

Texas Municipal Reports

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Terrell, City of (Waterworks & Sewer System)

Last Revised 02/08/2010

Kaufman County

TMR # 2404

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FOR OTHER BONDS OF THE CITY, SEE SEPARATE TEXAS MUNICIPAL REPORT.

FINANCIAL STATEMENT (As of September 30, 2008)

Special Obligation Debt		
Waterworks & Sewer System	\$500,000	
Special Fund Balances		
I&S	\$218,942	
Reserve	381,655	

PAYMENT RECORD Never defaulted.

DETAILS OF REVENUE DEBT

Outstanding 9/30/2008

WW & SS Rev Bds Ser 73
 Tax Treatment: T/E
 Original Issue Amount \$1,000,000.00
 Dated Date: 01/10/1973
 Sale Date: 01/10/1973
 Delivery Date: 03/14/1973
 Sale Type: Private Placement
 Record Date: NA
 Bond Form: BB
 Denomination \$5,000
 Interest pays Semi-Annually: 01/10, 07/10
 1st Coupon Date: 07/10/1973
 Paying Agent: American National Bank & Trust Company, Terrell, TX
 Bond Counsel: Dumas, Huguenin, Boothman & Morrow
 Purchaser: Texas Water Development Board

Call Option: Mtys 00/13 callable 01/10/93 or AID @ par.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
01/10/2009	100,000.00	4.100%	N/A
01/10/2010	100,000.00	4.100%	N/A
01/10/2011	100,000.00	4.100%	N/A
01/10/2012	100,000.00	4.100%	N/A
01/10/2013	100,000.00	4.150%	N/A
-----\$500,000.00			

GRAND TOTAL===== > \$500,000.00

BOND DEBT SERVICE

Period Ending	Principal	Interest	Debt Service
09/30/2009	100,000.00	18,500.00	118,500.00
09/30/2010	100,000.00	14,400.00	114,400.00
09/30/2011	100,000.00	10,300.00	110,300.00
09/30/2012	100,000.00	6,200.00	106,200.00
09/30/2013	100,000.00	2,075.00	102,075.00

	500,000.00	51,475.00	551,475.00

WATERWORKS & SEWER SYSTEM OPERATING EXPERIENCE The following condensed statements have been compiled using accounting principles customarily employed in the determination of net revenues available for debt service, and in all instances exclude depreciation, transfers, debt service payments and expenditures identified as capital.

Fiscal Year Ended			
09-30-2008	09-30-2007	09-30-2006	09-30-2005

Revenues:				
Charges for Services	\$8,346,041	\$7,769,569	\$7,582,139	\$7,164,469
Other	140,756	998,515	424,193	1,281,149*
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Total	\$8,486,797	\$8,768,084	\$8,006,332	\$8,445,618
Expenses	\$6,066,509	\$5,150,435	\$5,987,097	\$5,176,092
Available For				
Debt Service	\$2,420,288	\$3,617,649	\$2,019,235	\$3,269,526

*Includes \$1,268,457 of miscellaneous income.

WATER SUPPLY The City entered into a contract dated April 28, 2005 with North Texas Municipal Water District. Under the agreement, the District has agreed to acquire property and construct a transmission line in order to sell water to the City. As part of the agreement, the project was financed by a bond issue in the amount of \$12,470,000 issued in the name of the District. The District is responsible for the cost of the project only to the extent of the bond issue; and any additional construction costs are the responsibility of the City. During the construction phase, the City is responsible for the monthly transfer of funds to the District in order to pay the debt service obligation of the bonds and to fund any necessary reserve funds established by the bond ordinance. All payments made by the City under the Contract constitute reasonable and necessary operating expenses of the City's combined waterworks and sewer system, pursuant to Section 1502.056, Texas Government Code, as amended. As of November 15, 2009, North Texas Municipal Water District had \$732,150,000 bonds outstanding, for information, please refer to TMR #5636.

WATER RATES (Monthly billing) Effective February 3, 2010: no change since September 1, 2009.

	Gallons	Residential	All Other Customers
Minimum		\$11.77(Min)	\$11.77(Min)
First	2,000	2.86/M	2.86/M
Next	8,000	3.91/M	3.91/M
Next	15,000	4.25/M	4.25/M
Next	25,000	4.65/M	4.65/M
Over	50,000	5.12/M	N/A

SEWER RATES (Monthly billing) Based on winter averaging. Effective February 3, 2010: no change since September 1, 2009.

