>	<u>New Rate</u>
Life:	\$0.300	\$0.300
AD&D:	\$0.035	\$0.035

**Dependent Life: Plan 3 (\$10,000/\$2,000)**

<u>Current Rate</u>	<u>New Rate</u>
\$2.76 per dependent unit	\$2.76 per dependent unit

**Voluntary AD&D**

No Voluntary AD&D Coverage

**Additional Employee Life and AD&D**

<u>Age of Employee</u>	<u>Current Rate per \$1000</u>	<u>New Rate per \$1000</u>
Under 30	0.061	0.061
30 - 34	0.069	0.069
35 - 39	0.100	0.100
40 - 44	0.130	0.130
45 - 49	0.198	0.198
50 - 54	0.332	0.332
55 - 59	0.595	0.595
60 - 64	0.913	0.913
65 - 69	1.513	1.513
70 and over	2.431	2.431

**Basic & Additional Retiree Life**

No Basic & Additional Retiree Life Coverage

**Continuation of Coverage (COC)**

Yes

**Benefit Waiting Period**

Medical: 90 days after date of hire

Life: 90 days after date of hire

**Medical Network**

Choice Plus

## Flex, HRA, HSA & RRA

Flex Admin

HRA Admin

HSA Admin

RRA Admin

Yes

No

No

No

**Select one of the following options for Flex:**

☐ Debit Card Flex (\$3.70 per participant per month)

☐ Paper Flex (\$5 per participant per month)

**Select one or all of the following options for HRA, HSA & RRA:**

☐ HRA (\$3.70 per participant per month - debit card only)

☐ Qualified HSA (\$3.70 per participant per month - debit card only)

☐ RRA (\$3.70 per participant per month - debit card only)

If employer accesses Debit Card Flex and/or HRA, HSA or RRA, only one charge of \$3.70 per participant per month will be incurred.

## Medication Therapy Management Program

**MAC A Plan:** If a brand name drug is dispensed and a generic alternate drug exists, the Covered Individual pays the difference between the brand name and generic price in addition to the appropriate copayment for the brand name. The cost difference between the brand name and generic price does not apply to any individual deductibles or out of pocket amounts. The MAC differential applies to all prescriptions purchased through this program when a generic alternate is available. Consumer Centered Plans and MTMP SELECT PLAN are MAC A Plans Only

**MAC C Plan:** If a brand name drug is dispensed and a generic alternate drug exists, the Covered Individual pays the appropriate brand copay.

**Lessor of Benefit:** Through the OptumRx network contract, the covered individual's out of pocket expense is managed by the pharmacy network agreement that the covered individual will receive the most advantageous pricing. This would be determined by the lessor of pharmacy contracts, Usual & Customary cost (U&C), copayments or the discounted cost the covered individual would be charged. Due to the lessor of Benefit the OptumRx Reportal will be an important price transparency resource to ensure covered individual is purchasing the prescription from the most cost effective pharmacy.

**Employers will have the choice to access one of the two Medication Therapy Management Plans:**

• **SELECT MTMP PLAN:** (MAC A Plan Only): Premium Formulary and Cost Share Medications Excluded

• **CHOICE MTMP PLAN:** Select Formulary and 1-30 days \$150.00/ 31-60 days \$300.00/ 61-90 days \$450.00 Cost Share Copay out of pocket expense

### Covered Individual Copayments/Financial Responsibility

Preferred Retail Pharmacies*				
Tier	Benefit	1 - 30 Days Supply	31 - 60 Days Supply	61 - 90 Days Supply
	Generic medications	\$5	\$10	\$15
	Preferred branded medications	\$38	\$76	\$114
	Non-Preferred branded medications	\$60	\$120	\$180

\* The OptumRx Preferred Network of Pharmacies includes HEB and Walmart (not Sam's Club)

National/Broad Network Retail Pharmacies				
Tier	Benefit	1 - 30 Days Supply	31 - 60 Days Supply**	61 - 90 Days Supply**
	Generic medications	\$10	\$20	\$30
	Preferred branded medications	\$43	\$86	\$129
	Non-Preferred branded medications	\$65	\$130	\$195

\* Available at participating OptumRx Retail-90 pharmacies. To determine if your pharmacy is a Retail-90 pharmacy, you may call OptumRx' Member Customer Service at (888) 543-1369.

