

35

MINUTES OF A CALLED MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD IN THE DISTRICT OFFICE IN FORT WORTH, TEXAS, ON
FEBRUARY 10TH, A. D. 1930 at 10 O'CLOCK A.M.

A meeting called for the purpose to make provisions for the emergency created in the affairs of this District by the failure and suspension of the conduct of business by the Texas National Bank, of Fort Worth, Texas, which bank was on Saturday, February 1st, 1930, the duly constituted Statutory District Depository, and which bank did on said last named day wholly make default as such depository in that said bank did on said day fail to open its doors for the conduct of business in the regular order of business, for that its assets and affairs had at 9 o'clock a. m. of that day been taken over by the Comptroller of the Currency of the United States of America, as is provided to be done by the National Banking Laws; in case of the insolvency, or threatened insolvency, of a bank operating under a Federal Charter: Also specifying the facts constituting the existing emergency in the affairs of this District and making provision therefor.

At this time and place, there were present:

(a) DIRECTORS: W. R. Bennett, who presided as President; E. E. Bewley; C. A. Hickman; J. B. Hogsett; W. K. Stripling, who acted as Secretary - Being all of the directors.

(b) ALSO PRESENT: Leroy A. Smith of Smith & Rowland, Special Consulting Law Counsellors; S. L. Samuels, and Ireland Hampton, who were present in their usual capacity as attorneys for the District. At this time and place proceedings were had and done as follows, viz:

- I -

There was a thorough review of the facts concerning the conditions stated in the caption to these minutes, and the advice of counsel based thereon. President Bennett then stated that he was ready to receive specific proposals for appropriate action:

II

Thereupon Director C. A. Hickman did present a proposed finding of facts and orders based thereon, which is in words; figures and symbols, as follows; viz;

"FINDINGS OF FACTS & ORDERS BASED THEREON."

1. On April 2nd, 1929, after full compliance with all applicable provisions of law, the Texas National, a National Banking Corporation, hereinafter called said Bank, was designated as the official Depository of Tarrant County Water Control and Improvement District Number One (hereinafter

called this District); subject only to compliance by it with the requirement for the formal execution of satisfactory bond and contract for the making of pledges in lieu of other security, as is provided by law, and the actual delivery of satisfactory securities in pledge: All of which appears in the Minute Records of this District Book 7 pages 79, 89, 90, 96 and 100, to all of which reference is here made as part hereof.

5

2. On April 29th, 1929, the Board of Directors of this District, did by formal order approve and establish said Bank to be the lawful official depository of this District, to be effective from said day until a successor depository should qualify, but not to exceed a time later than sixty (60) days after February 28th, 1931. Said order of designation was expressly conditioned upon the terms of a certain "Bond" of said Bank, dated April 24th, 1929, a concurrent, constituent and ancillary "Contract Concerning the Custody And Pledge of Collateral Security," dated April 24th, 1929, and a certified copy of the Minutes of the Board of Directors of said Bank dated April 23rd, 1929, whereby said Bank did authorize the execution of said Bond and said Contract. Reference is here made to the Minute Records of this District, Book 8 pages 6, 7 and 8 and to "Exhibits A, B and C" attached to the Minutes of said Meeting of April 29th, 1929, as part of and in aid of this finding of fact. Further, as a part of said proceedings, and said Contract of Pledge, the Directors of this District did approve, and receive in pledge, as lawful and sufficient security (being such as was ample to secure the amount of money then to be placed with said Bank) certain lawfully eligible securities: Whereupon and whereby said Bank did instantly become the lawfully established depository of this District.

3. On said day this District did deposit in said Bank all monies or funds then available to this District, and did thereafter at various times draw checks or vouchers upon said bank and did from time to time deposit other District monies or funds in said Bank. Further this District did from time to time, in accordance with said pledge contract, require and obtain the actual delivery and pledge of other and, or, the withdrawal and substitution of other lawful approved securities, to the end; that:

On Saturday, February 1st, 1930, said Bank was indebted to this District as follows, viz:

