



City of Piney Point Village

7676 WOODWAY DR., SUITE 300
HOUSTON, TX 77063-1523

TELEPHONE (713) 782-0271
FAX (713) 782-0281

THE CITY OF PINEY POINT VILLAGE REGULAR COUNCIL MEETING MONDAY, MAY 24, 2021 6:30 PM

NOTICE IS HEREBY GIVEN THAT THE CITY COUNCIL OF THE CITY OF PINEY POINT VILLAGE WILL HOLD A REGULAR MEETING ON MONDAY, MAY 24, 2021 AT 6:30 P.M. AT CITY HALL, 7676 WOODWAY, SUITE 300, HOUSTON, TEXAS, AND VIA ZOOM TO DISCUSS THE AGENDA ITEMS LISTED BELOW.

Piney Point Village is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

<https://us02web.zoom.us/j/8848416839?pwd=WGNPWj82bXdSdUlmSmhGd2l2Z3QwZz09>

Meeting ID: 884 841 6839

Passcode: 147258

DECLARATION OF QUORUM AND CALL TO ORDER

SWEARING IN OF NEWLY ELECTED OFFICIALS: Dale Dodds, Michael Herminghaus, and Brian Thompson

PLEDGE OF ALLEGIANCE

CITIZENS WISHING TO ADDRESS COUNCIL - *At this time, any person with city-related business may speak to the Council. In compliance with the Texas Open Meetings Act, if a member of the public comments or inquiries about a subject that is not specifically identified on the agenda, a member of Council or a Staff Member may only respond by giving a statement of specific factual information or by reciting existing policy. The City Council may not deliberate or vote on the non-agenda matter.*

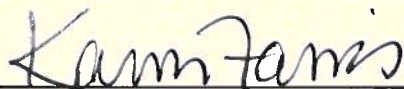
1. Discuss and consider possible action on the Memorial Villages Police Department monthly report.
2. Discuss and consider possible action on the Memorial Villages Police Department proposed 2022 Budget.

3. Discuss and consider possible action on receiving notification of allocation of cost sharing by participating cities of Memorial Villages Police Department.
4. Discuss and consider possible action on the Memorial Villages Police Department 2020 Annual Financial Report.
5. Discuss and consider possible action on the Village Fire Department monthly report.
6. Discuss and consider possible action on the Village Fire Department 2020 Annual Financial Report.
7. Discuss and consider possible action on the Village Fire Department Intra-Budgetary transfers related to the 2020 Audit.
8. Discuss and consider possible action regarding the Village Fire Department proposed 2022 Proposed Budget.
9. Discuss and consider possible action on the Tax Collection contract between Spring Branch Independent School District Tax Office and the City of Piney Point Village to assess and collect ad valorem taxes for the City of Piney Point Village.
10. Discuss and consider possible action on a 2021 mosquito agreement with Cypress Creek Pest Control for weekly mosquito spraying.
11. Discuss and consider possible action on the Accounts Payable Procedures. The Accounts Payable Procedures was last reviewed and updated on April 23, 2018.
12. Discuss and consider possible action on June 2021 and July 2021 Bright Landscape maintenance invoices. The city has not been invoiced, the cost of maintenance should be the same as the May 2021 invoice, which was \$3,158.75.
13. Discuss and consider possible action on the Bright Landscape Designs, estimate #11860 for a total cost of \$2,114.83. This estimate includes replacement of plants damaged by the freeze at the Echo Lane and Taylorcrest esplanade, and replacement of plants and landscape materials which were damaged by a car at the esplanade at Briar Forest. The Briar Forest esplanade is east of the light at Memorial and Briar Forest.
14. Discuss and consider possible action on the Mayor's Monthly Report.
15. Discuss and consider possible action on the City Administrator's Monthly Report, including but not limited to:
 - April 2021 Financials
 - Non-residential fee schedule
16. Discuss and consider possible action on a revision to pricing for pavement subgrade stabilization for the Wilding Lane Drainage and Paving Improvements Project. Information for this item will be distributed to Council at the meeting.

17. Discuss and consider possible action on the City Engineer's Monthly Report. The Engineer's Report for this month includes updates to the Beinhorn Road Project, the Wilding Lane Project, other various maintenance projects, and future projects.
18. Discuss and consider approval of the Minutes for the Regular Session Meeting held on April 26, 2021.
19. Discuss and consider possible action on the Interlocal Agreement between Harris County and the City of Piney Point Village regarding maintaining the portion of Memorial Drive from the light at Memorial and Briar Forest to the light at Memorial and San Felipe, and the portion of San Felipe from the light at Memorial and San Felipe to the eastern boundary of the City.
20. Discuss and consider possible action on any future agenda items, meeting dates, etc.
21. EXECUTIVE SESSION: The City Council will adjourn into closed executive session pursuant to Section 551.071 of the Texas Government Code (Consultation with Attorney), and pursuant to Section 551.074 of the Texas Government Code (Personnel), specifically to deliberate the appointment, evaluation, reassignment, duties, discipline, or dismissal of the City Administrator.
22. Proposed action when Executive Session is reconvened.
23. Adjourn

CERTIFICATION

I certify that a copy of the May 24, 2021 agenda of items to be considered by the Piney Point Village City Council was posted in a place convenient to the general public in compliance with Chapter 551 of the Texas Government Code on May 21, 2021.



Karen Farris
City Secretary



In compliance with the Americans with Disabilities Act, the City of Piney Point Village will provide for reasonable accommodations for persons attending City Council meetings. This facility is wheelchair accessible and accessible parking spaces are available. To better serve you, your requests should be received 48 hours prior to the meeting. Please contact Karen Farris, City Secretary, at 713-230-8702. The City Council reserves the right to adjourn into a Closed Executive Session at any time under the Texas Government Code, Section 551.071 to consult with an attorney.



Memorial Villages Police Department
 11981 Memorial Drive
 Houston, Texas 77024
 Tel. (713) 365-3701

Raymond Schultz
 Chief of Police

May 10, 2021

TO: MVPD Police Commissioners

FROM: R. Schultz, Chief of Police

REF: April Monthly Report

During the month of April MVPD responded/handled a total of 6,227 calls/incidents. 5,038 House watch checks were conducted. 239 traffic stops were initiated with 155 citations being issued for 258 violations. (Note: 14 Assists in Hedwig, 76 in Houston, 12 in Spring Valley and 0 in Hillshire)

Calls/Events by Village were:

Village	Calls/YTD	House Watches/YTD	Accidents	Citations	Response Time
Bunker Hill:	2323/7564	1987/6106	0	25/54/79	2@2:28
Piney Point:	1628/5576	1295/4248	4	20/85/105	5@3:23
Hunters Creek:	2171/9141	1752/7491	12	23/46/69	4@3:04
				Cites/Warn/Total	11@3:06

Type and frequency of calls for service/citations include:

Call Type	#	Call Type	#	Citations	#
False Alarms:	118	Ord. Violations:	20	Speeding:	106
Accidents:	16	Information:	71	Exp. Registration:	46
ALPR Hits:	75	Suspicious Situations	99	No Ins:	35
Assist Fire:	48	TWC	31	No License	44
Assist EMS:	28	Welfare Checks:	4	Stop Sign	46

This month the department generated a total of 103 police reports.

Crimes Against of Persons (0)

None

Crimes Against Property (17)

Burglary of a Motor Vehicle	3	CC Abuse	1
Burglary of a Habitation	3	Forgery	1
Fraud/ID	6	Theft Misd.	3

Petty/Quality of Life Crimes/Events (86)

ALPR Hits (valid)	7	ALPR Hit Investigations	6
Misc. Reports	38	Information Reports	4
		TWC Reports	31

Arrest Summary: Individuals Arrested (8)

Warrants	0	Felony	3
Class 3 Arrests	3	DWI	2

<u>Budget YTD:</u>	<u>Expense</u>	<u>Budget</u>	<u>%</u>
• Personnel Expense:	1,559,571	5,040,063	30.9%
• Operating Expense:	326,540	899,881	36.3%
• Total M&O Expenditures:	1,886,111	5,939,944	31.8%
• Capital Expenses:	39,446	169,500	23.3%
• Net Expenses:	1,925,556	6,109,444	32%

Follow-up on Previous Month Items/Requests from Commission

- The Department received a draft copy of 2020 Audit for review.
- Staff met with Motorola officials as to the status of the MVPD radio system. A subsequent meeting was held with Hedwig City Councilor Folloder to discuss the proposal. Mr. Folloder has offered to assist the MVPD in this process.