Value Based Benefits for Chronic Conditions (Diabetes, Hypertension & High Cholesterol)*				
Tier	Benefit	1 - 30 Days Supply**	31 - 60 Days Supply	61 - 90 Days Supply
	Generic medications	\$0	\$5	\$10
	Preferred branded medications	\$38	\$76	\$114
	Non-Preferred branded medications	\$60	\$120	\$180

\* Available at participating OptumRx Retail-90 pharmacies. To determine if your pharmacy is a Retail-90 pharmacy, you may call OptumRx' Member Customer Service at (888) 543-1369.

\*\* Value Based Benefit Copays are applicable at the preferred, national/broad network.



Mail Service		
Tier	Benefit	Up to 90 Days Supply
	Generic medications	\$15
	Preferred branded medications	\$114
	Non-Preferred branded medications	\$180

Take advantage of home delivery by online registration: Visit [optumrx.com/myCatamaranRx](http://optumrx.com/myCatamaranRx); register and follow the simple step-by-step instructions. You can manage your medication online, including filing new prescriptions and transferring other prescriptions to home delivery. You can also set up text message reminders to help manage your medication schedule. Be sure to have your IEBP medical plan ID card and medication bottles on hand to have the required information.

Retail/Mail Order Cost Share Medications*				
Tier	Benefit	1 - 30 Days Supply	31 - 60 Days Supply	61 - 90 Days Supply
	Branded or generic Cost Share medications (regardless of pharmacy or pharmacy network)	\$150	\$300	\$450

\* Cost Share medications are certain branded and generic medications for which there are lower cost therapeutic alternative medications. These therapeutic alternatives should provide equal or similar medication therapy for a covered individual when properly dosed. Cost share medications are identified in the Cost Share Copay Drugs section of this guide.

BriovaRx Specialty Pharmacy				
Tier	Benefit	1 - 30 Days Supply	31 - 60 Days Supply**	61 - 90 Days Supply**
	Specialty medications*	\$100	N/A	N/A
	Biosimilar and generic specialty medications	\$75	N/A	N/A

\* Specialty medications are typically medications requiring special storage, handling, administration and patient monitoring; or is taken for complex or rare patient conditions. Some specialty medications are sometimes biotechnology medications

\*\* Specialty medications are limited to no more than a 30-day supply of the medication per prescription fill.

Affordable Care Act Benefits*			
Benefit	1 - 30 Days Supply	31 - 60 Days Supply	61 - 90 Days Supply*
Smoking cessation medications - Nicorette Gum, Nicotine Replacement Lozenge, Nicotine Replacement Patch, Nicotrol Inhaler, Nicotrol Nasal Spray. Quantity limits apply (six month's supply per plan year).	\$0	\$0	N/A
Preventative statin medications – Includes low to mid-strength statin medications, atorvastatin, lovastatin, and simvastatin. Lovastatin covered without a prior authorization.	\$0	N/A	N/A
Other preventative medications – aspirin (men aged 45-79, women aged 55-79); folic acid (women of childbearing age); fluoride tablets and solution (for children aged zero to five years old – toothpastes and rinses do not qualify); chemoprevention supplements, iron deficiency supplements; vitamin D (65 years and over); and bowel preparation medications OTC (Bisacodyl EC Tab, magnesium citrate solution, polyethylene glycol 3350).	\$0	N/A	N/A

\* Over the counter medications covered with this benefit require a prescription from your provider.

### Monthly Employer Subsidy or Defined Contribution Amounts

Due to the employer customization regarding defined contribution amount for employees, part-time employees that meet the definition of an active employee (an Employee who works at least twenty (20) hours per week or is accessing vacation, sick or paid/unpaid Family Medical Leave Act of 1993 (FMLA) and is receiving the same benefits as all other employees) and/or dependents, TML MultiState Intergovernmental Employee Benefits Pool requests the below information to ensure accurate information is maintained in the enrollment, eligibility and billing adjudication system.

