



The City of Liberty City Council

Special Called Meeting

~ Agenda ~

1829 Sam Houston
Liberty, TX 77575
www.cityofliberty.org

Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, November 25, 2014

12:00 PM

City Council Chambers

THE City Council of Liberty, Texas reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code.

I. CALL TO ORDER

Attendee Name	Present	Absent	Late	Arrival
Mayor Carl Pickett	☐	☐	☐	
Mayor Pro Tem Diane Huddleston	☐	☐	☐	
Councilperson Dennis Beasley	☐	☐	☐	
Councilperson Frank Jordan	☐	☐	☐	
Councilperson Louie Potetz	☐	☐	☐	
Councilperson Libby Simonson	☐	☐	☐	
Councilperson David Arnold	☐	☐	☐	

II. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

Public Comment is reserved for members of the public who would like to address the City Council regarding agenda and non-agenda items. Please be aware that, under Texas Law, the Council may not deliberate or take any action during Citizen's comments for items not on the agenda. In some situations, City Staff may be able to respond to the public comment with a factual statement or clarification. The City Council may have the item placed on a future agenda for action or refer the item to Management and Staff for study or conclusion.

III. REGULAR AGENDA

A. Regular Session

1. Council Action (ID # 3169)

Consider authorizing the City Manager to execute and file with the Securities and Exchange Commission a "Municipalities Continuing Disclosure Cooperation Initiative Questionnaire for Self-Reporting Entities" related to the City's Continuing Disclosure Requirements under SEC Rule 15c2-12.

- SEC Information (PDF)

IV. ADJOURNMENT

Motion To: Adjourn

I certify that the attached Notice of Meeting was posted on the bulletin board and in the Message Centers located on the east and west sides of the City Hall Administration Building, located at 1829 Sam Houston on the 20thth day of

November, 2014 at 3:00 p.m. This notice will remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting in accordance with Chapter 551 of the Texas Government Code.

Dianne Tidwell, City Secretary

NOTICE

In compliance with the Americans with Disabilities Act, the City of Liberty will provide reasonable accommodation for persons attending and/or participating in this Council Meeting. To better serve you, requests must be made at least 24 hours prior to the meeting. Contact the City at (936) 336-3684 or by Fax at (936) 336-9846. The building is wheelchair accessible, with parking available, on the west side of the building.

I certify that the attached Notice and Agenda of items to be considered by the City Council was removed by me from the bulletin board at the City Hall on the _____ day of _____, 2014.



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

3.A.1

Meeting: 11/25/14 12:00 PM

Department: Administration
Category: Financial Issues

COUNCIL ACTION (ID # 3169)

DOC ID: 3169



**U.S. SECURITIES AND EXCHANGE COMMISSION
DIVISION OF ENFORCEMENT**

**MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION INITIATIVE
QUESTIONNAIRE FOR SELF-REPORTING ENTITIES**

NOTE: The information being requested in this Questionnaire is subject to the Commission's routine uses. A list of those uses is contained in SEC Form 1662, which also contains other important information.

1. Please provide the official name of the entity that is self-reporting ("Self-Reporting Entity") pursuant to the MCDC Initiative along with contact information for the Self-Reporting Entity:

Individual Contact Name: Gary Broz

Individual Contact Title: City Manager

Individual Contact telephone: 936.336.3684

Individual Contact Fax number:

Individual Contact email address: gbroz@cityofliberty.org

Full Legal Name of Self-Reporting Entity: City of Liberty, Texas

Mailing Address (number and street): 1829 Sam Houston

Mailing Address (city): Liberty

Mailing Address (state): Texas

Mailing Address (zip): 77575

2. Please identify the municipal bond offering(s) (including name of Issuer and/or Obligor, date of offering and CUSIP number) with Official Statements that may contain a materially inaccurate certification on compliance regarding prior continuing disclosure obligations (for each additional offering, attach an additional sheet or separate schedule):

State: Texas

Full Name of Issuing Entity: City of Liberty, Texas

Full Legal Name of Obligor (if any):

Full Name of Security Issue: See Exhibit A

Initial Principal Amount of Bond Issuance: See Exhibit A

Date of Offering: See Exhibit A

Date of final Official Statement (format MMDDYYYY): See Exhibit A

Nine Character CUSIP number of last maturity: See Exhibit A

3. Please describe the role of the Self-Reporting Entity in connection with the municipal bond offerings identified in Item 2 above (select Issuer, Obligor or Underwriter):
- ☒ Issuer
 - ☐ Obligor
 - ☐ Underwriter
4. Please identify the lead underwriter, municipal advisor, bond counsel, underwriter's counsel and disclosure counsel, if any, and the primary contact person at each entity, for each offering identified in Item 2 above (attach additional sheets if necessary):
- Senior Managing Underwriting Firm: Southwest Securities, Inc.
 Primary Individual Contact at Underwriter: Mark McLiney
- Financial Advisor: RBC Capital Markets, LLC
 Primary Individual Contact at Financial Advisor: R. Dustin Traylor and Robert V. Henderson
- Bond Counsel Firm: McCall, Parkhurst & Horton, L.L.P.
 Primary Individual Contact at Bond Counsel: Thomas K. Spurgeon
- Law Firm Serving as Underwriter's Counsel: Bickerstaff Heath Delgado Acosta LLP
 Primary Individual Contact at Underwriter's Counsel: Thomas Pollan
- Law Firm Serving as Disclosure Counsel: N/A
 Primary Individual Contact at Disclosure Counsel: N/A
5. Please include any facts that the Self-Reporting Entity would like to provide to assist the staff of the Division of Enforcement in understanding the circumstances that may have led to the potentially inaccurate statements (attach additional sheets if necessary):
- See Exhibit B

On behalf of City of Liberty, Texas,
I hereby certify that the Self-Reporting Entity intends to consent to the applicable
settlement terms under the MCDC Initiative.