(a) Balance of cash on deposit	\$1,372,968.83
(b) Two certain Cashier's Checks issued by said bank now returned unhonored to the Federal Land Bank of Houston, Texas, payee, because of the insolvency of said Depository Bank, which checks have now been charged back to this District - - - -	3,255.51
(c) Interest accrued on the daily average balances of this District in said Bank from January 25th, 1930 to February 1st, 1930 - - - -	718.02
Grand Total	\$1,376,942.36

4. On January 31st, 1930, this District had outstanding in the hands of others lawfully entitled to receive the same lawfully issued vouchers aggregating \$30,114.61, which vouchers have not been honored, and cannot be

Honored, by said Bank as and when the same should be paid in due course of business: Many, if not all, of said vouchers have been cleared upon said Bank for payment, and should have been paid by said Bank in due course of business on or since February 1st, 1930, but same could not be presented for payment, or paid, due to the stated suspension of business by said Bank: Further the affairs and assets of said Bank were on said February 1st, 1930, taken over and into the possession of the Comptroller of the Currency of the United States of America, who continuously since said time has been, and now is, in the possession of same, resulting in the suspension of all business by said Depository Bank: Further R. L. Van Zandt has been duly appointed as Receiver for said Bank, and there is now no assurance that said Bank will within any reasonable time, if ever, be able to resume its functions as a banking institution, within the meaning and intent of Chapter Two of Title 47 of the Revised Civil Statutes of Texas: By reason of which facts said Depository Bank is now in default as the official Depository of this District, within the meaning and intent of the law and as well within the meaning and intent of the said Depository Bond and constituent ancillary "Contract of Pledge" of date April 29th, 1929, which did in material part and in substance, provide: that said the Texas National Bank shall pay all checks and vouchers properly drawn upon it as the Depository of said District, upon presentation thereof; and, that all funds, money and security left and deposited with said Depository Bank by said District, shall be safely kept by Depository and accounted for according to law.

5. The Directors of this District have this day caused to be issued the voucher check of this District Serial No. 1864, drawn upon said the Texas National Bank of Fort Worth, payable to this District for the sum of \$1,378,120.56, which represents the principal deposit balance of this District as of the close of business on January 25th, 1930, plus the interest accrued on average daily balances since that time to this day, at the rate of 3-1/8% per annum, as is provided for in said Contract concerning the Depository and as well includes said two Cashier's unhonored checks. Said check was on this day presented to R. L. VanZandt as Receiver of said Bank, and Jacob Embry, a National Banking Examiner, at the place of business of said Bank, they being then and there lawfully in possession and charge of the assets and business of said Bank, and they on behalf of said Bank, and the Comptroller of the Currency of the United States of America, did refuse to accept presentation of said check and to make payment or tender of all or any part thereof: By reason whereof said Bank has made total default in its obligations as the official Depository of this District. Said Voucher Check No. 1864, having been marked void, and the signatures thereon having been mutilated, is attached to these minutes as "Exhibit A".

6. On February 1st, 1930, the day on which said Bank failed to open its doors for business, and first made default in its duties as Depository for this District, this District had in its possession and control certain negotiable securities approved by law, in pledge to secure the faithful performance of the duties and obligations of said Depository Bank, which had been so placed in pledge by said Bank from time to time, and as required by said Contract of Pledge which said securities, aggregate in par value the sum of \$1,399,000.00. An itemized descriptive list of said securities is attached to these Findings as "Exhibit B" and is made part hereof. Those known to be listed, bought and sold, upon the New York and other recognized exchanges, are described under "CLASS I"; those securities not known to be so listed are described under "CLASS II." Said securities as here listed are as well accurately described in the "Exhibits I to 16", inclusive, which are attached to said Bond of the Depository Bank, as is provided to be done by the terms of said Bond and said Contract for Pledge.

