

City of Texarkana, Texas
Tax Increment Reinvestment Zone 1



Annual Report

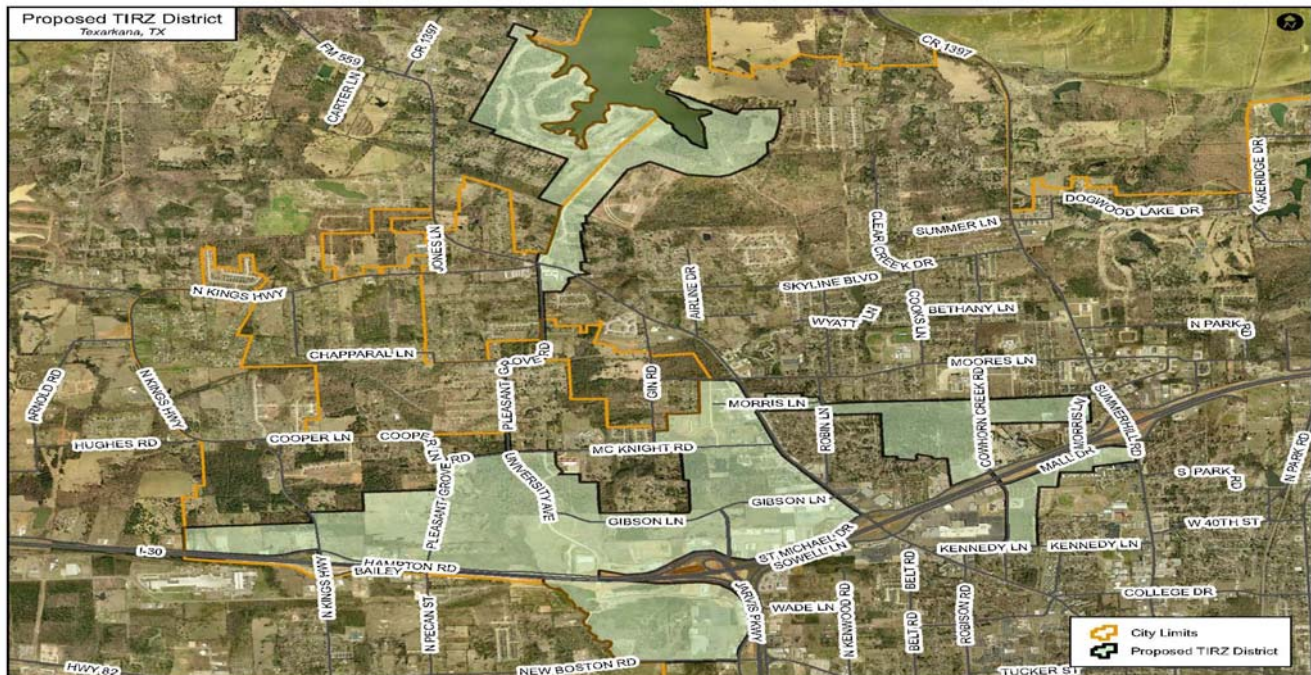
Summary of Activities

On November 23rd, 2009, the City of Texarkana, Texas established two Tax Increment Reinvestment Zones in accordance with Chapter 311 of the Texas Tax Code. On November 19th, 2009 a joint public presentation was given by Texarkana, Texas to all other tax entities and over one hundred interested citizens. On November 23rd, 2009 a public hearing was held along with the passage of Ordinance # 177-09 creating the Tax Increment Reinvestment Zones.

During the period from October 1, 2011 through September 30, 2012, the TIRZ board met once on Tuesday, April 17, 2012 to amend the TIRZ 1 financing and project plans. The City Council of the City of Texarkana, Texas approved the amended financing and project plans on June 25th 2012. TIRZ bond financing was also approved at the June 25th 2012 meeting.