By: _____

Name of Duly Authorized Signer: Gary Broz

Title: City Manager

EXHIBIT A

**CITY OF LIBERTY, TEXAS
MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION INITIATIVE
QUESTIONNAIRE FOR SELF-REPORTING ENTITIES**

The Questionnaire covers three securities issued by the City of Liberty, Texas, which are further described below. This Exhibit A provides separate information required by Question 2 of the Questionnaire for each issue of securities.

(1) City of Liberty, Texas Combination Tax and Revenue Certificates of Obligation, Series 2010A*

Full Name of Security Issue:	City of Liberty, Texas Combination Tax and Revenue Certificates of Obligation, Series 2010A
Initial Principal Amount of Bond Issuance:	\$4,705,000
Date of Offering:	August 15, 2010
Date of final Official Statement (format MMDDYYYY):	08102010
Nine Character CUSIP number of last maturity:	531286 LD2

(2) City of Liberty, Texas General Obligation Refunding Bonds, Series 2010*

Full Name of Security Issue:	City of Liberty, Texas General Obligation Refunding Bonds, Series 2010
Initial Principal Amount of Bond Issuance:	\$3,115,000
Date of Offering:	August 15, 2010
Date of final Official Statement (format MMDDYYYY):	08102010
Nine Character CUSIP number of last maturity:	531286 LK6

(3) City of Liberty, Texas General Obligation Refunding Bonds, Series 2012

Full Name of Security Issue:	City of Liberty, Texas General Obligation Refunding Bonds, Series 2012
Initial Principal Amount of Bond Issuance:	\$2,695,000
Date of Offering:	October 15, 2012
Date of final Official Statement (format MMDDYYYY):	10232012
Nine Character CUSIP number of last maturity:	531286 MT6

*Issued under the same Official Statement (the "2010 Official Statement")

Attachment: SEC Information (3169 : SEC Disclosure)

EXHIBIT B

This Exhibit B provides separate information required by Question 5 of the Questionnaire for each issue of securities described in the Questionnaire.

2010 Official Statement

Language in the 2010 Official Statement (relating to the Series 2010A Certificates of Obligation and the Series 2010 General Obligation Refunding Bonds - collectively the "**2010 Obligations**") read as follows:

The filing of the required information for the Fiscal Year Ending September 30, 2008 was made on May 19, 2009. Additionally, the filing of the required information for the Fiscal Year Ending September 30, 2005 was made on August 6, 2010. The matters of noncompliance referenced herein were the result of inadvertence and not due to any conscious disregard for its duties and responsibilities. Procedures have now been implemented to assure future compliance and all filing since then have occurred in a timely fashion.

The Underwriter for 2010 Obligations notified the City by letter that, based on its review, the 2010 Official Statement "*incorrectly describes the FYE 2008 late filing and does not disclose that FYE 2006 and 2007 were also missing or late by 365-730 days, and operating data for FYE 2010 was 8 days late and not filed for other years.*"

The City timely filed its FYE 2006 audit with the Texas Municipal Advisory Council (the "**Texas SID**") on March 16, 2007 and timely filed its FYE 2007 audit with the Texas SID on March 18, 2008. The FYE 2008 audit was filed with the Texas SID on May 19, 2009, as correctly stated in the 2010 Official Statement. It appears that the FYE 2006, 2007 and 2008 audits inadvertently were not filed with the NRMSIRs. Additionally, the annual operating tables for FYE 2006 - 2008 inadvertently were not filed until such tables were filed with EMMA on March 31, 2010; however, the City believes that much of the information of the general type contained in those tables was included in its annual consolidated financial statements that were timely filed with the Texas SID for each of those years.

The Underwriter's reference to a filing eight days late for FYE 2010 is incorrect or in error for two reasons: (i) the 2010A Official Statement is dated August 10, 2010, which was prior to the City 2010 FYE, and no filings were due for FYE 2010 until March 31, 2011, and (ii) if the Underwriter meant to refer to FYE 2009, all original filings for FYE 2009 were made timely with EMMA on March 31, 2010.

The City has timely filed all audits and financial and operating tables with EMMA for all fiscal years ended since September 30, 2009.

2012 Official Statement

Language in the 2012 Official Statement (relating only to the Series 2012 General Obligation Refunding Bonds) read as follows:

The filing of the required information for the Fiscal Year Ending September 30, 2008 was made on May 19, 2009. The matters of noncompliance referenced herein were the result of inadvertence and not due to any conscious disregard for its duties and responsibilities. Procedures have now been implemented to assure future compliance and all filing since then have occurred in a timely fashion.

As noted above, the City timely filed its FYE 2006 audit with the Texas SID on March 16, 2007 and timely filed its FYE 2007 audit with the Texas SID on March 18, 2008. The FYE 2008 audit was filed with the Texas SID on May 19, 2009, as correctly stated in the 2012 Official Statement. It appears that the FYE 2006, 2007 and 2008 audits inadvertently were not filed with the NRMSIRs. Additionally, the annual operating tables for FYE 2006 - 2008 inadvertently were not filed until such tables were filed with EMMA on March 31, 2010; however, the City believes that much of the information of the general type contained in those tables was included in its annual consolidated financial statements that were timely filed with the Texas SID for each of those years.

The City has timely filed all audits and financial and operating tables with EMMA for all fiscal years ended since September 30, 2009.