Residential:		
Minimum Bill	\$17.34	
Volume Charge for all consumption per month	2.73/M	
Commercial:	Light	Heavy
Minimum Bill	\$37.25	\$125.75
Volume Charge for all consumption per month	2.73/M	2.73/M

REVENUE BONDS AUTHORIZED BUT UNISSUED

Election Date	Purpose	Amount Authorized	Issued To Date	Unissued
08/01/81	Water	\$4,000,000	\$800,000	\$3,200,000
08/01/81	Sewer Impr	1,000,000	915,000	85,000
Total:		\$5,000,000	\$1,715,000	\$3,285,000*

*The City does not intend on issuing the authorizations.

NON-FUNDED DEBT PAYABLE (As of September 30, 2008)

The City reports additional debt in the principal amount of \$62,762 under W&S

DISCLAIMER. This Texas Municipal Report ("TMR") was prepared by employees of the Municipal Advisory Council of Texas ("MAC") for informational purposes only, and is not intended to be, and should not be considered as, a recommendation, endorsement or solicitation to buy or sell any security of the issuer to which it applies. The information set forth in this TMR has been obtained from the issuer and from sources believed to be reliable, but the MAC has not independently verified such information. The MAC specifically disclaims any responsibility for, and makes no representations, warranties or guarantees about, the completeness or accuracy of such information. In this connection, this TMR reflects information as of the date referred to in the TMR, as derived from filings received by the MAC from the issuer. This TMR will be updated in the ordinary course as filings are received from the issuer, but the MAC specifically disclaims any responsibility for doing so. The reader of this TMR is advised to obtain current information from other sources before making any investment decision respecting the securities of this issuer.

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Fund as follows:

	Amount Outstanding	Reported Under
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Compensated Absences	\$62,762	W&S Fund
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ECONOMIC BACKGROUND

The City of Terrell is the principal commercial center of Kaufman County, located at the intersection of U.S. Highway 80 and State Highway 34 and approximately 35 miles east of downtown Dallas. The City's 2000 Census was 13,606, increasing 8.94% since 1990.

COUNTY CHARACTERISTICS: Kaufman County is a northeast Texas county traversed by Interstate Highway 20, U.S. Highways 80 and 175 and State Highways 34, 243, and 274. The County was the state's 6th leading producer of soybeans for 2006. Cedar Creek Lake offers excellent camping and boating facilities. Lake Ray Hubbard and the surrounding area includes marinas and leisure homes.

COUNTY SEAT: Kaufman

2008 population estimate: 96,373 increasing 35.1 % since 2000
 2000 census: 71,313 increasing 36.6 % since 1990
 1990 census: 52,220

ECONOMIC BASE

Mineral: stone, sand, Oil and gas.

Industry: varied manufacturing, government and antique center.

Agricultural: wheat, Sorghums, sheep, Peaches, oats, nursery crops, horses, Hay, goats, cotton and beef cattle.

RETAIL SALES & EFFECTIVE BUYING INCOME*

Year	2008	2007
Retail Sales	\$1.7B	\$1.4B
Effective Buying Income (EBI)	\$1.8B	\$1.7B
County Median Household Income	\$44,957	\$44,546
State Median Household Income	\$40,318	\$40,078
% of Households with EBI below \$25K	23.1 %	22.9 %
% of Households with EBI above \$25K	70.8 %	71.1 %

EMPLOYMENT DATA

	2008		2007		2006	
	Employed	Earnings	Employed	Earnings	Employed	Earnings
1st Q:	26,450	\$218.7M	26,510	\$215.0M	25,393	\$195.6M
2nd Q:	26,602	\$215.2M	26,459	\$207.8M	26,052	\$191.6M
3rd Q:	26,106	\$209.2M	26,100	\$206.9M	26,386	\$204.0M
4th Q:	26,220	\$222.0M	26,723	\$217.5M	25,313	\$200.1M

MAJOR COLLEGES AND UNIVERSITIES: Southwestern Christian College

COLLEGES AND UNIVERSITIES

Year	Total	Fall Enrollment
2008	1	202

* DemographicsUSA County Edition

Any data on population, value added by manufacturing or production of minerals or agricultural products are from US Census or other official sources.

FINANCE CONNECTED OFFICIALS

Mayor
 Hal Richards
 201 East Nash St.
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 Fax: 972-551-6682
 hrichards@cityofterrell.org

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