

**COMMISSIONERS COURT AGENDA**  
**Tuesday, July 29, 2025**  
**9:30 a.m.**



*Striving for Excellence*

**COMMISSIONERS COURT**  
**Neal Franklin, County Judge**  
**Commissioner Christina Drewry, Precinct 1**  
**Commissioner John Moore, Precinct 2**  
**Commissioner J Scott Herod, Precinct 3**  
**Commissioner Ralph Caraway Sr, Precinct 4**



**COUNTY OF SMITH  
COMMISSIONERS COURT  
200 E. Ferguson, Suite 100  
Tyler, Texas 75702**

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Phone: (903) 590-4605

Fax: (903) 590-4615

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Pursuant to Chapter 551 of the Texas Government Code, this notice is to advise that a regular meeting of the **Smith County Commissioners Court** will be held at **9:30 a.m. on Tuesday, July 29, 2025**, in the **Smith County Commissioners Courtroom** on the 1st floor of the **Smith County Courthouse Annex**, 200 E. Ferguson, Tyler, Texas.

Questions regarding this agenda should be directed to Commissioners Court Administrative Assistant at 903-590-4605. The agenda is available on the County's website (<http://www.smith-county.com>).

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**CALL TO ORDER  
DECLARE A QUORUM PRESENT  
DECLARE LEGAL NOTICES POSTED AND COURT DULY CALLED  
INVOCATION  
PLEDGE OF ALLEGIANCE**

**PUBLIC COMMENT:** Members of the public who have previously filled out a participation form have an opportunity to address the Commissioners Court on agenda items. The Court is unable to deliberate on non-agenda items. If you desire to request a matter on a future agenda, you may make the request to a member of Commissioners Court. Individual comments are limited to a maximum of three (3) minutes. If you wish to address the Court, obtain a public participation form at the Commissioners Court entryway and submit the completed form to a staff member before the meeting begins. Please be mindful of the Commissioners Court Rules of Procedure, Conduct and Decorum when making your comments and/or attending public meetings.

## **OPEN SESSION:**

### ***PRESENTATIONS***

1. Presentation of employee recognition, longevity certificates, and service pins.
2. Receive update from Specialized Public Finance, Inc. on the financing plan for the issuance of bonds.

### ***COURT ORDERS***

#### **ROAD AND BRIDGE**

3. Consider and take necessary action to approve the Advance Funding Agreement and a Resolution requesting participation in the Texas Department of Transportation Waiver of Local Match Fund Participation Requirement on Federal Off-System Bridge Program, for the in-kind equivalent for the scheduled replacement of the bridge located at CR 363 at Simpson Creek and authorize the county judge to sign all related documentation.
4. Discuss ongoing utility installations in the county rights of way.

#### **FCIC**

5. Consider and take necessary action to approve an amendment to the lease agreement with Commercial Vehicle Leasing, L.L.C d/b/a D&M Commercial Leasing for a 2025 Chevrolet Tahoe in the amount of \$6,020.15 and authorized the county judge to sign all related documentation.

### ***RECURRING BUSINESS***

#### **ROAD AND BRIDGE**

6. Consider and take necessary action to authorize the county judge to sign the Final Plat for the Whiddon Addition, Precinct 3.

#### **AUDITOR'S OFFICE**

7. Consider and take necessary action to approve and/or ratify payment of accounts, bills, payroll, transfer of funds, amendments, and health claims.

### ***FY2026 BUDGET WORKSHOP***

8. Consider and discuss FY2026 recommended Budget.

**EXECUTIVE SESSION:** For purposes permitted by Texas Government Code, Chapter 551, entitled Open Meetings, Sections 551.071, 551.072, 551.073, 551.074, 551.0745, 551.075, and 551.076. The Commissioners Court reserves the right to exercise its discretion and may convene in executive session as authorized by the Texas Government Code, Section 551.071, et seq., on any of the items listed on its formal or briefing agendas.

**ADJOURN**

**SMITH COUNTY COURTHOUSE ANNEX ACCESSIBILITY STATEMENT FOR  
DISABLED PERSONS**

This meeting site is accessible to disabled persons as follows: Entrance to the Courthouse Annex is accessible through the front entrance on the south side of the Courthouse Annex located at 200 E. Ferguson. A wheelchair ramp provides access to the front entrance. The Commissioners Courtroom is on the first floor. If any special assistance or accommodations are needed in order to attend a Commissioners Court meeting, please contact Commissioners Court staff at 903-590-4605, in advance, so accommodations can be arranged.

Date: 7/25/2025

Time: 2:00 p

A handwritten signature in blue ink that reads "Neal Franklin".

NEAL FRANKLIN, COUNTY JUDGE

Posted By: Jennafer Bell

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# SMITH COUNTY COMMISSIONERS COURT

## AGENDA ITEM REQUEST FORM

Submission Date:	Submitted by: Esmeralda Corona
Meeting Date:	Department: Personnel
Item Requested is: <input type="checkbox"/> For Action/Consideration <input checked="" type="checkbox"/> For Discussion/Report	
Title: Personnel Service Recognition	
Agenda Category: <input type="radio"/> Briefing Session <input type="radio"/> Recurring Business <input type="radio"/> Court Orders <input type="radio"/> Resolution <input checked="" type="radio"/> Presentation <input type="radio"/> Executive Session	
Agenda Wording: Presentation of employee recognition, longevity certificates, and service pins.	
Background:	
Financial and Operational Impact:	
Attachments: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Is a Budget Amendment Necessary? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Does Document Require Signature? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Return Signed Documents to the following:	
Name:	Email:
Name:	Email:
Name:	Email:
Name:	Email:

Note: This is the only form required for agenda requests, with the exception of backup materials or attachments. This form should be completed and emailed to [Agenda@smith-county.com](mailto:Agenda@smith-county.com) and include any necessary attachments. **Deadline is Tuesday at 5:00pm a week before the next scheduled Commissioners Court meeting. Please make sure the requested agenda item has been proactively vetted with the appropriate reviewing individuals and obtained their signature as reviewed.** Regular Court Meetings are at 9:30am on Tuesdays each week.

**SUBMIT**

Office Use Only  
Agenda Item # \_\_\_\_\_

The following employees will be celebrating service milestones this month. Thank you for your service and dedication to the citizens of Smith County and congratulations on your milestones.

July 2025 :

Kelli White {Treasure's Office} 25 Yrs.

Shaneikwa Sanders {Juvenile Services} 20 Yrs.

Ralph Caraway Jr {Constable, Pct 1} 20 Yrs.

Justin Eakin {Sheriff's Office} 15 Yrs.

Melissa Wilgus {District Attorney's Office} 15 Yrs.

Xochilt Benitez {Sheriff's Office} 15 Yrs.

Robbie Williamson {Ag Dept} 10 Yrs.

Matthew Christian {Sheriff's Office} 10 Yrs. (Current) + (7 yrs. Prior Experience with Smith County Sheriff's Office) = 17 yrs. Total

Norman Halbrooks {Sheriff's Office} 10 Yrs. + (2 yrs. Prior Experience with the Sheriff's Office) = 12 yrs. Total

Christine Bird {Sheriff's Office} 5 Yrs.

Cody Wilks {Sheriff's Office} 5 Yrs.

Duane Rohde {Sheriff's Office} 5 Yrs.

If you would like to be recognized in Commissioners Court, we will have our recognitions on Tuesday, July 29, 2025 at 9:30 am. Please contact your supervisor or the HR office to make arrangements.

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**SMITH COUNTY COMMISSIONERS COURT  
AGENDA ITEM REQUEST FORM**

<b>Submission Date:</b> 7/23/2025	<b>Submitted by:</b> Jennafer Bell
<b>Meeting Date:</b> 7/29/2025	<b>Department:</b> Commissioners Court
<b>Item Requested is:</b> <input type="checkbox"/> For Action/Consideration <input checked="" type="checkbox"/> For Discussion/Report	
<b>Title:</b> Update from Specialized Public Finance, Inc.	
<b>Agenda Category:</b> <input type="radio"/> Briefing Session <input type="radio"/> Recurring Business <input type="radio"/> Court Orders <input type="radio"/> Resolution <input checked="" type="radio"/> Presentation <input type="radio"/> Executive Session	
<b>Agenda Wording:</b> Update from Specialized Public Finance, Inc. on the financing plan for the issuance of bonds.	
<b>Background:</b>	
<b>Financial and Operational Impact:</b>	
<b>Attachments:</b> Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>Is a Budget Amendment Necessary?</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Does Document Require Signature?</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<b>Return Signed Documents to the following:</b>	
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>

Note: This is the only form required for agenda requests, with the exception of backup materials or attachments. This form should be completed and emailed to [Agenda@smith-county.com](mailto:Agenda@smith-county.com) and include any necessary attachments. **Deadline is Wednesday at 5:00pm the week before the next scheduled Commissioners Court meeting. Please make sure the requested agenda item has been proactively vetted with the appropriate reviewing individuals and obtained their signature as reviewed.** Regular Court Meetings are at 9:30am on Tuesdays each week.

**SUBMIT**

Office Use Only  
Agenda Item # \_\_\_\_\_

**SMITH COUNTY, TEXAS**  
**\$20,000,000\* GENERAL OBLIGATION BONDS, SERIES 2025**

July							August							September						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5						1	2		1	2	3	4	5	6
6	7	8	9	10	11	12	3	4	5	6	7	8	9	7	8	9	10	11	12	13
13	14	15	16	17	18	19	10	11	12	13	14	15	16	14	15	16	17	18	19	20
20	21	22	23	24	25	26	17	18	19	20	21	22	23	21	22	23	24	25	26	27
27	28	29	30	31			24	25	26	27	28	29	30	28	29	30				
							31													

**FINANCING SCHEDULE**

*AS OF JUNE 16, 2025*

Date	Task
<b>Week of:</b> <b>Monday, July 14, 2025</b>	Specialized Public Finance Inc. ("SPFI") distributes the Preliminary Official Statement ("POS") for comments.  Request rating from Standard & Poor's Global Ratings ("S&P").
<b>Friday, July 25, 2025</b>	The final taxable assessed valuation is received from the appraisal district.
<b>Week of:</b> <b>Monday, July 28, 2025</b>	Rating call with S&P.
<b>Tuesday, July 29, 2025</b>	<b><u>Commissioners Court Meeting</u></b> – SPFI to update the Commissioners Court on the financing plan for the issuance of the Bonds. (9:30 a.m.)
<b>Friday, August 15, 2025</b>	The rating is received from S&P.
<b>Monday, August 18, 2025</b>	SPFI to post the POS.
<b>Monday, August 25, 2025</b>	<b><u>Bond Sale</u></b> - Bids are received from broker/dealers. Bids are tabulated and verified by SPFI. (1:30 p.m.)
<b>Tuesday, August 26, 2025</b>	<b><u>Commissioners Court Meeting - Award</u></b> - The Commissioners Court will consider the Order authorizing the issuance of the Bonds and awarding them to the winning bidder. (9:30 a.m.)
<b>Thursday, September 25, 2025</b>	<b><u>Closing</u></b> - Smith County receives the Bond proceeds and deposits it into the construction fund.

\*Preliminary, subject to change.



Denotes Commissioners Court Meeting Date



Denotes Closing Date



**SPECIALIZED PUBLIC FINANCE INC.**  
FINANCIAL ADVISORY SERVICES

**SMITH COUNTY, TEXAS  
GENERAL OBLIGATION BONDS, SERIES 2025  
DISTRIBUTION LIST**

**ISSUER**

Smith County  
200 E. Ferguson  
Suite 100  
Tyler, Texas 75702  
903-590-4600

Judge Neal Franklin  
903-590-4625  
[nfranklin@smith-county.com](mailto:nfranklin@smith-county.com)

Karin Smith  
Smith County Auditor  
[ksmith@smith-county.com](mailto:ksmith@smith-county.com)

Rachel McCord, Executive Assistant  
[RMcCord@smith-county.com](mailto:RMcCord@smith-county.com)

**FINANCIAL ADVISOR**

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Dallas, Texas 75206  
214-373-3911 Main

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214-608-2293 Mobile  
[steven@spfmuni.com](mailto:steven@spfmuni.com)

Paul Jasin, Managing Director  
214-288-7898 Mobile  
[paul@spfmuni.com](mailto:paul@spfmuni.com)

Patrick Smith, Managing Director  
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214-499-0412 Mobile  
[patrick@spfmuni.com](mailto:patrick@spfmuni.com)

William J. Smith, Director  
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[will@spfmuni.com](mailto:will@spfmuni.com)

Richard Knight, Analyst  
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806-346-5085 Mobile  
[richard@spfmuni.com](mailto:richard@spfmuni.com)

Donna Watson  
[donna@spfmuni.com](mailto:donna@spfmuni.com)

Kristin Merz  
[kristin@spfmuni.com](mailto:kristin@spfmuni.com)

**BOND COUNSEL**

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717 North Harwood, Suite 900  
Dallas, Texas 75201

Jeff Gulbas  
214-754-9260  
979-255-5635 Mobile  
[jgulbas@mphlegal.com](mailto:jgulbas@mphlegal.com)

Carol Polumbo  
512-478-3805  
[cpolumbo@mphlegal.com](mailto:cpolumbo@mphlegal.com)

Rebecca Waldrip  
[rwaldrip@mphlegal.com](mailto:rwaldrip@mphlegal.com)

**PURCHASER**

**PAYING AGENT**

ZB, National Association dba Amegy Bank  
Corporate Trust & Escrow Dept.  
1801 Main Street, Suite 460  
Houston, TX 77002  
844-527-2686 Fax

Ashley Hunt Reed  
713-232-1909  
[Ashley.Reed@amegybank.com](mailto:Ashley.Reed@amegybank.com)

Andrea Abbott  
713-232-6093 Phone  
832-524-4762 Mobile  
[andrea.abbott@amegybank.com](mailto:andrea.abbott@amegybank.com)

**RATING AGENCY**

S&P Global Ratings  
5430 LBJ Freeway, Ste. 800  
Dallas, TX 75240

**DISCLOSURE**

REFINITIV

Lisett Rodriguez  
512-947-2512  
[lisett.rodriguez@refinitiv.com](mailto:lisett.rodriguez@refinitiv.com)

**CUSIP**

CUSIP Service Bureau  
55 Water Street - 45th Floor  
New York, NY 10041  
212-438-6565  
[cusip\\_support@cusip.com](mailto:cusip_support@cusip.com)

**MUNICIPAL SECURITIES RULEMAKING BOARD**

1300 I Street NW, Suite 1000  
Washington, DC 20005  
202-838-1330  
[EMMAOnline@msrb.org](mailto:EMMAOnline@msrb.org)

**MUNICIPAL ADVISORY COUNCIL OF TEXAS**

600 W 8th St. Ste 200  
Austin, TX 78701  
Mailing:  
P.O. Box 2177  
Austin, TX 78768  
512-476-6947  
[BondDepartment@mactexas.com](mailto:BondDepartment@mactexas.com)

**ICE Data Services' Fixed Income:**

[Whenissued@theice.com](mailto:Whenissued@theice.com)  
[newcsni@bloomberg.net](mailto:newcsni@bloomberg.net)

**Distribution email:**

[nfranklin@smith-county.com](mailto:nfranklin@smith-county.com)  
[ksmith@smith-county.com](mailto:ksmith@smith-county.com)  
[RMcCord@smith-county.com](mailto:RMcCord@smith-county.com)  
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[paul@spfmuni.com](mailto:paul@spfmuni.com)  
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[will@spfmuni.com](mailto:will@spfmuni.com)  
[richard@spfmuni.com](mailto:richard@spfmuni.com)  
[donna@spfmuni.com](mailto:donna@spfmuni.com)  
[kristin@spfmuni.com](mailto:kristin@spfmuni.com)  
[jgulbas@mphlegal.com](mailto:jgulbas@mphlegal.com)  
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[rwaldrip@mphlegal.com](mailto:rwaldrip@mphlegal.com)  
[Ashley.Reed@amegybank.com](mailto:Ashley.Reed@amegybank.com)  
[andrea.abbott@amegybank.com](mailto:andrea.abbott@amegybank.com)  
[sam.krouse@spglobal.com](mailto:sam.krouse@spglobal.com)  
[calix.sholander@spglobal.com](mailto:calix.sholander@spglobal.com)  
[lisett.rodriguez@refinitiv.com](mailto:lisett.rodriguez@refinitiv.com)  
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[BondDepartment@mactexas.com](mailto:BondDepartment@mactexas.com)  
[Whenissued@theice.com](mailto:Whenissued@theice.com)  
[newcsni@bloomberg.net](mailto:newcsni@bloomberg.net)

**NOTICE OF SALE  
AND  
BIDDING INSTRUCTIONS  
ON**

**\$20,000,000\*  
SMITH COUNTY, TEXAS  
GENERAL OBLIGATION BONDS, SERIES 2025**

**Bids Due Monday, August 25, 2025 at 1:30 PM, Central Time**

**THE SALE**

**BONDS OFFERED FOR SALE AT COMPETITIVE BIDDING** . . . Smith County, Texas (the “County”), is offering for sale its \$20,000,000\* General Obligation Bonds, Series 2025 (the “Bonds”). Bids may be submitted by either of three alternative procedures: (i) written bids; (ii) electronic bids; or (iii) telephone bids. Prospective bidders may select one of the three alternative bidding procedures in their sole discretion. Neither the County nor its Financial Advisor, Specialized Public Finance Inc., assumes any responsibility or liability for a prospective bidding procedure.

The County and Specialized Public Finance Inc. assume no responsibility or liability with respect to any irregularities associated with the submission of electronic, telephone bids.

Specialized Public Finance Inc. will not be responsible for submitting any bids received after the deadline. For the purpose of determining compliance with any and all time deadlines set forth in this Official Notice of Sale, for all alternative bidding procedures, the official time shall be the time maintained only by the Parity Electronic Bid Submission System (“PARITY”).

**WRITTEN BIDS DELIVERED IN PERSON** . . . Signed bids, plainly marked “Bid for Bonds”, should be addressed to “County Judge and County Commissioners of Smith County, Texas,” and delivered to the County’s Financial Advisor, Specialized Public Finance Inc. at 4925 Greenville Avenue, Suite 1350, Dallas, Texas 75206 by 1:30 PM, Central Time on August 25, 2025 (the “date of the bid opening”). All bids must be submitted on the Official Bid Form, without alteration or interlineation.

**ELECTRONIC BIDDING PROCEDURE** . . . Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. Bidders must submit, by 1:30 PM on the date of the bid opening, SIGNED Official Bid Forms to Steven Adams, Specialized Public Finance Inc., 4925 Greenville Avenue, Suite 1350, Dallas, Texas 75206. Subscription to the i-Deal LLC’s BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The County will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in the Notice of Sale, and shall be binding upon the bidder as if made by a signed bid delivered to the County. The County shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of the Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about PARITY, including any fee charged, may be obtained from Parity Customer Support, 40 West 23rd Street, 5th Floor, New York, New York 10010, (212) 404-8102.

For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the County, as described under “Basis of Award” below. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale and the Official Bid Form.

**BIDS BY TELEPHONE** . . . Bidders must submit SIGNED Official Bid Forms to Steven Adams, Specialized Public Finance Inc., 4925 Greenville Avenue, Suite 1350, Dallas, Texas 75206, and submit their bid by telephone on the date of the bid opening.

Telephone bids will be accepted at (214) 373-3911, between 1:00 PM and 1:30 PM, Central Time on the date of the bid opening.

Specialized Public Finance Inc. will not be responsible for submitting any bids received after the above deadlines.

Specialized Public Finance Inc. assumes no responsibility or liability with respect to any irregularities associated with the submission of bids if telephone option is exercised.

**PLACE AND TIME OF BID OPENING** . . . The bids for the Bonds will be publicly opened and read in the office of the Financial Advisor at 1:30 PM, Central Time, Monday, August 25, 2025.

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\*See “CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS.” Preliminary, subject to change.

**AWARD OF THE BONDS** . . . The Commissioners Court will take action to award the Bonds (or reject all bids) at a meeting scheduled to convene at 9:30 AM, Central Time, on Tuesday, August 26, 2025. Upon awarding the Bonds, the County will also adopt the order authorizing the Bonds (the “Order”) and will approve the Official Statement, which will be a finalized form of the Preliminary Official Statement to include the terms of pricing. Sale of the Bonds will be made subject to the terms, conditions and provisions of the Order as described in the Preliminary Official Statement. The County reserves the right to reject any and all bids and to waive any and all irregularities, except time of filing.

**WITHDRAWAL OF THE BIDS** . . . Any bid may be withdrawn by an authorized representative of the bidder at any time prior to the time set for receipt of bids. Thereafter, all bids shall remain firm for ten hours after the time for receipt of the bids. The award of or rejection of bids will occur within this time period.

**EXTENSION OF SALE DATE** . . . The County reserves the right to extend the date and/or time for the receipt of bids by giving notice by Bond Buyer Wire Service, and by posting a notice at the place established for receipt of bids, not later than 3:00 PM, Central Time on Friday, August 22, 2025 of the new date and time of receipt of bids. Such notice shall be considered an amendment to this Official Notice of Sale.

## THE BONDS

**DESCRIPTION** . . . The Bonds will be dated August 15, 2025 (the “Dated Date”). Interest will accrue from the date of initial delivery of the Bonds and will be due on February 15, 2026, and each August 15 and February 15 thereafter until maturity. The Bonds will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity. The Bonds will mature on August 15 in each year as follows:

### MATURITY SCHEDULE\*

August 15 Maturity	Principal Amount	August 15 Maturity	Principal Amount
2026	\$ 320,000	2036	\$ 1,020,000
2027	***	2037	1,070,000
2028	745,000	2038	1,120,000
2029	775,000	2039	1,175,000
2030	810,000	2040	1,235,000
2031	840,000	2041	1,300,000
2032	875,000	2042	1,365,000
2033	910,000	2043	1,430,000
2034	945,000	2044	1,505,000
2035	980,000	2045	1,580,000

\*See “CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS.” Preliminary, subject to change.

**OPTIONAL REDEMPTION** . . . The County reserves the right, at its option, to redeem the Bonds having stated maturities on and after August 15, 2036, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, on August 15, 2035, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

**SERIAL BONDS AND/OR TERM BONDS** . . . Bidders may provide that all of the Bonds be issued as serial Bonds or may provide that any two or more consecutive annual principal amounts be combined into one or more term Bonds.

**BOOK-ENTRY-ONLY SYSTEM** . . . The County intends to utilize the book-entry-only system of The Depository Trust Company (“DTC”). See “THE BONDS – BOOK-ENTRY-ONLY SYSTEM” in the Official Statement.

**PAYING AGENT/REGISTRAR** . . . The initial Paying Agent/Registrar shall be Zions Bancorporation, National Association, dba Amegy Bank, Houston, Texas. See “THE BONDS – PAYING AGENT/REGISTRAR” in the Official Statement.

**SOURCE OF PAYMENT** . . . The Bonds are direct and voted obligations of the County payable from a continuing ad valorem tax levied on all taxable property within the County, legally unlimited as to rate or amount, as provided in the Bond Order

Further details regarding the Bonds are set forth in the Official Statement.

## CONDITIONS OF THE SALE

**TYPE OF BIDS AND INTEREST RATES** . . . The Bonds will be sold in one block on an “All or None” basis, and at a price of not less than 102% and not greater than 113%. Bidders are invited to name the rate(s) of interest to be borne by the Bonds, provided that each rate bid must be in a multiple of 1/8 of 1% or 1/100 of 1% and the net effective interest rate must not exceed 15%. For Bonds having stated maturities on and after August 15, 2035, no reoffering yield producing a dollar price less than 98.50 for any individual maturity will be accepted. The highest rate bid may not exceed the lowest rate bid by more than 2% in rate. The high bidder will be required to submit reoffering yields and dollar prices prior to award. No limitation is imposed upon bidders as to the number of rates or changes which may be used. All Bonds of one maturity must bear one and the same rate. No bids involving supplemental interest rates will be considered.

**ADVANCE MODIFICATION OF PRINCIPAL AMOUNTS** . . . The Maturity Schedule for the Bonds set forth above represents an estimate of the principal amount of Bonds to be sold. The County hereby reserves the right to change the Maturity Schedule, based on market conditions prior to the sale. In the event that the County elects to change the Maturity Schedule prior to the sale it will provide notice to potential bidders through Parity. Such notice shall be considered an amendment to this Notice of Sale and Bidding Instructions.

**POST BID MODIFICATION OF PRINCIPAL AMOUNTS** . . . After selecting the winning bid, the aggregate principal amount of the Bonds and the principal amortization schedule may be adjusted as determined by the County and its Financial Advisor in \$5,000 increments to reflect the actual interest rates and to create a substantially level debt service schedule for the County. Such adjustments will not change the aggregate principal amount of the Bonds by more than 15% from the amount set forth herein. The dollar amount bid for the Bonds by the winning bidder will be adjusted proportionately to reflect any increase or decrease in the aggregate principal amount of the Bonds finally determined to be issued. The County will use its best efforts to communicate to the winning bidder any such adjustment within four (4) hours after the opening of bids. Purchaser's compensation will be based upon the final par amount after any adjustment thereto, subsequent to the receipt and tabulation of the winning bid, within the aforementioned parameters.

In the event of any adjustment of the maturity schedule for the Bonds as described above, no rebidding or recalculation of the proposals submitted will be required or permitted. The bid price for such an adjustment will reflect changes in the dollar amount of par amount of the Bonds from the selling compensation that would have been received based on the purchase price in the winning bid and the initial reoffering terms. Any such adjustment of the aggregate principal amount of the Bonds and/or the maturity schedule for the Bonds made by the County or its Financial Advisor shall be subsequent to the award of the Bonds to the winning bidder as determined pursuant to “CONDITIONS OF THE SALE – BASIS OF AWARD” herein and shall not affect such determination. The winning bidder may not withdraw its bid as a result of any changes made within the aforementioned limits.

**BASIS FOR AWARD** . . . Subject to the County's right to reject any or all bids and to waive any irregularities except time of filing, the sale of the Bonds will be awarded to the bidder or syndicate account manager whose name first appears on the Official Bid Form (the “Bond Purchaser”) making a bid that conforms to the specifications herein and which produces the lowest True Interest Cost rate to the County. The True Interest Cost rate is that rate which, when used to compute the total present value as of the date of initial delivery of all debt service payments on the Bonds on the basis of semiannual compounding, produces an amount equal to the sum of the par value of the Bonds. In the event of a bidder's error in interest cost rate calculations, the interest rates and premium, if any, set forth in the Official Bid Form will be considered as the intended bid.

In order to provide the County with information required to be submitted to the Texas Bond Review Board pursuant to Section 1202.008, Texas Government Code, as amended, the Bond Purchaser will be required to provide the County with a breakdown of its “underwriting spread” among the following categories: Takedown, Management Fee (if any), Legal Counsel Fee (if any) and Spread Expenses (if any).

**ESTABLISHING THE ISSUE PRICE FOR THE BONDS** . . . The County intends to rely on Treasury Regulation section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of municipal bonds), which require, among other things, that the County receives bids from **at least three underwriters** of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (**the “Competitive Sale Requirement”**).

In the event that the bidding process does not satisfy the Competitive Sale Requirement, Bids **will not be subject to cancellation** and the winning bidder (i) agrees to promptly report to the County the first prices at which at least 10% of each maturity of the Bonds (**the “First Price Maturity”**) have been sold to the Public on the Sale Date (**the “10% Test”**) (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test) and (ii) agrees to hold-the-offering-price of each maturity of the Bonds that does not satisfy the 10% Test (**“Hold-the-Price Maturity”**), as described below.

In order to provide the County with information that enables it to comply with the establishment of the issue price of the Bonds under the Internal Revenue Code of 1986, as amended, the winning bidder agrees to complete, execute, and timely deliver to the County or to the County's bond counsel the appropriate certification as to the Bonds' “issue price” (the “Issue Price Certificate”) substantially in the form and to the effect attached hereto or accompanying this Notice of Sale and Bidding Instructions, at least 5 business days before the Closing Date if the Competitive Sale Requirement is satisfied or within 5 business days of the date on which the 10% Test is satisfied with respect to all of the First Price Maturities. In the event the winning bidder will not reoffer any

maturity of the Bonds for sale to the Public (as defined herein) by the Closing Date, the Issue Price Certificate may be modified in a manner approved by the County. It will be the responsibility of the winning bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain such facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel (identified in the Preliminary Official Statement).

For purposes of this section of this Notice of Sale and Bidding Instructions:

(i) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party,

(ii) “Underwriter” means (A) any person that agrees pursuant to a written contract with the County (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public),

(iii) “Related Party” means any two or more persons (including an individual, trust, estate, partnership, association, company, or corporation) that are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “Sale Date” means the date that the Bonds are awarded by the County to the winning bidder.