Public Infrastructure Projects

Walton Dr & Pavilion drainage improvements	175,000
(Joint project with TxDOT for box culverts on North & South side of intersection)	
Walton Dr & Pavilion drainage	300,000
(Box culverts west of intersection and west of Harley-Davidson property)	
Cowhorn Creek Linear Park	1,000,000
Gibson Extension to FM 989 & feeder streets to Gibson	9,000,000
Drainage Project @ Arista	100,000
TAMU East Approach (Phase I)	15,000,000
TAMU East Approach (Phase II)	6,000,000
Morris Lane Extension	7,000,000
Parking Garage at University/Drainage	2,000,000
Backage road-Summerhill to Mall Dr	1,000,000
Proposed Site Improvements Gibson & University	2,000,000
TOTAL Potential Projects in TIRZ 1	\$ 43,575,000



Annual Reporting Information

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIRZ District. The city must submit an annual report to the chief executive officer of each taxing unit that levies taxes on property within the zone.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$ 121,699.78 Total Revenue, Sources: City of Texarkana, Texas and Bowie County **

2. Amount and purpose of expenditures from the fund:

\$ 175,000 Total Expenditures

3. Amount of Principal and Interest due on outstanding indebtedness is as follows:

I. Contributions /Advances from developers—none.

II. Bonds issued and payment schedule to retire bonds—\$ 4,000,000.00 & schedule attached.

4. Tax Increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Appraised Fiscal Year* 2011 - 2012	Base Year Value Jan 1, 2009	Captured App. Value 2011 - 2012
City of Texarkana, TX	\$ 277,977,346	\$250,762,772	\$ 27,062,594
Bowie County	\$278,092,605	\$251,433,805	\$ 26,658,800

5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality.

A. Captured appraised value shared by the municipality and other participating taxing jurisdictions received in Fiscal Year 2011-2012:

Taxing Jurisdiction	Participation Per \$100/Value	Amount of 2010-2011 Increment*
City of Texarkana, Texas (100%)	\$ 0.5831	\$ 157,801.99
Bowie County (100%)	\$ 0.3270	\$ 87,174.28
Total	\$ 0.9101	\$ 244,976.27

B. Amount of tax increment received in 2012 from the municipality and the other taxing jurisdictions based on 2011 valuations: \$ 121,699.78**

C. Other information: None

*Financial based on Bowie County Appraisal District Update of Values Report 10/9/2012.

**Does not include Bowie County's 2012 contribution.

Bond Payment Schedule

\$4,115,000

City of Texarkana
 Combination Tax and Revenue Certificates of Obligation
 Series 2012

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/29/2012	-	-	-	-	-
02/01/2013	50,000.00	0.500%	54,693.75	104,693.75	-
08/01/2013	-	-	54,568.75	54,568.75	-
09/30/2013	-	-	-	-	159,262.50
02/01/2014	100,000.00	0.600%	54,568.75	154,568.75	-
08/01/2014	-	-	54,268.75	54,268.75	-
09/30/2014	-	-	-	-	208,837.50
02/01/2015	145,000.00	1.500%	54,268.75	199,268.75	-
08/01/2015	-	-	53,181.25	53,181.25	-
09/30/2015	-	-	-	-	252,450.00
02/01/2016	150,000.00	1.500%	53,181.25	203,181.25	-
08/01/2016	-	-	52,056.25	52,056.25	-
09/30/2016	-	-	-	-	255,237.50
02/01/2017	150,000.00	1.500%	52,056.25	202,056.25	-
08/01/2017	-	-	50,931.25	50,931.25	-
09/30/2017	-	-	-	-	252,987.50
02/01/2018	155,000.00	2.000%	50,931.25	205,931.25	-
08/01/2018	-	-	49,381.25	49,381.25	-
09/30/2018	-	-	-	-	255,312.50
02/01/2019	160,000.00	2.000%	49,381.25	209,381.25	-
08/01/2019	-	-	47,781.25	47,781.25	-
09/30/2019	-	-	-	-	257,162.50
02/01/2020	160,000.00	2.250%	47,781.25	207,781.25	-
08/01/2020	-	-	45,981.25	45,981.25	-
09/30/2020	-	-	-	-	253,762.50
02/01/2021	165,000.00	2.250%	45,981.25	210,981.25	-
08/01/2021	-	-	44,125.00	44,125.00	-
09/30/2021	-	-	-	-	255,106.25
02/01/2022	170,000.00	2.500%	44,125.00	214,125.00	-
08/01/2022	-	-	42,000.00	42,000.00	-
09/30/2022	-	-	-	-	256,125.00
02/01/2023	175,000.00	2.625%	42,000.00	217,000.00	-
08/01/2023	-	-	39,703.13	39,703.13	-
09/30/2023	-	-	-	-	256,703.13
02/01/2024	180,000.00	2.625%	39,703.13	219,703.13	-
08/01/2024	-	-	37,340.63	37,340.63	-
09/30/2024	-	-	-	-	257,043.76
02/01/2025	185,000.00	2.625%	37,340.63	222,340.63	-
08/01/2025	-	-	34,912.50	34,912.50	-
09/30/2025	-	-	-	-	257,253.13
02/01/2026	190,000.00	3.000%	34,912.50	224,912.50	-
08/01/2026	-	-	32,062.50	32,062.50	-
09/30/2026	-	-	-	-	256,975.00