38

7. This District, being a body politic and corporate under the laws of Texas, is a creature in fact having municipal governmental functions and duties: The uninterrupted discharge of such duties is a matter vitally affecting the public welfare: The monies placed by this District in said Depository Bank represent the proceeds of bonds of this District sold for the express purpose to construct certain works urgently required to provide adequate water for the City of Fort Worth; to protect the District against the re-occurrence of destructive floods and to furnish water for irrigation of rural lands; There exist at this time facts which peculiarly create a grave public emergency requiring that all lawful functions of this District be carried forward with vigor and without interruption, which facts in most material part are:

(a) On March 15th, 1930 there will mature an installment of interest, \$83,340.00, on the outstanding construction bonds of this District, which aggregate \$2,000,000.00 in par value: Certain interest and sinking fund monies of this District (in amount \$62,282.43) are now on deposit in said Bank, and, in normal course of business, will not be available to this District as and of the time required to pay said maturing interest obligations: During the months of February and March, 1930, the Tax Collector for this District will tender to this District yet other monies payable for the Interest and Sinking Fund of this District, which in amount probably will equal or exceed \$110,000: Said money cannot lawfully be held by this District other than in a Depository conforming to the law, and cannot lawfully be paid out save through a depository conforming to the law: Such lawful Depository must be instantly provided or this District cannot function and discharge its duties to its constituent inhabitants and other tax paying property owners concerning matters vital to their welfare: By reason whereof there does exist a grave public emergency.

(b) On January 23rd, 1930, this District after compliance with all applicable provisions of the law, did award and make a contract for the construction of the works and improvements proposed to be provided by this District: Under the terms of said contract it will be required that this District do in the month of March, 1930, and during each month thereafter until completion of said works, make large payments of compensation to the Contractor's, as fixed by this District's Engineer's estimates of the progress of the work: It will not be possible for this District to rely upon payments to be derived as dividends from the liquidation of the assets of said closed or insolvent former District Depository, as a source from which to meet the said obligations as and when the same will mature. By reason whereof there exists a further grave public emergency.

(c) This District in lawful pursuance of its plans for improvements has been required, and will be required, to purchase and enter into contracts for the purchase of, lands to form dam sites and reservoirs for the storage of water for use and to retard flood waters: At this time this District has outstanding various contracts for the purchase of necessary lands, under which contracts the owners are now tendering conveyances of good and sufficient titles and appropriately are demanding the immediate payment of the considerations which aggregate in amount many thousands of dollars, as to which this District has been unable to make payment because of the default of said Bank. Various and sundry voucher checks have been in good faith delivered to land owners, and their deeds, concurrently delivered to this District have been placed of record: Such checks so drawn by this District on said Bank, and so delivered as consideration for such delivered deeds have, since said February 1st, 1930, been cleared for presentation and payment, but the same have not been paid, due to the failure of said Bank to remain open for business. Further among the lands so under contract for purchase are certain lands to provide dam sites and borrow pits, upon which this District's Contractors should instantly enter to begin the performance of their undertaking,

39

without being subjected to claims for trespass. Further, yet other lands constituting many acres are necessary to be acquired by this District and with dispatch made free for lawful entry by said Contractors: By reason of all of which there does exist a grave public emergency requiring this District to proceed instantly to provide a District Depository which may be qualified willing and able to function as such Depository in the place and stead of said defaulted Depository Bank.

(d) This District now lawfully owes various and sundry sums for services of persons and the furnishing of supplies, which should have been paid as of February 4th, 1930, but have not been paid due wholly to the default of said Depository Bank. By reason of all of which considerations, there does exist a most grave public emergency requiring that this District do at once proceed to enforce its rights as against said defaulted Depository Bank and immediately to provide a District Depository.

8. Said Bond and Contract For Pledge, given on April 29th, 1929, by said Bank to this District, did, interdependently and collectively, in parts here material and in substance provide:

(a) Said bond bound said Bank to pay this District the penal sum of \$3,000,000. or so much thereof as might be required to save and hold this District altogether harmless against "any loss, damage or injury that may be occasioned through the acts, conduct, omission, negligence or default of the depository aforesaid".

(b) Said Bond, among other things, did provide as a condition for liability under the bond that said Depository "shall pay all checks or vouchers properly drawn on such Depository, as required by law, upon presentation thereof and shall faithfully keep and deliver the District funds and securities held by said Depository as and when the same should be paid, kept or turned over to those lawfully qualified to accept and receive the same."