Personnel Changes/Issues/Updates

- On April 13, 2021, the MVPD conducted a one-day assessment center for the rank of Sergeant. 4 candidates competed in the selection process. On April 27, 2021 Officer Richard Jarvis was promoted to the Rank of Sergeant.
- The department initiated a contract with SGR Resources for the recruiting and assistance in the selection process for the vacant Commander Opening.
- On April 30, 2021 Commander K. Sission officially retired from the MVPD.
- During the month, an EPI was conducted as the result of an officer failing to answer the radio. The investigation found that the officer had been insubordinate. The officer served a one-day suspension without pay.

Major/Significant Events

- To April 2, 2021 Officers stopped a stolen vehicle after being notified by the ALPR system. Through investigation, officers were able to determine the vehicle had been stolen in 2016 and some of the VIN numbers had been removed. During a search of the vehicle officers located over 230 grams of methamphetamines and 39 stolen passports. The State Department and FBI were notified of the passports and responded to the MVPD to take possession of the passports and to interview the suspects. 2 suspects were arrested, and the vehicle recovered.
- During the month, officers investigated several attempted and 2 completed Burglaries of Habitations where the suspects have been identified as “gypsy” burglars. The suspects have hit victims throughout the Houston Area. CID detectives are working with HPD, HCSO, Conroe and West U. PD on these cases. The suspects were identified through the use of the MVPD ALPR system. One suspect was taken into custody on an unrelated warrant during a traffic stop in Houston. The two primary suspects have been identified and detectives are working with the HCDA’s Office on obtaining search warrants.

Status Update on any Major Projects

- Detectives conducted a complete inventory of the MVPD property and evidence room over a two-day period. This was required due to the retirement of Commander Sission. All items were located, verified, and accounted for. Items older than 8 years old were formerly in the “Badge” records system. During the audit detectives transferred the items and entered them into “Capers”. The proper documentation was completed.

V-LINC new registrations in April: +23

BH – 1359(+9)

PP – 923 (+2)

HC – 1398 (+7)

Out of Area – 459 (+5)

2021 Officer Committed Time to Service Report

Employee Name	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Reports	Cites
BAKER, BRIAN C	14:27:08	6:19:50	9:11:48	4:38:17										7
BIEHUNKO, JOHN	23:07:01	19:19:59	14:04:18	12:55:49									4	12
BOGGUS, LARRY	7:55:02	20:20:04	5:40:37	10:56:38									0	0
BRACHT, DANIEL	17:07:03	11:15:42	9:46:04	6:46:17										7
BURLESON, Jason	12:12:34	18:10:56	10:39:53	13:49:14									3	8
CADENA, VANESSA	18:00:04	12:07:28	24:08:28	10:26:28									1	3
CANALES, RALPH EDWARD	16:04:00	7:27:16	14:33:16	15:02:51									8	16
CERNY, BLAIR C.	* 7:56:59	4:17:26	7:37:24	9:13:59										1
HARWOOD, NICHOLAS	18:15:14	15:46:27	14:27:52	11:56:07									7	6
JARVIS, RICHARD	10:46:12	28:53:18	23:27:39	16:31:49									3	17
JOLIVET, CHARLES	11:59:12	9:59:43	10:18:23	15:17:10									4	2
JONES, ERIC	* 0:31:48	0:06:32	0:00:00	0:00:00										0
KELSO JR, RONALD K	15:55:08	2:04:16	15:04:52	12:24:25									4	18
LERMA, FRANK	* 5:48:56													0
Lowrie, Andy				31:05:28									14	54
MCELVANY, ROBERT	15:06:05	10:55:03	7:34:12	14:51:04									7	7
MILLER, OSCAR	* 11:42:37	16:13:37	16:55:40	6:53:42										0
NASH, CHRISTOPHER	13:30:51	14:08:19	13:58:31	13:30:18									5	5
OWENS, LANE	* 4:42:45	0:12:48	2:33:47	2:05:39										0
PAVLOCK, JAMES ADAM	7:56:41	9:16:17	3:48:02	8:41:59										6
RODRIGUEZ, CHRISTOPHER	* 5:37:51	7:31:36	3:54:08	6:27:54									9	0
SCHANMEIR, CHRISTIAN	t 2:03:24	11:09:37	22:03:09	13:23:38									4	20
SCHULTZ, RAYMOND	* 0:00:00	0:49:06	0:00:56	1:01:23										0
SILLIMAN, ERIC	16:45:18	18:58:22	19:39:33	13:27:53									7	10
SISSION, KYLE J	* 0:58:16	0:15:03	0:00:00	0:00:28										0
SPRINKLE, MICHAEL	1:19:49	4:18:27	6:30:48	5:23:43									1	6
TAYLOR, CRAIG	14:41:29	12:18:05	11:35:47	10:15:58									4	9
TORRES, PATRICK	14:43:57	13:30:08	13:27:58	16:10:17									6	12
TUGGLE, JAMES	8:01:57	13:07:32	13:22:19	15:25:17									5	10
VALDEZ, JUAN	17:55:02	21:37:31	25:08:41	12:08:45									2	10
VASQUEZ, MONICA	23:38:14	15:16:42	15:32:19	16:21:37									2	4
WHITE, TERRY	23:35:00	19:20:08	19:55:44	14:16:38									3	8

* = Admin Asmt.

t = temporary

103

258

Dispatch Committed Time	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
911 Phone Calls	302	314	231	279									1126
3700 Phone Calls	2189	3536	2566	2301									10592
DP General Phone Calls*	54:30:49	90:01:08	62:57:40	55:10:01									

* This is the minimal time as all internal calls route through the 3700 number.

April VFD Assists

Calls received directly by MVPD via 911/3700

<u>Priority Events</u>	<u>Average Response Times</u>
------------------------	-------------------------------

Total – 6	2:31
-----------	------

Fire – 1	2:28
----------	------

EMS – 5	2:32
---------	------

By Village

BH Fire – 0	0
-------------	---

BH EMS – 2	2:28
------------	------

PP Fire – 0	0
-------------	---

PP EMS – 2	2:35
------------	------

HC Fire -1	2:28
------------	------

HC EMS -1	2:36
-----------	------

Combined VFD Events (Priority + Radio)

Total – 54	3:34
------------	------

Fire – 36	3:23
-----------	------

EMS – 18	3:55
----------	------

Radio Call Events

Total – 48	3:43
------------	------

Fire- 35	3:25
----------	------

EMS- 13	4:37
---------	------

ALPR Recoveries

Num	Plate	Vehicle	Loc	Val	Links
1	KHM2376	Ford F350	22	\$ 48,000.00	Drugs-Meth 1/5/2021
2	MVL8705	Hyndi	10	\$ 14,000.00	11-Jan
3	GKR5588	Hond Civ	8	\$ 12,500.00	Fugitive/poss c 18-Jan
4	MWV2069	Chev Cruz	8	\$ 9,800.00	Fraud 20-Jan
5	R000293	Toy Cor	17	\$ 12,000.00	Rental/Cluck 21-Jan
6	LJP9550	Hynd SFE	19	\$ 14,000.00	28-Jan
7	DV48493	VW Jetta	14	\$ 17,500.00	Fel Warrant 29-Jan
8	MHT8564	Hond Acc	2	\$ 16,000.00	Car Jacking 31-Jan
9	9.49E+09	Chev Volt	8	\$ 38,000.00	2-Feb
10	DLJ392	Hond Acc	6	\$ 21,000.00	Fel Warrant 4-Feb
11	MPR6064	Toy Cor	12	\$ 14,000.00	Fug/Drugs 5-Feb
12	N541138	Chev Mal	8	\$ 21,000.00	Fug/Burg 8-Feb
13	BZ8K588	Ford Taur	23	\$ 8,000.00	Fraud 10-Feb
14	MNC3563	Cadi CTS	8	\$ 28,500.00	21-Feb
15	MYR3265	ToyHigh	US Coins	\$ 18,000.00	Fraud 3-Mar
16	89686F5	HYNson	7	\$ 18,500.00	Fraud 4-Mar
17	KXS9288	Ford Focus	2	\$ 14,500.00	Fraud 11-Mar
18	MXL9491	Ford F350	22	\$ 31,000.00	18-Mar
19	NZN3882	AcuraTLX	8	\$ 24,500.00	22-Mar
20	GSC6637	Niss Alt	8	\$ 16,000.00	30-Mar
21	AW83550	Ford F150	19	\$ 24,000.00	meth/fraud 2-Apr
22	8UTT006	BMW X7	20	\$ 41,000.00	16-Apr
23	NFS0818	MercC30	19	\$ 37,000.00	18-Apr
24	DV3YSL	Chev Equx	8	\$ 15,600.00	11-Apr
25	NZN3882	AcuraTLX	8	\$ 23,000.00	Burg/BMV's 11-May