#### Employer Funded Defined Contribution

#### Dependent Additional Employer Subsidy or Defined Contribution

	<u>Employee</u>		<u>Spouse</u>		<u>Child</u>		<u>Family</u>	
	Amount	% of Rate	Amount	% of Rate	Amount	% of Rate	Amount	% of Rate
Active Employees								
Employer Subsidy	\$ _____ or _____ %		\$ _____ or _____ %		\$ _____ or _____ %		\$ _____ or _____ %	
Employer Defined Contribution	\$ _____		\$ _____		\$ _____		\$ _____	
Retirees	\$ _____ or _____ %		\$ _____ or _____ %		\$ _____ or _____ %		\$ _____ or _____ %	

#### Additional Employer Funding for HRA, FSA or HSA (Example criteria: 100% participation in Employer Fair; Receipt of Healthy Initiative Payment)

HRA	\$ _____	Criteria: _____
Employer Contribution to FSA	\$ _____	Criteria: _____
Employer Contribution to HSA	\$ _____	Criteria: _____

**NOTE: If you have funding requirements that cannot be specified in the above form, please contact your Billing & Eligibility Representative.**

	2019	2018*	2017
Limitation on deductions for an individual with <b>self-only</b> coverage under a qualified high deductible health plan (HDHP)	\$3,500	\$3,450	\$3,400
Limitation on deductions for an individual with <b>family</b> coverage under an HDHP	\$7,000	\$6,900	\$6,750
Annual deductible for <b>self-only</b> coverage that is not less than	\$1,350	\$1,350	\$1,300
Annual deductible for <b>family</b> coverage that is not less than	\$2,700	\$2,700	\$2,600
Qualified High Deductible/H.S.A. Health Plan MOOP amount/Annual out of pocket expenses (deductibles, copayments, and other amounts, but not premiums) for <b>self-only</b> coverage	\$6,750	Do not exceed \$6,650	Do not exceed \$6,550
Qualified High Deductible/H.S.A. Health Plan MOOP amount/Annual out of pocket expenses (deductibles, copayments, and other amounts, but not premiums) for <b>family</b> coverage	\$13,500	Do not exceed \$13,300	Do not exceed \$13,100
The PPO MOOP amount	Individual: \$7,900 Family: \$15,800	Individual: \$7,350 Family: \$14,700	Individual: \$7,150 Family: \$14,300

\* Plan Year 2018-2019 IEBP will use the Calendar Year 2018 Federal Government Maximum Out of Pocket Regulations. If you are age 55 or older by the end of the year you can contribute additional \$1,000 to your H.S.A. If both husband and wife are age 55 or older, they must have two HSA accounts if they want to contribute the maximum.



100 Courthouse Square, A-101  
Center, Texas 75935  
936-598-3682



936-598-8163 Fax  
www.shelbycountychamber.com  
info@shelbycountychamber.com



June 12, 2018

City of Center  
Mayor David Chadwick  
P.O. Box 1744  
Center, Texas 75935

Dear Mayor Chadwick and City Council Members:

As the East Texas Poultry Festival committee makes plans for the 42nd Annual Festival, the Shelby County Chamber of Commerce kindly asks for your assistance. As you are aware, there are a number of events that require street closures: the Doo Dah Parade, the 5K Chicken Trot and the Broiler Show and Judging.

We seek your approval in obtaining the closure of the following streets for these events.

**Doo Dah Parade: Wednesday, September 26<sup>th</sup> from 4:00pm until 5:00pm**

Closure of Streets around the downtown square: Nacogdoches Street, Austin Street, San Augustine, and Shelbyville Street

**Fun Run and 5K Chicken Trot: Saturday, October 6<sup>th</sup> from 6:00am until 9:00am**

The exact route has not yet been determined. I will be in touch as soon the route has been decided. We do know it will start on the downtown square this year in front of John C. Rogers Coffee Shop. Runners will run around the downtown square at the beginning and end of the race. Therefore the closure of Nacogdoches Street, Austin Street, Shelbyville Street and San Augustine will be necessary.