(c) Said concurrent constituent and ancillary "Contract concerning The Custody And Pledge Of Collateral Security" for said Bond obligation, does in that part here material provide: "It is further expressly agreed that Tarrant County Water Control And Improvement District Number One, in the event of the breach of any of the terms, conditions and provisions herein contained, and as well in the law contained, and on the part of said Depository to be kept and performed, shall be hereby expressly authorized to sell the bonds herein described and pledged as security, or so much thereof as may be necessary to make and keep said District harmless. Such sale shall be at a price not less than the prevailing net quotation offers on the New York Exchange, or other recognized market place in the United States of America, provided that the securities which may hereafter be pledged under the provisions of this contract are at the time of such sale actually listed and quoted on such exchanges or markets. In case the securities desired to be sold are not quoted on such designated exchanges, then sale shall be made at the highest price which may be obtained therefor by the exercise of reasonable diligence. Such sale shall be made through any officer or agent of the District designated by the Board of Directors of the District to sell said bonds and securities. Such sale may be made publicly or at private sale on such terms and conditions as said Board of Directors may order, but in all such cases prior notice thereof shall be given to the President, Cashier or Agent of said Depository. After such sale the proceeds of said bonds and obligations shall be applied to the satisfaction and discharge of the existing valid obligation, or obligations,

40

of said Depository to said District:"

9. We find as a matter of fact that valid obligations of said Bank to this District as of this day do aggregate the sum \$1,378,120.56; that said obligation will be increased from day to day by the accrual of interest, as stipulated in the Depository contract, until such time as this District may have been wholly compensated, which shall include the reasonable expenditures required to be made by this District to realize upon the security now held in pledge, and to provide a District Depository to act in the place and stead of said Depository now in default. Further, we find the sum of such present and contingent obligations to be secured by the pledge lien upon all of the bonds and securities now actually in the possession and control of this District under its bond and contract of pledge. Further, we find that the public welfare, and the existing grave public emergency, require that said bonds and securities, or so much thereof, as may be necessary, be sold at private sale as quickly as may lawfully be done under the express conditions of said contract of pledge, and that the net proceeds thereof do be credited on the obligations of said defaulted Depository to this District; further that if there remain any balance, the same should be paid over to the Receiver for said defaulted Depository.

10. We find that prior to such sale this District will be required to provide a substitute Depository qualified under the law to receive the proceeds of such pledged securities as may be sold, and as well to receive other monies or things of value which may come to the possession of this District.

(a) We further find "it is best for the public interest," and that the public interest does require, that the Board of Directors for this District do hereby expressly waive, and refuse to proceed under, the statutory provisions contained Article 2567 of the Revised Civil Statute of Texas (1925) relating to a "Special Depository;" we further find that the public interest does require that the authorities of this District do, to the exclusion of all other remedies, proceed by their lawful, and, or, contractual, remedies against the failed and defaulted depository bank, as is provided by Art. 2569 of said Statutes.

(b) We further find, upon advice of counsel, that such lawful remedies, among other things, will authorize proceeding successively as follows, viz:

(1) Instantly to make selection of an emergency depository to serve this District until such time as it may be possible to publish notice as required by law and select a District Depository in the manner provided by Chapter Two of Title 47 of the Revised Civil Statutes of Texas (1925):

(2) Immediately to publish notice concerning bids for the awarding of a contract and the selection of a District Depository to serve until February 28th, 1931, or until a successor depository has been duly designated and has qualified.

(3) Further, that the emergency depository should be required to give in pledge security conforming to the law.

NOW THEREFORE, BE IT ORDERED:

I

Said the Texas National Bank, of Fort Worth, Texas, hereby is established to be wholly in default as the official designated Depository of this District.

41

The Directors of this District hereby do, as the act and deed of this District, select, constitute and establish First National Bank of Fort Worth, Continental National Bank of Fort Worth and The Fort Worth National Bank of Fort Worth, to serve this District as "Emergency Depositories" (said designation being intended to make distinction from the depository called "Substitute Depository" which hereinafter is provided for) until such time as it may be possible for the District to comply with the provisions of Chapter Two of Title 47 of the Revised Civil Statutes of Texas, governing the selection of a depository for this District, but not so to do for a time longer than reasonably will be required to comply with said requirements of law: Such service shall be temporary service to be rendered in the place and stead of said defaulted Depository: Each of said Emergency Depositories shall qualify and serve, and may be utilized by this District, in the same manner as would prevail in case there were only one such designated depository, save only that this District may use any one of said named depositories to such extent as it may determine to be convenient and advisable, and shall not be compelled to use one to the exclusion of the others. The words "Said Bank" as later used in this subdivision II, shall be understood to mean each of said designated "Emergency Depositories" just as though each had been independently named. This selection and designation of Emergency Depositories shall become effective and final only at such time as each of said named banks shall have complied with the following conditions, viz:

- (a) Said Bank shall enter into written contract for its service, to be satisfactory to the Directors of this District and as well to conform to the law, which contract in any event shall contain the condition that said Bank will pay to this District interest on the daily cash balances of this District, on deposit in said Bank, to be computed on actual daily cash balances, at the rate of Three (3%) per cent per annum, which interest accruals up to the close of business on the 25th day of each calendar month shall be placed by said Bank to the credit of the "Construction Fund" of this District on the 26th day of each such month:
- (b) Said Bank shall enter into formal "Bond", and a subsidiary "Contract Concerning the Pledge And Custody of Collateral Security", which bond and contract substantially shall conform to the Bond and Contract between this District and The Texas National Bank:
- (c) Said Bank shall deliver into the possession of this District, as collateral security pledges, securities of such nature, of such par amount, and of such actual conservative saleable value, as will at all times equal or exceed the amount of money which this District may place on deposit in said Bank; all to be in strict conformity to the elective provisions of subdivision (b) of Section I of Chapter 129 of the Acts of the Regular Session of the Fortieth Legislature of Texas: Further, the securities so to be pledged shall be such as this Board may from time to time lawfully approve as being good and sufficient.

Upon full compliance with the conditions hereof by any one of said named Emergency Depository banks, that bank instantly shall be established to be an "Emergency Depository" of this District: Further the failure of any one or more of said named banks to qualify hereunder shall not prevent this District from proceeding to utilize any one bank, or two banks, which does so qualify as an emergency depository for this District.

III

- (a) ^① The appropriate lawful officers and agents of this District with all reasonable dispatch shall cause to be published the statutory notice to all banking corporations, associations and individual bankers doing business in Tarrant County, Texas, giving advice that this District will, at its office at 418 Capps Building in Fort Worth, Texas, at 10 o'clock a. m. on Friday, the 7th day of March, A. D. 1930, receive and open sealed proposals and bids upon which to base the selection of a District Depository, to serve out the unexpired contractual term of said defaulted Depository the Texas National Bank of Fort Worth, Texas, but not in any event to exceed a day more than sixty days next after February 28th, 1931:
- 7

42

The bank so selected to serve as a depository shall be deemed to be a "Substitute Depository", to serve in the place and stead of, and for the unexpired term of, said the Texas National Bank of Fort Worth, Texas, now in default as District Depository.

Such notice shall be published and circulated, and the procedure thereunder shall be had and done, in time, place and manner to conform to the provisions of Articles 2544, 2545, 2546, 2547 and 2548 (as amended by Chapter 129 of the Acts of the Regular Session of the Fortieth Legislature of Texas), 2549 and, as well all other applicable provisions of Chapter Two of Title 47 of the Revised Civil Statutes of Texas: It is hereby so ordered as the act and deed of this District.

(1)

IV.

Directors E. E. Bewley and J. B. Hogsett hereby are constituted and appointed as the agents of this District to give notice of sale of the bonds or other securities now held in pledge by this District as collateral to secure the faithful performance of the obligations of said the Texas National Bank of Fort Worth as Depository for this District (and as well to make actual sale and delivery thereof) under the terms and conditions of the following instruments executed and delivered to this District by said Bank, viz:

- (a) It's proposal to serve as Depository, dated March 25th, 1929:
- (b) It's formal "Bond" dated April 24th, 1929:
- (c) It's "Contract concerning The Custody And Pledge of Collateral Security", dated April 24th, 1929:

The said named agents shall have full power, and they hereby are directed, to keep such securities in their present place of repose, to the exclusion of all other persons, and convert said bonds and other securities (as the same are specifically described in "Exhibit B" attached hereto) into lawful money of the United States of America; provided only that such notice, sale and delivery of said securities shall be executed in conformity to the provision of the bond and contract of pledge described in paragraphs "(b)" and "(c)" next foregoing: The sale to be made hereunder shall be either of the entire lot of securities held, or in parcels, as the said agents may find to be required to constitute reasonable diligence in the sale of same.