File | Series 2012 Pricings.sf | Revised CO Pricing | 12/13/2012 | 11:08 AM

First Southwest Company
 Public Finance Department

\$4,115,000

City of Texarkana

Combination Tax and Revenue Certificates of Obligation

Series 2012

Debt Service Schedule

Part 2 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/01/2027	195,000.00	3.000%	32,062.50	227,062.50	-
08/01/2027	-	-	29,137.50	29,137.50	-
09/30/2027	-	-	-	-	256,200.00
02/01/2028	200,000.00	3.000%	29,137.50	229,137.50	-
08/01/2028	-	-	26,137.50	26,137.50	-
09/30/2028	-	-	-	-	255,275.00
02/01/2029	205,000.00	3.000%	26,137.50	231,137.50	-
08/01/2029	-	-	23,062.50	23,062.50	-
09/30/2029	-	-	-	-	254,200.00
02/01/2030	210,000.00	3.125%	23,062.50	233,062.50	-
08/01/2030	-	-	19,781.25	19,781.25	-
09/30/2030	-	-	-	-	252,843.75
02/01/2031	220,000.00	3.125%	19,781.25	239,781.25	-
08/01/2031	-	-	16,343.75	16,343.75	-
09/30/2031	-	-	-	-	256,125.00
02/01/2032	225,000.00	3.250%	16,343.75	241,343.75	-
08/01/2032	-	-	12,687.50	12,687.50	-
09/30/2032	-	-	-	-	254,031.25
02/01/2033	235,000.00	3.500%	12,687.50	247,687.50	-
08/01/2033	-	-	8,575.00	8,575.00	-
09/30/2033	-	-	-	-	256,262.50
02/01/2034	240,000.00	3.500%	8,575.00	248,575.00	-
08/01/2034	-	-	4,375.00	4,375.00	-
09/30/2034	-	-	-	-	252,950.00
02/01/2035	250,000.00	3.500%	4,375.00	254,375.00	-
09/30/2035	-	-	-	-	254,375.00
Total	\$4,115,000.00	-	\$1,611,481.27	\$5,726,481.27	-

Yield Statistics

Accrued Interest from 08/01/2012 to 08/29/2012	8,507.92
Bond Year Dollars	\$53,357.44
Average Life	12.967 Years
Average Coupon	3.0201620%
Net Interest Cost (NIC)	3.1340803%
True Interest Cost (TIC)	3.1094659%
Bond Yield for Arbitrage Purposes	3.0315244%
All Inclusive Cost (AIC)	3.2327508%

IRS Form 8038

Net Interest Cost	3.0928071%
Weighted Average Maturity	12.888 Years