All actions to be taken by the County under this Notice of Sale and Bidding Instructions to establish the issue price of the Bonds may be taken on behalf of the County by the County’s Financial Advisor, and any notice or report to be provided to the County may be provided to the County’s Financial Advisor.

The County will consider any bid submitted pursuant to this Notice of Sale and Bidding Instructions to be a firm offer for the purchase of the Bonds, as specified in the bid and, if so stated, in the Official Bid Form.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public, if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wire.

By submitting a bid, the winning bidder agrees, on behalf of each Underwriter participating in the purchase of the Bonds, that each Underwriter will neither offer nor sell any Hold-the-Price Maturity to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of (1) the close of the fifth (5th) business day after the Sale Date; or (2) the date on which the Underwriters have sold at least 10% of that Hold-the-Price Maturity to the Public at a price that is no higher than the initial offering price to the Public. The winning bidder shall promptly advise the County when the Underwriters have sold 10% of a Hold-the-Price Maturity to the Public at a price that is no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

**PROVISION OF TEXAS ETHICS COMMISSION FORM 1295 (“TEC FORM 1295”)** . . . In accordance with Texas Government Code Section 2252.908 (the “Interested Party Disclosure Act”), the County may not award the Bonds to a bidder unless the winning bidder either:

(i) submits a Certificate of Interested Parties Form 1295 (the “TEC Form 1295”) to the County as prescribed by the Texas Ethics Commission (“TEC”), or

(ii) certifies in the Official Bid Form that it is exempt from filing the TEC Form 1295 by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.



In the event that the bidder's bid for the Bonds is the best bid received, the County, acting through its financial advisor, will promptly notify the winning bidder. That notification will serve as the County's conditional verbal acceptance of the bid, and, unless the bidder is exempt from filing a TEC Form 1295, such notification will obligate the winning bidder to promptly file a completed TEC Form 1295, as described below, in order to allow the County to complete the award. The County reserves the right to reject any bid that does not comply with the requirements prescribed herein.

For purposes of completing the TEC Form 1295, box 2 is name of the governmental entity (*Smith County, Texas*) and box 3 is the identification number assigned to this contract by the County (**Smith Co Bonds 2025**) and description of the goods or services (*Purchase of the Smith County Bonds, Series 2025*). **The Interested Party Disclosure Act and the rules adopted by the TEC with respect thereto (the "Disclosure Rules") require certain business entities contracting with the County to complete the TEC Form 1295 electronically at <https://www.ethics.state.tx.us/main/file.htm>, print, complete the unsworn declaration, sign, and deliver, in physical form, the certified TEC Form 1295 that is generated by the TEC's "electronic portal" to the County. The completed and signed TEC Form 1295 must be sent by email, to the County's financial advisor at [steven@spfmuni.com](mailto:steven@spfmuni.com), as soon as possible following the notification of conditional verbal acceptance and prior to the final written award.** Upon receipt of the final written award, the winning bidder must submit the TEC Form 1295 with original signatures by email to Bond Counsel as follows: [jgulbas@mphlegal.com](mailto:jgulbas@mphlegal.com).

To the extent that the bidder is not exempt from filing a TEC Form 1295 and therefor makes such filing with the County, the Interested Party Disclosure Act and the TEC 1295 provide that such declaration is made "under oath and under penalty of perjury." Consequently, a bidder should take appropriate steps prior to completion of the TEC Form 1295 to familiarize itself with the Interested Party Disclosure Act, the Disclosure Rules and the TEC Form 1295. **Time will be of the essence in submitting the form to the County, and no final award will be made by the County regarding the sale of the Bonds until a completed TEC Form 1295 is received. The County reserves the right to reject any bid that does not satisfy the requirement of a completed TEC Form 1295, as described herein.** Neither the County nor its consultants have the ability to verify the information included in a TEC Form 1295, and neither party has an obligation nor undertakes responsibility for advising any bidder with respect to the proper completion of the TEC Form 1295. Consequently, an entity intending to bid on the Bonds should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the County that its bid is the conditional winning bid. Instructional videos on logging in and creating a certificate are provided on the TEC's website at [https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm).

**COMPLIANCE WITH LAW PROHIBITING CONTRACTS WITH COMPANIES THAT BOYCOTT ISRAEL AND CERTAIN COMPANIES ENGAGED IN BUSINESS WITH IRAN, SUDAN OR FOREIGN TERRORIST ORGANIZATIONS** . . . Pursuant to Chapter 2270, Texas Government Code, the County will not award the Bonds to a bidder unless the bidder verifies that, at the time of execution and delivery of its bid to the date of the delivery of the Bonds, neither the bidder nor any syndicate member listed on the Official Bid Form, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, boycotts or will boycott Israel during the term of the agreement set forth in the Official Statement. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended. Such verification is included in the Official Bid Form attached to this Notice of Sale. Further, by submission of a bid, and as a condition of the award and delivery of the Bonds, the bidder must represent that, pursuant to Section 2252.152 of the Texas Government Code, neither the bidder, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the bidder (i) engages in business with Iran, Sudan, or foreign terrorist organization as defined in Section 2252.151(2), Texas Government Code or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201 or 2252.153 of the Texas Government Code. At the request of the County, the bidder agrees to execute further written certification as may be necessary or convenient for the County to establish compliance with these laws.

**VERIFICATION REGARDING ENERGY COMPANY BOYCOTTS** . . . Pursuant to Chapter 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the County will not award the Bonds to a bidder unless the bidder verifies in the Official Bid Form, for the purposes of such chapter, that at the time of execution and delivery of its bid and to the date of delivery of the Bonds, neither the winning bidder, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the winning bidder boycotts energy companies or will boycott energy companies. The terms "boycotts energy companies" and "boycott energy companies" as used in this paragraph have the meaning assigned to the term "boycott energy company" in Section 809.001 of the Texas Government Code, as amended.

**VERIFICATION REGARDING DISCRIMINATION AGAINST FIREARM ENTITY OR TRADE ASSOCIATION** . . . Pursuant to Chapter 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the County will not award the Bonds to a bidder unless the bidder verifies in the Official Bid Form, for the purposes of such chapter, that at the time of execution and delivery of its bid and to the date of delivery of the Bonds, neither the winning bidder, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the winning bidder discriminates against a firearm entity or firearm trade association. The term "discriminates against a firearm entity or firearm trade association" as used in this paragraph has the meaning assigned to the term "discriminate against a firearm entity or firearm trade association" in Section 2274.001 of the Texas Government Code, as amended. The bidder understands "affiliate" as used in the prior three paragraphs to mean any entity that controls, is controlled by, or is under common control with, the bidder and exists to make a profit.

**IMPACT OF BIDDING SYNDICATE ON AWARD** . . . For purposes of contracting for the sale of the Bonds, the entity signing the bid form as Purchaser shall be solely responsible for the payment of the purchase price of the Bonds. The Purchaser may serve as a syndicate manager and contract under a separate agreement with other syndicate members. However, the County is not a party to that agreement and any information provided regarding syndicate managers would be for informational purposes only.

**GOOD FAITH DEPOSIT** . . . The winning bidder will be required to provide a deposit in the amount of \$400,000 to the County as bid security by 5:00 p.m. Central Time on August 25, 2025. The bid security may be provided to the County (i) via wire transfer (the County or its financial advisor, Specialized Public Finance Inc., will provide wire instructions to the winning bidder), or (ii) in the form of a certified or cashier's check made payable to the order of County in the amount of the deposit set forth above. The wire option will be retained by the County and: (a) will be applied, without allowance for interest, against the purchase price when the Bonds are delivered to and paid for by such winning bidder or (b) will be retained by the County as liquidated damages if the winning bidder defaults with respect to the terms of its bid or if it is determined after the acceptance of its bid by the County that the Purchaser was found not to satisfy the requirements described below under STANDING LETTER REQUIREMENT and as a result the Texas Attorney General will not deliver its approving opinion of the Bonds or (c) will be returned to the winning bidder if the Bonds are not issued by the County for any reason which does not constitute a default by the winning bidder. If the check option is utilized, the check will be (a) returned uncashed to the winning bidder when the Bonds are delivered to and paid for by such winning bidder, (b) cashed by the County as liquidated damages if the winning bidder defaults with respect to the terms of its bid or (c) returned uncashed to the winning bidder if the Bonds are not issued by the County for any reason which does not constitute a default by the winning bidder.

**STANDING LETTER REQUIREMENT** . . . The bidder must have a standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General's Office as required by the All Bond Counsel Letter of the Texas Attorney General dated September 22, 2021 (the "All Bond Counsel Letter"). In submitting a bid, the bidder represents to the County that it has filed a standing letter that conforms to the requirements set forth in the All Bond Counsel Letter and it has no reason to believe that the County may not be entitled to rely on the standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General's Office. Bidder agrees that it will not rescind its standing letter at any time before the delivery of the Certificates unless same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter.

The County reserves the right, in its sole discretion, to reject any bid from a bidder that does not have such standing letter on file as of the deadline for bids for the Bonds. If requested by the County, the Purchaser agrees to provide such further representations, certifications or assurances regarding the matters described under the heading VERIFICATION PURSUANT TO CHAPTER 2274 OF THE TEXAS GOVERNMENT CODE, as of the date of delivery of the Bonds or such other date requested by the County.

In addition, the County reserves the right, in its sole and absolute discretion, to reject any bid from a bidder if the County has any belief or doubt, whether or not reasonable, that the bidder is under an active, pending or unresolved inquiry from the State of Texas as to the ability of the bidder to satisfy the representations and verifications required to be a standing letter.

FURTHER STATE LAW COMPLIANCE: IN ADDITION TO THE FOREGOING, THE BIDDER HEREBY REPRESENTS, BY SUBMISSION OF A BID, NEITHER IT NOR ITS PARENT COMPANY, SUBSIDIARIES OR AFFILIATES HAS RECEIVED A LETTER OR OTHER INQUIRY FROM THE TEXAS COMPTROLLER RELATED TO ITS INCLUSION ON ANY LIST OF FINANCIAL COMPANIES BOYCOTTING ENERGY COMPANIES.

BY SUBMITTING A BID, BIDDER AGREES, THAT SHOULD IT BE THE WINNING BIDDER, BIDDER SHALL TAKE ANY ACTION NECESSARY TO FURTHER VERIFY AND CONFIRM COMPLIANCE WITH STATE LAW. IF THE TEXAS ATTORNEY GENERAL REQUIRES ADDITIONAL DOCUMENTATION IN ORDER TO RELEASE ITS OPINION, IT IS THE BIDDER'S SOLE RESPONSIBILITY TO SATISFY ALL REQUESTS OF THE TEXAS ATTORNEY GENERAL. THE COUNTY HAS NO DUTY OR RESPONSIBILITY TO ASSIST THE BIDDER IN SATISFYING THESE REQUIREMENTS. BY SUBMITTING A BID, THE BIDDER UNDERSTANDS AND AGREES THAT THE CITY HAS THE SOLE DISCRETION TO KEEP THE BIDDER'S GOOD FAITH DEPOSIT IF THE BIDDER FAILS TO SATISFY THE OFFICE OF THE TEXAS ATTORNEY GENERAL AS TO THE REPRESENTATIONS DESCRIBED HEREIN.

By submitting a bid, each bidder agrees, should it be the winning bidder, to cooperate with the County and take any action necessary to further verify and confirm compliance with state law.

#### **DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS**

**CUSIP NUMBERS** . . . It is anticipated that CUSIP identification numbers will appear on the Bonds, but neither the failure to print or type such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Bond Purchaser to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Sale and Bidding Instructions and the terms of the Official Bid Form. The Financial Advisor will obtain CUSIP identification numbers from the CUSIP Service Bureau, New York, New York prior to the date of sale. CUSIP identification numbers will be made available to the Bond Purchaser at the time the Bonds are awarded or as soon thereafter as practicable. All expenses in relation to the assignment, printing or typing of CUSIP numbers on the Bonds shall be paid by the County.

**DELIVERY OF BONDS** . . . Delivery will be accomplished by the issuance of one Initial Bond (also called the “Bond” or “Bonds”), either in typed or printed form, in the aggregate principal amount of \$20,000,000\*, payable in stated installments to the Bond Purchaser, signed by the County Judge, County Treasurer and County Clerk, approved by the Attorney General of Texas, and registered and manually signed by the Texas Comptroller of Public Accounts. Upon delivery of the Initial Bond, it shall be immediately cancelled and one definitive Bond for each maturity will be registered and delivered only to Cede & Co., and deposited with DTC in connection with DTC’s book-entry-only system. Delivery will be at a principal office of the Paying Agent/Registrar. Payment for the Bonds must be made in immediately available funds for unconditional credit to the County, or as otherwise directed by the County. The Bond Purchaser will be given six business days’ notice of the time fixed for delivery of the Bonds. It is anticipated that delivery of the Bonds can be made on or about September 25, 2025, and it is understood and agreed that the Bond Purchaser will accept delivery and make payment for the Bonds by 10:00 AM, Central Time, on September 25, 2025, or thereafter on the date the Bond is tendered for delivery, up to and including October 9, 2025. If for any reason the County is unable to make delivery on or before October 9, 2025, the County shall immediately contact the Bond Purchaser and offer to allow the Bond Purchaser to extend its offer for an additional thirty days. If the Bond Purchaser does not elect to extend its offer within six days thereafter, then its Good Faith Deposit will be returned, and both the County and the Bond Purchaser shall be relieved of any further obligation. In no event shall the County be liable for any damages by reason of its failure to deliver the Bonds, provided such failure is due to circumstances beyond the County’s reasonable control.

**CONDITIONS TO DELIVERY** . . . The obligation of the Bond Purchaser to take up and pay for the Bonds is subject to the Bond Purchaser’s receipt of (a) the legal opinion of McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel for the County (“Bond Counsel”) and (b) the no-litigation certificate, all as further described in the Official Statement. In order to provide the County with information required to enable it to comply with certain conditions of the Internal Revenue Code of 1986 relating to the exemption of interest on the Bonds from the gross income of their owners, the Bond Purchaser will be required to complete, execute, and deliver to the County (no later than the close of business on the business day following the award of the bid) a certification as to their “issue price” substantially in the form and to the effect attached hereto or accompanying this Notice of Sale and Bidding Instructions. In the event the successful bidder will not reoffer the Bonds for sale, such certificate may be modified in a manner approved by the County. In no event will the County fail to deliver the Bonds as a result of the Bond Purchaser’s inability to sell a substantial amount of the Bonds at a particular price prior to delivery. Each bidder, by submitting its bid, agrees to complete, execute, and deliver such a certificate not later than the close of business on the business day following the award of the bid, if its bid is accepted by the County. It will be the responsibility of the Bond Purchaser to institute such syndicate reporting requirements to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel.

**LEGAL OPINION** . . . The Bonds are offered when, as and if issued, subject to the approval of the Attorney General of the State of Texas. Delivery of and payment for the Bonds is subject to the receipt by the Bond Purchaser of opinions of Bond Counsel, to the effect that the Bonds are valid and binding obligations of the County (except as the enforceability may be limited by governmental immunity, bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws now or hereafter enacted relating to creditors’ rights generally or by principles of equity which permit the exercise of judicial discretion) and that the interest on the Bonds will be excludable from gross income for federal income tax purposes under existing law, subject to the matters described under “TAX MATTERS” in the Official Statement.

**NO MATERIAL ADVERSE CHANGE** . . . The obligations of the County to deliver the Bonds and of the Bond Purchaser to accept delivery of and pay for the Bonds are subject to the condition that at the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the condition of the County from those set forth in or contemplated by the “Preliminary Official Statement” as it may have been supplemented or amended through the date of sale.

**NO-LITIGATION CERTIFICATE** . . . On the date of delivery of the Bonds to the Bond Purchaser, the County will deliver to the Bond Purchaser a certificate, as of the same date, to the effect that to the best of the County’s knowledge no litigation of any nature is pending or, to the best of the certifying officials’ knowledge or belief, threatened against the County, contesting or affecting the Bonds; restraining or enjoining the authorization, execution, or delivery of the Bonds; affecting the provision made for the payment of or security for the Bonds; in any manner questioning the authority or proceedings for the issuance, execution or delivery of the Bonds; or affecting the validity of the Bonds or the title of the present officials of the County.

## **GENERAL**

**FINANCIAL ADVISOR** . . . Specialized Public Finance Inc. is employed as Financial Advisor to the County in connection with the issuance of the Bonds. The Financial Advisor’s fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. Specialized Public Finance Inc., in its capacity as Financial Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

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\*See “CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS.” Preliminary, subject to change.

**BLUE SKY LAWS** . . . By submission of its bid, the Bond Purchaser represents that the sale of the Bonds in states other than Texas will be made only pursuant to exemptions from registration or, where necessary, the Bond Purchaser will register the Bonds in accordance with the securities law of the states in which the Bonds are offered or sold. The County agrees to cooperate with the Bond Purchaser, at the Bond Purchaser's written request and expense, in registering the Bonds or obtaining an exemption from registration in any state where such action is necessary, provided, however, that the County shall not be obligated to execute a general or special consent to service of process in any such jurisdiction.

**NOT AN OFFER TO SELL** . . . This Notice of Sale and Bidding Instructions does not alone constitute an offer to sell the Bonds, but is merely notice of the sale of the Bonds. The offer to sell the Bonds is being made by means of the Notice of Sale and Bidding Instructions, the Official Bid Form and the Official Statement. Prospective purchasers are urged to carefully examine the Official Statement to determine the investment quality of the Bonds.

**ISSUANCE OF ADDITIONAL DEBT** . . . The County does not anticipate the issuance of additional general obligation debt within the next twelve months.

**RATING** . . . The Bonds are rated "\_\_\_\_" by S&P Global Ratings ("S&P"). The outstanding uninsured general obligation debt of the County is rated "AA+" by S&P and "Aa1" by Moody's Investors Service ("Moody's"). No application has been made to Moody's for a rating on the Bonds.

**THE OFFICIAL STATEMENT AND COMPLIANCE WITH SEC RULE 15C2-12** . . . The County has prepared the accompanying Official Statement and, for the limited purpose of complying with SEC Rule 15c2-12, deems such Official Statement to be final as of its date within the meaning of such Rule for the purpose of review prior to bidding. To the best knowledge and belief of the County, the Official Statement contains information, including financial information or operating data, concerning every entity, enterprise, fund, account, or person that is material to an evaluation of the offering of the Bonds. Representations made and to be made by the County concerning the absence of material misstatements and omissions in the Official Statement are addressed elsewhere in this Notice of Sale and Bidding Instructions and in the Official Statement.

The County will furnish to the Bond Purchaser, acting through a designated senior representative, in accordance with instructions received from the Bond Purchaser, within seven (7) business days from the sale date copies of the Official Statement reflecting interest rates and other terms relating to the initial reoffering of the Bonds. The cost of any Official Statement in excess of the number specified shall be prepared and distributed at the cost of the Bond Purchaser. The Bond Purchaser shall be responsible for providing in writing the initial reoffering prices and other terms, if any, to the Financial Advisor by the close of the next business day after the award. Except as noted above, the County assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement in connection with the offering or reoffering of the subject securities.

**CONTINUING DISCLOSURE AGREEMENT** . . . The County will agree in the Order to provide certain periodic information and notices of specified events in accordance with Securities and Exchange Commission Rule 15c2-12, as described in the Official Statement under "CONTINUING DISCLOSURE OF INFORMATION". The Bond Purchaser's obligation to accept and pay for the Bonds is conditioned upon delivery to the Bond Purchaser or its agent of a certified copy of the Order containing the agreement described under such heading.

**COMPLIANCE WITH PRIOR UNDERTAKINGS** . . . During the last five years, the County has complied in all material respects with all continuing disclosure agreements made by it in accordance with SEC Rule 15c2-12.

The County has approved the form and content of the Notice of Sale and Bidding Instructions, the Official Bid Form and Official Statement, and authorized the use thereof in its initial offering of the Bonds. On the date of the sale, the Commissioners Court will, in the Order authorizing the issuance of the Bonds, confirm its approval of the form and content of the Official Statement, and any addenda, supplement or amendment thereto, and authorize its use in the reoffering of the Bonds by the Bond Purchaser.

/s/ \_\_\_\_\_ Judge Neal Franklin  
County Judge  
Smith County, Texas

ATTEST:

/s/ \_\_\_\_\_ Karen Phillips  
County Clerk  
Smith County, Texas

August 18, 2025

## OFFICIAL BID FORM

County Judge and County Commissioners  
Smith County, Texas  
200 E. Ferguson, Suite 100  
Tyler, Texas 75702

August 25, 2025

Members of the County Commissioners Court:

Reference is made to your Official Statement and Notice of Sale and Bidding Instructions, dated August 18, 2025, of \$20,000,000\* SMITH COUNTY, TEXAS GENERAL OBLIGATION BONDS, SERIES 2025, both of which constitute a part hereof.

For your legally issued Bonds, in the aggregate principal amount of \$20,000,000\*, we will pay you a price of \$ \_\_\_\_\_, representing approximately \_\_\_\_\_ % of the par value. Such Bonds mature August 15, in each of the years and in the amounts and interest rates shown below:

Maturity	Principal Amount*	Interest Rate	Maturity	Principal Amount*	Interest Rate
8/15/2026	\$ 320,000		8/15/2036	\$ 1,020,000	
8/15/2027	***		8/15/2037	1,070,000	
8/15/2028	745,000		8/15/2038	1,120,000	
8/15/2029	775,000		8/15/2039	1,175,000	
8/15/2030	810,000		8/15/2040	1,235,000	
8/15/2031	840,000		8/15/2041	1,300,000	
8/15/2032	875,000		8/15/2042	1,365,000	
8/15/2033	910,000		8/15/2043	1,430,000	
8/15/2034	945,000		8/15/2044	1,505,000	
8/15/2035	980,000		8/15/2045	1,580,000	

Of the principal maturities set forth in the table above, term bonds have been created as indicated in the following table (which may include multiple term bonds, one term bond or no term bond if none is indicated). For those years which have been combined into term bonds, the principal amount shown in the table above shall be the mandatory sinking fund redemption amounts in such years except that the amount shown in the year of the term bond maturity date shall mature in such year. The term bonds created are as follows:

Term Bonds Maturing August 15	Year of First Mandatory Redemption	Principal Amount	Interest Rate
		\$	%
		\$	%
		\$	%
		\$	%

Our calculation (which is not a part of this bid) of the interest cost from the above is:

TRUE INTEREST COST \_\_\_\_\_ %

\*See "CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS." Preliminary, subject to change.

The Initial Bond shall be registered in the name of \_\_\_\_\_, which will, upon payment for the Bonds, be cancelled by the Paying Agent/Registrar. The Bonds will then be registered in the name of Cede & Co. (DTC's partnership nominee), under the book-entry-only system.

A wire transfer or a cashiers or certified check to the County in the amount of \$400,000 will be made available in accordance with the Notice of Sale made a part hereof. Should we fail or refuse to make payment for the Bonds in accordance with the terms and conditions set forth in the Notice of Sale, the proceeds of this deposit shall be retained by the County as complete liquidated damages against us. Please check the box below to designate your Good Faith Deposit option.

We agree to accept delivery of the Bonds utilizing the book-entry-only system through DTC and make payment for the Initial Bond in immediately available funds in the Corporate Trust Division, Zions Bancorporation, National Association, dba Amegy Bank, Houston, Texas, not later than 10:00 AM, Central Time, on September 25, 2025, or thereafter on the date the Bonds are tendered for delivery, pursuant to the terms set forth in the Notice of Sale and Bidding Instructions. It will be the obligation of the purchaser of the Bonds to complete the DTC Eligibility Questionnaire.

The undersigned agrees to complete, execute, and deliver to the County, not later than the close of business on the business day following the award of the sale of the Bonds, a certificate relating to the "issue price" of the Bonds in the form and to the effect accompanying the Notice of Sale and Bidding Instructions, with such changes thereto as may be acceptable to the County.

**No Boycott of Israel Verification.** The Purchaser verifies, for purposes of Chapter 2271 of the Texas Government Code, as amended, that, at the time of execution and delivery of this bid and to the date of delivery of the Bonds, neither the Purchaser, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Purchaser, boycotts or will boycott Israel. The terms "company", "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended. The bidder understands "affiliate" to mean an entity that controls or is controlled by, or is under common control with, the bidder and exists to make a profit.

**Verification Regarding Foreign Terrorist Organizations.** The Purchaser 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, as amended, and posted on any of the following pages of such officer's Internet website: <https://comptroller.texas.gov/purchasing/docs/sudanlist.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/ftolist.pdf>.

The Purchaser understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with, the Purchaser and exists to make a profit.

**No Boycott of Energy Companies.** The bidder hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, does not boycott energy companies as of the date of delivery of this bid, and will not boycott energy companies through the date of initial delivery of the Bonds. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended. As used in the foregoing verification, "boycott energy companies" means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company: (a) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (b) does business with a company described by (a). The bidder understands "affiliate" to mean an entity that controls or is controlled by, or is under common control with, the bidder and exists to make a profit. **The bidder understands that in connection with its review of the Bonds, the Office of the Texas Attorney General make require documentation from the bidder to substantiate this verification and such documentation may include requiring the bidder to provide a written legal opinion or comfort letter.**

**No Discrimination Against Firearm Entities or Firearm Trade Associations.** The bidder hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, as of the date of delivery of this bid does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, and through the date of initial delivery of the Bonds will not discriminate against a firearm entity or firearm trade association. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended. As used in the foregoing verification, the terms "discriminates against a firearm entity or firearm trade association" and "discriminate against a firearm entity or firearm trade association" mean: (i) to refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; but does not include a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (i) to comply with federal, state or local law, policy, or regulations or a directive by a regulatory agency, or (ii) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association. The bidder understands "affiliate" to mean an entity that controls or is controlled by, or is under common control with, the bidder and exists to make a profit. **The bidder understands that in connection with its review of the Bonds, the Office of the Texas**

**Attorney General make require documentation from the bidder to substantiate this verification and such documentation may include requiring the bidder to provide a written legal opinion or comfort letter.**

**Further State Law Compliance: IN ADDITION TO THE FOREGOING, THE BIDDER HEREBY REPRESENTS, BY SUBMISSION OF A BID, THAT NEITHER IT NOR ITS PARENT COMPANY, SUBSIDIARIES OR AFFILIATES HAS RECEIVED A LETTER FROM THE TEXAS COMPTROLLER RELATED TO ITS INCLUSION ON ANY LIST OF FINANCIAL COMPANIES BOYCOTTING ENERGY COMPANIES. BY SUBMITTING A BID, BIDDER AGREES, THAT SHOULD IT BE THE WINNING BIDDER, BIDDER SHALL TAKE ANY ACTION NECESSARY TO FURTHER VERIFY AND CONFIRM COMPLIANCE WITH STATE LAW. IF THE TEXAS ATTORNEY GENERAL REQUIRES ADDITIONAL DOCUMENTATION IN ORDER TO RELEASE ITS OPINION, IT IS THE BIDDER'S SOLE RESPONSIBILITY TO SATISFY ALL REQUESTS OF THE TEXAS ATTORNEY GENERAL. THE COUNTY HAS NO DUTY OR RESPONSIBILITY TO ASSIST THE BIDDER IN SATISFYING THESE REQUIREMENTS. BY SUBMITTING A BID, THE BIDDER UNDERSTANDS AND AGREES THAT THE COUNTY HAS THE SOLE DISCRETION TO KEEP THE BIDDER'S GOOD FAITH DEPOSIT IF THE BIDDER FAILS TO SATISFY THE OFFICE OF THE TEXAS ATTORNEY GENERAL AS TO THE REPRESENTATIONS DESCRIBED HEREIN.**

Notwithstanding anything contained herein, the representations and covenants contained herein regarding "No Boycott of Israel Verification", "Verification Regarding Foreign Terrorist Organizations", "No Boycott of Energy Companies" and "No Discrimination Against Firearm Entities or Firearm Trade Associations" shall survive termination of this agreement until the statute of limitations has run.

The undersigned agrees to complete, execute, and deliver to the County, at least five business days prior to delivery of the Bonds, a certificate relating to the "issue price" of the Bonds in the form and to the effect accompanying the Notice of Sale and Bidding Instructions, with such changes thereto as may be acceptable to the County and Bond Counsel.

The undersigned certifies that the Purchaser [is]/[is not] exempt from filing the TEC Form 1295 by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

**We agree to provide in writing the initial reoffering prices and other terms, if any, to the Financial Advisor by the close of the next business day after the award.**

Respectfully submitted,

---

Name of Bond Purchaser or Manager

---

Authorized Representative

---

Phone Number

---

Signature

**Please check one of the options below regarding Good Faith Deposit:**

**Submit by Wire Transfer    ☐**

**Submit by Bank Cashier's/Certified Check    ☐**

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by Smith County, Texas, this the 26<sup>th</sup> day of August, 2025.