Plate Recoveries

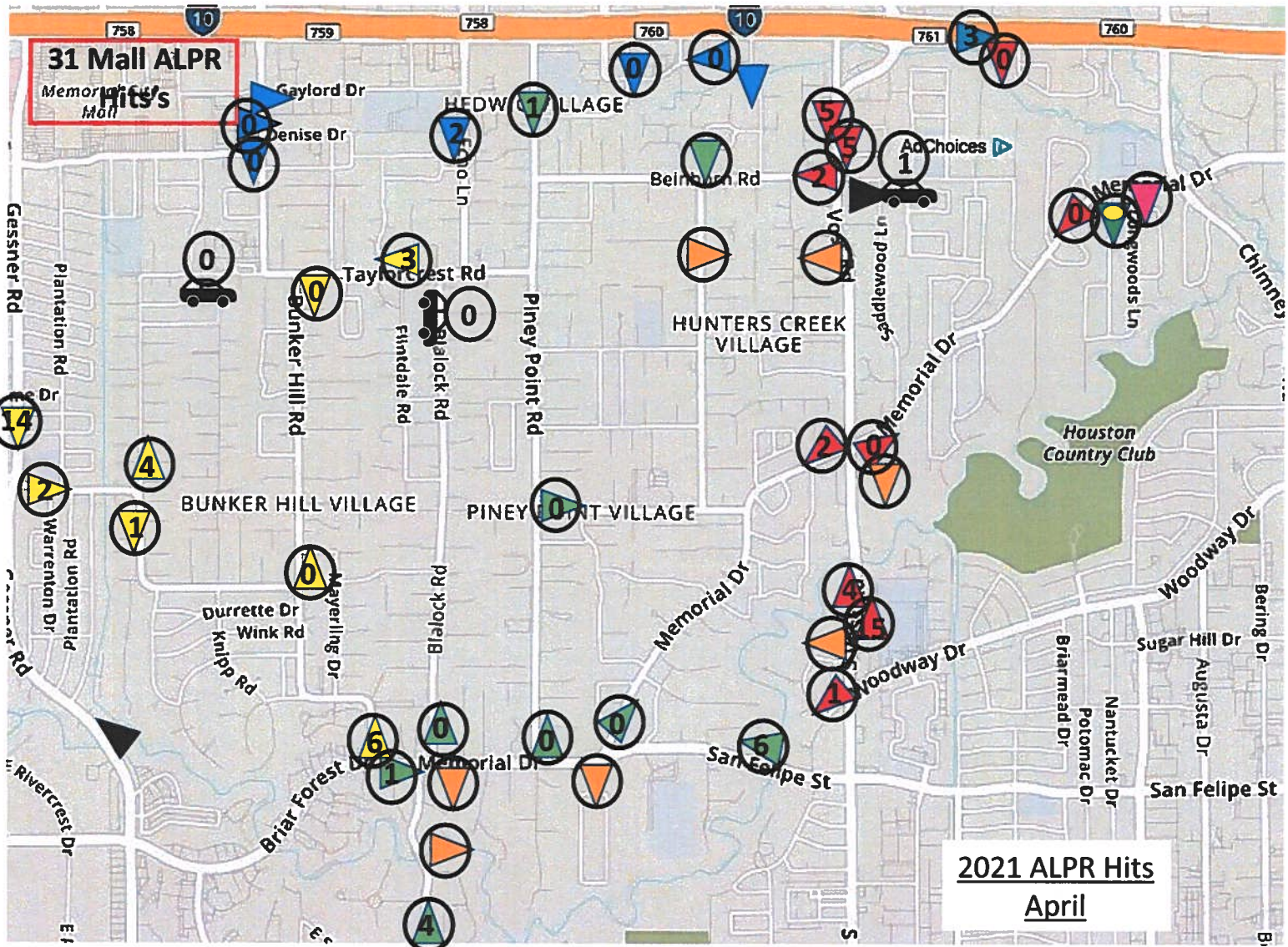
Plate Recove	Date	Links
90561S4	3/1/2021	Paper Fraud Tag

Firearm in vehicle

2021 Value	\$ 537,400.00
2020 Value	\$ 1,147,500.00
2019 Value	\$ 438,000.00
Program Total	\$ 2,122,900.00

INVESTIGATIVE LEADS

103	NVK8808	Chev Tahoe	MDE Harrassment Case	SBISD	Solved	21-Jan
18	92350G3	Jeep Cherokee	Jugger Belaire to Racquet Club		CID-Open	22-Jan
21	BXR4783	Chev Pickup	FSGI		Solved	8-Feb
WIND HOA	FDC2680	Niss Alt	Mail Thieves		Solved	16-Feb
US Coins	MPV1209	Toy	BMV Jugger		CID-Open2	27-Feb
Strey	LYN9642	Toy Cor	Package Thief		CID-Open	27-Feb
17	CNB1734	BLK F150	FSGI		ID's	3-Mar
24	960200	Blk Exped	Burg		Gypsys	27-Apr
26	11548U4	Ford PU	Burg		Gypsys	29-Apr
11	10654S1	Ford PU	Burg		Gypsys	29-Apr



- Hedwig  (2)
- Bunker Hill 
- Piney Point 
- Hunters Creek 
- Frequent Mobile Locations 
-  Total Hits

- Lindenwood HOA 
- Longwoods HOA 
- US Coins 
- In Process 
- HOA Systems 
- 04/30/21