It is, however, expressly provided that any money paid as consideration for such securities shall immediately be deposited in the District's "Emergency Depository" for the credit of this District, or in case the "Substitute Depository" shall have been qualified, then such payment shall be covered into that depository. In making deposit hereunder the money first realized shall be deposited to the credit of the "Interest And Sinking Fund" account of this District until the full sum thereof (\$62,196.29) as of this day has been satisfied and restored; all further payments shall be credited to the "Construction Fund" of this District.

Further be it ordered, that the net proceeds of any such pledged securities, which money may remain after complying with the hereinbefore contained provisions for the application of proceeds of such pledged securities; shall be held by this District and applied to make, "save and hold this District altogether harmless from any loss, damage or injury that may be occasioned to it through the acts; conduct, omission, negligence or default of "said defaulted Depository, as is provided to be done in said "Contract concerning the Custody And Pledge Of Collateral Security", dated April 29th, 1929: If, after satisfying all of said

4/28

contractual demands, there remain any pledged securities unsold, or money the proceeds of such pledged securities; then, the same shall be delivered to the possession and control of such person or persons as shall lawfully have the right to receive the same for and on behalf of said the Texas National Bank of Fort Worth, Texas.

Any and all acts which the said E. E. Bewley and J. B. Hogsett, agents, may lawfully do in the premises are hereby ratified and confirmed as the acts and deeds of this District: It is, in all things, so ordered.

V.

Upon the reading of said "Findings of Fact and Orders Based Thereon", Director Hickman moved the adoption of same as the act and deed of the District. This motion was seconded by Director Stripling: There was full discussion, and advice of counsel was had: Thereupon a vote was taken and directors W. R. Bennett, E. E. Bewley, J. B. Hogsett, C. A. Hickman and W. K. Stripling voted for the motion: No director voted against the motion: The motion was declared to be carried by the unanimous vote of the directors as the Board is now lawfully constituted, and it is so ordered.

No further business was presented and the meeting was adjourned.

APPROVED:

W. R. Bennett
President.

W. K. Stripling
Secretary

VOUCHER No. 1864

The Payee's endorsement to this Voucher constitutes a Receipt in full for the account stated on reverse side and is an acknowledgment of the correctness of same.

ENDORSEMENTS

"EXHIBIT A"
Minutes of Feb. 10,
1930.
Part I

T E X A S

The Farmers and Merchants National Bank No. 1864

Fort Worth, Texas February 10, 1930 XXXXXX \$1,378,120.56

PAY TO THE ORDER OF Tarrant County Water Control District No. 1 ONE MILLION THREE HUNDRED SEVENTY-EIGHT THOUSAND DOLLARS

In Settlement of Account on Reverse Side Hereof and Charge to Account of

CONSTRUCTION FUND

INTEREST AND SINKING FUND

XXXXXXXXXXXX

Div. Cells
to be used as
to minutes
839.13
281.43

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT, District No. 1

BY _____ PRESIDENT

BY _____ SECRETARY

BY _____

BY _____

AUTHORIZED BY ORDER OF DIRECTORS, MINUTE BOOK

TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE

BOARD OF DIRECTORS

W. R. BENNETT, PRES.
E. E. BEWLEY, VICE-PRES.
W. K. STRIPLING, SECY
JOE B. HOGSETT
C. A. HICKMAN

OFFICE 418 CAPPS BUILDING

PHONE 3-2848

SIDNEY L. SAMUELS / IRELAND HAMPTON ATTORNEYS

HAWLEY AND FRIESE ENGINEERS

ED. B. CHEATHAM, OFFICE

FORT WORTH, TEXAS.

February 10, 1930.

To The Directors of Tarrant County Water Control and Improvement District Number One, 418 Capps Bldg., Fort worth, Texas.

Gentlemen:

The books and records of Tarrant County Water Control and Improvement District Number One show balances in the Construction and Interest and Sinking Funds in The Texas National Bank on February 10, 1930, as follows:

CONSTRUCTION FUND

Table with 2 columns: Description and Amount. Rows include Balance January 31, 1930; Plus: Cashier's Check January 29, 1930 #121378 Unpaid; Plus: Interest on Daily Balances January 26, 1930 to February 10, 1930, inc. Total balance in Construction Fund February 10, 1930, including interest.