ATTEST:

\_\_\_\_\_  
County Clerk, Smith County, Texas

\_\_\_\_\_  
County Judge, Smith County, Texas



## ISSUE PRICE CERTIFICATE

(Sales where at least 3 bids are received from underwriters)

The undersigned, as the underwriter or the manager of the syndicate of underwriters ("Purchaser"), with respect to the purchase at competitive sale of the General Obligation Bonds, Series 2025 issued by the Smith County, Texas ("Issuer") in the principal amount of \$20,000,000\* ("Bonds"), hereby certifies and represents, based on its records and information, as follows:

(a) On the first day on which there was a binding contract in writing for the purchase of the Bonds by the Purchaser, the Purchaser's reasonably expected initial offering prices of each maturity of the Bonds with the same credit and payment terms (the "Expected Offering Prices") to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter are as set forth in the pricing wire or equivalent communication for the Bonds, as attached to this Certificate as Schedule A. The Expected Offering Prices are the prices for the Bonds used by the Purchaser in formulating its bid to purchase the Bonds.

(b) The Purchaser had an equal opportunity to bid to purchase the Bonds and it was not given the opportunity to review other bids that was not equally given to all other bidders (i.e., no last look).

(c) The bid submitted by the Purchaser constituted a firm bid to purchase the Bonds.

(d) The Purchaser [has] [has not] purchased bond insurance for the Bonds. The bond insurance has been purchased from \_\_\_\_\_ (the "Insurer") for a fee of \$ \_\_\_\_\_ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer's commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm's-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Bonds. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such fee that has not been earned.

For purposes of this Issue Price Certificate, the term "Underwriter" means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public) to participate in the initial sale of the Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED as of this \_\_\_\_\_, 2025.

[NAME OF PURCHASER], as Purchaser

By: \_\_\_\_\_

Name: \_\_\_\_\_

\*See "CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS." Preliminary, subject to change.

**SCHEDULE A**

PRICING WIRE OR EQUIVALENT COMMUNICATION  
*(Attached)*

## ISSUE PRICE CERTIFICATE

### (Form of Certificate if less than 3 bids are received from underwriters)

The undersigned, as the underwriter or the manager of the syndicate of underwriters ("Purchaser"), with respect to the purchase at competitive sale of the General Obligation Bonds, Series 2025 issued by the Smith County, Texas ("Issuer") in the principal amount of \$20,000,000\* ("Bonds"), hereby certifies and represents, based on its records and information, as follows:

(a) [Other than the Bonds maturing in \_\_\_\_\_ ("Hold-the-Price Maturities"), the][The] first prices at which at least ten percent ("Substantial Amount") of the principal amount of each maturity of the Bonds having the same credit and payment terms ("Maturity") was sold to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter ("Public") are their respective initial offering prices, as listed in the pricing wire or equivalent communication for the Bonds that is attached to this Certificate as Schedule A.

(Add (b) and (c) only if winning bidder designates one or more maturities as Hold-the-Price Maturities)

(b) On or before the first day on which there is a binding contract in writing for the sale of the Bonds ("Sale Date"), the Purchaser offered to the Public each Maturity of the Hold-the-Price Maturities at their respective initial offering prices, as set forth in Schedule A hereto ("Initial Offering Price").

(c) As set forth in the Notice of Sale, the Purchaser agreed in writing to neither offer nor sell any of the Hold-the-Price Maturities to any person at any higher price than the Initial Offering Price for each such Maturity until the earlier of the close of the fifth business day after the Sale Date or the date on which the Purchaser sells at least ten percent of a Hold-the-Price-Maturity of the Bonds to the Public at no higher price than the Initial Offering Price for such Maturity.

(d) The Purchaser [has] [has not] purchased bond insurance for the Bonds. The bond insurance has been purchased from \_\_\_\_\_ (the "Insurer") for a fee of \$ \_\_\_\_\_ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer's commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm's-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Bonds. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such fee that has not been earned.

For purposes of this Issue Price Certificate, the term "Underwriter" means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public) to participate in the initial sale of the Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED as of this \_\_\_\_\_, 2025.

[NAME OF PURCHASER], as Purchaser

By: \_\_\_\_\_

Name: \_\_\_\_\_

\*See "CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS." Preliminary, subject to change.

**SCHEDULE A**

PRICING WIRE OR EQUIVALENT COMMUNICATION  
*(Attached)*

This Preliminary Official Statement and the information contained herein are subject to completion or amendment without notice. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

## PRELIMINARY OFFICIAL STATEMENT

Dated August 18, 2025

Rating:  
S&P: Applied For  
(See "OTHER INFORMATION -  
RATING" herein)

### NEW ISSUE – BOOK-ENTRY-ONLY

*In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds, defined below, will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, subject to the matters described under "TAX MATTERS" herein.*

### **THE BONDS WILL NOT BE DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS.**



### **\$20,000,000\* SMITH COUNTY, TEXAS GENERAL OBLIGATION BONDS, SERIES 2025**

**Dated Date: August 15, 2025**

**Due: August 15, as shown on the inside cover page**

**Interest Accrues from the Date of Initial Delivery (defined below)**

**PAYMENT TERMS . . .** Interest on the \$20,000,000\* Smith County, Texas, General Obligation Bonds, Series 2025 (the "Bonds") will accrue from the Date of Initial Delivery, defined below, and will be payable February 15 and August 15 of each year commencing February 15, 2026, until maturity or prior redemption, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC") pursuant to the book-entry-only system described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof. **No physical delivery of the Bonds will be made to the beneficial owners thereof.** Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "THE BONDS – BOOK-ENTRY-ONLY SYSTEM" herein. The initial Paying Agent/Registrar is Zions Bancorporation, National Association, dba Amegy Bank, Houston, Texas (see "THE BONDS – PAYING AGENT/REGISTRAR").

**AUTHORITY FOR ISSUANCE . . .** The Bonds are issued pursuant to the Constitution and general laws of the State of Texas (the "State"), including particularly Article III, Section 52, Texas Constitution, Section 1471.015, Texas Government Code, as amended, an election held within the County on November 2, 2021 (the "Election"), and an order to be adopted by the Commissioners Court of Smith County, Texas (the "County") on August 26, 2025 (the "Bond Order"). The Bonds are direct and voted obligations of the County payable from a continuing ad valorem tax levied on all taxable property within the County, legally unlimited as to rate or amount, as provided in the Bond Order (see "THE BONDS – AUTHORITY FOR ISSUANCE" and "THE BONDS – SECURITY AND SOURCE OF PAYMENT").

**PURPOSE . . .** Proceeds from the sale of the Bonds will be used for (i) constructing, acquiring by purchase, maintenance, and operation of macadamized, graveled, or paved roads, or in aid thereof, including but not limited to, constructing, designing, improving, extending, expanding, upgrading and/or developing roads, including right-of-way acquisition, utility relocation, drainage improvements relating to these road improvements, traffic safety, other safety, and operational improvements, and other transportation related improvements, and (ii) paying the costs of issuing the Bonds. See "THE BONDS – PURPOSE".

### **CUSIP PREFIX: 832033 MATURITY SCHEDULE, INTEREST RATES, PRICES AND OTHER TERMS SEE INSIDE FRONT COVER**

**LEGALITY . . .** The Bonds are offered for delivery when, as and if issued and received by the initial purchaser (the "Bond Purchaser") and subject to the approving opinion of the Attorney General of Texas and the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, Dallas, Texas (see "APPENDIX C – FORM OF BOND COUNSEL'S OPINION").

**DELIVERY . . .** It is expected that the Bonds will be available for delivery through DTC on September 25, 2025 (the "Date of Initial Delivery").

## **BIDS DUE ON MONDAY, AUGUST 25, 2025, BY 1:30 PM, CENTRAL TIME**

\*See "CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS" in the Notice of Sale. Preliminary, subject to change.

**MATURITY SCHEDULE\***

<u>Maturity Date</u> <u>August 15</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Initial</u> <u>Yield</u>	<u>CUSIP</u> <u>Suffix <sup>(1)</sup></u>
2026	\$ 320,000			
***	***			
2028	745,000			
2029	775,000			
2030	810,000			
2031	840,000			
2032	875,000			
2033	910,000			
2034	945,000			
2035	980,000			
2036	1,020,000			
2037	1,070,000			
2038	1,120,000			
2039	1,175,000			
2040	1,235,000			
2041	1,300,000			
2042	1,365,000			
2043	1,430,000			
2044	1,505,000			
2045	1,580,000			

**(Interest Accrues from the Date of Initial Delivery)**

\*See "CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS" in the Notice of Sale. Preliminary, subject to change.

- (1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are included herein solely for the convenience of the owners of the Bonds. None of the County, the Financial Advisor or the Bond Purchaser shall be responsible for the selection or correctness of the CUSIP numbers shown herein.

**OPTIONAL REDEMPTION . . .** The County reserves the right, at its option, to redeem the Bonds having stated maturities on and after August 15, 2036, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, on August 15, 2035, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "THE BONDS - Optional Redemption").

*(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)*

*For purposes of compliance with Rule 15c2-12 of the United States Securities Exchange Commission (“SEC”), this document constitutes a Preliminary Official Statement of the County with respect to the Bonds that has been deemed “final” by the County as of its date except for the omission of no more than the information permitted by Rule 15c2-12.*

*This Official Statement, which includes the cover page and the Appendices hereto, does not constitute an offer to sell or the solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized by the County to give any information, or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer in such jurisdiction.*

*The information set forth herein has been obtained from the County and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as the promise or guarantee of the Financial Advisor. This Official Statement contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized.*

*The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County or other matters described.*

*THE BONDS ARE EXEMPT FROM REGISTRATION WITH THE SEC AND, CONSEQUENTLY, HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTION IN WHICH THE BONDS HAVE BEEN REGISTERED, OR EXEMPTED, SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.*

*NEITHER THE COUNTY NOR THE FINANCIAL ADVISOR MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING THE DEPOSITORY TRUST COMPANY OR ITS BOOK-ENTRY-ONLY SYSTEM.*

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The cover and inside cover pages hereof, this page, the appendices included herein and any addenda, supplement or amendment hereto, are part of the Official Statement.

## OFFICIAL STATEMENT SUMMARY

This summary is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement. The offering of the Bonds to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this summary from this Official Statement or to otherwise use it without the entire Official Statement.

### THE BONDS

<b>THE BONDS</b> .....	The \$20,000,000* General Obligation Bonds, Series 2025 (the “Bonds”) are issued as serial bonds maturing on August 15 in the years 2026, 2028 through and including 2045, unless any maturities are designated by the Bond Purchaser as Term Bonds.
<b>PAYMENT OF INTEREST</b> .....	Interest on the Bonds will accrue from the respective Date of Initial Delivery and is payable February 15, 2026, and each August 15 and February 15 thereafter until maturity or prior redemption (see “THE BONDS – GENERAL” and “THE BONDS – OPTIONAL REDEMPTION”).
<b>AUTHORITY FOR ISSUANCE</b> .....	The Bonds are issued pursuant to the Constitution and general laws of the State of Texas (the “State”), including particularly Article III, Section 52, Texas Constitution, Section 1471.015, Texas Government Code, as amended, an election held within the County on November 2, 2021 (the “Election”), and an order to be adopted by the Commissioners Court of Smith County, Texas (the “County”) on August 26, 2025 (the “Bond Order”) (see “THE BONDS – AUTHORITY FOR ISSUANCE” and “THE BONDS – SECURITY AND SOURCE OF PAYMENT”).
<b>SECURITY FOR THE BONDS</b> .....	The Bonds constitute direct and voted obligations of the County payable from the levy and collection of a direct and continuing ad valorem tax levied, without legal limit as to rate or amount, on all taxable property located within the County, as provided in the Bond Order.
<b>QUALIFIED TAX-EXEMPT OBLIGATIONS</b> .....	The Bonds will not be designated as “Qualified Tax-Exempt Obligations” for financial institutions (see “TAX MATTERS - QUALIFIED TAX-EXEMPT OBLIGATIONS FOR FINANCIAL INSTITUTIONS”).
<b>OPTIONAL REDEMPTION</b> .....	The County reserves the right, at its option, to redeem the Bonds having stated maturities on and after August 15, 2036, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, on August 15, 2035, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see “THE BONDS - Optional Redemption”).
<b>TAX EXEMPTION</b> .....	In the opinion of Bond Counsel, the interest on the Bonds will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, subject to the matters described under the caption “TAX MATTERS” herein.
<b>USE OF PROCEEDS</b> .....	Proceeds from the sale of the Bonds will be used for (i) constructing, acquiring by purchase, maintenance, and operation of macadamized, graveled, or paved roads, or in aid thereof, including but not limited to, constructing, designing, improving, extending, expanding, upgrading and/or developing roads, including right-of-way acquisition, utility relocation, drainage improvements relating to these road improvements, traffic safety, other safety, and operational improvements, and other transportation related improvements, and (ii) paying the costs of issuing the Bonds. See “THE BONDS – PURPOSE”.

### GENERAL

<b>THE COUNTY</b> .....	Smith County, Texas was organized in 1846. The County operates as specified under the Constitution of the State of Texas and statutes which provide for a Commissioner’s Court consisting of the County Judge and four Commissioners, one for each of four geographical Commissioners Precincts. The County Judge is elected for a term of four years and the Commissioners for four year staggered terms. Other major County elective officers include the County Clerk, County Tax Assessor-Collector and County Treasurer. The County Auditor is appointed for a term of two years by the State District Judges having jurisdiction in the County (see “COUNTY OFFICIALS, STAFF AND CONSULTANTS”).
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The County is approximately 932 square miles in area (see APPENDIX A – “GENERAL INFORMATION REGARDING THE COUNTY”).

\*See “CONDITIONS OF THE SALE – BASIS FOR AWARD” in the Notice of Sale. Preliminary, subject to change.



**RATING** ..... The Bonds are rated “\_\_\_\_\_” by S&P Global Ratings (“S&P”). The outstanding uninsured general obligation debt of the County is rated “AA+” by S&P and “Aa1” by Moody’s Investors Service (“Moody’s”). No application has been made to Moody’s for a rating on the Bonds (see “OTHER INFORMATION – RATING”).

**BOOK-ENTRY-ONLY SYSTEM** ..... The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of DTC pursuant to the book-entry-only system described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see “THE BONDS – BOOK-ENTRY-ONLY SYSTEM”).

**PAYMENT RECORD** ..... The County has never defaulted on payment of its debt.

#### SELECTED FINANCIAL INFORMATION

Fiscal Year Ended 9/30	Estimated Population <sup>(1)</sup>	Taxable Assessed Valuation <sup>(2)</sup>	Taxable Assessed Valuation Per Capita	Funded Debt Outstanding at End of Year	Ratio of Funded Debt to Taxable Assessed Valuation	Funded Debt Per Capita	% of Total Tax Collections
2021	238,755	\$ 19,228,155,609	\$ 80,535	\$ 38,745,000	0.20%	\$ 162	99.65%
2022	237,186	20,373,329,107	85,896	51,275,000	0.25%	216	98.63%
2023	241,922	23,405,637,006	96,749	215,660,000	0.92%	891	99.46%
2024	245,209	27,068,125,011	110,388	211,065,000	0.78%	861	99.54%
2025	245,209	29,342,739,786	119,664	229,355,000 <sup>(3)</sup>	0.78%	935	<span style="background-color: yellow;">(4)</span>

(1) Source: Smith County Comprehensive Annual Financial Report.

(2) As reported by the Smith County Appraisal District; subject to change during the ensuing year.

(3) Projected; includes the Bonds. Preliminary, subject to change.

(4) Partial collections as of June 30, 2025.

For additional information regarding the County, please contact:

Judge Neal Franklin  
Smith County  
200 E. Ferguson, Suite 100  
Tyler, Texas 75702  
903.591.4600

or

Steven A. Adams, CFA  
Paul N. Jasin  
Specialized Public Finance Inc.  
4925 Greenville Avenue, Suite 1350  
Dallas, Texas 75206  
214.373.3911

## COUNTY OFFICIALS, STAFF AND CONSULTANTS

### ELECTED OFFICIALS

Name	Title	Term Expires
Neal Franklin	County Judge	December, 2026
Christina Drewry	Commissioner Precinct 1	December, 2028
John Moore	Commissioner Precinct 2	December, 2026
J. Scott Herod	Commissioner Precinct 3	December, 2028
Ralph Caraway Sr.	Commissioner Precinct 4	December, 2026

### SELECTED ADMINISTRATIVE STAFF

Name	Position	Length of Service
Karen Phillips	County Clerk	15 Years
Kelli White	County Treasurer	25 Years
Gary Barber	County Tax Assessor-Collector	20 Years
Karin Smith	County Auditor	3 Months

### CONSULTANTS AND ADVISORS

Auditors ..... Gollob Morgan Peddy PC  
Tyler, Texas

Bond Counsel ..... McCall, Parkhurst & Horton L.L.P.  
Dallas, Texas

Financial Advisor.....Specialized Public Finance Inc.  
Dallas, Texas

**PRELIMINARY OFFICIAL STATEMENT RELATING TO**  
**\$20,000,000\***  
**SMITH COUNTY, TEXAS**  
**GENERAL OBLIGATION BONDS, SERIES 2025**

**INTRODUCTION**

This Official Statement, which includes the Appendices hereto, provides certain information regarding the issuance of the \$20,000,000\* Smith County, Texas General Obligation Bonds, Series 2025 (the “Bonds”). Capitalized terms used in this Official Statement have the same meanings assigned to such terms in the order (the “Bond Order”), except as otherwise indicated herein.

There follows in this Official Statement descriptions of the Bonds and certain information regarding the County and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the County’s Financial Advisor, Specialized Public Finance Inc., Dallas, Texas, by electronic mail or upon payment of reasonable copying, handling, and delivery charges.

This Official Statement speaks only as to its date, and the information contained herein is subject to change. A copy of the Final Official Statement pertaining to the Bonds will be submitted to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access (“EMMA”) system. See “CONTINUING DISCLOSURE OF INFORMATION” herein for a description of the County’s undertaking to provide certain information on a continuing basis.

**DESCRIPTION OF THE COUNTY . . .** The County was organized in 1846 and operates as specified under the Constitution of the State of Texas (the “State”) and statutes which provide for a Commissioner’s Court consisting of the County Judge and four Commissioners, one from each of four geographical Commissioner’s Precincts. The County Judge is elected for a term of four years and the Commissioners are elected for four year staggered terms. Other major County elected officers include the County Clerk, County Tax Assessor-Collector and County Treasurer. The County Auditor is appointed for a term of two years by the State District Judges having jurisdiction in the County. The County covers approximately 932 square miles. The City of Tyler is the County Seat. For more information regarding the County, see “APPENDIX A – GENERAL INFORMATION REGARDING THE COUNTY.”

**THE BONDS**

**GENERAL . . .** The Bonds are dated August 15, 2025, and mature on August 15 in each of the years and in the amounts shown on the inside cover page. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months, and will be payable February 15 and August 15 of each year commencing February 15, 2026 until maturity or prior redemption, and will accrue from the Date of Initial Delivery.

The definitive Bonds will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity and will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York (“DTC”), pursuant to the book-entry-only system described herein (the “Book-Entry-Only System”). **No physical delivery of the Bonds will be made to the owners thereof.** Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See “BOOK-ENTRY-ONLY SYSTEM” herein.

**AUTHORITY FOR ISSUANCE . . .** The Bonds are issued pursuant to the Constitution and general laws of the State of Texas (the “State”), including particularly Article III, Section 52, Texas Constitution, Section 1471.015, Texas Government Code, as amended, an election held within the County on November 2, 2021 (the “Election”), and an order to be adopted by the Commissioners Court of Smith County, Texas (the “County”) on August 26, 2025 (the “Bond Order”).

**SECURITY AND SOURCE OF PAYMENT . . .** The Bonds constitute direct and voted obligations of the County payable from the levy and collection of a direct and continuing ad valorem tax levied, without legal limit as to rate or amount, on all taxable property located within the County, as provided in the Bond Order.

**OPTIONAL REDEMPTION . . .** The County reserves the right, at its option, to redeem the Bonds having stated maturities on and after August 15, 2036, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, on August 15, 2035, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. If less than all of the Bonds are to be redeemed, the County may select the maturities of the Bonds to be redeemed. If less than all the Bonds of any maturity are to be redeemed, the Paying Agent/Registrar (or DTC while the Bonds are in Book-Entry-Only form) shall determine by lot the Bond, or portions thereof, within such maturity to be redeemed. If a Bond (or any portion of the principal sum thereof) shall have been called for redemption and notice of such redemption shall have been given, such Bond (or the principal amount thereof to be redeemed) shall become due and payable on such redemption date and interest thereon shall cease to accrue from and after the redemption date, provided funds for the payment of the redemption price and accrued interest thereon are held by the Paying Agent/Registrar on the redemption date.

\*See “CONDITIONS OF THE SALE – BASIS FOR AWARD.” Preliminary, subject to change.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Order have been met and money sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed will have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice will state that said redemption may, at the option of the County, be conditional upon the satisfaction of such prerequisites and receipt of such money by the Paying Agent/Registrar on or prior to the date fixed for such redemption or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not fulfilled, such notice will be of no force and effect, the County will not redeem such Bonds, and the Paying Agent/Registrar will give notice in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

**NOTICE OF REDEMPTION . . .** Not less than 30 days prior to a redemption date for the Bonds, the County shall cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the registered owners of the Bonds to be redeemed, in whole or in part, at the address of the registered owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice. ANY NOTICE SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN, WHETHER OR NOT THE REGISTERED OWNER RECEIVES SUCH NOTICE. NOTICE HAVING BEEN SO GIVEN AND ANY OTHER CONDITION TO REDEMPTION SATISFIED, THE BONDS CALLED FOR REDEMPTION SHALL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATE, AND NOTWITHSTANDING THAT ANY BOND OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH BOND OR PORTION THEREOF SHALL CEASE TO ACCRUE.

**DEFEASANCE . . . General.** The Bond Order provides for the defeasance of the Bonds and the termination of the pledge of taxes and all other general covenants in the Bond Order under certain circumstances. Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding ("Defeased Bond") within the meaning of the Bond Order, except to the extent provided below for the Paying Agent/Registrar to continue payments and for the County to retain the right to call Defeased Bonds to be paid at maturity, when the payment of all principal and interest payable with respect to such Defeased Bonds to the due date or dates thereof (whether such due date or dates be by reason of maturity, or otherwise) either (1) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of defeasance) or (2) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or a commercial bank or trust company for such payment (a) lawful money of the United States of America sufficient to make such payment, (b) Defeasance Securities (defined below) that mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the County with the Paying Agent/Registrar for the payment of its services until after all Defeased Bonds shall have become due and payable or (c) any combination of (a) and (b). At such time as a Bond shall be deemed to be a Defeased Bond, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes levied and pledged as provided in the Bond Order, and such principal and interest shall be payable solely from such money or Defeasance Securities and thereafter the County will have no further responsibility with respect to amounts available to such Paying Agent/Registrar (or other financial institution permitted by applicable law) for the payment of such Defeased Bond, including any insufficiency therein caused by the failure of the Paying Agent/Registrar (or other financial institution permitted by law) to receive payment when due on the Defeased Securities.

The deposit under clause (2) above shall be deemed a payment of a Bond when proper notice of defeasance of such Bonds shall have been given, in accordance with the Bond Order. Any money so deposited with the Paying Agent/Registrar or a commercial bank or trust company may at the discretion of the County also be invested in Defeasance Securities, as hereinafter defined, maturing in the amounts and at the times as set forth in the Bond Order, and all income from such Defeasance Securities received by the Paying Agent/Registrar or a commercial bank or trust company that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be remitted to the County.

All money or Defeasance Securities set aside and held in trust pursuant to the provisions of the Bond Order for the payment of principal of the Bonds and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Bonds and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar or a commercial bank or trust company shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the County shall make proper arrangements to provide and pay for such services as required by the Bond Order.

If money or Defeasance Securities have been deposited or set aside with the Paying Agent/Registrar or a commercial bank or trust company for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment of the defeasance provisions of the Bond Order shall be made without the consent of the registered owner of each Bond affected thereby.

**Investments.** Any escrow agreement or other instrument entered into between the County and the Paying Agent/Registrar or a commercial bank or trust company pursuant to which money and/or Defeasance Securities are held by the Paying Agent/Registrar or a commercial bank or trust company for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of certain requirements. All income from such Defeasance Securities received by the Paying Agent/Registrar or a commercial bank or trust company which is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, will be remitted to the County.

For the purposes of these provisions, “Defeasance Securities” means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, and (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the County Commissioners adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Bonds are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent and (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 the County Commissioners of the County adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent.

The County may modify the categories of Defeasance Securities that are eligible to defease the Bonds to accommodate requests from potential investors.

There is no assurance that the ratings for U.S. Treasury securities used as Defeasance Securities or those for any other Defeasance Security will be maintained at any particular rating category.

**BOOK-ENTRY-ONLY SYSTEM . . .** This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by DTC while the Bonds are registered in its nominee’s name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The County believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.

The County cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of “AA+”. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance

of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the County or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County does not take any responsibility for the accuracy thereof.

**USE OF CERTAIN TERMS IN OTHER SECTIONS OF THIS OFFICIAL STATEMENT . . .** In reading this Official Statement it should be understood that while the Bonds are in the book-entry-only system, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the book-entry-only system, and (ii) except as described above, notices that are to be given to registered owners under the Bond Order will be given only to DTC.

Information concerning DTC and the book-entry-only system has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the County, the Financial Advisor, or the respective Purchaser.

**PAYING AGENT/REGISTRAR . . .** The initial Paying Agent/Registrar is Zions Bancorporation, National Association, dba Amegy Bank, Houston, Texas. In the Order, the County retains the right to replace the Paying Agent/Registrar. The County covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are duly paid and any successor Paying Agent/Registrar shall be a commercial bank or trust company organized under the laws of the State of Texas or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar for the Bonds. Upon any change in the Paying Agent/Registrar for the Bonds, the County agrees to promptly cause a written notice thereof to be sent to each registered owner of the Bonds by United States mail, first-class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

**TRANSFER, EXCHANGE AND REGISTRATION . . .** If the book-entry-only system should be discontinued, the Bonds may be transferred and exchanged on the registration books of the Paying Agent/Registrar only upon presentation and surrender to the Paying Agent/Registrar and such transfer or exchange shall be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration, exchange and transfer.

Bonds may be assigned by the execution of an assignment form on the respective Bonds or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. New Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bonds being transferred or exchanged, at the designated office of the Paying Agent/Registrar, or sent by United States mail, first class, postage prepaid, to the new registered owner or his designee. To the extent possible, new Bonds issued in an exchange or transfer of Bonds will be delivered to the registered owner or assignee of the registered owner in not more than three business days after the receipt of the Bonds to be canceled, and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Bonds registered and delivered in an exchange or transfer shall be in any integral multiple of \$5,000 for any one maturity and for a like aggregate

principal amount as the Bonds surrendered for exchange or transfer. See “Book-Entry-Only System” herein for a description of the system to be utilized initially in regard to ownership and transferability of the Bonds.

**RECORD DATE FOR INTEREST PAYMENT.** . . The record date (“Record Date”) for the interest payable on the Bonds on any interest payment date means the close of business on the last business day of the preceding month. In the event of a non-payment of interest on a scheduled payment date, and for 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 County. Notice of the Special Record Date and of the scheduled payment date of the past due interest (“Special Payment Date”, which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of an Bond appearing on the registration books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

**BONDHOLDERS’ REMEDIES** . . . The Bond Order establishes specific events of default with respect to the Bonds. If the County defaults in the payment of the principal of or interest on the Bonds when due, or the County defaults in the observance or performance of any of the covenants, conditions, or obligations of the County, the failure to perform which materially, adversely affects the rights of the owners, including but not limited to, their prospect or ability to be repaid in accordance with the Bond Order, and the continuation thereof for a period of 60 days after notice of such default is given by any owner to the County, the Bond Order provide that any registered owner is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring the County to make such payment or observe and perform such covenants, obligations, or conditions.

The issuance of a writ of mandamus may be sought if there is no other available remedy at law to compel performance of the Bonds or the Bond Order and the County’s obligations are not uncertain or disputed. The remedy of mandamus is controlled by equitable principles, so rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year.

The Bond Order does not provide for the appointment of a trustee to represent the interest of the Bondholders upon any failure of the County to perform in accordance with the terms of the Bond Order, or upon any other condition and accordingly all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners.

On June 30, 2006, the Texas Supreme Court ruled in *Tooke v. City of Mexia*, 49 Tex. Sup. Ct. J. 819 (Tex. 2006), that a waiver of governmental immunity in a contractual dispute must be provided for by statute in “clear and unambiguous” language. Because it is unclear whether the Texas legislature has effectively waived the County’s governmental immunity from a suit for money damages, Bondholders may not be able to bring such a suit against the County for breach of the Bonds or covenants in the Bond Order. Even if a judgment against the County could be obtained, it could not be enforced by direct levy and execution against the County’s property. Further, the registered owners cannot themselves foreclose on property within the County or sell property within the County to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds.