2021 ALPR Hits
April

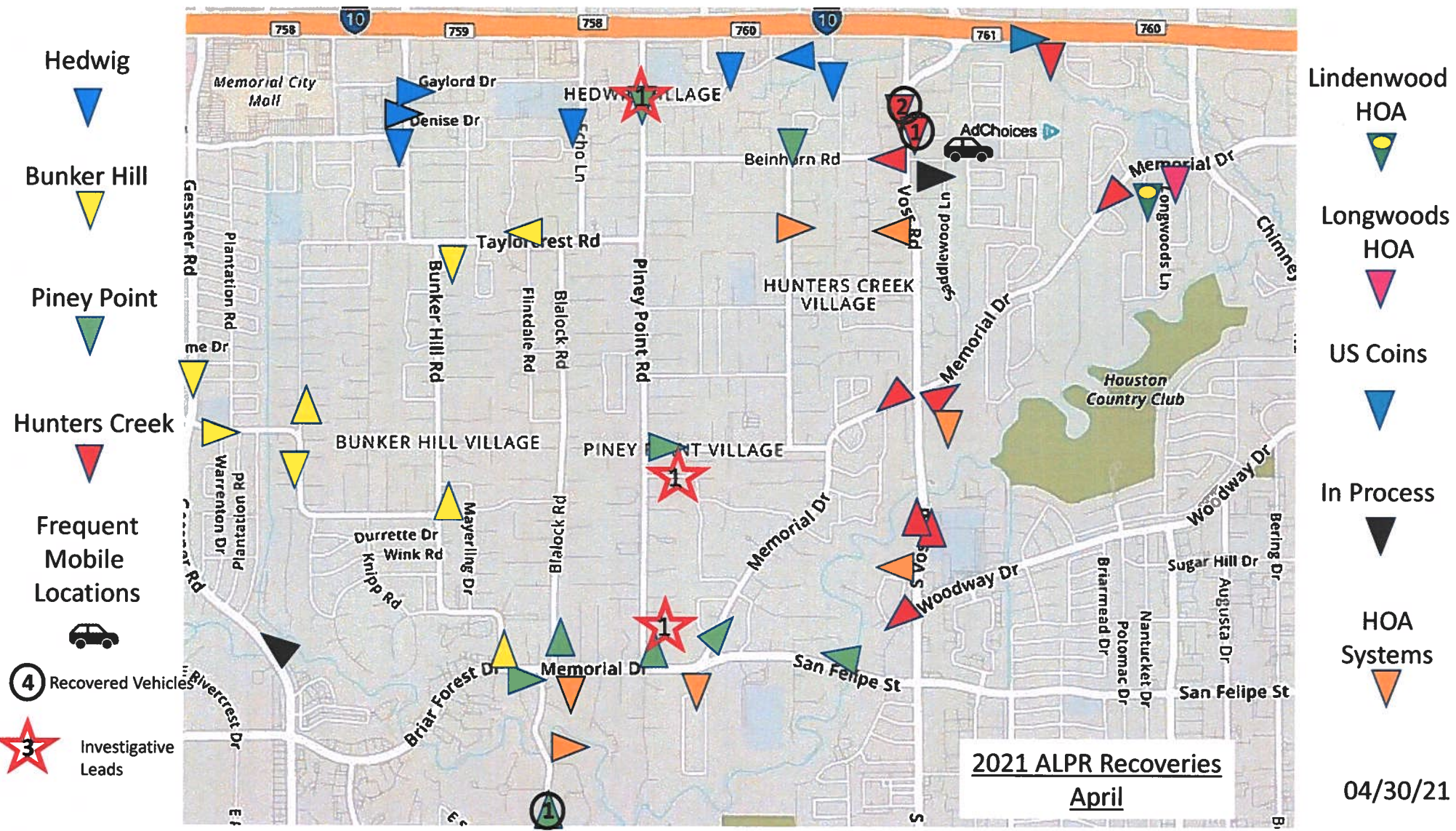


Plate Reads Summary

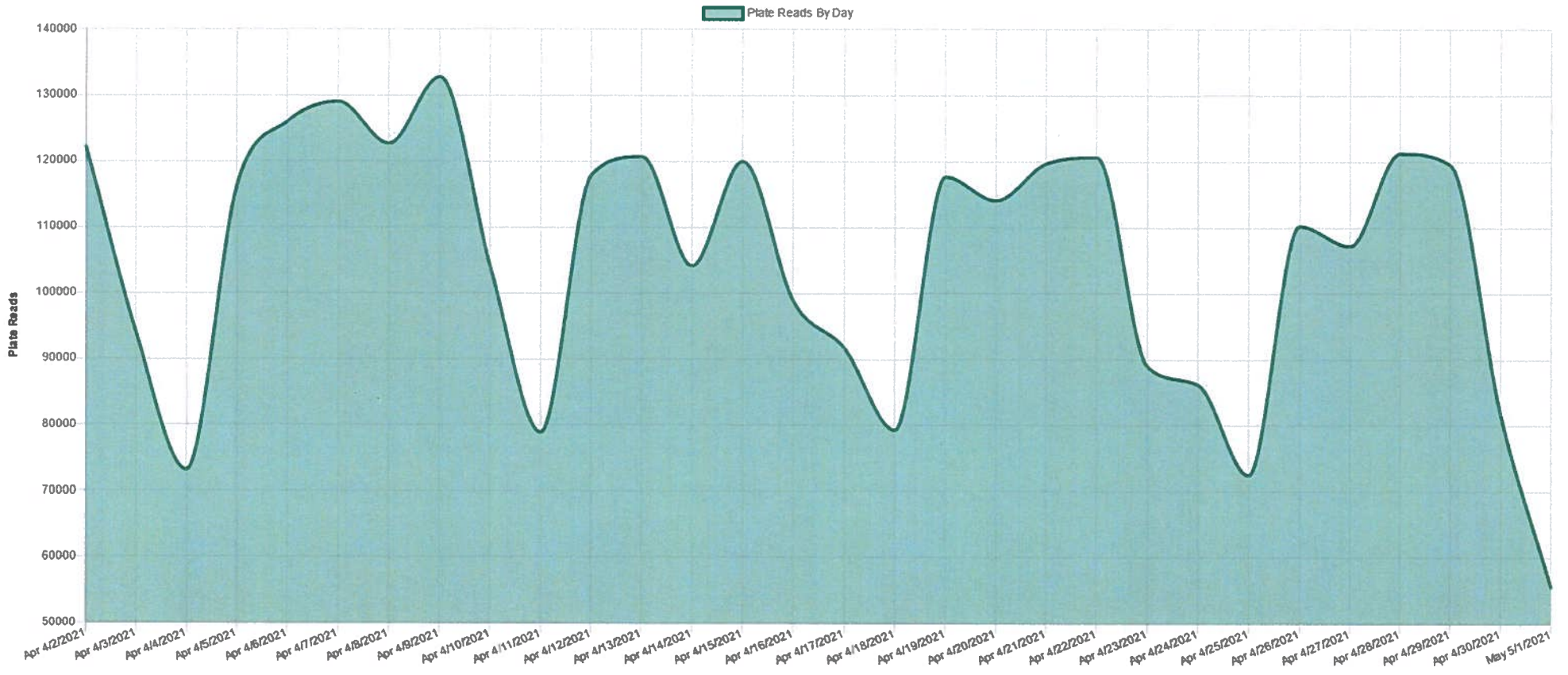
Total Plate Reads:
3,144,294

Export 

Apr 2 - May 1

Cameras (30) ▾

Search

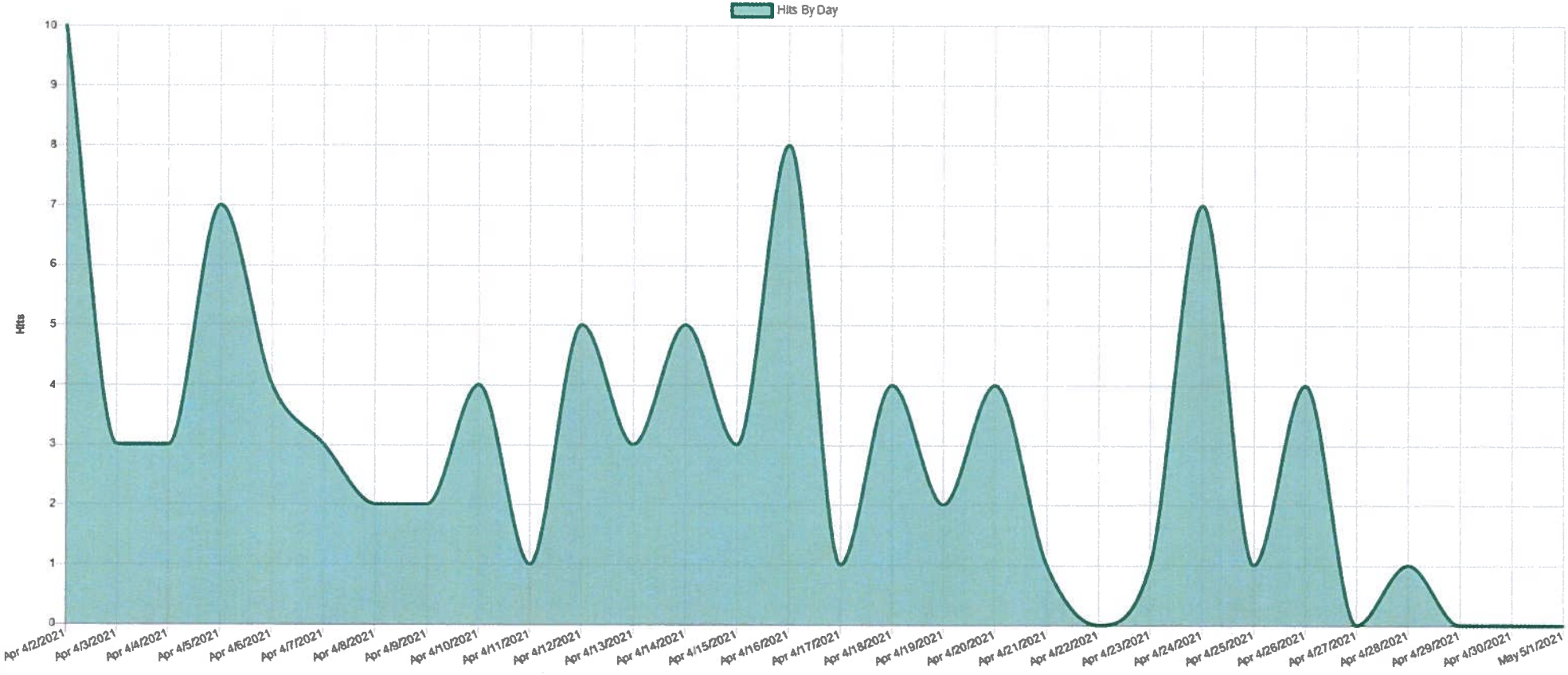


Hits Report

Total Hits: 89
All Hits, incl disabled categories

Export  Apr 2 - May 1

Topics (13) Cameras (30)