**Broiler Show and Judging, Saturday, October 6<sup>th</sup> from 6:00am until 6:00pm**

Closure of Shelbyville Street from San Augustine Street to Logansport Street.

This enables display and viewing areas for the Broiler Show and judging, which is one of the highlights of the festival.

As always, it is a pleasure to work with the City of Center in promoting and improving our area. Thank you for your consideration. If you have questions, or concerns, please contact me.

Most sincerely,

A handwritten signature in cursive script that reads "Deborah Chadwick". The signature is written in black ink and is positioned above the printed name and title.

Deborah Chadwick

President, Shelby County Chamber of Commerce

Enc: attachments

# **AGREEMENT FOR THE TEMPORARY CLOSURE**

## **OF STATE RIGHT OF WAY**

**State of Texas  
and  
City of Center**

### **"Exhibit A"**

#### **Description of the Event**

The East Texas Poultry Festival was declared as the official poultry festival of the State of Texas by the Texas legislature on April 15, 1997.

The annual event will celebrate its 42nd anniversary on October 4, 5, & 6 2018.

The festival is held as a salute to the poultry industry in Shelby County, as well as a county event that encourages community pride. The event is preceded by a Chicken Cooking Contest, chicken fajita lunch, downtown parade and a Poultry Festival Queen's Court of high school juniors. Following educational and social activities a Queen is selected to reign over the festival and throughout the year and receives a scholarship.

The festival is held on the historic downtown square. The main tent features live entertainment from local artists during the three days. The Center Noon Lion's Club sponsors the carnival. There is an art exhibit, food booths, Arts & Crafts vendors, civic club exhibits, state agency exhibits, children's activities, school student exhibits and fundraisers. Churches participate as food vendors as well as a scholarship group.

On Saturday approximately 100 4-H and FFA students will participate in the Broiler Show judging. The broilers judged are those grown by the student for the previous six weeks. Fifty are selected for the Broiler Show Auction which concludes the festival.



**AGREEMENT FOR THE TEMPORARY CLOSURE  
OF STATE RIGHT OF WAY**

State of Texas  
and  
City of Center

**"Exhibit C"**

The description of the Event, as described more fully in "Exhibit A" is the 42nd annual East Texas Poultry Festival held on the downtown Center square in Shelby County as a salute to the poultry industry including a carnival, local food vendors, arts and crafts, children's activities, art exhibit, informational exhibits, displays, creative arts exhibits, live entertainment by local performers and a 4-H and FFA Broiler Show.

The proposed time for the temporary closure is from 6:00 a.m. until 6:00 p.m. on Saturday, October 6.

Approximately 15,000 people attend the festival and the festival has experienced a growth in attendance each year.

The equipment involved being placed on the roadway are vinyl tents for the Broiler Show display.

**RESOLUTION NO. 2018-09**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CENTER, TEXAS, AUTHORIZING MAYOR TO EXECUTE AGREEMENT WITH TXDOT FOR THE CLOSURE OF A PORTION OF SHELBYVILLE STREET ON SATURDAY, OCTOBER 8, 2016 FOR THE EAST TEXAS POULTRY FESTIVAL.**

**WHEREAS**, the East Texas Poultry Festival was declared as the official poultry festival of the State of Texas by the Texas legislature on April 15, 1997 and this year's annual event will celebrate its 42nd anniversary on October 4, 5 & 6, 2018; and

**WHEREAS**, the annual East Texas Poultry Festival held on the downtown Center square in Shelby County is a salute to the poultry industry containing a carnival, local food vendors, arts and crafts, children's activities, art show, exhibits, displays, creative arts exhibits, live entertainment by local performers and a 4-H and FFA Broiler Show; and

**WHEREAS**, approximately 13,000 people attended the 1999 festival and the festival has experienced a 1% to 2% growth in attendance each year; and

**WHEREAS**, due to past renovations of the historic courthouse, a lot of area previously utilized by the Festival is no longer available thus certain activities had to be moved off the square to areas on the perimeter; and

**WHEREAS**, one such relocation is the poultry exhibit and judging, which will be located in the alley running from Shelbyville Street to Porter Street on the West side of Farmers State Bank with the poultry exhibit and judging taking place on Saturday, October 6, 2018; and

**WHEREAS**, first and foremost there is a great concern about the safety of the pedestrians walking from the inner square to the poultry exhibit area, and secondly a need for additional space for such events as children's games.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CENTER, TEXAS:**

That the Mayor is authorized to execute an agreement with the Texas Department of Transportation for the temporary closing of the portion of Shelbyville Street that is adjacent to the North side of the Center Square on Saturday, October 6, 2018 for the reasons so stated above in the preamble of this resolution.