Furthermore, the County is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code (“Chapter 9”). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or Bondholders of an entity which has sought protection under Chapter 9. Therefore, should the County avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the Bonds are qualified with respect to the customary rights of debtors relative to their creditors.

**AMENDMENTS TO THE BOND ORDER** . . . In the Bond Order, the County has reserved the right to amend the Bond Order without the consent of any owners for the purpose of amending or supplementing such Bond Order to (1) cure any ambiguity, defect or omission therein that does not materially adversely affect the interests of the owners, (2) grant additional rights or security for the benefit of the owners, (3) add events of default as shall not be inconsistent with the provisions of the Bond Order that do not materially adversely affect the interests of the owners, (4) qualify the Bond Order under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, or (5) make such other provisions in regard to matters or questions arising under the Bond Order that are not inconsistent with the provisions thereof and which, in the opinion of Bond Counsel for the County, do not materially adversely affect the interest of the owners.

The Bond Order further provides that the owners of the respective Bonds aggregating in principal amount 51% of the outstanding Bonds shall have the right from time to time to approve any amendment not described above to the Bond Order if it is deemed necessary or desirable by the County; provided, however, that without the consent of 100% of the owners in original principal amount of the then outstanding Bonds no amendment may be made of the purpose of: (1) making any change in the maturity of any of the outstanding Bonds; (2) reducing the rate of interest borne by any of the outstanding Bonds; (3) reducing the amount of the principal, payable on any outstanding Bonds; (4) modifying the terms of payment of principal or of interest on outstanding Bonds, or imposing any condition with respect to such payment; or (5) changing the minimum percentage of principal amount of the Bonds necessary for consent to such amendment. Reference is made to the Bond Order for further provisions relating to the amendment thereof.

**SOURCES AND USES OF PROCEEDS . . .** The proceeds from the sale of the Bonds will be applied approximately as follows:

**SOURCES OF FUNDS:**

Par Amount of Bonds	\$	-
Net Reoffering Premium		-
Total Sources	\$	-

**USES OF FUNDS:**

Deposit to Project Construction Fund	\$	-
Costs of Issuance/Rounding Amount		-
Total Uses	\$	-

**TAX INFORMATION**

*The following is a summary of certain provisions of State law as it relates to ad valorem taxation and is not intended to be complete. Reference is made to Title I of the Texas Tax Code, as amended (the "Property Tax Code"), for identification of property subject to ad valorem taxation, property exempt or which may be exempted from ad valorem taxation if claimed, the appraisal of property for ad valorem tax purposes, and the procedures and limitations applicable to the levy and collection of ad valorem taxes.*

**VALUATION OF TAXABLE PROPERTY . . .** The Property Tax Code provides for countywide appraisal and equalization of taxable property values and establishes in each county of the State an appraisal district and an appraisal review board ("Appraisal Review Board") responsible for appraising property for all taxing units within their boundaries. The appraisal of property within the Issuer is the responsibility of the Smith County Appraisal District (the "Appraisal District"). Except as described below, the Appraisal District is required to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, the Appraisal District is required to consider the cost method of appraisal, the income method of appraisal and the market data comparison method of appraisal, and use the method the chief appraiser of the Appraisal District considers most appropriate. The Property Tax Code requires appraisal districts to reappraise all property in its jurisdiction at least once every three years. A taxing unit may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the taxing unit by petition filed with the Appraisal Review Board.

State law requires the appraised value of an owner's principal residence ("homestead" or "homesteads") to be based solely on the property's value as a homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a homestead to the lesser of (1) the market value of the property or (2) 110% of the appraised value of the property for the preceding tax year plus the market value of all new improvements to the property (the "10% Homestead Cap"). The 10% increase is cumulative, meaning the maximum increase is 10% times the number of years since the property was last appraised. See Table 1 for the reduction in taxable valuation attributable to the 10% Homestead Cap.

State law provides that eligible owners of both agricultural land and open-space land, including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity ("Productivity Value"). The same land may not be qualified as both agricultural and open-space land. See Table 1 for the reduction in taxable valuation attributable to valuation by Productivity Value.

The appraisal values set by the Appraisal District are subject to review and change by the Appraisal Review Board. The appraisal rolls, as approved by the Appraisal Review Board, are used by taxing units, such as the Issuer, in establishing their tax rolls and tax rates. See "TAX INFORMATION – Issuer and Taxpayer Remedies."

**PERSONAL PROPERTY . . .** Tangible personal property (furniture, machinery, supplies, inventories, etc.) used in the "production of income" is taxed based on the property's market value. Taxable personal property includes income-producing equipment and inventory. Intangibles such as goodwill, accounts receivable, and proprietary processes are not taxable. Tangible personal property not held or used for production of income, such as household goods, automobiles or light trucks, and boats, is exempt from ad valorem taxation unless the governing body of a taxing unit elects to tax such property.

**FREEPORT EXEMPTIONS . . .** Certain goods detained in the State for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication ("Freeport Property") are exempt from ad valorem taxation unless a taxing unit took official action to tax Freeport Property before April 1, 1990 and has not subsequently taken official action to exempt Freeport Property. Decisions to continue to tax Freeport Property may be reversed in the future; decisions to exempt Freeport Property are not subject to reversal. Certain goods, principally inventory, that are stored for the purposes of assembling, storing, manufacturing, processing or fabricating the goods in a location that is not owned by the owner of the goods and are transferred from that location to another location within 175 days ("Goods-in-Transit"), are exempt from ad valorem taxation unless a taxing unit takes official action by January 1 of the year preceding a tax year, after holding a public hearing, to tax Goods-in-Transit beginning the following



tax year. Goods-in-Transit and Freeport Property do not include oil, natural gas or petroleum products, and Goods-in-Transit does not include special inventories such as motor vehicles or boats in a dealer's retail inventory. A taxpayer may receive only one of the Goods-in-Transit or Freeport Property exemptions for items of personal property.

**OTHER EXEMPT PROPERTY . . .** Other major categories of exempt property include property owned by the State or its political subdivisions if used for public purposes, property exempt by federal law, property used for pollution control, farm products owned by producers, property of nonprofit corporations used for scientific research or educational activities benefitting a college or university, designated historic sites, solar and wind-powered energy devices, and certain classes of intangible personal property.

**TAX INCREMENT FINANCING ZONES . . .** A city or county, by petition of the landowners or by action of its governing body, may create one or more tax increment financing zones ("TIRZ") within its boundaries, and other overlapping taxing units may agree to contribute taxes levied against the "Incremental Value" in the TIRZ to finance or pay for project costs, as defined in Chapter 311, Texas Government Code, general located within the TIRZ. At the time of the creation of the TIRZ, a "base value" for the real property in the TIRZ is established and the difference between any increase in the assessed valuation of taxable real property in the TIRZ in excess of the base value is known as the "Incremental Value", and during the existence of the TIRZ, all or a portion of the taxes levied by each participating taxing unit against the Incremental Value in the TIRZ are restricted to paying project and financing costs within the TIRZ and are not available for the payment of other obligations of such taxing units. See "TAX INFORMATION – COUNTY APPLICATION OF THE PROPERTY TAX CODE" for descriptions of any TIRZ created in the Issuer.

**TAX ABATEMENT AGREEMENTS . . .** Taxing units may also enter into tax abatement agreements to encourage economic development. Under the agreements, a property owner agrees to construct certain improvements on its property. The taxing unit, in turn, agrees not to levy a tax on all or part of the increased value attributable to the improvements until the expiration of the agreement. The abatement agreement could last for a period of up to 10 years. See "TAX INFORMATION – COUNTY APPLICATION OF THE PROPERTY TAX CODE" for descriptions of any of the Issuer's tax abatement agreements.

For a discussion of how the various exemptions described above are applied by the Issuer, See "TAX INFORMATION – COUNTY APPLICATION OF THE PROPERTY TAX CODE" herein.

**PUBLIC HEARING AND MAINTENANCE AND OPERATION TAX RATE LIMITATIONS . . .** The following terms as used in this section have the meanings provided below:

"adjusted" means lost values are not included in the calculation of the prior year's taxes and new values are not included in the current year's taxable values. "de minimis rate" means the maintenance and operations tax rate that will produce the prior year's total maintenance and operations tax levy (adjusted) from the current year's values (adjusted), plus the rate that produces an additional \$500,000 in tax revenue when applied to the current year's taxable value, plus the debt service tax rate.

"no-new-revenue tax rate" means the combined maintenance and operations tax rate and debt service tax rate that will produce the prior year's total tax levy (adjusted) from the current year's total taxable values (adjusted).

"special taxing unit" means a county for which the maintenance and operations tax rate proposed for the current tax year is 2.5 cents or less per \$100 of taxable value.

"unused increment rate" means the cumulative difference between a county's voter-approval tax rate and its actual tax rate for each of the tax years 2020 through 2022, which may be applied to a county's tax rate in tax years 2021 through 2023 without impacting the voter-approval tax rate.

"voter-approval tax rate" means the maintenance and operations tax rate that will produce the prior year's total maintenance and operations tax levy (adjusted) from the current year's values (adjusted) multiplied by 1.035, plus the debt service tax rate, plus the "unused increment rate".

The Issuer's tax rate consists of two components: (1) a rate for funding of maintenance and operations expenditures in the current year (the "maintenance and operations tax rate"), and (2) a rate for funding debt service in the current year (the "debt service tax rate"). Under State law, the assessor for the Issuer must submit an appraisal roll showing the total appraised, assessed, and taxable values of all property in the Issuer to the Issuer Council by August 1 or as soon as practicable thereafter.

A county must annually calculate its "voter-approval tax rate" and "no-new-revenue tax rate" (as such terms are defined above) in accordance with forms prescribed by the State Comptroller and provide notice of such rates to each owner of taxable property within the county and the county tax assessor-collector for each county. A county must adopt a tax rate before the later of September 30 or the 60th day after receipt of the certified appraisal roll, except that a tax rate that exceeds the voter-approval tax rate must be adopted not later than the 71st day before the next occurring November uniform election date. If a county fails to timely adopt a tax rate, the tax rate is statutorily set as the lower of the no-new-revenue tax rate for the current tax year or the tax rate adopted by the county for the preceding tax year.

As described below, the Property Tax Code provides that if a county adopts a tax rate that exceeds its voter-approval tax rate or, in certain cases, its “de minimis rate”, an election must be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

A county may not adopt a tax rate that exceeds the lower of the voter-approval tax rate or the no-new-revenue tax rate until each appraisal district in which such county participates has delivered notice to each taxpayer of the estimated total amount of property taxes owed and the county has held a public hearing on the proposed tax increase.

For cities with a population of 30,000 or more as of the most recent federal decennial census, if the adopted tax rate for any tax year exceeds the voter-approval tax rate, that county must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

For cities with a population less than 30,000 as of the most recent federal decennial census, if the adopted tax rate for any tax year exceeds the greater of (i) the voter-approval tax rate or (ii) the de minimis rate, the county must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate. However, for any tax year during which a county has a population of less than 30,000 as of the most recent federal decennial census and does not qualify as a special taxing unit, if a county’s adopted tax rate is equal to or less than the de minimis rate but greater than both (a) the no-new-revenue tax rate, multiplied by 1.08, plus the debt service tax rate or (b) the county’s voter-approval tax rate, then a valid petition signed by at least three percent of the registered voters in the county would require that an election be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

Any county located at least partly within an area declared a disaster area by the Governor of the State or the President of the United States during the current year may calculate its “voter-approval tax rate” using a 1.08 multiplier, instead of 1.035, until the earlier of (i) the second tax year in which such county’s total taxable appraised value exceeds the taxable appraised value on January 1 of the year the disaster occurred, or (ii) the third tax year after the tax year in which the disaster occurred.

State law provides cities and counties in the State the option of assessing a maximum one-half percent (1/2%) sales and use tax on retail sales of taxable items for the purpose of reducing its ad valorem taxes, if approved by a majority of the voters in a local option election. If the additional sales and use tax for ad valorem tax reduction is approved and levied, the no-new-revenue tax rate and voter-approval tax rate must be reduced by the amount of the estimated sales tax revenues to be generated in the current tax year.

**The calculations of the no-new-revenue tax rate and voter-approval tax rate do not limit or impact the Issuer’s ability to set a debt service tax rate in each year sufficient to pay debt service on all of the Issuer’s tax-supported debt obligations, including the Obligations.**

Reference is made to the Property Tax Code for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the various defined tax rates.

**ISSUER AND TAXPAYER REMEDIES . . .** Under certain circumstances, the Issuer and its taxpayers may appeal the determinations of the Appraisal District by timely initiating a protest with the Appraisal Review Board. Additionally, taxing units such as the Issuer may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

Owners of certain property with a taxable value of at least \$50 million and situated in a county with a population of one million or more as of the most recent federal decennial census may additionally protest the determinations of appraisal district directly to a three-member special panel of the appraisal review board, selected by a State district judge, consisting of highly qualified professionals in the field of property tax appraisal.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the Issuer and provides for taxpayer referenda that could result in the repeal of certain tax increases (See “– Public Hearing and Maintenance and Operation Tax Rate Limitations”.) The Property Tax Code also establishes a procedure for notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

**ISSUER’S RIGHTS IN THE EVENT OF TAX DELINQUENCIES . . .** Taxes levied by the Issuer are a personal obligation of the owner of the property as of January 1 of the year for which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all State and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of the State and each local taxing unit, including the [Issuer], having power to tax the property. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes. At any time after taxes on property become delinquent, the [Issuer] may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the [Issuer] must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights (a taxpayer may redeem property within two (2) years after the purchaser’s deed issued at the foreclosure sale is filed in the county records) or by bankruptcy proceedings which restrict the collection of taxpayer debts. Federal bankruptcy law provides that an automatic stay of actions by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained

from the bankruptcy court. In many cases, postpetition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

**LEVY AND COLLECTION OF TAXES . . .** The Issuer is responsible for the levy and collection of its taxes unless it elects to transfer such functions to another governmental entity. Property within the Issuer is generally assessed as of January 1 of each year based upon the valuation of property within the Issuer as of the preceding January 1. Business inventory may, at the option of the taxpayer, be assessed as of September 1. Oil and gas reserves are assessed on the basis of a valuation process, which uses an average of the daily price of oil and gas for the prior year. Taxes are due October 1 or when billed, whichever comes later, and become delinquent after January 31 of the following year. The Property Tax Code makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes under certain circumstances. Taxpayers 65 years old or older are permitted by State law to pay taxes on homesteads in four installments with the first due on February 1 of each year and final installment due on August 1.

Charges for penalty and interest on the unpaid balance of delinquent taxes are made as follows:

<u>Month</u>	<u>Penalty</u>	<u>Interest</u>	<u>Total</u>
February	6%	1%	7%
March	7	2	9
April	8	3	11
May	9	4	13
June	10	5	15
July(a)	12	6	18

(a) After July, penalty remains at 12% and interest increases at the rate of 1% each month. In addition, if an account is delinquent in July, a 20% attorney's collection fee may be added to the total tax penalty and interest charge. Under certain circumstances, taxes which become delinquent on the homestead of a taxpayer 65 years old or older incur a penalty of 8% per annum with no additional penalties or interest assessed.

In general, property subject to the Issuer's lien may be sold, in whole or in parcels, pursuant to court order to collect the amounts due. Federal law does not allow for the collection of penalty and interest against an estate in bankruptcy. Federal bankruptcy law provides that an automatic stay of action by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases, post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

**COUNTY APPLICATION OF TAX CODE . . .** The County grants an exemption to the market value of the residence homestead of persons 65 years of age or older of \$18,000.

The County has granted the "tax freeze" exemption for the residence homestead of persons 65 years of age or older.

See Table 1 for a listing of the amounts of the exemptions described above.

Ad valorem taxes are not levied by the County against the exempt value of residence homesteads for the payment of debt.

The County does not tax nonbusiness personal property; and the Smith County Tax Assessor-Collector collects taxes for the County.

The County does not permit split payments, and discounts are not allowed.

The County does tax freeport property.

The County does collect the additional one-half cent sales tax for reduction of ad valorem taxes.

The County has adopted a tax abatement policy.

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**TABLE 1 – VALUATION, EXEMPTIONS AND AD VALOREM TAX DEBT**

2024/2025 Market Valuation Established by Smith County Appraisal District	\$ 39,054,957,634
Less Exemptions/Reductions at 100% Market Value:	
Residential Homestead Exemptions (Over 65 or Disabled)	\$ 556,627,877
Disabled Veterans/Survivor Exemptions	384,408,095
Homestead Cap	2,602,534,632
Agricultural/Productivity Loss	2,377,987,604
Freeport Exemptions	339,625,497
Pollution Control	38,837,066
Solar Wind	865,648
Low Income Exemptions	25,835,002
HB 366 Exemptions	2,105,815
Tax Exempt Property	3,164,012,351
Tax Abatement Reductions	219,378,261
	<u>\$ 9,712,217,848</u>
2024/2025 Taxable Assessed Valuation	<u>\$ 29,342,739,786</u>
County Funded Debt Payable from Ad Valorem Taxes as of 6/30/2025	\$ 212,595,000
The Bonds	20,000,000 <sup>(1)</sup>
Total Debt Payable from Ad Valorem Taxes	<u>\$ 232,595,000</u>
Interest and Sinking Fund as of 6/30/2025	\$ -
Ratio Tax Supported Debt to 2024/2025 Taxable Assessed Valuation	0.79%

2025 Estimated Population - 245,209  
Per Capita 2024/2025 Taxable Assessed Valuation - \$119,664  
Per Capita Net General Obligation Debt Payable from Ad Valorem Taxes - \$961

(1) See “CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS” in the Notice of Sale. Preliminary, subject to change.

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**TABLE 2 – TAXABLE ASSESSED VALUATIONS BY CATEGORY**

Category	Taxable Assessed Valuations					
	2024		2023		2022	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 19,712,993,364	50.48%	\$ 17,990,556,398	49.86%	\$ 14,369,365,481	46.89%
Real, Residential, Multi-Family	1,850,531,844	4.74%	1,517,502,882	4.21%	1,245,674,499	4.06%
Real, Vacant Lots/Tracts	617,720,656	1.58%	543,799,412	1.51%	493,785,733	1.61%
Real, Acreage (Land Only)	2,481,915,522	6.35%	2,456,380,705	6.81%	2,274,820,645	7.42%
Real, Farm and Ranch Improvements	2,681,211,596	6.87%	2,569,794,941	7.12%	2,097,930,585	6.85%
Real, Commercial	4,131,625,247	10.58%	3,594,851,552	9.96%	3,395,289,755	11.08%
Real, Industrial	502,597,184	1.29%	499,383,600	1.38%	480,749,935	1.57%
Real, Oil, Gas and Other Mineral Reserves	287,889,405	0.74%	360,434,186	1.00%	239,138,507	0.78%
Real and Tangible Personal, Utilities	11,922,949	0.03%	11,491,558	0.03%	63,643,070	0.21%
Tangible Personal, Business	588,917,968	1.51%	616,672,101	1.71%	669,461,397	2.18%
Utilities, Tangible Personal, Other	1,644,366,367	4.21%	1,621,398,340	4.49%	1,438,494,202	4.69%
Tangible Personal, Other Industrial	1,017,980,583	2.61%	976,048,124	2.71%	670,304,627	2.19%
Tangible Personal, Other, Mobile Homes	160,732,741	0.41%	178,483,564	0.49%	157,299,144	0.51%
Real Property, Inventory	-	0.00%	-	0.00%	-	0.00%
Real Inventory	27,755,868	0.07%	35,398,196	0.10%	21,464,536	0.07%
Special Inventory	122,863,901	0.31%	128,206,716	0.36%	125,373,361	0.41%
Tax Exempt Property, Real	3,213,932,439	8.23%	2,980,323,303	8.26%	2,903,456,577	9.47%
No SPTD Code	-	0.00%	-	0.00%	-	0.00%
Total Appraised Value Before Exemptions	\$ 39,054,957,634	100.00%	\$ 36,080,725,578	100.00%	\$ 30,646,252,054	100.00%
Less: Total Exemptions/Reductions	9,712,217,848		9,012,600,567		7,240,615,048	
Add: Protested Value not in Dispute	-		-		-	
Taxable Assessed Value	<u>\$ 29,342,739,786</u>		<u>\$ 27,068,125,011</u>		<u>\$ 23,405,637,006</u>	

Category	Taxable Assessed Valuations			
	2021		2020	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 11,687,817,701	44.11%	\$ 10,997,790,619	43.09%
Real, Residential, Multi-Family	1,029,993,207	3.89%	847,740,055	3.32%
Real, Vacant Lots/Tracts	381,344,645	1.44%	374,272,435	1.47%
Real, Acreage (Land Only)	2,314,770,060	8.74%	2,266,560,042	8.88%
Real, Farm and Ranch Improvements	1,744,529,769	6.58%	1,637,270,448	6.41%
Real, Commercial	3,247,772,678	12.26%	3,073,844,690	12.04%
Real, Industrial	267,167,867	1.01%	459,208,880	1.80%
Real, Oil, Gas and Other Mineral Reserves	163,006,162	0.62%	209,303,654	0.82%
Real and Tangible Personal, Utilities	60,366,699	0.23%	56,767,713	0.22%
Tangible Personal, Business	520,900,410	1.97%	502,072,775	1.97%
Utilities, Tangible Personal, Other	1,341,423,286	5.06%	1,300,970,868	5.10%
Tangible Personal, Other Industrial	624,814,017	2.36%	744,911,937	2.92%
Tangible Personal, Other, Mobile Homes	93,572,835	0.35%	92,751,682	0.36%
Real Property, Inventory	-	0.00%	-	0.00%
Real Inventory	63,536,127	0.24%	72,320,774	0.28%
Special Inventory	100,342,503	0.38%	91,862,550	0.36%
Tax Exempt Property, Real	2,856,804,361	10.78%	2,795,992,847	10.95%
No SPTD Code	-	0.00%	-	0.00%
Total Appraised Value Before Exemptions	\$ 26,498,162,327	100.00%	\$ 25,523,641,969	100.00%
Less: Total Exemptions/Reductions	6,327,626,084		6,295,486,360	
Add: Protested Value not in Dispute	202,792,864		-	
Taxable Assessed Value	<u>\$ 20,373,329,107</u>		<u>\$ 19,228,155,609</u>	

Source: Smith County Appraisal District; subject to change during the ensuing year.

**TABLE 3 – VALUATION AND AD VALOREM TAX DEBT HISTORY**

Fiscal Year Ended 9/30	Estimated Population <sup>(1)</sup>	Taxable Assessed Valuation <sup>(2)</sup>	Taxable Assessed Valuation Per Capita	Funded Debt Outstanding at End of Year	Ratio of Funded Debt to Taxable Assessed Valuation	Funded Debt Per Capita
2021	238,755	\$ 19,228,155,609	\$ 80,535	\$ 38,745,000	0.20%	\$ 162
2022	237,186	20,373,329,107	85,896	51,275,000	0.25%	216
2023	241,922	23,405,637,006	96,749	215,660,000	0.92%	891
2024	245,209	27,068,125,011	110,388	211,065,000	0.78%	861
2025	245,209	29,342,739,786	119,664	229,355,000 <sup>(3)</sup>	0.78%	935

(1) Source: Smith County Comprehensive Annual Financial Report.

(2) As reported by the Smith County Appraisal District; subject to change during the ensuing year.

(3) Projected; includes the Bonds. Preliminary, subject to change.

**TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY**

Fiscal Year Ended 9/30	Tax Rate	General Fund	Interest and Sinking Fund	Tax Levy	% Current Collections	% Total Collections
2021	\$ 0.33500	\$ 0.30762	\$ 0.02738	\$ 61,998,705	98.54%	99.65%
2022	0.33500	0.31047	0.02454	65,001,562	98.17%	98.63%
2023	0.33000	0.29419	0.03581	72,354,718	98.42%	99.46%
2024	0.34726	0.29419	0.05308	86,690,116	98.52%	99.54%
2025	0.36420	0.29420	0.07000	98,126,991	(1)	(1)

(1) Partial collections as of June 30, 2025.

**TABLE 5 – TEN LARGEST TAXPAYERS**

Name of Taxpayer	2024/2025 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Delek Refining Ltd.	284,404,569	0.97%
Oncor Electric Delivery Co.	\$ 284,115,615	0.97%
Tyler Regional Hospital, LLC	208,241,407	0.71%
Brookshire Grocery Co.	175,735,217	0.60%
Trane/American Standard Inc.	155,871,789	0.53%
Dayton Hudson/Target	152,843,196	0.52%
Wal-Mart/Sam's East	103,449,878	0.35%
Tyler Broadway/Centennial LP	88,374,709	0.30%
Genecov Investment Group	75,816,409	0.26%
Sanderson Farms	70,358,265	0.24%
	<u>\$ 1,599,211,054</u>	<u>5.45%</u>

## TAX RATE LIMITATIONS

Limited Tax Debt Payable from the \$0.80 Constitutional Tax Rate . . . Section 1301.003 of the Texas Government Code limits the amount of bonds that may be issued for certain purposes as follows:

Courthouse Bonds	2% of Assessed Valuation
Jail Bonds	1 1/2% of Assessed Valuation
Courthouse and Jail Bonds	3 1/2% of Assessed Valuation
Road and Bridge Bonds	1 1/2% of Assessed Valuation

However, courthouse, jail and certain other types of bonds may be issued under the authority of Section 1473.101 of the Texas Government Code which removes the above limitations.

Article VIII, Section 9, of the Texas Constitution, imposes a limit of \$0.80 per \$100 Assessed Valuation for all constitutional purposes, including the General Fund, Permanent Improvement Fund, Road and Bridge Fund and Jury Fund, and debt service of bonds, notes, warrants and anticipation notes issued against such funds. Administratively, the Attorney General of the State of Texas will permit allocation of \$0.40 of the \$0.80 constitutional tax rate for debt service. The Texas Constitution also authorizes (i) a special Road and Bridge Tax for the further maintenance of the public roads not to exceed \$0.15 per \$100 of assessed valuation, none of which may be used for payment of debt service, and (ii) a tax for Farm-to-Market or Flood Control purposes not to exceed \$0.30 per \$100 of assessed valuation.

Unlimited Tax Road Bonds . . . Article III, Section 52, Texas Constitution, authorizes the County to levy a separate tax, without legal limit as to rate, to pay debt service on County road bonds issued pursuant to such authority. Article III, Section 52 of the Texas Constitution also provides that unlimited tax bond debt (including unlimited tax road bond debt) may not exceed 25% of the County's assessed valuation of real property. The Bonds are unlimited tax road bond debt.

Road Maintenance (Special Road and Bridge Tax) . . . Imposed by Texas Constitution (Article VIII, Section 9), \$0.15 per \$100 assessed valuation, no part of which may be used for debt service.

Farm-to-Market and Flood Control Purposes . . . Imposed by Texas Constitution (Article VIII, Section 1-a), \$0.30 per \$100 assessed valuation after exemption of residential homesteads up to \$3,000; no allocation prescribed by statute between debt service and maintenance.

**TABLE 6 – TAX ADEQUACY<sup>(1)</sup>**

2025 Principal and Interest Requirements	\$ 18,233,394
\$ 0.0641 Tax Rate at 97% Collection Produces	\$ 18,244,435
Average Annual Principal and Interest Requirements, 2025-2048	\$ 16,040,411
\$ 0.0564 Tax Rate at 97% Collection Produces	\$ 16,052,826
Maximum Annual Principal and Interest Requirements, 2028	\$ 21,088,481
\$ 0.0741 Tax Rate at 97% Collection Produces	\$ 21,090,681

(1) Projected; includes the Bonds. Preliminary, subject to change.

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**TABLE 7 – ESTIMATED OVERLAPPING DEBT**

Expenditures of the various taxing entities within the territory of the County are paid out of ad valorem taxes levied by such entities on properties within the County. Such entities are independent of the County and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax bonds (“Tax Debt”) was developed from information contained in “Texas Municipal Reports” published by the Municipal Advisory Council of Texas. Except for the amounts relating to the County, the County has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed may have issued additional bonds since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional bonds, the amount of which cannot be determined. The following table reflects the estimated share of overlapping Tax Debt of the County.