Hits Report

Total Hits:
75

6 Search Fields Only
Stolen Vehicle, Plate,
Missing, Custom, Terrorist, Violent

Export

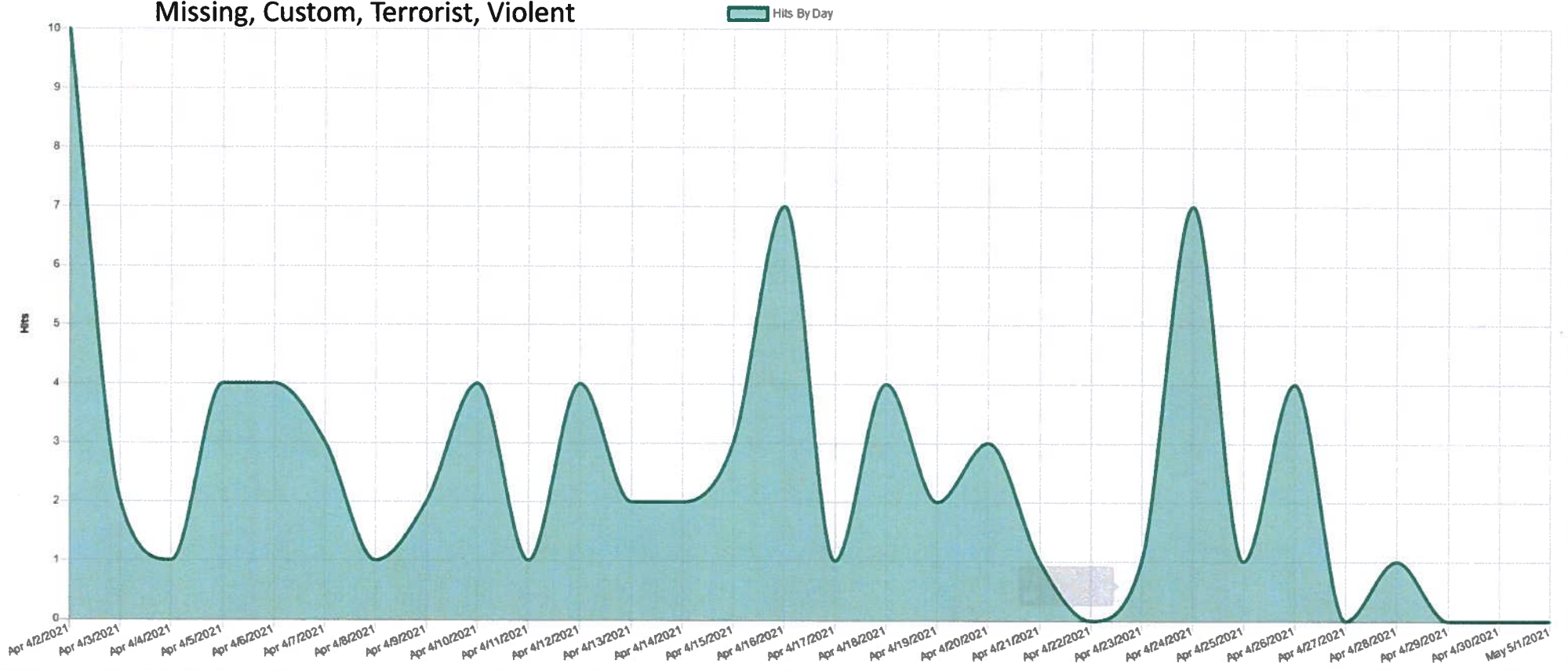


Apr 2 - May 1

Topics (6) ▾

Cameras (30) ▾

Search



Hits Report

Total Hits:
38

Export 

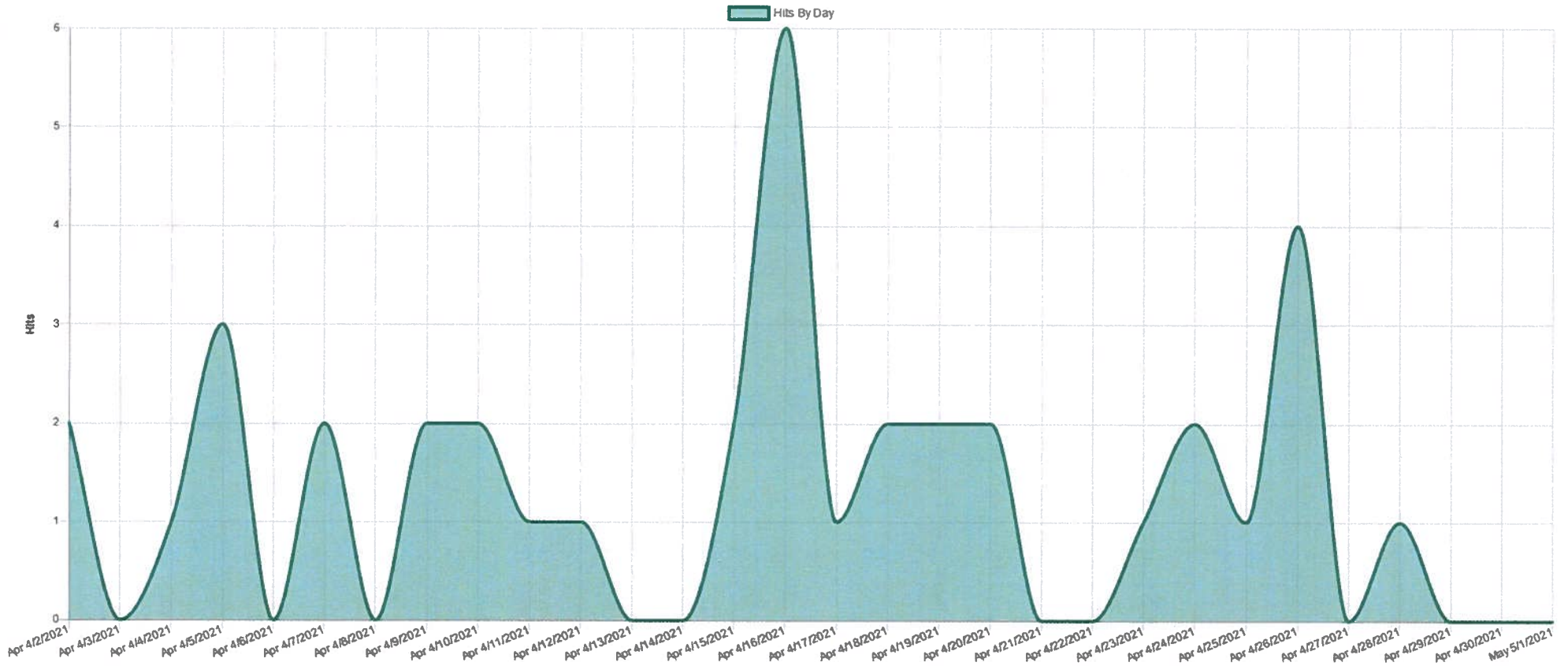
Apr 2 - May 1

Topics (1) ▾

Cameras (30) ▾

Search

Stolen Only

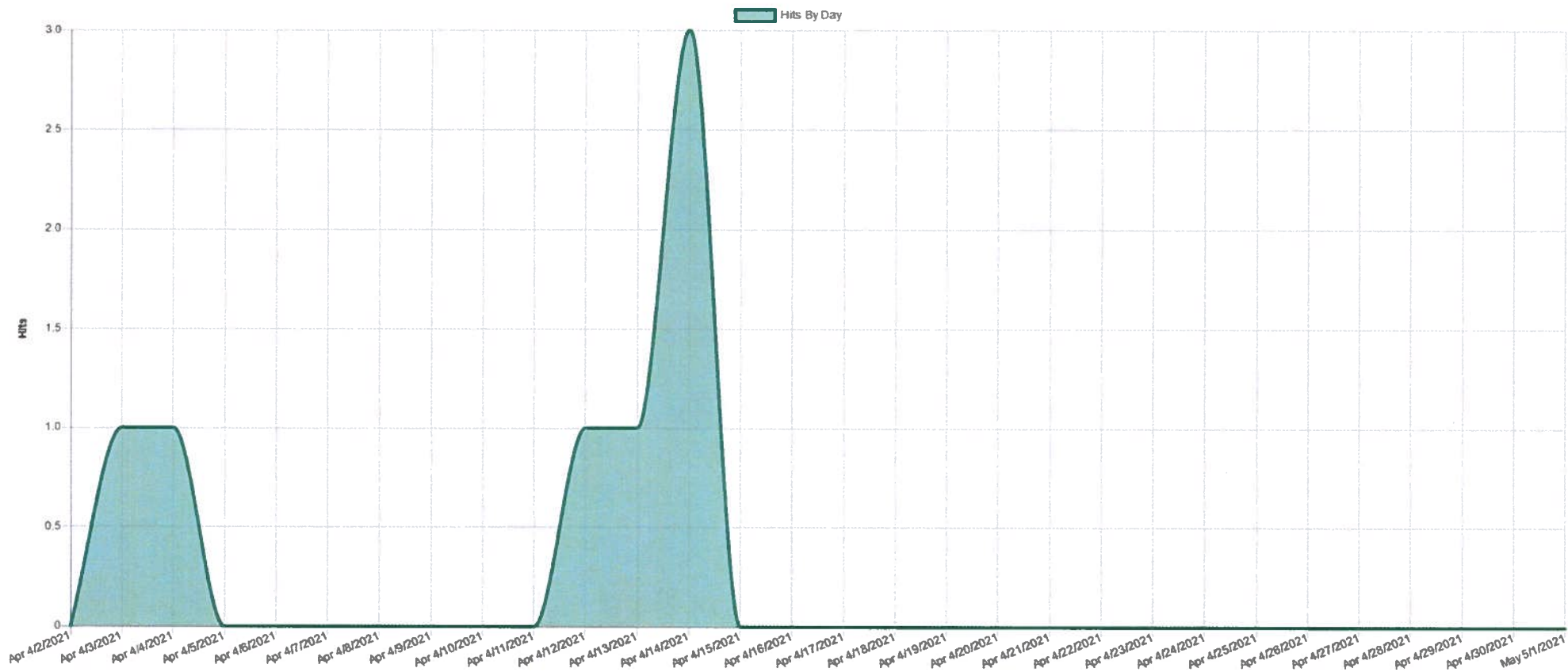


Hits Report

Total Hits:
7 Sex Offender

Export  Apr 2 - May 1