INTEREST AND SINKING FUND

Table with 2 columns: Description and Amount. Rows include Balance January 31, 1929; Plus: Interest on Daily Balances January 26, 1930 to February 10, 1930, inc. Total balance in Interest and Sinking Fund February 10, 1930, including interest.

Total balances Construction and Interest and Sinking Fund February 10, 1930, including interest. \$1,378,120.56

We hereby certify that the above balances, as shown by the books and records, are true and correct to the best of our knowledge and belief.

PITNER & ADAMS, AUDITORS,

Signature of Ed. B. Cheatham, As Office Manager

BY: [Signature]

"E X H I B I T B"

LIST OF SECURITIES AGGREGATING \$1,399,000.00, ON HAND AT THE CLOSE OF BUSINESS
 JANUARY 31, 1930, HERETOFORE DELIVERED BY THE TEXAS NATIONAL BANK OF FORT WORTH,
 TEXAS, AS PLEDGES IN LIEU OF BOND TO SECURE DEPOSITS OF
 TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE

.....

CLASS I

UNITED STATES OF AMERICA FOURTH LIBERTY LOAN $4\frac{1}{2}\%$ GOLD BOND OF 1933-38:			
DENOMINATION \$ 10,000.00	1 BOND	\$10,000.00	\$ 10,000.00
UNITED STATES OF AMERICA FOURTH LIBERTY LOAN BONDS:			
DENOMINATION \$ 1,000.00	1 BOND	1,000.00	
DENOMINATION \$ 5,000.00	1 BOND	5,000.00	
DENOMINATION \$ 10,000.00	42 BONDS	420,000.00	426,000.00

CLASS II

UNITED STATES TREASURY CERTIFICATES OF INDEBTEDNESS, T. J. $4-7/8\%$:			
DENOMINATION \$ 10,000.00	4 BONDS	40,000.00	40,000.00
UNITED STATES TREASURY CERTIFICATES OF INDEBTEDNESS, T. M. $5-1/8\%$:			
DENOMINATION \$ 10,000.00	5 BONDS	50,000.00	
DENOMINATION \$100,000.00	6 BONDS	600,000.00	650,000.00
FEDERAL FARM LOAN BONDS 4% :			
DENOMINATION \$ 1,000.00	30 BONDS	30,000.00	30,000.00
FEDERAL FARM LOAN BONDS $4\frac{1}{2}\%$:			
DENOMINATION \$ 1,000.00	90 BONDS	90,000.00	
DENOMINATION \$ 10,000.00	11 BONDS	110,000.00	200,000.00
CITY OF DELEON TEXAS WATERWORKS EXTENSION BONDING BOND, SERIES #1- 6% :			
DENOMINATION \$ 1,000.00	10 BONDS	10,000.00	10,000.00
HARDIN COUNTY, TEXAS, ROAD DISTRICT NO. 2- $5\frac{1}{2}\%$:			
DENOMINATION \$ 1,000.00	3 BONDS	3,000.00	3,000.00
MATAGORDA COUNTY, TEXAS, $4\frac{1}{2}\%$ ROAD BONDS:			
DENOMINATION \$ 1,000.00	10 BONDS	10,000.00	10,000.00
WALKER COUNTY, HUNTSVILLE DISTRICT, SPECIAL ROAD BOND 5% :			
DENOMINATION \$ 1,000.00	5 BONDS	5,000.00	5,000.00
WHARTON COUNTY SPECIAL ROAD BONDS, SERIES D, $5\frac{1}{2}\%$:			
DENOMINATION \$ 1,000.00	5 BONDS	5,000.00	5,000.00
WOOD COUNTY SPECIAL ROAD BONDS, SERIES F, $5\frac{1}{2}\%$:			
DENOMINATION \$ 1,000.00	5 BONDS	5,000.00	5,000.00
YOUNG COUNTY ROAD BOND, SERIES B, 5% :			
DENOMINATION \$ 1,000.00	5 BONDS	5,000.00	5,000.00

T O T A L	\$1,399,000.00
-----------	----------------