Taxing Jurisdiction	Total Tax Supported Debt	Estimated % Applicable	County's Overlapping Tax Supported Debt as of 6/30/2025
Smith County	\$ 232,595,000	100.00%	\$ 232,595,000 <sup>(1)</sup>
<u>Cities</u>			
City of Arp	\$ 2,448,000	100.00%	\$ 2,448,000
City of Bullard	7,322,000	83.19%	6,091,172
City of Lindale	13,308,857	100.00%	13,308,857
City of Troup	1,252,000	95.23%	1,192,280
City Whitehouse	18,033,000	100.00%	18,033,000
City Winona	-	100.00%	-
Total Cities			\$ 41,073,308
<u>School Districts</u>			
Arp ISD	\$ 13,465,000	100.00%	\$ 13,465,000
Bullard ISD	149,379,000	76.70%	114,573,693
Chapel Hill ISD	115,329,000	100.00%	115,329,000
Gladewater ISD	26,247,809	38.84%	10,194,649
Lindale ISD	54,404,912	100.00%	54,404,912
Troup ISD	4,460,000	66.86%	2,981,956
Tyler ISD	388,365,000	100.00%	388,365,000
Van ISD	31,239,447	29.17%	9,112,547
Whitehouse ISD	92,780,000	100.00%	92,780,000
Winona ISD	35,525,000	100.00%	35,525,000
Total School Districts			\$ 836,731,757
<u>Special Districts</u>			
East Texas MUD	\$ 3,890,000	100.00%	\$ 3,890,000
Tyler JCD	40,802,000	94.25%	38,455,885
Kilgore JCD	4,260,000	4.04%	172,104
			\$ 42,517,989
Total Direct and Overlapping Tax Supported Debt			\$ 1,152,918,054
Ratio of Direct and Overlapping Tax Supported Debt to 2024 Taxable Assessed Valuation			3.93%
Per Capita Overlapping Tax Supported Debt			\$ 4,702

(1) Includes the Bonds. Preliminary, subject to change.



## DEBT INFORMATION

**TABLE 8 – PRO-FORMA DEBT SERVICE REQUIREMENTS**

Fiscal Year Ending 9/30	Outstanding Debt			The Bonds <sup>(1)</sup>			Total Debt Service Requirements
	Principal	Interest	Total	Principal	Interest	Total	
2025	\$ 8,385,000	\$ 9,848,394	\$ 18,233,394	\$ -	\$ -	\$ -	\$ 18,233,394
2026	6,545,000	9,576,906	16,121,906	320,000	820,356	1,140,356	17,262,262
2027	9,775,000	9,333,881	19,108,881	-	910,100	910,100	20,018,981
2028	10,505,000	8,928,381	19,433,381	745,000	910,100	1,655,100	21,088,481
2029	9,715,000	8,523,131	18,238,131	775,000	880,300	1,655,300	19,893,431
2030	8,370,000	8,148,831	16,518,831	810,000	849,300	1,659,300	18,178,131
2031	7,565,000	7,795,806	15,360,806	840,000	816,900	1,656,900	17,017,706
2032	6,785,000	7,460,881	14,245,881	875,000	783,300	1,658,300	15,904,181
2033	7,120,000	7,120,631	14,240,631	910,000	748,300	1,658,300	15,898,931
2034	7,475,000	6,770,975	14,245,975	945,000	711,900	1,656,900	15,902,875
2035	7,830,000	6,410,725	14,240,725	980,000	674,100	1,654,100	15,894,825
2036	8,205,000	6,035,381	14,240,381	1,020,000	634,900	1,654,900	15,895,281
2037	8,535,000	5,703,406	14,238,406	1,070,000	589,000	1,659,000	15,897,406
2038	8,880,000	5,357,353	14,237,353	1,120,000	535,500	1,655,500	15,892,853
2039	9,310,000	4,929,512	14,239,512	1,175,000	479,500	1,654,500	15,894,012
2040	9,760,000	4,480,169	14,240,169	1,235,000	420,750	1,655,750	15,895,919
2041	10,225,000	4,016,847	14,241,847	1,300,000	359,000	1,659,000	15,900,847
2042	10,715,000	3,530,544	14,245,544	1,365,000	294,000	1,659,000	15,904,544
2043	10,080,000	3,042,981	13,122,981	1,430,000	225,750	1,655,750	14,778,731
2044	10,565,000	2,552,775	13,117,775	1,505,000	154,250	1,659,250	14,777,025
2045	10,580,000	2,038,819	12,618,819	1,580,000	79,000	1,659,000	14,277,819
2046	10,255,000	1,519,706	11,774,706	-	-	-	11,774,706
2047	10,755,000	1,017,281	11,772,281	-	-	-	11,772,281
2048	9,805,000	490,250	10,295,250	-	-	-	10,295,250
	<u>\$ 217,740,000</u>	<u>\$ 134,633,568</u>	<u>\$ 352,373,568</u>	<u>\$ 20,000,000</u>	<u>\$ 11,876,306</u>	<u>\$ 31,876,306</u>	<u>\$ 384,249,874</u>

(1) Interest on the Bonds has been calculated at an assumed rate as of the posted date of the Preliminary Official Statement for purposes of illustration. Preliminary, subject to change.

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**TABLE 9 – INTEREST AND SINKING FUND BUDGET PROJECTION**

Tax Supported Debt Service Requirements, Fiscal Year Ending 9/30/25		\$ 18,233,394 <sup>(1)</sup>
Interest and Sinking Fund, 9/30/24	\$ 321,310	
Budgeted Interest and Sinking Fund Tax Collections	18,861,434	
Investment Proceeds	-	19,182,744
Estimated Balance, 9/30/25		<u>\$ 949,350</u>

(1) Projected; includes the Bonds. Preliminary, subject to change.

**TABLE 10 – AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS**

Purpose	Date Authorized	Amount Authorized	Amount Heretofore Issued	Authorization Being Used <sup>(1)</sup>	Unissued Balance
Road Improvements	11/2/2021	\$ 45,000,000	\$ 25,000,000	\$ 20,000,000	\$ -
Total		<u>\$ 45,000,000</u>	<u>\$ 25,000,000</u>	<u>\$ 20,000,000</u>	<u>\$ -</u>

(1) Preliminary, subject to change.

**ISSUANCE OF ADDITIONAL DEBT . . .** The County does not anticipate issuing any additional general obligation debt within the next twelve months.

#### **OTHER OBLIGATIONS**

**LEASES . . .** The County is involved in various leasing arrangements for land, buildings, equipment and land use rights which are leased mainly to commercial customers. With the implementation of GASB Statement No. 87 Leases, effective the fiscal year ended September 30, 2022, all leases were analyzed and classified as either qualified or non-qualified leases, for both lessor and lessee positions. With this implementation, a respective receivable or payable is recognized.

See APPENDIX B – “EXCERPTS FROM THE SMITH COUNTY, TEXAS ANNUAL FINANCIAL REPORT” – Note IX. section for information regarding the County’s Leases.

**DEFINED BENEFIT PENSION PLAN . . .** The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees is responsible for the administration of the statewide agent multi-employer public employee retirement system. TCDRS in the aggregate issues a comprehensive annual financial report (ACFR) on a calendar year basis. The ACFR is available upon written request from TCDRS Board of Trustees at P. O. Box 2034, Austin, Texas 78768-2034 or the website at [www.TCDRS.org](http://www.TCDRS.org).

See APPENDIX B – “EXCERPTS FROM THE SMITH COUNTY, TEXAS ANNUAL FINANCIAL REPORT” – Note XII. section for information regarding the County’s Pension Plan.

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## FINANCIAL INFORMATION

**TABLE 11 – STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS**

	Fiscal Year Ending September 30,				
	2024	2023	2022	2021	2020
<b>Revenues:</b>					
Property Taxes	\$ 86,597,363	\$ 72,695,757	\$ 64,854,155	\$ 62,211,018	\$ 61,042,100
Licenses and Other Taxes	29,547,372	29,835,293	28,366,684	25,132,160	21,489,070
Fees of Office	16,541,950	16,357,990	16,713,340	15,947,007	15,158,666
Fines	1,047,217	1,856,332	901,161	938,219	1,041,445
Intergovernmental Revenues	31,436,226	20,222,636	16,795,611	12,174,943	11,210,657
Other Revenues and Fees	20,098,545	11,010,929	4,065,884	3,750,379	4,414,663
<b>Total Revenues</b>	<b>\$ 185,268,673</b>	<b>\$ 151,978,937</b>	<b>\$ 131,696,835</b>	<b>\$ 120,153,726</b>	<b>\$ 114,356,601</b>
<b>Expenditures:</b>					
General and Administrative	\$ 24,182,127	\$ 24,038,120	\$ 24,306,109	\$ 17,854,760	\$ 22,190,539
Justice System	27,779,348	25,651,067	23,201,277	21,141,976	20,587,143
Public Safety	25,541,542	24,464,786	20,947,527	17,236,844	16,935,004
Corrections & Rehabilitation	33,786,300	31,822,335	29,319,416	28,498,838	26,163,204
Health and Welfare	1,000,366	988,570	3,495,664	7,207,772	1,187,247
Infrastructure & Environmental	11,065,506	5,208,334	5,393,425	3,456,302	5,639,464
Community & Economic Development	-	226,618	300,382	458,902	732,357
Capital Outlay	53,456,670	40,365,158	18,519,149	16,178,562	16,436,607
<b>Debt Service:</b>					
Principle Retirement	4,595,000	6,220,547	4,890,290	6,999,245	5,384,937
Bond Issuance Costs	-	1,582,052	1,175,506	87,000	85,000
Interest & Fiscal Charges	9,116,671	591,288	136,250	1,220,698	1,282,647
<b>Total Expenses</b>	<b>\$ 190,523,530</b>	<b>\$ 161,158,875</b>	<b>\$ 131,684,995</b>	<b>\$ 120,340,899</b>	<b>\$ 116,624,149</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ (5,254,857)</b>	<b>\$ (9,179,938)</b>	<b>\$ 11,840</b>	<b>\$ (187,173)</b>	<b>\$ (2,267,548)</b>
<b>Other Financing Sources (Uses):</b>					
Issuance of Debt	\$ -	\$ 170,505,000	\$ 17,270,000	\$ 7,425,000	\$ 7,125,000
Premium on Long-term Debt	-	9,086,288	866,250	412,000	710,000
Sale of Equipment	193,904	136,034	87,420	125,930	21,652
Insurance Proceeds	203,829	121,895	278,043	243,744	43,281
Transfers In	5,208,870	17,048,710	8,526,955	7,950,000	8,201,228
Transfers Out	(5,208,870)	(17,048,710)	(8,526,955)	(7,950,000)	(8,201,228)
Proceeds from Leases	489,224	185,386	351,879	-	-
Proceeds from SBITAs	299	1,384,154	-	-	-
<b>Total Other Financing Sources Uses</b>	<b>\$ 887,256</b>	<b>\$ 181,418,757</b>	<b>\$ 18,853,592</b>	<b>\$ 8,206,674</b>	<b>\$ 7,899,933</b>
<b>Net Change in Fund Balance</b>	<b>\$ (4,367,601)</b>	<b>\$ 172,238,819</b>	<b>\$ 18,865,432</b>	<b>\$ 8,019,501</b>	<b>\$ 5,632,385</b>
Beginning Fund Balance	275,483,047	103,244,228	84,378,796	76,359,295 <sup>(1)</sup>	71,182,057
Other Increase (Decrease) in Fund Balance	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	(455,146)
<b>Ending Fund Balance</b>	<b>\$ 271,115,446</b>	<b>\$ 275,483,047</b>	<b>\$ 103,244,228</b>	<b>\$ 84,378,796</b>	<b>\$ 76,359,296</b>

Source: Smith County Comprehensive Annual Financial Reports.

(1) Restated.

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**TABLE 12 – CHANGE IN NET POSITION**

	Fiscal Year Ending September 30,				
	2024	2023	2022	2021	2020
<u>Program Revenues:</u>					
Charges for Services	\$ 20,180,331	\$ 20,006,499	\$ 19,086,010	\$ 19,718,892	\$ 16,814,943
Operating Grants & Contributions	13,886,768	10,909,444	8,072,052	13,365,211	13,253,418
Capital Grants & Contributions	19,374,944	10,939,520	10,350,803	426,219	864,766
<u>General Revenues:</u>					
Property Taxes	86,812,379	72,698,640	65,085,868	62,151,500	60,853,157
Other Taxes	29,547,372	29,835,293	28,366,684	25,132,160	21,489,070
Miscellaneous	161,834	180,880	176,821	102,725	197,793
Gain on Sale of Assets	230,937	101,095	(10,284)	125,930	21,652
Proceeds from Leases	-	185,386	351,879	694,427	1,179,398
Proceeds from SBITAs	-	1,384,154	-	-	-
Interest	15,818,575	7,620,466	1,363,603	-	-
Total Revenues	\$ 186,013,140	\$ 153,861,377	\$ 132,843,436	\$ 121,717,064	\$ 114,674,197
<u>Expenses:</u>					
General Government	\$ 24,521,974	\$ 27,336,696	\$ 24,748,638	\$ 18,735,826	\$ 23,262,579
Justice System	24,890,845	23,550,551	20,559,327	20,947,538	20,959,685
Public Safety	25,346,181	23,801,747	20,147,187	18,226,954	18,648,538
Health and Welfare	1,026,862	961,835	3,503,083	7,172,361	2,041,849
Infrastructure	20,140,751	12,623,330	11,555,874	9,327,905	11,056,090
Corrections & Rehabilitation	34,905,843	30,623,047	29,613,043	30,636,954	28,087,621
Community & Economic Development	-	226,618	300,382	458,902	732,357
Interest on Long Term Debt	10,048,526	2,728,838	913,115	1,287,772	1,311,721
Total Expenses	\$ 140,880,982	\$ 121,852,662	\$ 111,340,649	\$ 106,794,212	\$ 106,100,440
Increase (Decrease) in Net Position	\$ 45,132,158	\$ 32,008,715	\$ 21,502,787	\$ 14,922,852	\$ 8,573,757
Net Position - Beginning	144,036,689	112,027,974	90,525,187	75,602,335	70,088,618
Prior Period Adjustment (GASB 75)	-	-	-	-	-
Other Increases (Decreases) in Fund Balance	-	-	-	-	(455,146.00)
Net Position - Ending	<u>\$ 189,168,847</u>	<u>\$ 144,036,689</u>	<u>\$ 112,027,974</u>	<u>\$ 90,525,187</u>	<u>\$ 78,207,229</u>

Source: Smith County Comprehensive Annual Financial Reports.

**FINANCIAL POLICIES . . .** For a summary of significant accounting policies, See APPENDIX B – “EXCERPTS FROM THE SMITH COUNTY, TEXAS ANNUAL FINANCIAL REPORT” – Note I.

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## INVESTMENTS

The County invests its investible funds in investments authorized by State law in accordance with investment policies approved by the Commissioners Court of the County. Both State law and the County's investment policies are subject to change.

**INVESTMENT AUTHORITY AND INVESTMENT PRACTICES OF THE COUNTY . . .** Under Texas law, the County is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities, including letters of credit; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which is guaranteed or insured by or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) interest-bearing banking deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund or its successor; (8) certificates of deposit (i) meeting the requirements of the Texas Public Funds Investment Act (Chapter 2256, Texas Government Code) that are issued by or through an institution that either has its main office or a branch in Texas, and are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or are secured as to principal by obligations described in clauses (1) through (7) or in any other manner and amount provided by law for County deposits or, (ii) where (a) the funds are invested by the County through (I) a broker that has its main office or a branch office in the State of Texas and is selected from a list adopted by the County as required by law or (II) a depository institution that has its main office or a branch office in the State of Texas that is selected by the County; (iii) the broker or the depository institution selected by the County arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the County; (iv) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States, and (v) the County appoints the depository institution selected under (ii) above, an entity as described by Section 2257.041(d) of the Texas Government Code, or a clearing broker-dealer registered with the Securities and Exchange Commission (the "SEC") and operating pursuant to SEC Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the County with respect to the certificates of deposit issued for the account of the County; (9) fully collateralized repurchase agreements that have a defined termination date, are fully secured by a contribution of cash and obligations described in clause (1) which are pledged to the County, and in the County's name and deposited at the time the uninvested is made with the County or with a third party selected and approved by the County and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State; (10) certain bankers' acceptances with the remaining term of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated at least "A-1" or "P-1" or the equivalent by at least one nationally recognized credit rating agency; (11) commercial paper with a stated maturity of 270 days or less that is rated at least "A-1" or "P-1" or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a U.S. or state bank; (12) no-load money market mutual funds registered with and regulated by the SEC and complies with SEC Rule 2a-7 (17 C.F.R. Section 270.2a-7); and (13) no-load mutual funds registered with the SEC that have an average weighted maturity of less than two years, and either (a) a duration of one year or more and invest exclusively in obligations described in under this heading, or (b) a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities in an amount at least equal to the amount of bond proceeds invested under such contract, other than the prohibited obligations described below.

A political subdivision such as the County may enter into securities lending programs if (i) the value of the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (7) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than "A" or its equivalent or (c) cash invested in obligations described in clauses (1) through (7) above, clauses (11) through (13) above, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the County, held in the County's name and deposited at the time the investment is made with the County or a third party designated by the County; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State of Texas; and (iv) the agreement to lend securities has a term of one year or less.

An eligible political subdivision such as the County may enter into hedging transactions, including hedging contracts, related security, credit, and insurance agreements in connection with commodities used the political subdivision in its general operations, with the acquisition or construction of a capital project, or with an eligible project. A hedging transaction must comply with the regulations of the Commodity Futures Trading Commission and the SEC. The political subdivision may pledge to such contracts or agreements any general or special revenues or funds it is authorized by law to pledge to the payment of any other obligations. The political subdivision's cost under such contract or agreement may be considered an operations and maintenance expense, an acquisition costs, a project cost, or a construction expense.

The County may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than “AAA” or “AAAm” or an equivalent by at least one nationally recognized rating service. The County may also contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the County retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the County must do so by order, ordinance, or resolution.

The County is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Under Texas law, the County is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that include a list of authorized investments for County funds, the maximum allowable stated maturity of any individual investment and the maximum average dollar-weighted maturity allowed for pooled fund groups, methods to monitor the market price of investments acquired with public funds, a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis, and procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the Texas Public Funds Investment Act. All County funds must be invested consistent with a formally adopted “Investment Strategy Statement” that specifically addresses each fund’s investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under Texas law, the County’s investments must be made “with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment considering the probable safety of capital and the probable income to be derived.” At least quarterly the County’s investment officers must submit an investment report to the Commissioners Court detailing: (1) the investment position of the County, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, and any additions and changes to market value and the ending value of each pooled fund group, (4) the book value and market value of each separately listed asset at the beginning and end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategies and (b) Texas law. No person may invest County funds without express written authority from the Commissioners Court.

Under Texas law, the County is additionally required to: (1) annually review its adopted policies and strategies, (2) require any investment officers with personal business relationships or family relationships with firms seeking to sell securities to the County to disclose the relationship and file a statement with the Texas Ethics Commission and the County, (3) require the registered principal of firms seeking to sell securities to the County to: (a) receive and review the County’s investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude imprudent investment activities, and (c) deliver a written statement attesting to these requirements; (4) in conjunction with its annual financial audit, perform a compliance audit of the management controls on investments and adherence to the County’s investment policy, (5) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse repurchase agreement, (6) restrict the investment in non-money market mutual funds in the aggregate to no more than 15% of the County’s monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, (7) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements and (8) provide specific investment training for the Treasurer, the chief financial officer (if not the Treasurer) and the investment officer.

#### **TABLE 13 – CURRENT INVESTMENTS**

As of June 30, 2025 the County’s investable funds were invested in the following categories:

**To come**

## TAX MATTERS

**OPINION . . .** On the date of initial delivery of the Bonds, McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel, will render its opinion that, in accordance with statutes, regulations, published rulings and court decisions existing on the date thereof (“Existing Law”), (1) interest on the Bonds for federal income tax purposes will be excludable from the “gross income” of the holders thereof and (2) the Bonds will not be treated as “specified private activity bonds” the interest on which would be included as an alternative minimum tax preference item under section 57(a)(5) of the Internal Revenue Code of 1986, as amended (the “Code”). Except as stated above, Bond Counsel will express no opinion as to any other federal, state or local tax consequences of the purchase, ownership or disposition of the Bonds. See “APPENDIX C – FORM OF BOND COUNSEL’S OPINION.”

In rendering its opinion, Bond Counsel will rely upon (a) the County’s federal tax certificate and (b) covenants of the County with respect to arbitrage, the application of the proceeds to be received from the issuance and sale of the Bonds and certain other matters. Failure of the County to comply with these representations or covenants could cause the interest on the Bonds to become includable in gross income retroactively to the date of issuance of the Bonds.

The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be, and to remain, excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The opinion of Bond Counsel is conditioned on compliance by the County with the covenants and the requirements described in the preceding paragraph, and Bond Counsel has not been retained to monitor compliance with these requirements subsequent to the issuance of the Bonds.

Bond Counsel’s opinion represents its legal judgment based upon its review of Existing Law and the reliance on the aforementioned information, representations and covenants. Bond Counsel’s opinion is not a guarantee of a result. Existing Law is subject to change by Congress and to subsequent judicial and administrative interpretation by the courts and the Department of the Treasury. There can be no assurance that Existing Law or the interpretation thereof will not be changed in a manner which would adversely affect the tax treatment of the purchase, ownership or disposition of the Bonds.

A ruling was not sought from the Internal Revenue Service by the County with respect to the Bonds or the property financed or refinanced with proceeds of the Bonds. No assurances can be given as to whether the Internal Revenue Service will commence an audit of the Bonds, or as to whether the Internal Revenue Service would agree with the opinion of Bond Counsel. If an Internal Revenue Service audit is commenced, under current procedures the Internal Revenue Service is likely to treat the County as the taxpayer and the Bondholders may have no right to participate in such procedure. No additional interest will be paid upon any determination of taxability.

**FEDERAL INCOME TAX ACCOUNTING TREATMENT OF ORIGINAL ISSUE DISCOUNT . . .** The initial public offering price to be paid for one or more maturities of the Bonds may be less than the principal amount thereof or one or more periods for the payment of interest on the Bonds may not be equal to the accrual period or be in excess of one year (the “Original Issue Discount Bonds”). In such event, the difference between (i) the “stated redemption price at maturity” of each Original Issue Discount Bond, and (ii) the initial offering price to the public of such Original Issue Discount Bond would constitute original issue discount. The “stated redemption price at maturity” means the sum of all payments to be made on the Bonds less the amount of all periodic interest payments. Periodic interest payments are payments which are made during equal accrual periods (or during any unequal period if it is the initial or final period) and which are made during accrual periods which do not exceed one year.

Under Existing Law, any owner who has purchased such Original Issue Discount Bond in the initial public offering is entitled to exclude from gross income (as defined in section 61 of the Code) an amount of income with respect to such Original Issue Discount Bond equal to that portion of the amount of such original issue discount allocable to the accrual period. For a discussion of certain collateral federal tax consequences, see discussion set forth below.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Bond was held by such initial owner) is includable in gross income.

Under Existing Law, the original issue discount on each Original Issue Discount Bond is accrued daily to the stated maturity thereof (in amounts calculated as described below for each accrual period and ratably within each such accrual period) and the accrued amount is added to an initial owner’s basis for such Original Issue Discount Bond for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (a) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Original Issue Discount Bond.

The federal income tax consequences of the purchase, ownership, redemption, sale or other disposition of Original Issue Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. All owners of Original Issue Discount Bonds should consult their own tax advisors with respect to the determination for federal, state and local income tax purposes of the treatment of interest accrued upon redemption, sale or other disposition of such Original Issue Discount Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale or other disposition of such Original Issue Discount Bonds.

**COLLATERAL FEDERAL INCOME TAX CONSEQUENCES . . .** The following discussion is a summary of certain collateral federal income tax consequences resulting from the purchase, ownership or disposition of the Bonds. This discussion is based on Existing Law, which is subject to change or modification, retroactively.

The following discussion is applicable to investors, other than those who are subject to special provisions of the Code, such as financial institutions, property and casualty insurance companies, life insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals allowed an earned income credit, certain S corporations with Subchapter C earnings and profits, foreign corporations subject to the branch profits tax, taxpayers qualifying for the health insurance premium assistance credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase tax-exempt obligations.

THE DISCUSSION CONTAINED HEREIN MAY NOT BE EXHAUSTIVE. INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM LEGISLATION OR FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE BONDS.

Under section 6012 of the Code, holders of tax-exempt obligations, such as the Bonds, may be required to disclose interest received or accrued during each taxable year on their returns of federal income taxation.

Section 1276 of the Code provides for ordinary income tax treatment of gain recognized upon the disposition of a tax-exempt obligation, such as the Bonds, if such obligation was acquired at a “market discount” and if the fixed maturity of such obligation is equal to, or exceeds, one year from the date of issue. Such treatment applies to “market discount bonds” to the extent such gain does not exceed the accrued market discount of such bonds; although for this purpose, a de minimis amount of market discount is ignored. A “market discount bond” is one which is acquired by the holder at a purchase price which is less than the stated redemption price at maturity or, in the case of a bond issued at an original issue discount, the “revised issue price” (i.e., the issue price plus accrued original issue discount). The “accrued market discount” is the amount which bears the same ratio to the market discount as the number of days during which the holder holds the obligation bears to the number of days between the acquisition date and the final maturity date.

**STATE, LOCAL AND FOREIGN TAXES . . .** Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership or disposition of the Bonds under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

**INFORMATION REPORTING AND BACKUP WITHHOLDING . . .** Subject to certain exceptions, information reports describing interest income, including original issue discount, with respect to the Bonds will be sent to each registered holder and to the Internal Revenue Service. Payments of interest and principal may be subject to backup withholding under section 3406 of the Code if a recipient of the payments fails to furnish to the payor such owner’s social security number or other taxpayer identification number (“TIN”), furnishes an incorrect TIN, or otherwise fails to establish an exemption from the backup withholding tax. Any amounts so withheld would be allowed as a credit against the recipient’s federal income tax. Special rules apply to partnerships, estates and trusts, and in certain circumstances, and in respect of non-U.S. holders, certifications as to foreign status and other matters may be required to be provided by partners and beneficiaries thereof.

**FUTURE AND PROPOSED LEGISLATION . . .** Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under Federal or state law and could affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.



## CONTINUING DISCLOSURE OF INFORMATION

In the Order, the County has made the following agreements for the benefit of the respective registered and beneficial owners of the Bonds. The County is required to observe the agreements for so long as it remains obligated to advance funds to pay the Bonds. Under the agreements, the County will be obligated to provide certain updated financial information and operating data annually and timely notice of specified events to the Municipal Securities Rulemaking Board (“MSRB”). The MSRB currently makes this information publicly available on its Electronic Municipal Market Access System (“EMMA”) at <http://emma.msrb.org/>. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

**ANNUAL REPORTS . . .** The County will provide certain updated financial information and operating data annually to the MSRB. The information to be updated includes financial information and operating data with respect to the County of the general type included in this Official Statement in under Tables 1 through 6 and 8 through 13 (the “Annual Financial Information”). The County will additionally provide financial statements of the County (the “Financial Statements”) that will be (i) prepared in accordance with the accounting principles described in Appendix B of this Official Statement or such other accounting principles as the County may be required to employ from time to time pursuant to State law or regulation and shall be in substantially the form included in Appendix B and (ii) audited, if the County commissions an audit of such Financial Statements and the audit is completed within the period during which they must be provided. The County will update and provide the Annual Financial Information within six months after the end of each fiscal year and the Financial Statements within 12 months of the end of each fiscal year, in each case beginning with the fiscal year ending in and after 2025. The County may provide the Financial Statements earlier, including at the time it provides its Annual Financial Information, but if the audit of such Financial Statements is not complete within 12 months after any such fiscal year end, then the County shall file unaudited Financial Statements within such 12-month period and audited Financial Statements for the applicable fiscal year, when and if the audit report on such Financial Statements becomes available.

The County may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by the Rule.

The County's current fiscal year end is September 30. Accordingly, the Annual Financial Information must be provided by March 31 in each year, and the Financial Statements must be provided by September 30 of each year, unless the County changes its fiscal year. If the County changes its fiscal year, it will notify the MSRB of the change.

**EVENT NOTICES . . .** The County will also provide to the MSRB notices of certain events on a timely basis no later than 10 business days after the event. The County will provide notice of any of the following events with respect to the Bonds: (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 County; (13) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, 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 Paying Agent/Registrar or the change of name of a Paying Agent/Registrar, if material; (15) incurrence of a financial obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of any such financial obligation of the County, 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 any such financial obligation of the County, any of which reflect financial difficulties. In addition, the County will provide timely notice of any failure by the County to provide annual financial information in accordance with its agreement described above under “Annual Reports”.

For the events listed in clause (15) and (16) above, the term “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) a guarantee of either (A) or (B). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Any event described in clause (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the County 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 County, 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 County.

**LIMITATIONS AND AMENDMENTS . . .** The County has agreed to update information and to provide notices of certain events only as described above. The County has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The County makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The County disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreements or from any statement made pursuant to its agreements, although holders of Bonds may seek a writ of mandamus to compel the County to comply with its agreements.