**PASSED AND APPROVED** this 25<sup>th</sup> day of June 2018.

\_\_\_\_\_  
David Chadwick, Mayor

**ATTEST:**

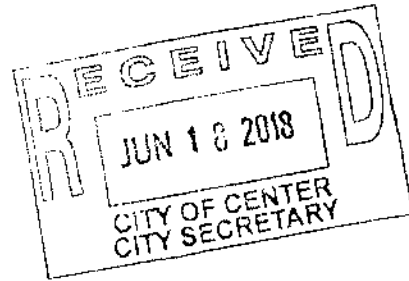
\_\_\_\_\_  
Barbara Boyd, City Secretary



# SHELBY COUNTY APPRAISAL DISTRICT

Robert N. Pigg, Chief Appraiser

June 12, 2018



David Chadwick  
Mayor, City of Center  
P.O. Box 1744  
Center, Texas 75935

Dear Mayor Chadwick:

Per Sec. 6.06(a) of The Property Tax Code, enclosed are copies of the appraisal district's proposed budget, proposed salary and benefits and the taxing entity's allocation of the budget for the year 2019.

The board of directors will hold a public hearing to consider the proposed budget. This hearing is scheduled for July 10, 2018 at 5:30 pm at the Shelby County Appraisal District office.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script, reading "Angie Wright", is written over a dotted line.

Angie Wright  
Office Manager

Enclosures

**SHELBY COUNTY APPRAISAL DISTRICT**  
**2019 Proposed BUDGET**

	<i>2018</i>	<i>2019</i>	
	<i>BUDGET</i>	<i>Proposed</i>	<i>Difference</i>
		<i>BUDGET</i>	
<b>PERSONNEL EXPENSES</b>			
5010 · SALARIES & WAGES	346,710	356,870	10,160
5030 · TAXES - PAYROLL	27,625	28,550	925
5040 · GROUP INS. (EMPLOYEES)	74,000	74,000	0
5050 · WORKERS COMPENSATION	3,000	3,000	0
5060 · RETIREMENT - EMPLOYER	13,868	14,275	406
5070 · APPRAISAL REVIEW BOARD EXPENSE	3,000	3,000	0
<b>SUPPLIES &amp; POSTAGE</b>			
6000 · SUPPLIES	17,000	17,000	0
6030 · POSTAGE	12,000	12,000	0
<b>OTHER OFFICE EXPENSES</b>			
7010 · TELEPHONE	4,000	4,000	0
7020 · UTILITIES	5,300	5,300	0
7030 · RENT-STORAGE BLDG	480	480	0
7035 · BLDG & GROUNDS-REPAIR & MAINT	5,500	6,700	1,200
7040 · EQUIPMENT MAINT. & REPAIRS	2,000	2,000	0
7060 · CAR ALLOWANCE	27,000	27,000	0
7070 · INSURANCE BONDS ETC.	3,100	3,100	0
7080 · TRAVEL & EDUCATION	4,000	3,500	(500)
7090 · PUBLIC INFORMATION	2,500	3,000	500
7110 · MAPPING	4,500	4,500	0
7120 · DUES & MEMBERSHIPS	2,000	2,000	0
7140 · AUDITS & ACCOUNTING	3,400	3,400	0
7151 · COMPUTER SERVICES - TA	52,666	54,683	2,017
7160 · BOARD OF DIRECTOR'S EXPENSE	100	100	0
7180 · LEGAL EXPENSES	3,000	3,000	0
7200 · INDUSTRIAL & MINERAL APPRAISAL	59,300	62,300	3,000
7220 · LEASED EQUIPMENT	5,700	5,700	0
7240 · CAPITAL OUTLAY	2,000	1,000	(1,000)
<hr/>			
<b>SUBTOTAL</b>	<b>683,749</b>	<b>700,458</b>	<b>16,708</b>

