

## **ORDINANCE**

**NO. 2025-\_\_**

**AN ORDINANCE ESTABLISHING A INTEREST & SINKING FUND FOR THE SERIES 2025 CERTIFICATE OF OBLIGATION ISSUE; PROMULGATING RULES AND REGULATIONS CONCERNING THE BUILDING AND MAINTAINING OF SUCH FUND, AND THE PERMITTED WITHDRAWALS AND PROHIBITIONS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT; PROVIDING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE.**

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**WHEREAS**, the City of Mission provides services to the citizens of Mission to meet today's needs, as well as those of the future, and in turn the citizens pay taxes and fees for such services; and

**WHEREAS**, the City Council determined the used for (i) street and road improvements, (ii) drainage improvements, (iii) utility system improvements, (iv) park and recreation facility, and (v) cost of professional services incurred in connection therewith throughout the city held a meeting to issue certificates; and

**WHEREAS**, an meeting was held in April 2025 and the council approved the certificate of obligation issuance to construct projects mentioned above; and

**WHEREAS**, the city received the proceeds and as per certificate requirements a Interest and Sinking fund needs to be set up to achieve a proper matching of revenues and debt service within each bond year;

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MISSION, TEXAS, THAT:**

(A) A fund is hereby established, to be maintained by the Finance Department and separately maintained from the other funds of the City, to be designated the Series 2025 Interest and Sinking Fund.

(B) Contributions may vary from year to year when the Fund has produced a surplus after payment of all debt service, the fund shall be depleted at least once each year except for an amount not in excess of (a) one-twelfth of the debt service on the Bonds for the previous year or (b) the previous year's earnings on the Interest and Sinking Fund.

(C) At the option of the City Council, the surplus finds will be available for other uses in the General Fund account,

**§XXX EXPENDITURES FROM THE SERIES 2025 DEBT SERVICE FUND;  
PROHIBITED EXPENDITURES.**

(A) Withdrawals from the Fund require the authorization of the City Council. At the time of withdrawal, a plan to replenish the Fund over a reasonable time frame shall be adopted by the City Council. The plan may or may not include a tax or rate increase, depending on the circumstances.

(B) Withdrawals from the Fund should be restricted to:  
(1) pay for Principal and Interest payments only as per the schedule.

(C) Withdrawal from the Fund should not be allowed for the following reasons:  
(1) to make any expenditure not clearly and directly for an approved Debt,

**SECTION ONE.** This Ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Mission, Texas, and this Ordinance shall not operate to repeal or affect any other ordinance except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

**SECTION TWO.** If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held unconstitutional, such holding shall not affect the validity of the remaining portions of this Ordinance.

**SECTION THREE.** This Ordinance shall become effective from and after its passage as provided by law.

**PASSED AND APPROVED** on at a regular meeting of the City Commission this 23<sup>rd</sup> day of June 2025.

**CITY OF WESLACO**

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Norie Gonzalez Garza, **MAYOR**

**ATTEST:**

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Anna Carrillo, **CITY SECRETARY**

**APPROVED AS TO FORM:**

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Patricia Rigney, **CITY ATTORNEY**