The County may amend its continuing disclosure agreements from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the County, if (i) the agreements, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering described herein 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 (ii) either (a) the holders of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or (b) any person unaffiliated with the County (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the registered and beneficial owners of the Bonds.

The County may also amend or repeal the provisions of its continuing disclosure agreements if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the County also may amend the provisions of its continuing disclosure agreements in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds, giving effect to (i) such provisions as so amended and (ii) any amendments or interpretations of the Rule.

If the County so amends its continuing disclosure agreements as described in this section, it has agreed to include with the next financial information and operating data provided in accordance with its agreements described above under “ANNUAL REPORTS” an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

**COMPLIANCE WITH PRIOR UNDERTAKINGS . . .** During the last five years, the County has complied in all material respects with all continuing disclosure agreements made by it in accordance with SEC Rule 15c2-12.

## **OTHER INFORMATION**

**RATING . . .** The Bonds are rated “\_\_\_” by S&P Global Ratings (“S&P”). The outstanding uninsured general obligation debt of the County is rated “AA+” by S&P and “Aa1” by Moody’s Investors Service (“Moody’s”). No application has been made to Moody’s for a rating on the Bonds. An explanation of the significance of such ratings may be obtained from the company furnishing the rating. The rating reflects only the respective views of such organization and the County makes no representation as to the appropriateness of the rating. There is no assurance that such rating will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating company, if in the judgment of such company, circumstances so warrant. Any such downward revision or withdrawal of any of such rating may have an adverse effect on the market price of the Bonds.

**LITIGATION . . .** The County is a defendant in various tort claims and lawsuits involving general liability, civil rights actions, and various contractual matters. In the opinion of the County’s management and the County Attorney’s office, the outcome of the pending litigation will not have a material adverse effect on the County’s financial position or operations of the County.

**REGISTRATION AND QUALIFICATION OF BONDS FOR SALE . . .** The sale of the Bonds has not been registered under the Federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Bonds have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been qualified under the securities acts of any jurisdiction. The County assumes no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

**LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS . . .** Under the Texas Public Security Procedures Act, Chapter 1201, Texas Government Code, as amended, the Bonds (1) are negotiable instruments, (2) are investment securities to which Chapter 8 of the Texas Uniform Commercial Code applies, and (3) are legal and authorized investments for (a) an insurance company, (b) a fiduciary or trustee, or (c) a sinking fund of a municipality or other political subdivision or public agency of the State of Texas. The Bonds are eligible to secure deposits of any public funds of the State, its agencies and political subdivisions, and are legal security for those deposits to the extent of their market value. For political subdivisions in Texas which have adopted investment policies and guidelines in accordance with the Public Funds Investment Act, Chapter 2236, Texas Government Code, as amended, the Bonds may have to be assigned a rating of at least “A” or its equivalent as to investment quality by a national rating agency before such obligations are eligible investments for sinking funds and other public funds. See “OTHER INFORMATION – RATING” herein. In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Bonds are legal investments for state banks, savings banks, trust companies with at least \$1 million of capital,

and savings and loan associations. No review has been made of the laws in other states to determine whether the Bonds are legal investments for various institutions in those states.

The County has made no investigation of other laws, rules, regulations or investment criteria which might apply to such institutions or entities or which might limit the suitability of the Bonds for any of the foregoing purposes or limit the authority of such institutions or entities to purchase or invest in the Bonds for such purposes. The County has made no review of laws in other states to determine whether the Bonds are legal investments for various institutions in those states.

**LEGAL OPINIONS AND NO-LITIGATION CERTIFICATE . . .** Delivery of the Bonds will be accompanied by the unqualified approving legal opinion of the Attorney General of Texas to the effect that the Bonds are valid and legally binding obligations of the County under the Constitution and laws of the State of Texas payable from the proceeds of an annual ad valorem tax levied by the County, upon all taxable property within the County, and, based upon their examination of a transcript of certified proceedings relating to the issuance and sale of the Bonds, the approving legal opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, to the matters set forth in "TAX MATTERS."

The obligations of the purchaser to take and pay for the Bonds, and of the County to deliver such Bonds, are subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the condition (financial or otherwise) of the County from that set forth or contemplated in the Official Statement.

The County will furnish the purchaser a certificate, and dated as of the date of delivery of the Bonds, to the effect that there is not pending, and to their knowledge, there is not threatened, any litigation affecting the validity of the Bonds, or the levy and/or collection of taxes for the payment thereof, or the organization or boundaries of the County, or the title of the officers thereof to their respective offices, and that no additional bonds or other indebtedness have been issued since the date of the statement of indebtedness or non-encumbrance certificate submitted to the Attorney General of Texas in connection with approval of the Bonds.

The legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

**FINANCIAL ADVISOR . . .** Specialized Public Finance Inc. is employed as Financial Advisor to the County in connection with the issuance of the Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. Specialized Public Finance Inc., in its capacity as Financial Advisor, has relied on the opinion of Bond Counsel and has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Financial Advisor to the County has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the County and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

**FORWARD-LOOKING STATEMENTS . . .** The statements contained in this Official Statement, and in any other information provided by the County, that are not purely historical, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding the County's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the County on the date hereof, and the County assumes no obligation to update any such forward-looking statements. It is important to note that the County's actual results could differ materially from those in such forward-looking statements. The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate.

**INITIAL PURCHASER . . .** After requesting competitive bids for the Bonds, the County accepted the bid of \_\_\_\_\_ (the "Bond Purchaser") to purchase the Bonds at the interest rates shown on page 2 of the Official Statement at a price of approximately \_\_\_\_\_% of par. The Bond Purchaser can give no assurance that any trading market will be developed for the Bonds after their sale by the County to the Bond Purchaser. The County has no control over the price at which the Bonds are subsequently sold and the initial yield at which the Bonds will be priced and reoffered will be established by and will be the responsibility of the Bond Purchaser.

**MISCELLANEOUS . . .** The financial data and other information contained herein have been obtained from the County's records, audited financial statements and other sources which are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

The Order authorizing the issuance of the Bonds approved the form and content of this Official Statement, and any addenda, supplement or amendment thereto, and authorized its further use in the reoffering of the Bonds by the respective Purchaser.

**CERTIFICATION AS TO OFFICIAL STATEMENT . . .** The County, acting by and through its Commissioners Court in its official capacity hereby certifies, as of the date hereof, that to the best of its knowledge and belief, the information, statements and descriptions pertaining to the County and its affairs herein contain no untrue statements of a material fact and do not omit to state any material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading. The information, description and statements concerning entities other than the County, including particularly other governmental entities, have been obtained from sources believed to be reliable, but the County has made no independent investigation or verification of such matters and makes no representation as to the accuracy or completeness thereof. Except as set forth in "CONTINUING DISCLOSURE OF INFORMATION" herein, the County has no obligation to disclose any changes in the affairs of the County and other matters described in this Official Statement subsequent to the "end of the underwriting period" which shall end when the County delivers the Bonds to the respective Purchaser at closing, unless extended by the respective Purchaser. All information with respect to the resale of the Bonds subsequent to the "end of the underwriting period" is the responsibility of the respective Purchaser.

This Official Statement has been approved by the Commissioners Court for distribution in accordance with the provisions of the Securities and Exchange Commission's rule codified at 17 C.F.R. Section 240.15c2-12.

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County Judge, Smith County, Texas

ATTEST:

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County Clerk, Smith County, Texas

## **APPENDIX A**

### GENERAL INFORMATION REGARDING THE COUNTY

## THE COUNTY

Smith County (the “County”), located in northeast Texas, was created in 1846. The County covers approximately 932 square miles, 1,273 miles of county roads, 9 incorporated cities and 18 taxing entities.

The economy is diversified by manufacturing, agribusiness, oil production, and education. Minerals produced in the County include oil, gas, clay, sand, gravel and stone.

The 2010 Census population for the County was 209,714, increasing 16.69% from its 2000 Census population of 174,706. The 2020 Census population was 233,479.

## LOCATION OF COUNTY SEAT AND GENERAL DESCRIPTION

The City of Tyler, the county seat of Smith County, is an important East Texas commercial and industrial center located on U.S. Highway 69 just south of Interstate 20. The City is located an equal distance (approximately 100 miles) from the cities of Dallas, Texas and Shreveport, Louisiana.

## MANUFACTURING

Tyler has a diversified industrial base with over 250 manufacturers, distributors and processors in the Tyler/Smith County area. Major production from companies employing more than 1,000 employees each includes cast iron pipes and fittings, car and truck tires, and heating and cooling units. Some of the other products and manufactured, processed or distributed in the area include: life jackets, gun cases, baking products, milk products, petrochemical processing equipment, petrochemical products, brass products, manufacturing and processing equipment, meat products, corrugated boxes, exercise equipment, furniture, printing, medical supplies, silk flowers, acetylene, various rubber products, adhesives, fishing lures, candy, lumber treating and many others.

## LARGEST EMPLOYERS

Employer	Product/Service	Employees
Christus Trinity Mother Francis*	Medical Care	5,000
UT Health East Texas Medical Center*	Medical Care	4,500
Tyler Independent School District	Education	2,550
The Trane Company*	Air Conditioning Units	2,500
Sanderson Farms	Poultry Production	1,750
Walmart	Retail	1,500
Brookshire Grocery Company*	Grocery Distribution	1,450
UT Health Science Center	Medical Care/Research	1,450
University of Texas - Tyler	Education	1,200
Optimum	Cable, Internet & Phone	1,150
		<u>23,050</u>

Source: Smith County Comprehensive Annual Financial Report.

\* Headquarters in the City of Tyler.

## LABOR MARKET PROFILE

Smith County					
	June	Average Annual			
	2025	2024	2023	2022	2021
Civilian Labor Force	120,628	118,212	115,419	112,585	110,095
Total Employed	116,191	113,688	111,221	108,356	104,439
Total Unemployed	4,437	4,524	4,198	4,229	5,656
% Unemployed	3.7%	3.8%	3.6%	3.8%	5.1%

State of Texas					
	June	Average Annual			
	2025	2024	2023	2022	2021
Civilian Labor Force	15,844,159	15,608,932	15,067,153	14,672,312	14,220,446
Total Employed	15,199,591	14,971,373	14,472,524	14,093,906	13,413,036
Total Unemployed	644,568	637,559	594,629	578,406	807,410
% Unemployed	4.1%	4.1%	3.9%	3.9%	5.7%

Source: Texas Labor Market Information.

### MEDICAL CENTER

Tyler is the medical center of East Texas, with seven hospitals and 66 clinics. Including nursing homes and retirement centers there are more than 2,000 beds available in health care facilities. There are more than 400 medical doctors and 95 dentists in Tyler. Included in the array of medical-related services in Tyler is a three-year professional training course offered by Texas Eastern School of Nursing and a baccalaureate degree in nursing offered by University of Texas at Tyler.

### PRIMARY EDUCATION

Smith County has ten public independent schools districts, the largest being Tyler ISD. Tyler ISD opened the Career & Technology Center in 2015, which connects students with real-world experiences from a variety of career fields and interests in a rigorous, project-based learning environment.

### HIGHER EDUCATION

Higher education facilities are provided at the University of Texas at Tyler with enrollment of approximately 6,700 with 74 undergraduate and graduate degrees in five colleges; Texas College at Tyler with approximately 870 students; Tyler Junior College with an enrollment of approximately 12,169 students; Tyler School of Business; East Texas Barber College; and Tyler Real Estate School.

### OIL AND GAS INDUSTRY

When the East Texas Oilfield was discovered in 1931, the County became a headquarters for major oil companies and hundreds of independent oilmen. The County remains an oil center today; however, the County's expanded economic base is more diversified than it was in past years. Today there are numerous oil related service and manufacturing companies located in the County, which produce, among other things, various oilfield equipment and petroleum based products.

**APPENDIX B**

EXCERPTS FROM THE  
SMITH COUNTY, TEXAS  
ANNUAL FINANCIAL REPORT  
For the Year Ended September 30, 2024

The information contained in this APPENDIX consists of excerpts from the Smith County, Texas Annual Financial Report for the Year Ended September 30, 2024, and is not intended to be a complete statement of the County's financial condition. Reference is made to the complete Report for further information.



**APPENDIX C**

**FORM OF BOND COUNSEL'S OPINION**

**3**

# SMITH COUNTY COMMISSIONERS COURT

## AGENDA ITEM REQUEST FORM

<b>Submission Date:</b> JULY 23, 2025	<b>Submitted by:</b> FRANK DAVIS
<b>Meeting Date:</b> JULY 29, 2025	<b>Department:</b> ROAD & BRIDGE
<b>Item Requested is:</b> <input checked="" type="checkbox"/> For Action/Consideration <input type="checkbox"/> For Discussion/Report	
<b>Title:</b> Advance Funding Agreement and Resolution	
<b>Agenda Category:</b> <input checked="" type="radio"/> Briefing Session <input type="radio"/> Recurring Business <input type="radio"/> Court Orders <input checked="" type="radio"/> Resolution <input type="radio"/> Presentation <input type="radio"/> Executive Session	
<b>Agenda Wording:</b> Consider and take necessary action to approve the Advance Funding Agreement and approve a Resolution requesting participation in the Texas Department of Transportation Waiver of Local Match Fund Participation Requirement on Federal Off-System Bridge Program, for the in kind equivalent for the scheduled replacement of the bridge located at CR 363 at Simpson Creek, and authorize the County Judge to sign all related documentation.	
<b>Background:</b> The Road and Bridge Department is requesting The Commissioners Court to approve the Advance Funding Agreement with TxDOT for the CR 363 Bridge replacement at Simpson Creek, and approve the associated Resolution. This bridge is being replaced through the Federal Off-System Bridge Program which is administered through TxDOT. In this program, the local entity is required to provide a 10% match fund participation, which will be \$67,268.88 for this bridge replacement. This AFA and resolution provides for a waiver that allows for Smith County to provide an in-kind match. Smith County's in-kind match will be through our replacement of the bridge on CR 1139 at Indian Creek.	
<b>Financial and Operational Impact:</b> None	
<b>Attachments:</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<b>Is a Budget Amendment Necessary?</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Does Document Require Signature?</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
<b>Return Signed Documents to the following:</b>	
<b>Name:</b> Frank Davis	<b>Email:</b> fdavis@smith-county.com
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>

Note: This is the only form required for agenda requests, with the exception of backup materials or attachments. This form should be completed and emailed to [Agenda@smith-county.com](mailto:Agenda@smith-county.com) and include any necessary attachments. **Deadline is Tuesday at 5:00pm a week before the next scheduled Commissioners Court meeting. Please make sure the requested agenda item has been proactively vetted with the appropriate reviewing individuals and obtained their signature as reviewed.** Regular Court Meetings are at 9:30am on Tuesdays each week.

**SUBMIT**

Office Use Only  
Agenda Item # \_\_\_\_\_

TxDOT:				NBI Structure #	10-212-0-AA03-63-103
CCSJ #	0910-16-198	AFA ID	Z00011134	Federal Highway Administration:	
AFA CSJs	0910-16-198			CFDA No.	20.205
District #	10	Code Chart 64#	50212	CFDA Title	Highway Planning and Construction
Project Name	CR 363 at Simpson Creek			AFA Not Used For Research & Development	

**STATE OF TEXAS           §**

**COUNTY OF TRAVIS       §**

**ADVANCE FUNDING AGREEMENT  
For Bridge Replacement or Rehabilitation  
Off the State System**

**THIS Advance Funding Agreement (the Agreement)** is made by and between the State of Texas, acting by and through the Texas Department of Transportation, called the “State”, and the **County of Smith**, acting by and through its duly authorized officials, called the “Local Government.”

**WITNESSETH**

**WHEREAS**, Title 23 United States Code Section 144 authorizes federal funds to assist the states in the replacement or rehabilitation of deficient bridges located on public highways, roads, and streets, including those under the jurisdiction of local governments; and

**WHEREAS**, the Texas Transportation Code Sections 201.103 and 222.052 establish that the State shall plan and make policies for the construction of a comprehensive system of state highways and public roads in cooperation with local governments; and

**WHEREAS**, the Local Government owns one or more bridges on a public road or street located at **CR 363 at Simpson Creek**, and these bridges are included in the currently approved off-state system federal-aid Highway Bridge Replacement and Rehabilitation Program (HBRRP) as authorized by Texas Transportation Commission Minute Order Number **116752**, dated **August 22, 2024**; and

**WHEREAS**, the Governing Body of the Local Government has approved entering into this Agreement by resolution or ordinance, which is attached to and made a part of this agreement as Attachment D for the development of the specific programmed replacement or rehabilitation project, called the “Project”. The Project is identified in the location map shown as Attachment A, which is attached to and made a part of this agreement.

**NOW, THEREFORE**, in consideration of the premises and of the mutual covenants and agreements of the parties, to be by them respectively kept and performed as set forth, it is agreed as follows:

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District #	10	Code Chart 64#	50212	CFDA Title	Highway Planning and Construction
Project Name	CR 363 at Simpson Creek			AFA Not Used For Research & Development	

## AGREEMENT

### 1. Period of this Agreement

This Agreement becomes effective when signed by the last party whose signing makes the Agreement fully executed. This Agreement shall remain in effect until terminated as provided in Article 2.

### 2. Termination of this Agreement

This Agreement shall remain in effect until the Project is completed and accepted by all parties, unless:

- A. The Agreement is terminated in writing with the mutual consent of the parties;
- B. The Agreement is terminated by one party because of a breach, in which case any cost incurred because of the breach shall be paid by the breaching party;
- C. The Local Government elects not to develop the project and the project does not proceed, in which case the Local Government agrees to reimburse the State for one-hundred percent (100%) of its reasonable actual direct and indirect costs incurred for the project; or
- D. The project is inactive for thirty-six (36) months or longer and no expenditures have been charged against federal funds, in which case the State may at its discretion terminate the agreement.

### 3. Amendments

Amendments to this Agreement may be made due to changes in the character of the work, the terms of the Agreement, or the responsibilities of the parties. Amendments shall be enacted through a mutually agreed upon written amendment executed by all parties to this Agreement.

### 4. Remedies

This Agreement shall not be considered as specifying the exclusive remedy for any Agreement default, but all remedies existing at law and in equity may be availed of by either party to this Agreement and shall be cumulative.

### 5. Scope of Work

The scope of work for this Agreement is the replacement or rehabilitation of the bridges identified in the recitals of this Agreement. This replacement or rehabilitation shall be accomplished in the manner described in the plans, specifications, and estimates developed in accordance with this Agreement and which are incorporated in this agreement by reference.

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## 6. Right of Way and Real Property

- A. The Local Government is responsible for the provision and acquisition of all necessary right of way and will not be reimbursed with federal or state funds for the required right of way.
- B. The Local Government authorizes the State, its consultant, contractor, or other designated representative to enter the sites of these bridges and adjacent right of way or relocation right of way to perform surveys, inspections, construction, and other activities necessary to replace or rehabilitate these bridges and approaches.

## 7. Adjustment of Utilities

The Local Government shall be responsible for the adjustment, removal, or relocation of utility facilities in accordance with applicable state laws, regulations, rules, policies, and procedures, including any cost to the State of a delay resulting from the Local Government's failure to ensure that utility facilities are adjusted, removed, or relocated before the scheduled beginning of construction. The Local Government will not be reimbursed with federal or state funds for the cost of required utility work. The Local Government must obtain advance approval for any variance from established procedures. Before a construction contract is let, the Local Government shall provide, at the State's request, a certification stating that the Local Government has completed the adjustment of all utilities that must be adjusted before construction is completed.

## 8. Environmental Assessment and Mitigation

Development of the Project must comply with the National Environmental Policy Act and the National Historic Preservation Act of 1966, which require environmental clearance of federal-aid projects.

- A. The State is responsible for the identification and assessment of any environmental problems associated with the development of the Project governed by this Agreement.
- B. Cost participation in environmental assessment and remediation work shall be paid by the parties in the same ratio as construction costs and will be included in the construction costs identified in Attachment C, Estimate of Direct Costs.
- C. The State is responsible for providing any public meetings or public hearings required for development of the environmental assessment.
- D. The State will not begin construction of the Project until identified environmental problems have been remediated, unless provided for otherwise.

## 9. Compliance with Texas Accessibility Standards and ADA

All parties to this Agreement shall ensure that the plans for and the construction of the Project subject to this Agreement are in compliance with the Texas Accessibility Standards (TAS) issued by the Texas Department of Licensing and Regulation, under the Architectural Barriers Act, Article 9102, Texas Civil Statutes. The TAS

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establishes minimum accessibility requirements to be consistent with minimum accessibility requirements of the Americans with Disabilities Act (P.L. 101-336) (ADA).

#### 10. Architectural and Engineering Services

The State is responsible for performance of any required architectural or preliminary engineering work. The Local Government may review and comment on the work as required to accomplish the public purposes of the Local Government. The State will cooperate fully with the Local Government in accomplishing these local public purposes to the degree permitted by state and federal law. The Local Government review shall not unduly delay the development of the Project.

#### 11. Construction Responsibilities

- A. The State shall advertise for construction bids, issue bid proposals, receive and tabulate the bids, and award and administer the contract for construction of the Project. Administration of the contract includes the responsibility for construction engineering and for issuance of any change orders, supplemental agreements, amendments, or additional work orders that may become necessary subsequent to the award of the construction contract. In order to ensure federal funding eligibility, projects must be authorized by the State prior to advertising for construction.
- B. Upon completion of the Project, the State will issue a "Notification of Completion" acknowledging the Project's construction completion.

#### 12. Project Maintenance

After the Project has been completed, the Local Government shall accept full ownership, and operate and maintain the facilities authorized by this Agreement for the benefit of and at no charge of toll to the public. This covenant shall survive the completion of construction under this Agreement.

#### 13. Local Project Sources and Uses of Funds

- A. A Project Cost Estimate is provided in Attachment C, Estimate of Direct Costs.
- B. Attachment C provides a source of funds estimate as well as the estimated direct preliminary engineering, construction engineering, and construction costs for the Project in total and by the Local Government.
- C. The required Local Government participation is based solely upon the State's estimate of the eligible work at the time this Agreement is executed and will not be adjusted during construction except as needed to include any Project cost item or portion of a cost item ineligible for state or federal participation. In addition to its share of estimated direct engineering and construction costs, the Local Government is responsible for the direct cost of any project cost item or portion of a cost item that is not eligible for federal participation under the federal HRRP. The Local Government is also responsible for any cost

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resulting from changes made at the request of the Local Government. The State and the Federal Government will not reimburse the Local Government for any work performed before federal spending authority is formally obligated to the Project by the Federal Highway Administration. After federal funds have been obligated, the State will send to the Local Government a copy of the formal documentation showing the obligation of funds including federal award information.

- D. If the Local Government will perform any work under this contract for which reimbursement will be provided by or through the State, the Local Government must complete training before federal spending authority is obligated. Training is complete when at least one individual who is working actively and directly on the Project successfully completes and receives a certificate for the course entitled *Local Government Project Procedures Qualification for the Texas Department of Transportation*. The Local Government shall provide the certificate of qualification to the State. The individual who receives the training certificate may be an employee of the Local Government or an employee of a firm that has been contracted by the Local Government to perform oversight of the Project. The State in its discretion may deny reimbursement if the Local Government has not designated a qualified individual to oversee the Project.
- E. After execution of this Agreement, but thirty (30) days prior to the performance of any work by the State, the Local Government shall remit to the State the amount specified in Attachment C for the Local Government's contribution for preliminary engineering. The Local Government will pay, at a minimum, its funding share for this estimated cost of preliminary engineering.
- F. Forty-five (45) days prior to the date set for receipt of the construction bids, the Local Government shall remit its remaining financial share for the State's estimated construction oversight and construction costs and any other costs owed.
- G. If, at the completion or termination of the Project, the State determines that additional funding is required by the Local Government, the State shall notify the Local Government in writing. The Local Government shall make payment to the State within thirty (30) days from receipt of the State's written notification.
- H. Whenever funds are paid by the Local Government to the State under this Agreement, the Local Government shall remit a check or warrant made payable to the "Texas Department of Transportation". The check or warrant shall be deposited by the State and managed by the State. The funds may only be applied to the State Project.
- I. Upon completion of the Project, the State will perform an audit of the Project costs. Any funds due to the Local Government, the State, or the Federal Government will be promptly paid by the owing party.
- J. The State will not pay interest on any funds provided by the Local Government.
- K. The Local Government funding participation responsibilities include Project direct costs only, except when the Project is terminated before completion at



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the request of the Local Government as addressed in the Termination provision of this Agreement.

- L. The amounts shown on Attachment C are estimates only. If actual costs exceed the estimates, this shall be considered a fixed price agreement, and no additional funding shall be required of the Local Government except to the extent that the additional costs result from changes made at the request of the Local Government or to the extent that the additional costs are not eligible for federal participation under the federal HBRRP. If actual costs are less than the estimates, Local Government participation shall be recalculated based on actual costs. If the recalculation results in a reduction in participation by the Local Government, the State shall pay the difference to the Local Government upon completion of the Project.
- M. Under the provisions of Texas Transportation Code Section 222.053 certain counties qualify as Economically Disadvantaged Counties (EDC) in comparison to other counties in the state as below average per capita property value, below average per capita income, and above average unemployment, for certain years. If applicable, in consideration of such EDC status that may be applicable for the Project, the required local match fund participation has been adjusted to **zero** percent (**0%**).
- N. The State will not execute the contract for the construction of a Project until the required funding has been made available by the Local Government in accordance with this Agreement.
- O. The state auditor may conduct an audit or investigation of any entity receiving funds from the State directly under this contract or indirectly through a subcontract under this contract. Acceptance of funds directly under this contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.
- P. The Local Government is authorized to submit requests for reimbursement by submitting the original of an itemized invoice in a form and containing all items required by the State no more frequently than monthly, and no later than ninety (90) days after costs are incurred. If the Local Government submits invoices more than ninety (90) days after the costs are incurred, and if federal funding is reduced as a result, the State shall have no responsibility to reimburse the Local Government for those costs.

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**14. Performance by Local Government of Equivalent-Match Projects (EMP) in Return for Waiver of Local Match Participation Funding on Participation-Waived Projects (PWP)**

- A.** Applicability. If a request for waiver has been received and approved by the State's District Engineer, then the required ten percent matching fund participation or percent as adjusted for EDC consideration, as shown in Attachment C, Estimate of Direct Costs, but excluding ineligible costs under the bridge program, is waived. This waiver is based on the commitment of the Local Government to spend an equivalent amount of funds for structural or safety improvement on "other" bridge structures and other conditions as specified in 43 TAC Section 15.55(d). If a waiver has been granted, the Project shall be defined to be a PWP and the work on the "other" bridge structures that will be improved by the Local Government shall be defined to be the EMPs. Attachment B to this Agreement shows a list of EMPs under this Agreement.
- B.** Project Cost Estimate for PWP. Attachment C to this Agreement shows the estimated direct preliminary engineering, construction engineering, and construction costs for the PWP in total and local match fund participation being waived or partially waived.
- C.** Credit Against EMP Work. Any local match fund participation that has already been paid, or which the Local Government is agreeable to paying to the State, will be credited against EMP work to be performed by the Local Government. If applicable, this credit will be reflected in Attachment C to this Agreement.
- D.** Responsibilities of the Local Government on EMPs.
  1. The Local Government shall be responsible for all engineering and construction, related costs, and compliance with all applicable state and federal environmental regulations and permitting requirements.
  2. The structural or safety improvement work on the EMPs shall be performed subsequent to the final execution of this Agreement but within three (3) calendar years after the earliest contract award of the related PWPs.
  3. Written documentation, suitable for audit, of the structural or safety improvement work completed on the EMPs shall be kept on file by the Local Government for four (4) years after completion of work or claims, lawsuits, or audits related to those items, whichever is longer. A notice of completion of work on the EMPs shall be delivered to the State's District Engineer no later than thirty (30) calendar days after work is completed on the EMPs.
  4. Failure by the Local Government to adequately complete the EMPs within the stated three-year period shall result in the Local Government being excluded from receiving such waivers for a minimum of five (5) years.
- E.** Funding of Ineligible or Additional Work Not Waived. Regardless of any waiver of eligible program costs, the Local Government shall pay the State one-hundred percent (100%) of the cost of any PWP item or portion of a cost item that is not eligible for federal or state participation, and one-hundred percent (100%) of the costs resulting from additional work on the PWP performed solely

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at the request of the Local Government. If the ineligible or additional work is preliminary engineering, the payment shall be made at least thirty (30) days prior to the beginning of preliminary engineering work on the PWP. If the ineligible or additional work is for construction or construction engineering, the payment shall be made at least forty-five (45) days prior to the date set for receipt of bids for construction of the PWP.