**Taxing Entity Allocation of  
Shelby County Appraisal District  
2019 Proposed Budget**

<b>Entity</b>	<b>2017 Levy</b>	<b>Percent of Total Levy</b>	<b>Portion of Proposed 2019 Budget</b>	<b>Entity's Proposed 2019 Quarterly Payment</b>
Center ISD	\$ 7,001,199.87	26.780620%	187,586.99	\$ 46,896.75
City of Center	\$ 1,601,836.20	6.127259%	42,918.88	\$ 10,729.72
City of Joaquin	\$ 81,123.80	0.310310%	2,173.59	\$ 543.40
City of Tenaha	\$ 49,907.56	0.190904%	1,337.20	\$ 334.30
City of Timpson	\$ 111,499.08	0.426500%	2,987.46	\$ 746.86
Excelsior ISD	\$ 491,017.63	1.878215%	13,156.11	\$ 3,289.03
Joaquin ISD	\$ 2,328,445.35	8.906646%	62,387.32	\$ 15,596.83
San Augustine ISD	\$ 101,669.81	0.388902%	2,724.10	\$ 681.02
Shelby County	\$ 8,768,620.01	33.541262%	234,942.45	\$ 58,735.61
Shelbyville ISD	\$ 2,643,197.14	10.110618%	70,820.63	\$ 17,705.16
Tenaha ISD	\$ 1,129,410.74	4.320162%	30,260.92	\$ 7,565.23
Timpson ISD	\$ 1,834,857.94	7.018602%	49,162.36	\$ 12,290.59
Total	\$ 26,142,785.13	100.000000%	700,458.00	\$ 175,114.50

**2019 Proposed SALARY & BENEFITS**

<b>Position</b>	<b>Salary</b>	<b>Retirement</b>	<b>Group Benefits</b>	<b>Total</b>
Data Entry	44,930	1,797	9,250	55,977
Appraiser IV	38,330	1,533	9,250	49,113
Clerk I	25,130	1,005	9,250	35,385
Appraiser IV	40,950	1,638	9,250	51,838
Chief Appraiser	74,730	2,989	9,250	86,969
Mapping Technician	37,870	1,515	9,250	48,635
Appraiser IV	44,930	1,797	9,250	55,977
Appraiser IV/Office Manager	50,000	2,000	9,250	61,250
<b>TOTAL</b>	356,870	14,275	74,000	445,145

## **ITEMS OF INTEREST**

1. Thank You from Shelby County Chamber
2. Moody's Investors Service Annual Comments.

100 Courthouse Square, A-101  
Center, Texas 75935  
936-598-3682



936-598-8163 Fax  
[www.shelbycountychamber.com](http://www.shelbycountychamber.com)  
[info@shelbycountychamber.com](mailto:info@shelbycountychamber.com)



June 11, 2018

City of Center  
Chad Nehring  
P.O. Box 1744  
Center, Texas 75935

Dear Chad,

Thank you to the City of Center for being the Award Sponsor for this year's Grill Fest. Also, thank you for your assistance in making sure the event was a success. Mr. Lathan helped with the Presentation of the Awards on behalf of the City. He did a great job!

We hope you will be a Sponsor next year. The Civic Center has been booked for April. If you have any suggestions to help make the event bigger and better, please let us know.

Thank you for the continued support and community involvement.

Sincerely,

Grill Fest Committee



# MOODY'S

## INVESTORS SERVICE

### ISSUER COMMENT

14 June 2018

#### RATING

**General Obligation (or GO Related) <sup>1</sup>**

A2 No Outlook

#### Contacts

Catherine E Nicolosi +1.214.979.6861  
Associate Lead Analyst  
catherine.nicolosi@moody's.com

Gera M. McGuire +1.214.979.6850  
VP-Sr Credit Officer/Manager  
gera.mcguire@moody's.com

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## City of Center, TX

### Annual Comment on Center

#### Issuer Profile

The City of Center is located in Shelby County in eastern Texas near the Louisiana state line, approximately 155 miles northeast of Houston. Shelby County has a population of 25,705 and a low population density of 32 people per square mile. The county's median family income is \$45,184 (4th quartile) and the March 2018 unemployment rate was 4.7% (3rd quartile) <sup>2</sup>. The largest industry sectors that drive the local economy are manufacturing, local government, and farm employment.