Topics (1) Cameras (30)



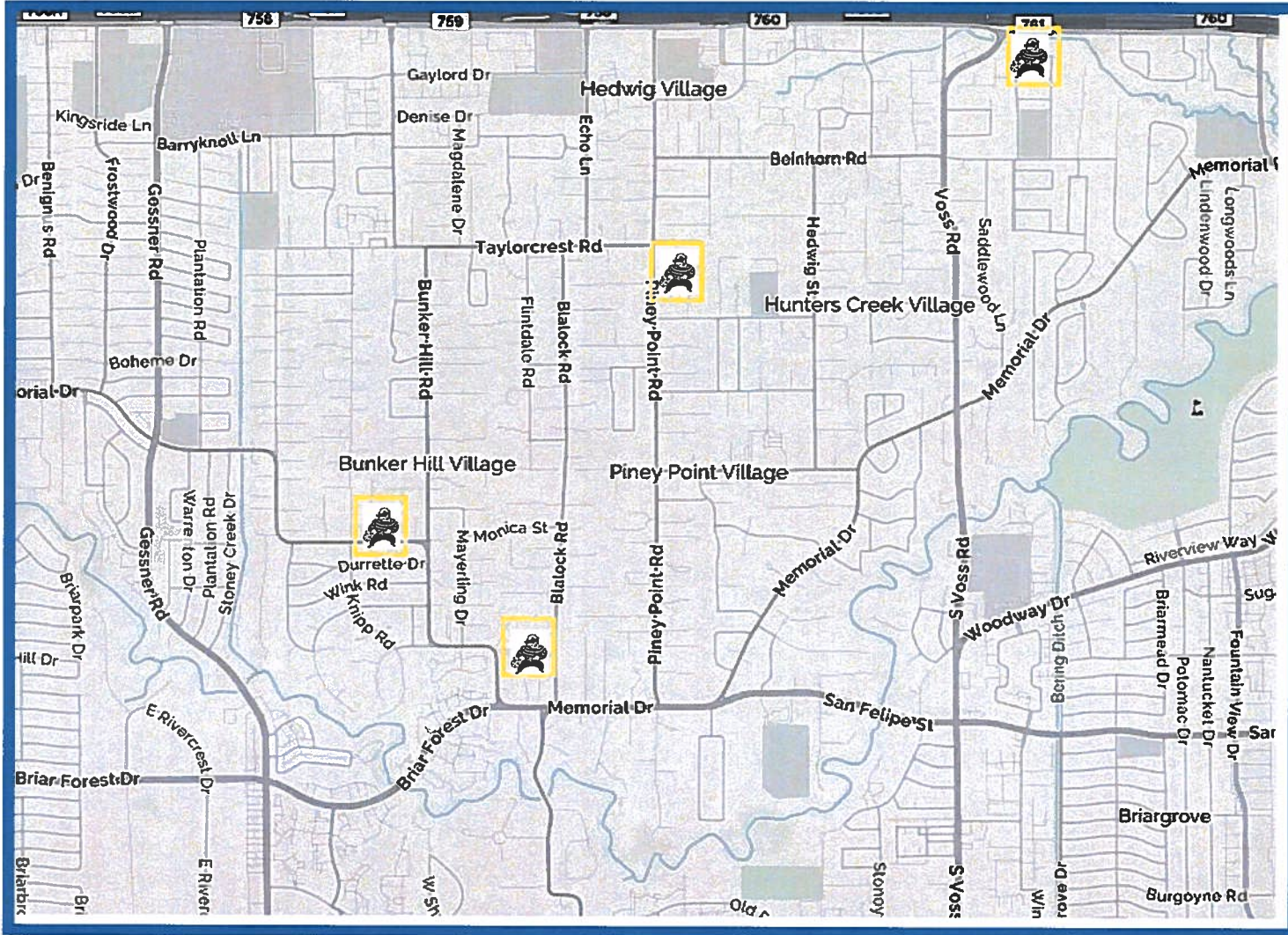
Hits/Reads By Camera

1	14/283,941	17	2/150,794
2	2/120,215	18	0/102,617
3	0/0	19	5/217,369
4	6/144,275	20	5/176,904
5	0/85,974	21	4/104,525
6	3/74,804	22	15/363,130
7	1/219,421	23	6/165,849
8	4/156,968	24	0/49,556
9	0/61,119	25	0/58,836
10	0/108,210	26	0/43,725
11	0/32,708	29 Riverbend	0/5,326
12	1/74,190	Station 1	/112,813
13	0/0	#172	1/29,267
14	2/81,386	Trailer	0/0
15	0/6,850	Strey	4/45,314
16	0/67,060		