## 15. Notices

All notices to either party shall be delivered personally or sent by certified or U.S. mail, postage prepaid, addressed to that party at the following address:

State: Director, Bridge Division  
Texas Department of Transportation  
125 E. 11<sup>th</sup> Street  
Austin, Texas 78701

Local Government: Honorable Neal Franklin  
Smith County Judge  
200 E. Ferguson, Suite 100  
Tyler, TX 75702

All notices shall be deemed given on the date delivered in person or deposited in the mail, unless otherwise provided by this agreement. Either party may change the above address by sending written notice of the change to the other party. Either party may request in writing that notices shall be delivered personally or by certified U.S. mail, and that request shall be carried out by the other party.

## 16. Legal Construction

In case one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions and this Agreement shall be construed as if it did not contain the invalid, illegal, or unenforceable provision.

## 17. Responsibilities of the Parties

The parties to this Agreement agree that no party is an agent, servant, or employee of the other party and each party agrees it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

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## 18. Ownership of Documents

Upon completion or termination of this Agreement, all documents prepared by the State shall remain the property of the State. All data prepared under this Agreement shall be made available to the State without restriction or limitation on their further use. All documents produced or approved or otherwise created by the Local Government shall be transmitted to the State in the form of photocopy reproduction on a monthly basis as required by the State. The originals shall remain the property of the Local Government. At the request of the State, the Local Government shall submit any information required by the State in the format directed by the State.

## 19. Compliance with Laws

The parties shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of this Agreement. When required, the Local Government shall furnish the State with satisfactory proof of this compliance.

## 20. Sole Agreement

This Agreement constitutes the sole and only agreement between the parties and supersedes any prior understandings or written or oral agreements respecting the subject matter of this Agreement.

## 21. Office of Management and Budget (OMB) Cost Principles

In order to be reimbursed with federal funds, the parties shall comply with the Cost Principles established in 2 CFR 200 that specify that all reimbursed costs are allowable, reasonable, and allocable to the Project.

## 22. Procurement and Property Management Standards

The parties shall adhere to the procurement standards established in Title 49 CFR §18.36 and with the property management standard established in Title 49 CFR §18.32.

## 23. Inspection of Books and Records

The parties to the Agreement shall maintain all books, documents, papers, accounting records, and other documentation relating to costs incurred under this Agreement and shall make such materials available to the State, the Local Government, and, if federally funded, the Federal Highway Administration (FHWA) and the U.S. Office of the Inspector General, or their duly authorized representatives, for review and inspection at its office during the contract period and for four (4) years from the date of completion of work defined under this contract or until any impending litigation or claims are resolved. Additionally, the State, the Local Government, the FHWA, and their duly authorized representatives shall have

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access to all the governmental records that are directly applicable to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

## 24. Civil Rights Compliance

- A. Compliance with Regulations: The Local Government will comply with the Acts and the Regulations relative to Nondiscrimination in Federally-assisted programs of the U.S. Department of Transportation (USDOT), the Federal Highway Administration (FHWA), as they may be amended from time to time, which are herein incorporated by reference and made part of this agreement.
- B. Nondiscrimination: The Local Government, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Local Government will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.
- C. Solicitations for Subcontracts, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the Local Government for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier will be notified by the Local Government of the Local Government's obligations under this contract and the Acts and Regulations relative to Nondiscrimination on the grounds of race, color, or national origin.
- D. Information and Reports: The Local Government will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and facilities as may be determined by the State or the FHWA to be pertinent to ascertain compliance with such Acts, Regulations or directives. Where any information required of the Local Government is in the exclusive possession of another who fails or refuses to furnish this information, the Local Government will so certify to the State or the Federal Highway Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of the Local Government's noncompliance with the Nondiscrimination provisions of this contract, the State will impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:
  1. withholding of payments to the Local Government under the contract until the Local Government complies and/or
  2. cancelling, terminating, or suspending of the contract, in whole or in part.
- F. Incorporation of Provisions: The Local Government will include the provisions of paragraphs (A) through (F) in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Acts, the Regulations

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and directives issued pursuant thereto. The Local Government will take such action with respect to any subcontract or procurement as the State or the FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Local Government becomes involved in, or is threatened with, litigation with a subcontractor or supplier because of such direction, the Local Government may request the State to enter into such litigation to protect the interests of the State. In addition, the Local Government may request the United States to enter into such litigation to protect the interests of the United States.

## 25. Disadvantaged Business Enterprise (DBE) Program Requirements

- A. The parties shall comply with the Disadvantaged Business Enterprise Program requirements established in 49 CFR Part 26.
- B. The Local Government shall adopt, in its totality, the State's federally approved DBE program.
- C. The Local Government shall set an appropriate DBE goal consistent with the State's DBE guidelines and in consideration of the local market, project size, and nature of the goods or services to be acquired. The Local Government shall have final decision-making authority regarding the DBE goal and shall be responsible for documenting its actions.
- D. The Local Government shall follow all other parts of the State's DBE program referenced in TxDOT Form 2395, Memorandum of Understanding Regarding the Adoption of the Texas Department of Transportation's Federally-Approved Disadvantaged Business Enterprise by Entity and attachments found at web address [http://ftp.dot.state.tx.us/pub/txdot-info/bop/dbe/mou/mou\\_attachments.pdf](http://ftp.dot.state.tx.us/pub/txdot-info/bop/dbe/mou/mou_attachments.pdf).
- E. The Local Government shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any U.S. Department of Transportation (DOT)-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The Local Government shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in award and administration of DOT-assisted contracts. The State's DBE program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the Local Government of its failure to carry out its approved program, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).
- F. Each contract the Local Government signs with a contractor (and each subcontract the prime contractor signs with a sub-contractor) must include the following assurance: *The contractor, sub-recipient, or sub-contractor shall not*

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*discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this agreement, which may result in the termination of this agreement or such other remedy as the recipient deems appropriate.*

## 26. Debarment Certifications

The parties are prohibited from making any award at any tier to any party that is debarred or suspended or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549, "Debarment and Suspension." By executing this agreement, the Local Government certifies that it is not currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549 and further certifies that it will not do business with any party that is currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549. The parties to this contract shall require any party to a subcontract or purchase order awarded under this contract to certify its eligibility to receive Federal funds and, when requested by the State, to furnish a copy of the certification.

## 27. Lobbying Certification

In executing this Agreement, each signatory certifies to the best of that signatory's knowledge and belief, that:

- A. No federal appropriated funds have been paid or will be paid by or on behalf of the parties to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with federal contracts, grants, loans, or cooperative agreements, the signatory for the Local Government shall complete and submit the Federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The parties shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and all sub-recipients shall certify and disclose accordingly. Submission of this

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certification is a prerequisite for making or entering into this transaction imposed by Title 31 U.S.C. §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

## 28. Federal Funding Accountability and Transparency Act Requirements

- A. Any recipient of funds under this agreement agrees to comply with the Federal Funding Accountability and Transparency Act (FFATA) and implementing regulations at 2 CFR Part 170, including Appendix A. This agreement is subject to the following award terms: <http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22705.pdf> and <http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22706.pdf>.
- B. The Local Government agrees that it shall:
  1. Obtain and provide to the State, a Central Contracting Registry (CCR) number (Federal Acquisition Regulation, Part 4, Sub-part 4.1100) if this award provides for more than \$25,000 in Federal funding. The CCR number may be obtained by visiting the CCR web-site whose address is: <https://sam.gov/SAM/pages/public/index.jsf>;
  2. Obtain and provide to the State a Data Universal Numbering System (DUNS) number, a unique nine-character number that allows the federal government to track the distribution of federal money. The DUNS number may be requested free of charge for all businesses and entities required to do so by visiting the Dun & Bradstreet (D&B) on-line registration website <http://fedgov.dnb.com/webform>; and
  3. Report the total compensation and names of its top five (5) executives to the State if:
    - i. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25,000,000; and
    - ii. The compensation information is not already available through reporting to the U.S. Securities and Exchange Commission.

## 29. Successors and Assigns

The State and the Local Government each binds itself, its successors, executors, assigns, and administrators to the other party to this Agreement and to the successors, executors, assigns, and administrators of such other party in respect to all covenants of this Agreement.

## 30. Local Government Restrictions

In the case that the Local Government has an existing, future, or proposed local ordinance, commissioners court order, rule, policy, or other directive that is more restrictive than the state or federal regulations that results in an increase cost to the State for the project, the local government is responsible for all increased costs associated with the ordinance, order, policy, directive, or change.



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### 31. Single Audit Report

- A. The parties shall comply with the requirements of the Single Audit Act of 1984, P.L. 98-502, ensuring that the single audit report includes the coverage stipulated in 2 CFR 200.
- B. If threshold expenditures of \$750,000 or more are met during the fiscal year, the Local Government must submit a Single Audit Report and Management Letter (if applicable) to TxDOT's Compliance Division, 125 East 11th Street, Austin, TX 78701 or contact TxDOT's Compliance Division at [singleaudits@txdot.gov](mailto:singleaudits@txdot.gov).
- C. If expenditures are less than the threshold during the Local Government's fiscal year, the Local Government must submit a statement to TxDOT's Compliance Division as follows: "We did not meet the \$\_\_\_\_\_ expenditure threshold and therefore, are not required to have a single audit performed for FY\_\_\_\_\_."
- D. For each year the project remains open for federal funding expenditures, the Local Government will be responsible for filing a report or statement as described above. The required annual filing shall extend throughout the life of the agreement, unless otherwise amended or the project has been formally closed out and no charges have been incurred within the current fiscal year.

### 32. Pertinent Non-Discrimination Authorities

During the performance of this contract, the Local Government, for itself, its assignees, and successors in interest agree to comply with the following nondiscrimination statutes and authorities; including but not limited to:

- A. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- B. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects).
- C. Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), as amended, (prohibits discrimination on the basis of sex).
- D. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.) as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27.
- E. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age).
- F. Airport and Airway Improvement Act of 1982, (49 U.S.C. Chapter 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex).
- G. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age

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Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, subrecipients and contractors, whether such programs or activities are Federally funded or not).

- H. Titles II and III of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38.
- I. The Federal Aviation Administration’s Nondiscrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex).
- J. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations.
- K. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, the parties must take reasonable steps to ensure that LEP persons have meaningful access to the programs (70 Fed. Reg. at 74087 to 74100).
- L. Title IX of the Education Amendments of 1972, as amended, which prohibits the parties from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq.).

### 33. **Signatory Warranty**

Each signatory warrants that the signatory has necessary authority to execute this agreement on behalf of the entity represented.

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**THIS AGREEMENT IS EXECUTED** by the State and the Local Government in duplicate.

## THE LOCAL GOVERNMENT

\_\_\_\_\_  
Signature

Neal Franklin\_\_\_\_\_  
Typed or Printed Name

Smith County Judge\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## THE STATE OF TEXAS

\_\_\_\_\_  
Jamie F. Farris, P.E.  
Bridge Division Director  
Texas Department of Transportation

\_\_\_\_\_  
Date

## RESOLUTION

The State of Texas  
County of **Smith**

WHEREAS, the federal off-system bridge program is administered by the Texas Department of Transportation (the State) to replace or rehabilitate structurally deficient and functionally obsolete (collectively referred to as deficient) bridges located on public roads and streets off the designated state highway system; and

WHEREAS, **County of Smith**, hereinafter referred to as the Local Government owns bridges:

Located at **CR 363 at Simpson Creek**, National Bridge Inventory (NBI) Structure Number **10-212-0-AA03-63-103**, State Control-Section-Job (CSJ) Number **0910-16-198**; and

WHEREAS, a project to remedy the bridge is included in the currently approved program of projects as authorized by Texas Transportation Commission Minute Order Number **116752**. Dated **August 22, 2024**; and

WHEREAS, the usual fund participation ratio for projects on such program is 80 percent federal, 10 percent state and 10 percent Local Government; and

WHEREAS, Texas Administrative Code, Title 43, Section 15.55(d)(43 TAC Section 15.55(d)) provides that under specified conditions the 10 percent Local Government match fund participation requirement may be waived with agreement by the Local Government to perform, or cause to be performed, an equivalent dollar amount of structural improvement work on other deficient bridges or deficient mainlane cross-drainage structures within its jurisdiction, such a project of structural improvement work being referred to as an "equivalent-match project"; and

WHEREAS, the estimated local match fund participation requirement on the approved federal off-system bridge project is **\$67,268.88** (PWP dollars), hereinafter referred to as the "participation-waived" project, such participation requirement the Local Government proposes be waived and in return perform or cause to be performed equivalent-match project structural improvement work.

THEREFORE, BE IT RESOLVED that the Local Government perform or cause to be performed the following equivalent-match project(s) in return for waiver of the local match fund participation requirement on the approved federal off-system bridge program (participation-waived) project not yet awarded:

LOCATION (and NBI structure identification number, if applicable)	ON SCHOOL BUS ROUTE?	DESCRIPTION OF STRUCTURAL IMPROVEMENT WORK	ESTIMATED (EMP) COST
<b>CR 1139 at Indian Cr NBI 10-212-0-AA11-39-101</b>	<b>YES</b>	<b>Bridge Replacement</b>	<b>\$771,200.00</b>

BE IT FURTHER RESOLVED that in receiving this waiver the Local Government acknowledges its obligation to conform with all conditions of 43 TAC Section 15.55(d); such conditions that include but are not restricted to the following:

1. The Local Government must be currently in compliance with load posting and closure regulations as defined in National Bridge Inspection Standards under US Code of Federal Regulations, Title 23, Section 650.303.
2. The equivalent-match project work increases the load capacity of the existing bridge or other mainlane cross-drainage structure, or upgrades the structure to its original load capacity with a minimum upgrade to safely carry school bus loading if located on a school bus route.
3. In performing, or causing to be performed, the equivalent-match project(s), the Local Government assumes all responsibilities for engineering and construction, and complying with all applicable state and federal environmental regulations and permitting requirements for the structures being improved.
4. The work on the proposed equivalent-match project(s) has not begun and will not begin until the local match fund participation waiver approval process has been completed.
5. The Local Government will be allowed three years after the contract award of the participation- waived project to complete the structural improvement work on the equivalent-match project(s).
6. Should this waiver request be approved, the Local Government approves the execution of an Advance Funding Agreement with the State for the participation-waived project or amendment to a previous Advance Funding Agreement executed between the State and Local Government. The County Judge is authorized to execute the agreement on behalf of the Local Government.

Approved this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Approved:\_\_\_\_\_

Neal Franklin  
Smith County Judge

Date:\_\_\_\_\_

Date:

SUBJECT:

Request for Waiver of Local Match Fund  
Participation Requirement on Federal  
Off-System Bridge Program Project

County: Smith

Projects:

CR 363 at Simpson Creek, NBI: 10-212-0-AA03-63-103

Vernon M. Webb, P.E.  
Texas Department of Transportation  
2709 W. Front Street  
Tyler, Texas 75702

Dear Mr Webb:

Under the provisions of Texas Administrative Code, Title 43, Section 15.55(d), this Local Government requests waiver of the local match fund participation requirement on the above referenced federal off-system bridge program project referred to as the “participation-waived” project. In return for waiver of this participation, it is proposed that our governing body perform, or cause to be performed, an equivalent dollar amount of structural improvement work on other deficient bridge(s) or deficient mainlane cross-drainage structure(s), referred to as “equivalent-match project(s)”, within the jurisdiction of our governing body.

A copy of the appropriate required resolution adopted by our governing body is attached.

Sincerely,

Neal Franklin  
Smith County Judge

Attachment: Resolution

\*\*\*\*\*

**For TxDOT Use Only**

\_\_\_\_\_ Waiver Approved  
\_\_\_\_\_ Waiver Disapproved \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Sincerely,

\_\_\_\_\_  
Vernon M. Webb, P.E.  
Tyler District Engineer

Date

**4**

**SMITH COUNTY COMMISSIONERS COURT  
AGENDA ITEM REQUEST FORM**

<b>Submission Date:</b> 7/25/2025	<b>Submitted by:</b> Commissioner Moore
<b>Meeting Date:</b> 7/29/2025	<b>Department:</b> Commissioners Court
<b>Item Requested is:</b> <input type="checkbox"/> For Action/Consideration <input checked="" type="checkbox"/> For Discussion/Report	
<b>Title:</b> Utility Installations	
<b>Agenda Category:</b> <input checked="" type="radio"/> Briefing Session <input type="radio"/> Recurring Business <input checked="" type="radio"/> Court Orders <input type="radio"/> Resolution <input type="radio"/> Presentation <input type="radio"/> Executive Session	
<b>Agenda Wording:</b> Discuss ongoing utility installations in the county rights of way.	
<b>Background:</b>	
<b>Financial and Operational Impact:</b>	
<b>Attachments:</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<b>Is a Budget Amendment Necessary?</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Does Document Require Signature?</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<b>Return Signed Documents to the following:</b>	
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>

Note: This is the only form required for agenda requests, with the exception of backup materials or attachments. This form should be completed and emailed to [Agenda@smith-county.com](mailto:Agenda@smith-county.com) and include any necessary attachments. **Deadline is Wednesday at 5:00pm the week before the next scheduled Commissioners Court meeting. Please make sure the requested agenda item has been proactively vetted with the appropriate reviewing individuals and obtained their signature as reviewed.** Regular Court Meetings are at 9:30am on Tuesdays each week.

**SUBMIT**

Office Use Only  
Agenda Item # \_\_\_\_\_



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**SMITH COUNTY COMMISSIONERS COURT  
AGENDA ITEM REQUEST FORM**

<b>Submission Date:</b> 07/23/2025	<b>Submitted by:</b> Jaye Latch for FCIC
<b>Meeting Date:</b> 07/29/2025	<b>Department:</b> FCIC
<b>Item Requested is:</b> <input checked="" type="checkbox"/> For Action/Consideration <input type="checkbox"/> For Discussion/Report	
<b>Title:</b> Lease Agreement Amendment	
<b>Agenda Category:</b> <input type="radio"/> Briefing Session <input type="radio"/> Recurring Business <input checked="" type="radio"/> Court Orders <input type="radio"/> Resolution <input type="radio"/> Presentation <input type="radio"/> Executive Session	
<b>Agenda Wording:</b> Consider and take necessary action to approve an amendment to the lease agreement with Commercial Vehicle Leasing, L.L.C d/b/a D&M Commercial Leasing for a 2025 Chevrolet Tahoe in the amount of \$6,020.15 and authorized the County Judge to sign all related documentation.	
<b>Background:</b> The lease agreement with D&M Commercial Leasing for a 2025 Tahoe was approve in court on 07/08/2025 for the amount of \$81,117.12. The vehicle that was approved is no longer available and FCIC had to select another vehicle that resulted in an increase to the lease agreement in the amount of \$87,137.27. This results in an increase in the lease agreement in the amount of \$6,020.15.	
<b>Financial and Operational Impact:</b> TDLR	
<b>Attachments:</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<b>Is a Budget Amendment Necessary?</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Does Document Require Signature?</b> Yes <input type="checkbox"/> No <input type="checkbox"/>	
<b>Return Signed Documents to the following:</b>	
<b>Name:</b> Jordan Norris	<b>Email:</b> jnorris@smith-county.com
<b>Name:</b> Thomas Wilson	<b>Email:</b> twilson@smith-county.com
<b>Name:</b> Jaye Latch	<b>Email:</b> jlatch@smith-county.com
<b>Name:</b>	<b>Email:</b>

Note: This is the only form required for agenda requests, with the exception of backup materials or attachments. This form should be completed and emailed to [Agenda@smith-county.com](mailto:Agenda@smith-county.com) and include any necessary attachments. **Deadline is Wednesday at 5:00pm the week before the next scheduled Commissioners Court meeting. Please make sure the requested agenda item has been proactively vetted with the appropriate reviewing individuals and obtained their signature as reviewed.** Regular Court Meetings are at 9:30am on Tuesdays each week.

SUBMIT

Office Use Only  
Agenda Item # \_\_\_\_\_



## Open-End (Equity) Lease Quote

Quote: 29778

Prepared For: Smith County, Texas

Date: 06/20/2025

Unit#: 29778

Quantity: 1

Unit: 2025 Chevrolet Trucks TAHOE 4WD 4dr Wgn Z71

Order Type: In Stock

Term: 48

State: TX

Customer#: 7959

Schedule#: 6.25

\$ 79,662.27	Capitalized Cost of Vehicle <sup>1</sup>
\$ 0.00	Up Front Sales Tax Rate <u>6.25%</u> State <u>TX</u>
\$ 385.00	Initial License and Registration Fees
\$ 7,340.00	Added Equipment (See Page 2)
\$ 0.00	Acquisition Fee
\$ 0.00	Other Capitalized Fees Tax
\$ 0.00	on Gain on Prior Vehicle
\$ 0.00	Inventory Tax Extended
\$ 0.00	Service Contract
\$ 87,387.27	Capitalized Cost LESS:
\$ 0.00	Cash Down
\$ 0.00	Trade Equity
\$ 250.00	Rebate
\$ 87,137.27	Total Capitalized Cost (Delivered Price)

All language and acknowledgements contained in the signed quote apply to all vehicles ordered under this signed quote

### Order Information

Driver  
Ext Color Black or Gray  
Int Color Black  
License  
GVWR 0



\$ 1,263.28 Depreciation Reserve @ 1.450%  
\$ 409.42 Monthly Lease Charge (Based on Rate - Subject to a Floor)<sup>2</sup>

\$ 1,672.70 Total Monthly Rental Excluding Additional Services

### Additional Fleet Management and Services

\$ 75.00 Full Maintenance Program<sup>3</sup>  
\$ 0.00 Miscellaneous

Contract Miles 45,000  
Incl: #Brake Sets (1 set = 1 axle) 0

Over Mileage Charge \$ 0.0100 / Mile  
#Tires 0 Loaner Vehicle Not Incl

\$ 75.00 Additional Services Sub Total

\$ 0.00 Monthly Sales Tax 0.00%

\$ 0.00 Total Monthly Insurance

\$ 1,747.70 Total Monthly Rental Including Additional Services

\$ 26,500.00 Reduced Book Value at 48 Months

\$ 250.00 Service Charge Due at Lease Termination

### Monthly Insurance Premiums and Disclosures

\$ 0.00 Commercial Liability Enrollment (Estimate Only)

\$ 0.00 Physical Damage (Estimate Only)

Liability Limit \$ 0.00

Comprehensive/Collision Deductible: \$ 0.00 / \$ 0.00

Quote based on estimated annual mileage of 15,000 and a Security Deposit of \$ 0.00

(Current market and vehicle conditions may also affect value of vehicle)

(Quote is Subject to Customer's Credit Approval)

### Terms:

Commercial Vehicle Leasing, L.L.C., d/b/a D&M Leasing Commercial (Lessor) will be the owner of the vehicle(s) covered by this Quote, and shall have all rights and remedies arising under the Master Lease. By signing below, Lessee authorizes Lessor to order the vehicle(s), and Lessee agrees to accept delivery and lease the vehicle(s) pursuant to the Master Lease. In the event Lessee fails or refuses to accept delivery of the vehicle(s), Lessor shall have the right to recover from Lessee any damages (whether actual, general consequential, special, incidental or otherwise) and seek any other available relief, at law or in equity, arising from such failure or refusal. The terms of the Master Lease are referenced and incorporated herein. Lessee acknowledges and agrees that Lessor makes no promises, representations or warranties concerning the manufacture or delivery date for the vehicle(s). Lessee certifies that it intends for more than 50% of the use of the vehicle is to be in a trade or business of Lessee. **ALL TAX AND LICENSE FEES TO BE BILLED TO Lessee AS THEY OCCUR.**

LESSEE Smith County, Texas

BY

TITLE

DATE

06/20/2025

\* INDICATES ITEMS TO BE BILLED ON DELIVERY.

1 Capitalized Cost of Vehicle may be adjusted to reflect final manufacturer's invoice. Lessee hereby assigns to LESSOR any Manufacturer Rebates and/or Manufacturer incentives intended for the Lessee, which Rebates and/or incentives have been used by LESSOR to reduce the Capitalized Cost of the Vehicle.

2 Monthly Lease Charge will be adjusted to reflect the Interest Rate on the Delivery Date (Subject to a Floor).

3 The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of the Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule /Quote] all such maintenance services are to be performed by LESSOR and all such maintenance fees are payable by Lessee solely for the account of LESSOR pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and LESSOR; provided that such maintenance fees are being billed by LESSOR and are payable at the direction of LESSOR solely as an authorized agent for collection on behalf of LESSOR.

Quote: 29778

Date: 06/20/2025

Unit: 2025 Chevrolet Trucks TAHOE 4WD 4dr Wgn Z71

Description	(B)illed or (C)apped	Price
Upfit	C	\$ 6,852.00
Delivery/Transport - from dealer to upfitter	C	\$ 488.00
<b>Total Charges (B)illed</b>		\$ 0.00
<b>Total Charges (C)apitalized</b>		\$ 7,340.00
<b>Total of All Added Equipment and Other Charges</b>		\$ 7,340.00

**6**

**SMITH COUNTY COMMISSIONERS COURT  
AGENDA ITEM REQUEST FORM**

<b>Submission Date:</b> 07/23/2025	<b>Submitted by:</b> KAREN NELSON
<b>Meeting Date:</b> 07/29/2025	<b>Department:</b> ROAD & BRIDGE
<b>Item Requested is:</b> <input checked="" type="checkbox"/> For Action/Consideration <input type="checkbox"/> For Discussion/Report	
<b>Title:</b> PLAT	
<b>Agenda Category:</b> <input type="radio"/> Briefing Session <input type="radio"/> Recurring Business <input checked="" type="radio"/> Court Orders <input type="radio"/> Resolution <input type="radio"/> Presentation <input type="radio"/> Executive Session	
<b>Agenda Wording:</b> Consider and take necessary action to authorize the County Judge to sign the: a. Final Plat for the Whiddon Addition, Precinct 3	
<b>Background:</b>	
<b>Financial and Operational Impact:</b>	
<b>Attachments:</b> Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>Is a Budget Amendment Necessary?</b> Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Does Document Require Signature?</b> Yes <input type="checkbox"/> No <input type="checkbox"/>	
<b>Return Signed Documents to the following:</b>	
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>

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**SUBMIT**

Office Use Only  
Agenda Item # \_\_\_\_\_



Subdivision Name: Whiddon Addition  
 Adjacent Road: CR 452 + CR 4114  
 Developer: Serry & Tina Whiddon Phone: 903-360-0943  
 email: N/A Fax: N/A  
 Surveyor: 7 Range Surveying Phone: 903-521-4626  
 email: clbusse11@7Rsurvey.com Fax: N/A  
 Roadway Length: N/A ft. (centerline)

Item		<b>Date and Initial when received</b>		
		Resub/Lot Line Adjustment	No Roads	With Roads
Prior to Court Submission	Preliminary Plat (2 copies)	Not Required		
	Preliminary Plat Approved	Not Required		
	Final Plat (mylar & 3 prints)		✓	
	Plat Fee	\$25	✓	\$250
	Construction Bond (\$20 /ft.)	Not Required	Not Required	
	Testing Fee (\$1.50/ft with Curb & Gutter, \$1/ft without)	Not Required	Not Required	
	911 Clearance Letter		✓	
	Designated Rep. (Pledger) Clearance Letter	See notes below	✓	
	Tax Certificate		✓	
	Plans and Specifications (2 copies)	Not Required	Not Required	
	TCEQ Permit for Dam (if lake or pond present)			
	Flood Plain Development Permit & Fee (if required)	\$100	\$100	\$100
At Completion of Construction	Final Inspection	Not Required	Not Required	
R/W Accepted as County Road by Commissioners Court	Maintenance Bond (\$30/ft.)	Not Required	Not Required	
	County Rd Number	Not Required	Not Required	

Notes: Increase lot(s) – Pledger letter “NOT” required  
 Decrease lot(s) – Pledger letter “IS” required



Smith County 911  
Communications District  
205 Shelley Dr  
Tyler, TX 75701  
(903) 566-8911

**PLAT, SUBDIVISION & STREET NAME REVIEW**  
**01-29-2025**  
Reviewed By: Kim Wheeler, GIS Coordinator

**Whiddon Addition- SC 911 Addressing, no conflicts Proposed lot 2 & lot 6 will keep their existing address.**



**Smith County Designated Agent  
Texas Commission on Environmental Quality  
On-Site Facility Enforcement Program  
Permits, Inspections and Complaint Division  
3800 Paluxy Dr Suite 230  
Tyler, TX.75703  
903-630-4234**

**February 17, 2025**

**Doug Nicholson  
Smith County Road and Bridge  
P.O. Box 990  
Tyler, TX. 75710**

**RE: Whiddon Addition  
Sir**

**As required by Title 30 TAC Charter 285.4c (Review of Subdivision and Development Plans), Tina Whiddon has submitted an application to this office is seeking approval of development planning materials for a new 6 lot Subdivision on a 12.95 acre tract located at 20519 CR 4114 in Smith County, Texas.**

**This development as currently proposed, meet the minimum size of 0.50 acres for a property served by a Public Water System where OSSF's are required. Notice: Property Owners are required to submit to this office an application for a " Permit to construct" and get approval prior to installing an On-Site Sewage Facility on any of the properties. These lots can have conventional system.**

**I have reviewed the information submitted by Tina Whiddon and her consultant Mr. Issac Ridgle an R.S. , and have determined that the plan meets the requirement of said Chapter 285.4c. The information contained in the application materials indicates that the development is suitable for use of individual on-site waste water disposal systems. Please call the above number if you have any questions.**

***Mike Pledger*  
Mike Pledger  
Designated Representative  
Smith County**

TAX CERTIFICATE FOR ACCOUNT : 100000055000004020

AD NUMBER: R029341

GF NUMBER:

CERTIFICATE NO : 13292914

**COLLECTING AGENCY**

Gary B. Barber  
Smith County Tax Office  
P.O. Box 2011  
Tyler TX 75710-2011

**REQUESTED BY**

7 RANGE SURVEYING

20495 CR 4114  
LINDALE TX 75771

DATE : 2/4/2025

FEE : \$10.00

**PROPERTY DESCRIPTION**

ABST A0550 R KEYS|TRACT 4B4C4B  
.24B.34B.4 (PT 2.353 ACS / SEE  
TR|4B.1)

0014673 C R 452  
1.853 ACRES

**PROPERTY OWNER**

WHIDDON JERRY D

17602 COUNTY ROAD 480  
LINDALE TX 757714200

PAGE 1 OF 1

THIS IS TO CERTIFY THAT, AFTER A CAREFUL CHECK OF THE RECORDS OF THE SMITH COUNTY TAX OFFICE, THE FOLLOWING DELINQUENT TAXES, PENALTIES, AND INTEREST ARE DUE ON THE DESCRIBED PROPERTY.