#### Credit Overview

The credit position for Center is sound, and its A2 rating is below the US cities median of Aa3. Key credit factors include a healthy financial position, a mid-ranged pension liability, a sizable debt burden, a narrow tax base, but an exceptionally weak wealth and income profile.

**Finances:** Center has a very solid financial position, which is a notable strength relative to the A2 rating assigned. The city's cash balance as a percent of operating revenues (25.2%) is under the US median, and this metric increased materially from 2013 to 2017. In addition, fund balance as a percent of operating revenues (28.7%) is slightly lower than the US median.

**Debt and Pensions:** The debt and pension liabilities of the city are somewhat elevated overall and are consistent with the A2 rating assigned. Center's Moody's-adjusted net pension liability to operating revenues (1.6x) is on par with the US median, and increased from 2013 to 2017. Moreover, net direct debt to full value (2.6%) is materially above the US median.

**Economy and Tax Base:** Center has a weak economy and tax base, which are relatively weak with respect to city's A2 rating. Full value per capita (\$51,804) is below the US median, and this metric grew markedly between 2013 and 2017. Furthermore, total full value (\$281 million) is much weaker than the US median. Lastly, median family income equals a mere 48.7% of the US level.

**Management and Governance:** Texas cities have an Institutional Framework score <sup>3</sup> of Aa, which is high compared to the nation. Institutional Framework scores measure a sector's legal ability to increase revenues and decrease expenditures. Property taxes, one of the sector's major revenue sources are subject to a cap, which cannot be overridden. However, the cap of \$25 per \$1,000 of assessed values with no more than \$15 allocated for debt, still allows for significant revenue-raising ability. Unpredictable revenue fluctuations tend to be minor, or under 5% annually. Across the sector, fixed and mandated costs are generally greater than 25% of expenditures. Texas is a Right to Work state, providing significant



expenditure-cutting ability. Unpredictable expenditure fluctuations tend to be minor, under 5% annually.

### Sector Trends - Texas Cities

Texas cities benefit from strong migration trends, fueling demand for housing, goods and services. Cities enjoy large investments by companies that are expanding or relocating to the state. Assessed valuations have increased by a robust average of 5% annually in the past five years. Sales tax gains, similarly, have averaged more than 4% annually. Disposable income with no state income tax, and retail demand are expected to drive sales tax collections. The impact of the energy downturn has been uneven across the state. Healthy revenue trends with ample taxing margins and favorable reserves will allow most cities to maintain solid performance over the near to medium-term.