Total Reads 3,141,768

Unique Reads 1,413,381




Hits-228 - 6 Hit List 75



2021 Burglary Map

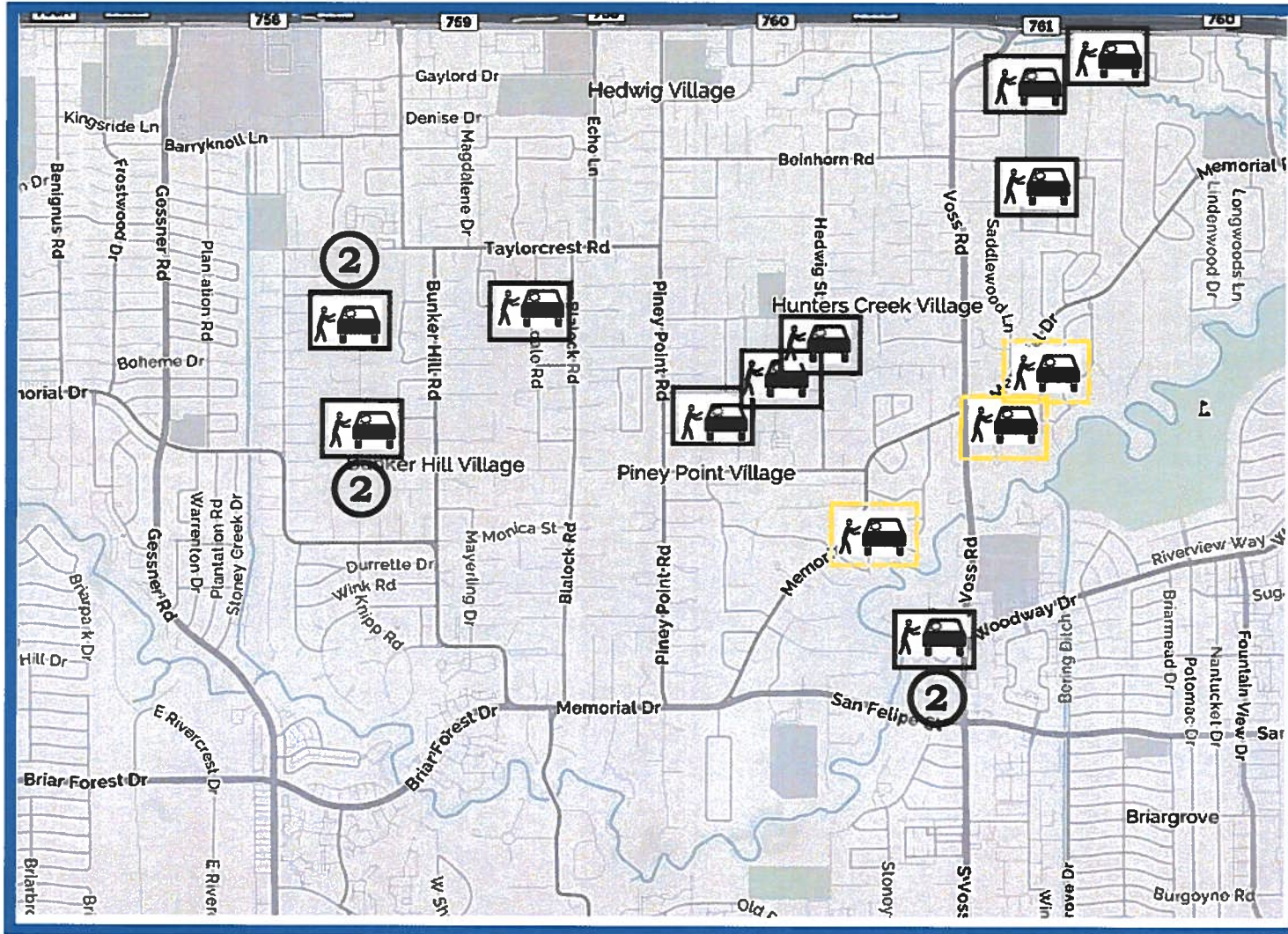
Address	Alarm	POE
302 Chapel Bell	No	Vacant (none)
10611 Tarleton	No	Side Door
11634 Blalock Ln	No	Ruse
618 Piney Point Rd	No	Ruse

2021 Robberies

Address	MO
	Daytime Burglary
	Nighttime Burglary
	Robbery

4/30/21


2021 Auto Burglary Map



Address	POE
10709 Memorial (jugging)	Side Win Smash
335 Knipp	UNL Door
11931 Broken Bough	UNL Door
348 Knipp	UNL Door
512 Knipp	UNL Door
8435 Katy Fwy	Side Win Smash
11322 Surrey Oaks	UNL Door
505 Ripplecreek	Truck Bed
7627 River Point	UNL Door
11734 Flintwood	UNL Door
7630 River Point	UNL Door
907 Tarrington	UNL Door
10610 N Evers Park	UNL Door
11107 Wickway	UNL Door
243 Hedwig	UNL Door
3 Stayton Cir	UNL Door



Daytime Burglary



Nighttime Burglary

2

3

4

TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Discuss and consider possible action on the Memorial Villages Police
Department proposed 2022 Budget

Agenda Item: 2

**Memorial Villages Police Department
FY22 BUDGET PROPOSAL**

GENERAL FUND							
Acct. No	Category	2019 Actual	2020 Unaudited Actual	2021 Adopted	2022 Requested	\$ Increase/ 2021-2022	% Increase
100							
100	Salaries	3,279,467	3,557,690	3,679,271	3,785,751	106,480	3%
110	Overtime	115,094	92,292	125,000	125,000	0	0%
115	Court/Bailiff	6,010	1,269	12,000	10,000	(2,000)	-17%
120	Retirement	379,669	430,477	450,483	459,268	8,785	2%
125	475b contribution		31,865	32,869	62,870	30,001	91%
130	Health Insurance	503,527	513,331	592,828	565,314	(27,514)	-5%
140	Workers Compensation - TML	65,000	59,982	70,500	75,000	4,500	6%
150	Life/LTD	17,847	18,946	21,709	21,982	273	1%
160	Medicare	47,252	52,046	55,403	56,911	1,508	3%
	TOTAL PERSONNEL/BENEFITS	4,413,866	4,757,898	5,040,063	5,162,098	122,035	2%
200							
	TML INTERGOVERNMENTAL RISK POOL						
200	Auto	26,604	25,201	41,100	27,500	(13,600)	-33%
210	General Liability	430	330	720	400	(320)	-44%
220	Public Official Bond	849	848	960	900	(60)	-6%
230	Professional Liability	18,858	18,998	21,400	21,000	(400)	-2%
240	Real & Personal Property	12,637	11,923	8,000	9,600	1,600	20%
	TOTAL OTHER INSURANCE	59,378	57,300	72,180	59,400	(12,780)	-18%
300							
300	Gas and Oil	66,046	69,296	70,500	81,000	10,500	15%
310	Fleet maintenance	31,154	37,949	35,000	40,000	5,000	14%
320	Tires	6,565	6,569	7,000	7,000	0	0%
	Damage Repair	5,783	5,010	10,000	10,000	0	0%
	TOTAL FLEET MAINTENANCE	109,548	118,824	122,500	138,000	15,500	13%
400							
400	General/Building Maintenance	18,848	21,849	25,000	30,000	5,000	20%
410	Janitorial Services	18,000	19,078	21,000	21,000	0	0%
420	Jail	773	299	1,000	1,000	0	0%
430	Building Furnishings	7,450	8,775	15,000	15,000	0	0%
	TOTAL BUILDING	45,070	50,001	62,000	67,000	5,000	8%
500							
500	Computers	10,640	8,521	13,000	13,000	0	0%
510	Postage/postage machine	840	1,129	1,100	1,300	200	18%
520	Office Supplies	12,063	11,974	15,000	15,000	0	0%
530	Bank/Finance Service Chgs	329	400	550	550	0	0%
540	Payroll Services	16,220	17,210	17,400	17,900	500	3%
	TOTAL OFFICE	40,093	39,233	47,050	47,750	700	1%
600							
600	Telephone	33,954	32,499	36,003	40,606	4,603	13%
610	Electric	16,051	14,704	20,000	20,000	0	0%
620	Water/Sewer	5,067	5,153	5,320	5,500	180	3%
630	Natural Gas	510	439	600	600	0	0%
	TOTAL UTILITIES	55,582	52,794	61,923	66,706	4,783	8%
700							
700	Equipment Maint. Contracts	58,797	134,984	118,340	135,950	17,610	15%
710	SETCIC fees	3,262	3,065	3,600	3,600	0	0%
720	Legal/Professional	51,406	76,802	55,000	80,660	25,660	47%
730	IT Services	98,578	100,055	101,850	102,050	200	0%
740	Software Maintenance Contracts	52,170	56,252	56,202	59,200	2,998	5%
	TOTAL CONTRACTS/SERVICES	264,214	371,159	334,992	381,460	46,468	14%
800							
800	Accreditation	0	0	1,200	1,200	0	0%
810	Uniforms	26,518	25,131	30,500	30,500	0	0%
820	Radio parts and labor	29,686	31,328	33,036	33,036	0	0%
830	Firearms Trng and Ammo	5,323	5,880	5,500	6,500	1,000	18%
	Tasers	9,656	10,122	15,000	15,000	0	0%