THE ABOVE DESCRIBED PROPERTY TAX HAS/IS RECEIVING SPECIAL APPRAISAL BASED ON ITS USE, AND ADDITIONAL ROLLBACK TAXES MAY BECOME DUE BASED ON THE PROVISIONS OF THE SPECIAL APPRAISAL. (IF APPLICABLE)

CURRENT VALUES			
LAND MKT VALUE:	233	IMPROVEMENT :	0
AG LAND VALUE:	19,745	DEF HOMESTEAD:	0
APPRAISED VALUE:	19,978	LIMITED VALUE:	0
EXEMPTIONS:	Ag 1D1		
LAWSUITS:			

YEAR	TAX UNIT	LEVY	PEN	INT	DEF INT	ATTY	AMOUNT DUE
2024	LINDALE I.S.D.	0.00	0.00	0.00	0.00	0.00	0.00
2024	SMITH COUNTY	0.00	0.00	0.00	0.00	0.00	0.00
2024	SMITH COUNTY EMERG SERV #1	0.00	0.00	0.00	0.00	0.00	0.00
2024	TYLER JR COLLEGE	0.00	0.00	0.00	0.00	0.00	0.00
2024 SUB TOTAL							\$0.00

TOTAL CERTIFIED TAX DUE 2/2025 : \$0.00

ISSUED TO : 7 RANGE SURVEYING  
ACCOUNT NUMBER: 100000055000004020

CERTIFIED BY : \_\_\_\_\_

SMITH COUNTY



TAX CERTIFICATE FOR ACCOUNT : 100000055000004050

AD NUMBER: R193339

GF NUMBER:

CERTIFICATE NO : 13292913

**COLLECTING AGENCY**

Gary B. Barber

Smith County Tax Office

P.O. Box 2011

Tyler TX 75710-2011

**REQUESTED BY**

7 RANGE SURVEYING

20495 CR 4114

LINDALE TX 75771

DATE : 2/4/2025

FEE : \$10.00

**PROPERTY DESCRIPTION**

ABST A0550 R KEYS|TRACT 4E (PT

11.427 AC NET/ SEE TR 4A)

0020519 C R 4114

7.02 ACRES

**PROPERTY OWNER**

WHIDDON TINA ELAINE GRADICK & JERRY DON

17602 COUNTY ROAD 480

LINDALE TX 75771

THIS IS TO CERTIFY THAT, AFTER A CAREFUL CHECK OF THE RECORDS OF THE SMITH COUNTY TAX OFFICE, THE FOLLOWING DELINQUENT TAXES, PENALTIES, AND INTEREST ARE DUE ON THE DESCRIBED PROPERTY.

THE ABOVE DESCRIBED PROPERTY TAX HAS/IS RECEIVING SPECIAL APPRAISAL BASED ON ITS USE, AND ADDITIONAL ROLLBACK TAXES MAY BECOME DUE BASED ON THE PROVISIONS OF THE SPECIAL APPRAISAL. (IF APPLICABLE)

CURRENT VALUES			
LAND MKT VALUE:	75,685	IMPROVEMENT :	0
AG LAND VALUE:	0	DEF HOMESTEAD:	0
APPRAISED VALUE:	75,685	LIMITED VALUE:	0
EXEMPTIONS:			
LAWSUITS:			

YEAR	TAX UNIT	LEVY	PEN	INT	DEF INT	ATTY	AMOUNT DUE
2024	LINDALE I.S.D.	0.00	0.00	0.00	0.00	0.00	0.00
2024	SMITH COUNTY	0.00	0.00	0.00	0.00	0.00	0.00
2024	SMITH COUNTY EMERG SERV #1	0.00	0.00	0.00	0.00	0.00	0.00
2024	TYLER JR COLLEGE	0.00	0.00	0.00	0.00	0.00	0.00
2024 SUB TOTAL							\$0.00

TOTAL CERTIFIED TAX DUE 2/2025 :

\$0.00

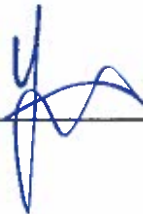
ISSUED TO :

7 RANGE SURVEYING

ACCOUNT NUMBER:

100000055000004050

CERTIFIED BY :



SMITH COUNTY





OWNER'S STATEMENT

We, Jerry Don Whiddon and Tina Elaine Whiddon are the owners of the tract of land shown hereon and do accept this as its plan for the subdivision in to lots and do dedicate to the public the streets, alleys and easements as shown.

*[Signature]*  
Jerry Don Whiddon-Owner

Subscribed and sworn before me, a notary public, in and for the State of Texas,  
This the 21st day of July, 2025

*[Signature]*  
Cathy Gilland

*[Signature]*  
Cathy Gilland  
Notary Public, State of Texas  
Comm. Expires 08-06-2028  
Notary ID: 130760880

Subscribed and sworn before me, a notary public, in and for the State of Texas,  
This the 21st day of July, 2025

*[Signature]*  
Cathy Gilland

*[Signature]*  
Cathy Gilland  
Notary Public, State of Texas  
Comm. Expires 08-06-2028  
Notary ID: 130760880

SURVEYOR'S STATEMENT

I, Cruse B. Sudduth, Registered Professional Land Surveyor no. 5308, do hereby certify that the plat shown hereon was prepared from an actual survey made on the ground under my direction and supervision during the month of Feb, 2025.

GIVEN UNDER MY HAND AND SEAL THIS 17 DAY OF July, 2025.

*[Signature]*  
Cruse B. Sudduth  
Cruse B. Sudduth, R.P.L.S. NO. 5308



APPROVAL:

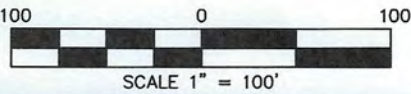
This plat has been approved by the Commissioners Court of Smith County, Texas,

This the \_\_\_\_\_ day of \_\_\_\_\_, 2025

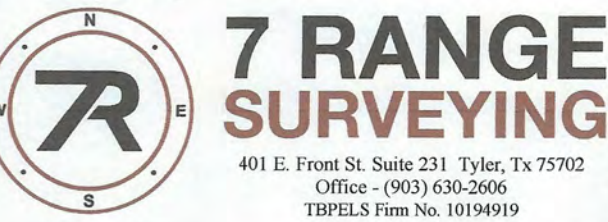
County Judge

NOTES:

- Selling a portion of the addition by metes and bounds is a violation of city ordinance and state law and is subject to fines and withholdings of utilities and building permits.
- The subject property lies within ZONE X, per F.E.M.A. F.I.R.M. No. 48423C0075C, Effective Date 9/25/2008.
- The purpose of this plat is to subdivide a called 11.750 acre tract described in Document No. 20150100053491 and the residue of a called 7.203 acre tract described in Volume 2673 Page 756, into 6 individual lots.
- This survey was prepared without the benefit of an abstract of title. There may be easements or other matters of record not shown.
- This plat is for recording purposes only until such time that dedicated property is formally accepted into Smith County's Maintenance Inventory by the County's Commissioners Court.
- Bearing bases on the Texas State Plane Coordinate System, Texas North Central Zone 4202, N.A.D. 1983.

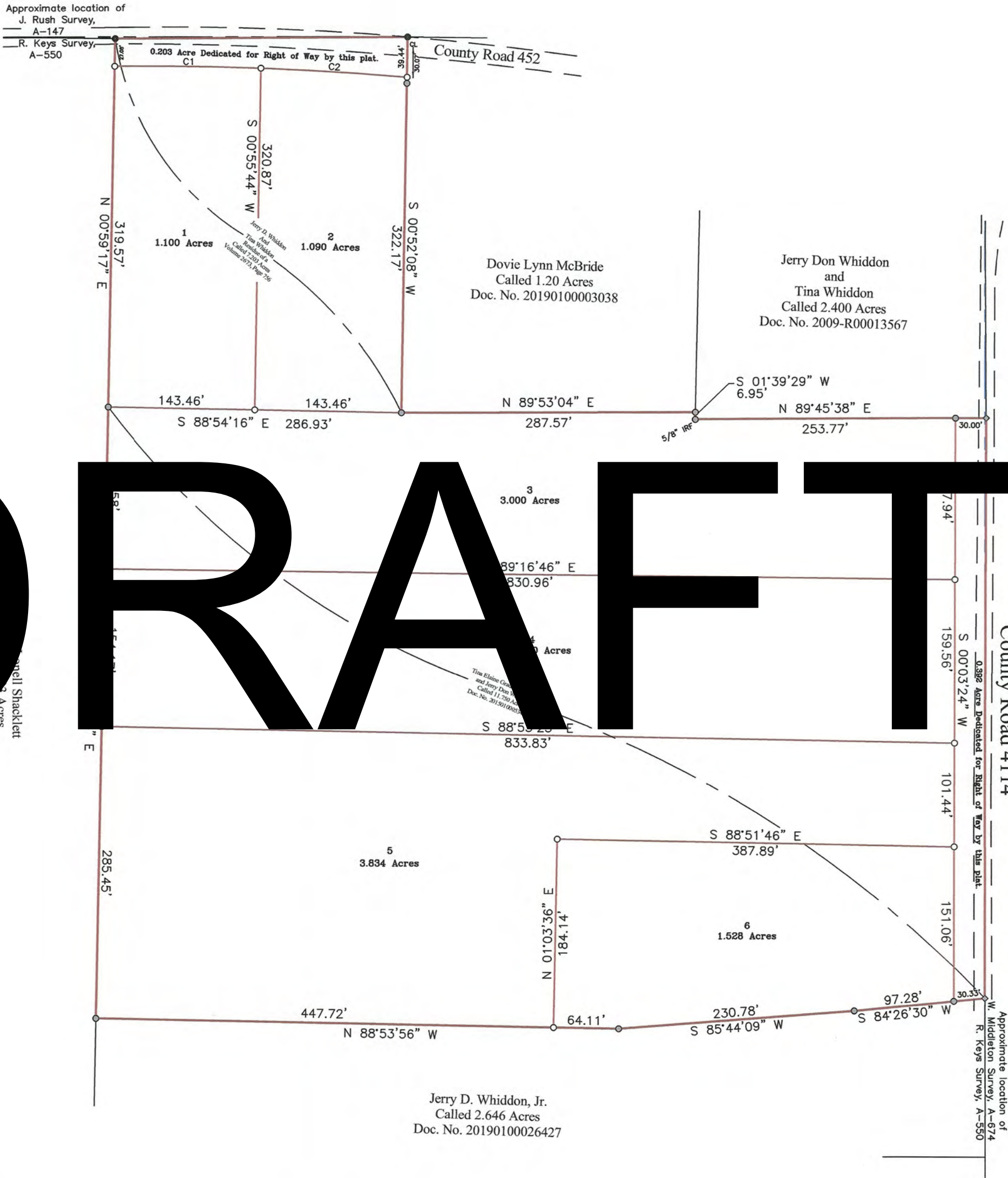


Drawn By: C.B.S. Checked By: BBB File No. 2410015 Date: 1/7/2025

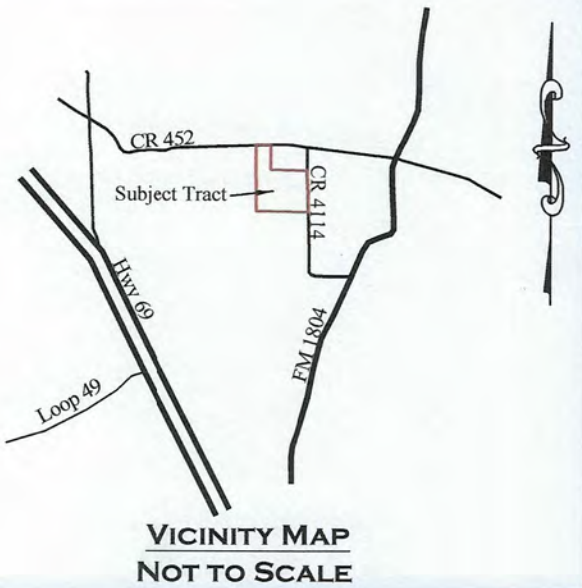


PLAT RECORDED IN CABINET \_\_\_\_\_, SLIDE \_\_\_\_\_

DATE RECORDED: \_\_\_\_\_



Curve Table					
CURVE	DELTA ANGLE	RADIUS	ARC LENGTH	CHORD BEARING	CHORD LENGTH
C1	2°47'44"	2937.09'	143.31'	S89°15'34" E	143.29'
C2	2°47'23"	2937.09'	143.00'	S86°28'00" E	142.99'



SYMBOL LEGEND

- 1/2" Iron Rod Set
- 1/2" Iron Rod Found

Final Plat  
**Whiddon Addition**  
Abstract: R. Keys, A-550  
Smith County, Texas



7

# SMITH COUNTY COMMISSIONERS COURT

## AGENDA ITEM REQUEST FORM

<b>Submission Date:</b>		<b>Submitted by:</b> Jennafer Bell	
<b>Meeting Date:</b> Weekly		<b>Department:</b> Auditor	
<b>Item Requested is:</b> <input type="checkbox"/> For Action/Consideration		<input checked="" type="checkbox"/> For Discussion/Report	
<b>Title:</b> Weekly Bill Pay			
<b>Agenda Category:</b> <input type="radio"/> Briefing Session <input type="radio"/> Recurring Business <input checked="" type="radio"/> Court Orders <input type="radio"/> Resolution <input type="radio"/> Presentation <input type="radio"/> Executive Session			
<b>Agenda Wording:</b> Consider and take necessary action to approve and/or ratify payment of accounts, bills, payroll, transfer of funds, amendments, and health claims.			
<b>Background:</b>			
<b>Financial and Operational Impact:</b>			
<b>Attachments:</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		<b>Is a Budget Amendment Necessary?</b> Yes <input type="checkbox"/> No <input type="checkbox"/>	
<b>Does Document Require Signature?</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
<b>Return Signed Documents to the following:</b>			
<b>Name:</b>		<b>Email:</b>	
<b>Name:</b>		<b>Email:</b>	
<b>Name:</b>		<b>Email:</b>	
<b>Name:</b>		<b>Email:</b>	

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**SUBMIT**

Office Use Only  
Agenda Item # \_\_\_\_\_



# Smith County

## *Budget Transfer Request FY25*

*Submit to Auditor's Office -- Requests received after 12:00 (noon) on Tuesday of any week will be held until the following week's Commissioners Court meeting (if court action is necessary).*

**DEPARTMENT:**

JP#1

**TRANSFER FROM:**

Account Name	Account Number	Amount
Contingency	10.409.4400.499	\$15,000.00

**TRANSFER TO:**

Account Name	Account Number	Amount
Autopsies	10.455.4600.608	\$15,000.00

**BRIEF EXPLANATION FOR REQUEST:**

Cover deficit of \$195.00 and upcoming autopsies.

**Department Head:**

**Auditor's Office**

*Kalisha Boyd*

*7/25/25*

*Signature*

*Date*

*Signature*

*Date*

**Name (Please Print)**

**Approved by Commissioners Court**

**Date**

FINANCIAL SYSTEM  
07/21/2025 10:36:42

Modified FY Exp Guideline

SMITH COUNTY, TX  
GL050S-V08.22 COVERPAGE  
GL535R

Report Selection:

Inclusions Ranges:   Begin                                 (thru) End  
Fund & Account... 10.455.4600.608\_\_\_\_\_ 10.455.4600.608\_\_\_\_\_

Approval Plan..... thru \_\_\_\_\_

Start Date ..... 10 01 2024

Start of Detail Date ..... 10 01 2024

End Date ..... 07 31 2025

Level to Page Break..... 1 . 0 (0.0 to 5.0)

```

Level 30 Page Break..... 1 : 0 (Y/N)
Suppress Summary Totals within Detail? Y (Y/N)

```

```
Print Detail?..... Y      (Y/N)
```

Display Detail Description?..... N (Y/N)

Print Inactive Accounts Too?..... Y (Y/N)

Exclude Accounts with Zero Dollars....	Y	(Y/N)
--	---	-------

Redisplay Selection Screen?..... N (Y/N)

Open Download File in Excel.....	N	(Y/N)
----------------------------------	---	-------

F3=Exit    F12=Cancel

### Run Instructions:

Jobq	Banner	Copies	Form	Printer	Hold	Space	LPI	Lines	CPI	CP	SP	RT
L		01			Y	S	6	066	10			



Account.....	Description.....	Revised	Open	10/01/2024	YTD Expended	Remaining	
Date	Vendor/Cust/Explanation Src Ref PO VOUCHER	Budget	Encumbrance	- 7/31/2025	& in Process	Balance	PCT
-----							
10	GENERAL FUND						
10.455	JUSTICE OF PEACE, PCT 1						
10.455.4600	OTHER SERVICES & CHARGES						
10.455.4600.608	AUTOPSIES						
10/01/24 --	Beginning Balance --	95,000.00				95,000.00	
10/17/24	SERENITY PROFESSIONAL SE V 174165	468749		250.00	250.00	94,750.00	
10/23/24	SERENITY PROFESSIONAL SE V 174273	468974		475.00	475.00	94,275.00	
10/23/24	SERENITY PROFESSIONAL SE V 174273	468973		475.00	475.00	93,800.00	1
10/30/24	SERENITY PROFESSIONAL SE V 174367	469278		475.00	475.00	93,325.00	1
10/30/24	SERENITY PROFESSIONAL SE V 174367	469277		250.00	250.00	93,075.00	2
10/30/24	SERENITY PROFESSIONAL SE V 174367	469276		250.00	250.00	92,825.00	2
10/30/24	SERENITY PROFESSIONAL SE V 174367	469275		250.00	250.00	92,575.00	2
10/30/24	SERENITY PROFESSIONAL SE V 174367	469274		250.00	250.00	92,325.00	2
11/19/24	SERENITY PROFESSIONAL SE V 174756	469992		250.00	250.00	92,075.00	3
11/19/24	SERENITY PROFESSIONAL SE V 174756	470012		475.00	475.00	91,600.00	3
11/19/24	SERENITY PROFESSIONAL SE V 174756	470013		250.00	250.00	91,350.00	3
11/21/24	FORENSIC MEDICAL V 174710	470143		2,475.00	2,475.00	88,875.00	6
11/21/24	FORENSIC MEDICAL V 174710	470143		2,475.00	2,475.00	86,400.00	9
11/21/24	FORENSIC MEDICAL V 174710	470143		2,475.00	2,475.00	83,925.00	11
11/26/24	DALLAS COUNTY TREASURER V 174814	470378		2,475.00	2,475.00	81,450.00	14
11/26/24	DALLAS COUNTY TREASURER V 174814	470378		2,475.00	2,475.00	78,975.00	16
11/26/24	DALLAS COUNTY TREASURER V 174814	470378		2,475.00	2,475.00	76,500.00	19
11/26/24	DALLAS COUNTY TREASURER V 174814	470378		2,475.00	2,475.00	74,025.00	22
11/26/24	DALLAS COUNTY TREASURER V 174814	470378		2,475.00	2,475.00	71,550.00	24
11/26/24	DALLAS COUNTY TREASURER V 174814	470378		3,160.00	3,160.00	68,390.00	28
11/26/24	DALLAS COUNTY TREASURER V 174814	470378		1,325.00	1,325.00	67,065.00	29
12/03/24	SERENITY PROFESSIONAL SE V 174998	470529		475.00	475.00	66,590.00	29
12/10/24	SERENITY PROFESSIONAL SE V 175134	470797		250.00	250.00	66,340.00	30
12/10/24	SERENITY PROFESSIONAL SE V 175134	470796		250.00	250.00	66,090.00	30
01/08/25	SERENITY PROFESSIONAL SE V 175451	471581		250.00	250.00	65,840.00	30
01/08/25	SERENITY PROFESSIONAL SE V 175451	471583		475.00	475.00	65,365.00	31
01/08/25	SERENITY PROFESSIONAL SE V 175451	471584		250.00	250.00	65,115.00	31
01/14/25	FORENSIC MEDICAL V 175512	471825		2,475.00	2,475.00	62,640.00	34
01/23/25	SERENITY PROFESSIONAL SE V 175646	472172		250.00	250.00	62,390.00	34
01/23/25	SERENITY PROFESSIONAL SE V 175646	472173		475.00	475.00	61,915.00	34
01/24/25	FORENSIC MEDICAL V 175607	472192		2,475.00	2,475.00	59,440.00	37
02/06/25	DALLAS COUNTY TREASURER V 175842	472791		2,475.00	2,475.00	56,965.00	40
02/26/25	DALLAS COUNTY TREASURER V 176126	473432		3,160.00	3,160.00	53,805.00	43
02/26/25	DALLAS COUNTY TREASURER V 176126	473432		2,475.00	2,475.00	51,330.00	45
02/26/25	DALLAS COUNTY TREASURER V 176126	473432		2,475.00	2,475.00	48,855.00	48
02/26/25	DALLAS COUNTY TREASURER V 176126	473432		3,160.00	3,160.00	45,695.00	51
02/26/25	SERENITY PROFESSIONAL SE V 176187	473447		250.00	250.00	45,445.00	52
03/07/25	DALLAS COUNTY TREASURER V 176235	473899		3,160.00	3,160.00	42,285.00	55
03/07/25	DALLAS COUNTY TREASURER V 176235	473899		2,475.00	2,475.00	39,810.00	58

Account.....	Description.....	Revised	Open	10/01/2024	YTD Expended	Remaining	
Date	Vendor/Cust/Explanation Src Ref PO VOUCHER	Budget	Encumbrance	- 7/31/2025	& in Process	Balance	PCT
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10	GENERAL FUND						
10.455	JUSTICE OF PEACE, PCT 1						
10.455.4600	OTHER SERVICES & CHARGES						
10.455.4600.608	AUTOPSIES						
03/13/25	SERENITY PROFESSIONAL SE V 176454	474188		475.00	475.00	39,335.00	58
03/19/25	FORENSIC MEDICAL V 176512	474355		2,475.00	2,475.00	36,860.00	61
03/19/25	FORENSIC MEDICAL V 176512	474355		2,475.00	2,475.00	34,385.00	63
03/25/25	COVER EXPENSES B					34,385.00	63
04/03/25	DALLAS COUNTY TREASURER V 176696	474971		3,160.00	3,160.00	31,225.00	67
04/03/25	DALLAS COUNTY TREASURER V 176696	474971		2,475.00	2,475.00	28,750.00	69
04/03/25	DALLAS COUNTY TREASURER V 176696	474971		3,160.00	3,160.00	25,590.00	73
04/10/25	SERENITY PROFESSIONAL SE V 176919	475197		250.00	250.00	25,340.00	73
04/22/25	SERENITY PROFESSIONAL SE V 177149	475698		250.00	250.00	25,090.00	73
04/25/25	FORENSIC MEDICAL V 177106	475850		2,475.00	2,475.00	22,615.00	76
04/30/25	DALLAS COUNTY TREASURER V 177345	476001		3,160.00	3,160.00	19,455.00	79
04/30/25	DALLAS COUNTY TREASURER V 177345	476001		3,160.00	3,160.00	16,295.00	82
04/30/25	DALLAS COUNTY TREASURER V 177345	476001		2,475.00	2,475.00	13,820.00	85
05/06/25	COVER EXPENSES B					13,820.00	85
05/13/25	SERENITY PROFESSIONAL SE V 177513	476449		250.00	250.00	13,570.00	85
05/13/25	SERENITY PROFESSIONAL SE V 177513	476515		475.00	475.00	13,095.00	86
05/20/25	FORENSIC MEDICAL V 177564	476677		2,475.00	2,475.00	10,620.00	88
05/20/25	SERENITY PROFESSIONAL SE V 177598	476679		475.00	475.00	10,145.00	89
06/02/25	SERENITY PROFESSIONAL SE V 177827	477082		475.00	475.00	9,670.00	89
06/03/25	SERENITY PROFESSIONAL SE V 177827	477161		250.00	250.00	9,420.00	90
06/10/25	BOREN-CONNER FUNERAL HOM V 177868	477421		425.00	425.00	8,995.00	90
06/17/25	DALLAS COUNTY TREASURER V 178094	477672		3,740.00	3,740.00	5,255.00	94
06/20/25	COVER EXPENSES B					5,255.00	94
07/21/25	FORENSIC MEDICAL	478741		2,475.00	2,475.00	2,780.00	97
07/21/25	FORENSIC MEDICAL	478741		2,475.00	2,475.00	305.00	99
07/23/25	SERENITY PROFESSIONAL SE	478852		250.00	250.00	55.00	99
07/25/25	SERENITY PROFESSIONAL SE	478979		250.00	250.00	195.00-	100
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	TOTAL AUTOPSIES	95,000.00	.00	95,195.00	95,195.00	195.00-	100
	TOTAL OTHER SERVICES & CHARGES	95,000.00	.00	95,195.00	95,195.00	195.00-	100
	TOTAL JUSTICE OF PEACE, PCT 1	95,000.00	.00	95,195.00	95,195.00	195.00-	100
	TOTAL GENERAL FUND	95,000.00	.00	95,195.00	95,195.00	195.00-	100

Account.....	Description.....					Revised	Open	10/01/2024	YTD Expended	Remaining	
Date	Vendor/Cust/Explanation	Src	Ref	PO	VOUCHER	Budget	Encumbrance	- 7/31/2025	& in Process	Balance	PCT
GRAND TOTAL						95,000.00	.00	95,195.00	95,195.00	195.00-	100

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**SMITH COUNTY COMMISSIONERS COURT  
AGENDA ITEM REQUEST FORM**

<b>Submission Date:</b> 7/23/2025	<b>Submitted by:</b> K. Perkins
<b>Meeting Date:</b> 7/29/2025	<b>Department:</b> Budget
<b>Item Requested is:</b> <input type="checkbox"/> For Action/Consideration <input checked="" type="checkbox"/> For Discussion/Report	
<b>Title:</b> Budget Workshop	
<b>Agenda Category:</b> <input checked="" type="radio"/> Briefing Session <input type="radio"/> Recurring Business <input type="radio"/> Court Orders <input type="radio"/> Resolution <input checked="" type="radio"/> Presentation <input type="radio"/> Executive Session	
<b>Agenda Wording:</b> FY 2026 Recommended Budget Presentation	
<b>Background:</b> The FY 2026 Recommended Budget will be presented for discussion.	
<b>Financial and Operational Impact:</b>	
<b>Attachments:</b> Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>Is a Budget Amendment Necessary?</b> Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Does Document Require Signature?</b> Yes <input type="checkbox"/> No <input type="checkbox"/>	
<b>Return Signed Documents to the following:</b>	
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>
<b>Name:</b>	<b>Email:</b>

Note: This is the only form required for agenda requests, with the exception of backup materials or attachments. This form should be completed and emailed to [Agenda@smith-county.com](mailto:Agenda@smith-county.com) and include any necessary attachments. **Deadline is Tuesday at 5:00pm a week before the next scheduled Commissioners Court meeting. Please make sure the requested agenda item has been proactively vetted with the appropriate reviewing individuals and obtained their signature as reviewed.** Regular Court Meetings are at 9:30am on Tuesdays each week.

**SUBMIT**

Office Use Only  
Agenda Item # \_\_\_\_\_