#### EXHIBIT 1

#### Key Indicators <sup>4</sup> <sup>5</sup> Center

	2013	2014	2015	2016	2017	US Median	Credit Trend
<b>Economy / Tax Base</b>							
Total Full Value	\$241M	\$255M	\$263M	\$283M	\$280M	\$1,867M	Improved
Full Value Per Capita	\$46,057	\$48,673	\$50,099	\$52,328	\$51,804	\$89,200	Improved
Median Family Income (% of US Median)	62%	56%	65%	49%	49%	113%	Weakened
<b>Finances</b>							
Available Fund Balance as % of Operating Revenues	17.2%	24.9%	26.5%	28.6%	28.7%	33.9%	Improved
Net Cash Balance as % of Operating Revenues	11.6%	19.5%	24.5%	28.2%	25.2%	36.9%	Improved
<b>Debt / Pensions</b>							
Net Direct Debt / Full Value	3.4%	3.4%	2.8%	2.7%	2.6%	1.1%	Improved
Net Direct Debt / Operating Revenues	1.32x	1.39x	1.18x	1.46x	1.22x	0.88x	Stable
Moody's-adjusted Net Pension Liability (3-yr average) to Full Value	2.5%	2.6%	3.0%	3.1%	3.4%	1.8%	Weakened
Moody's-adjusted Net Pension Liability (3-yr average) to Operating Revenues	0.96x	1.07x	1.29x	1.65x	1.61x	1.51x	Weakened
	2013	2014	2015	2016	2017	US Median	
<b>Debt and Financial Data</b>							
Population	5,246	5,239	5,262	5,421	5,421	N/A	
Available Fund Balance (\$000s)	\$1,071	\$1,551	\$1,633	\$1,526	\$1,705	\$7,419	
Net Cash Balance (\$000s)	\$717	\$1,214	\$1,515	\$1,504	\$1,492	\$8,404	
Operating Revenues (\$000s)	\$6,210	\$6,220	\$6,171	\$5,327	\$5,933	\$21,930	
Net Direct Debt (\$000s)	\$8,202	\$8,631	\$7,276	\$7,784	\$7,236	\$18,580	
Moody's Adjusted Net Pension Liability (3-yr average) (\$000s)	\$5,992	\$6,660	\$7,952	\$8,765	\$9,545	\$32,507	

Source: Moody's Investors Service

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on [www.moody.com](http://www.moody.com) for the most updated credit rating action information and rating history.

## EXHIBIT 2

## Available fund balance as a percent of operating revenues increased from 2013 to 2017



Source: Issuer financial statements; Moody's Investors Service

## EXHIBIT 3

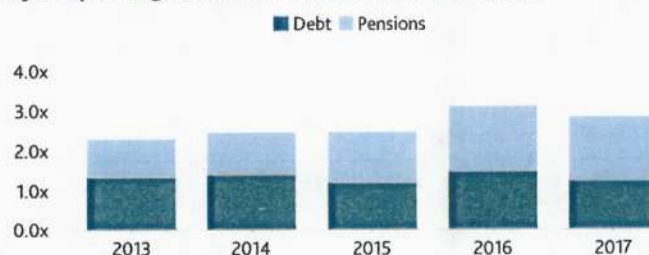
## Full value of the property tax base increased from 2013 to 2017



Source: Issuer financial statements; Government data sources; Offering statements; Moody's Investors Service

## EXHIBIT 4

## Moody's-adjusted net pension liability to operating revenues increased from 2013 to 2017



Source: Issuer financial statements; Government data sources; Offering statements; Moody's Investors Service

## Endnotes

- The rating referenced in this report is the issuer's General Obligation (GO) rating or its highest public rating that is GO-related. A GO bond is generally backed by the full faith and credit pledge and total taxing power of the issuer. GO-related securities include general obligation limited tax, annual appropriation, lease revenue, non-ad valorem, and moral obligation debt. The referenced ratings reflect the government's underlying credit quality without regard to state guarantees, enhancement programs or bond insurance.
- The demographic data presented, including population, population density, per capita personal income and unemployment rate are derived from the most recently available US government databases. Population, population density and per capita personal income come from the American Community Survey while the unemployment rate comes from the Bureau of Labor Statistics.  
  
The largest industry sectors are derived from the Bureau of Economic Analysis. Moody's allocated the per capita personal income data and unemployment data for all counties in the US census into quartiles. The quartiles are ordered from strongest-to-weakest from a credit perspective: the highest per capita personal income quartile is first quartile, and the lowest unemployment rate is first quartile.
- The institutional framework score assesses a municipality's legal ability to match revenues with expenditures based on its constitutionally and legislatively conferred powers and responsibilities. See [US Local Government General Obligation Debt \(December 2016\)](#) methodology report for more details.
- For definitions of the metrics in the Key Indicators Table, [US Local Government General Obligation Methodology and Scorecard User Guide \(July 2014\)](#). Metrics represented as N/A indicate the data were not available at the time of publication.
- The medians come from our most recently published local government medians report, [Medians - Property values key to stability, but pension burdens remain a challenge \(March 2018\)](#) which is available on Moodys.com. The medians presented here are based on the key metrics outlined in Moody's GO methodology and the associated scorecard.



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