Memorial Villages Police Department
FY22 BUDGET PROPOSAL

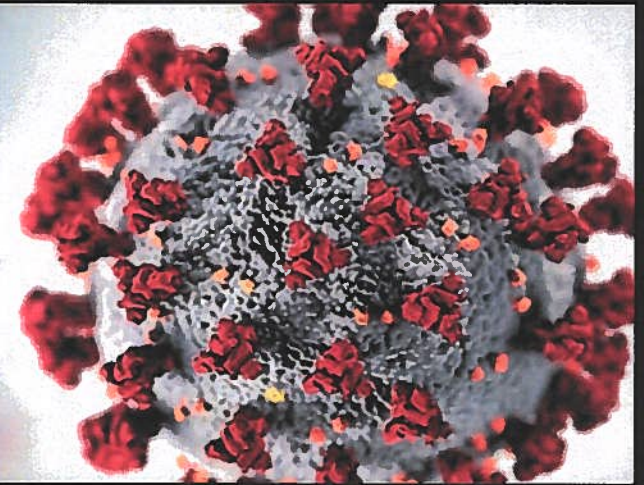
GENERAL FUND CONTINUED							
Acct. No	Category	2019 Actual	2020 Unaudited Actual	2021 Adopted	2022 Requested	\$ Increase/ 2021-2022	% Increase
840	Training & Prof. Dues	38,311	23,113	58,000	58,000	0	0%
850	Travel	7,642	592	9,000	7,000	(2,000)	-22%
860	Recruiting Costs	5,154	958	5,000	5,000	0	0%
870	Criminal Investigations (CID)	3,084	3,003	3,500	3,500	0	0%
880	Contingency - Miscellaneous	13,481	4,179	25,000	25,000	0	0%
892	Small Equipment	4,182	2,255	13,500	14,100	600	4%
	COVID expenditures		47,884			0	
	TOTAL OPERATIONS	143,038	154,444	199,236	198,836	(400)	0%
	TOTAL M&O	5,130,790	5,601,654	5,939,944	6,121,250	181,306	3.05%
OTHER FUNDS							
Acct. No	Category	2019 Actual	2020 Unaudited Actual	2021 Adopted	2022 Requested	\$ Increase/ 2021-2022	% Increase
1000							
1000	Auto Replacement	158,332	165,670	153,000	160,000	7,000	5%
	Rifle Locking System						
	AEDs						
	TOTAL VEHICLE REPLACEMENT	158,332	165,670	153,000	160,000	7,000	4.58%
2000							
2880	Capital Projects Contingency	518	150				
	Radar message board			16,500		(16,500)	
	12TB Data and Replacement Server				18,000	18,000	
	TOTAL SPECIALCAPITAL ASSETS	518	150	16,500	18,000	1,500	
	TOTAL OTHER FUNDS	158,850	165,821	169,500	178,000	8,500	5%
	GENERAL FUND	5,130,790	5,601,654	5,939,944	6,121,250	181,306	3.05%
	OTHER FUNDS	158,850	165,821	169,500	178,000	8,500	5.01%
	COMBINED TOTALS	5,289,639	5,767,474	6,109,444	6,299,250	189,806	3.11%



FY22 Budget

Bunker Hill Village - Piney Point Village - Hunters Creek Village

Facing the Challenges of
Today, Tomorrow and Beyond



Hunters Creek



Village





Hunters Creek



Village

FY22 Budget Goals and Objectives

Goals:

Hire, Develop and Maintain the **best qualified and experienced employees** to serve as Memorial Villages Police Department, Police Officers, Dispatchers and Professional Support Staff.

Provide and maintain the **best tools, technology and equipment** available for use by the MVPD in order to provide for a Safe Community, Free of Crime and the Fear of Crime.

Objective:

Use Village Funds in the most effective and efficient manner possible in order to hire and retain employees by providing a competitive salary and benefit package, while at the same time providing staff with the latest technology, tools, equipment and support services that will allow personnel to provide the **highest level of Police Services and Protection**.



Hunters Creek



Village

FY22 Budget Results from Previous Budgets



- Staffing ✓
- Building the Brand ✓
- Tackling Crime ✓
- Technology ✓
- Response Times ✓
- Officer and Community Safety ✓



Hunters Creek



Village

FY22 Budget

Investment in Personnel – Fully Staffed

Build on our Solid Base

2% Increase in Salary and Benefit Budget

- Avg Base Salary Increase – 3.5%
(1% STEP + 2.5% Salary Adjustment)
- Fully Fund 457b City contribution at 2% (+1%)

Average Salary

w/pay incentives will be:

Sergeant \$107,205

Patrol Officer \$87,576

Dispatcher \$60,611

FY22 Budget

Salary Adjustments - Justification

Maintain our Competitiveness in the LE Community
If not at the Top of the Scale – Be very close

- Base Salary Increase – Recognize the quality work performed along with the additional duties and attention to detail performed by MVPD employees
- 1% STEP – Annual Individual Performance Based Pay Incentive
- Additional 1% 457b Contribution taking total to 2% – Long term savings incentive to compensate for Windfall Act Penalty, Fixed TMRS benefit and Post Employment Health Care.



Hunters Creek



Village



Hunters Creek



Village

FY22 Budget



Technology = Efficiency + Risk Reduction

- ALPR – The Department ALPR Project has been extremely effective at pro-actively identifying criminals who are within the jurisdiction of the MVPD and as an investigative tool for Detectives. This budget adds 3 additional systems.
- Server – Computer technology touches every aspect of the department. The primary domain server is at end of life.
- Back-up System DATTO – System back-up and Security Hardware and Software is intragyral. Current equipment is at end of life. Back-up of Data will reside both on-site and in the Cloud.



Hunters Creek



Village

FY22 Budget Proposal

FY22 Budget Adjustments/Increases/Decreases

Vehicle Maintenance Adjustment +\$5,000

General Maintenance Contracts +\$5,000+

- Phone System
- Generator
- E-RAD
- Copier
- Elevator
- Fire Safety Systems

Office

- Firearms and Ammo +\$1,000
- Small Equipment +\$600

Equipment

- 3 ALPR's \$7,500
- 4 Replacement Ticket Writers \$6,800
- 4 Urban Rifles +7,300

Vehicle Replacement Budget Adjustment +\$7,000



Hunters Creek



Village

FY22 Budget Proposal

Proposed Total Budget Package for 2022

Personnel and Benefits \$5,162,098 (+2%)

Total Operations \$198,836 (-0.2%)

Total M&O \$6,121,250 (+3.05%)

Auto – \$160,000 (+5%)

(Vehicles)

Proposed 2022 Budget – \$6,299,250 (+3.11%)

Cost per Village \$2,099,750

Increase of \$63,268 per village over FY21



Hunters Creek



Village

Future Capital Projects 2022-2025

The Memorial Villages Police Department administration has identified several capital projects that will likely need Funding from participating cities over the next 1-5 years.

These projects include:

- Roof Replacement \$93,385+
- HVAC Replacement \$56,000-\$148,000+
- Radio System Upgrades \$130,000+
- CAD/RMS/ARS Replacement \$190,000-\$470,000
- Building Upgrades – \$TBD
Gutters, Overhead Doors, Paint, Jail Fixtures

Although the Memorial Villages Police Department has a fund in place to account for capital projects, this fund has not been regularly used as a vehicle to hold funds for these projects. Instead, the three cities have essentially employed a pay as you go methodology whereby the participating cities provide funding for capital projects as needed. A Capital Strategic Plan has been prepared that estimates these costs and an approximate timeline of the needed Repairs/Replacements/Improvements.

Future Capital Projects 2022-2025

5 Projects requiring attention within the next 4-5 years



Roof
\$93,400 - \$110,000+



HVAC
\$56,000 - \$148,000



Hunters Creek



Village



Radio System
\$130,000+



Gutters
Unknown Custom Fab



CAD/RMS/ARS
\$190,000 - \$400,000



**THANK YOU
FOR INVESTING IN
PUBLIC SAFETY**



Hunters Creek



Village



TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Discuss and consider possible action receiving notification of allocation of cost sharing by participating cities of Memorial Villages Police Department.

Agenda Item: 3

Memorial Village Police Department provided their Accounting Funds and Funding Policies.

Memorial Village Police Department Accounting Funds and Funding Policies

6. *The Agreement allows for a basis of allocating costs differently than one-third per Participating City.*

As allowed by GAAP, the Department operated with five funds as follows:

1. The *General Fund* is used to account for all financial transactions not properly includable in other funds. The principal source of revenue is from assessments received from the Participant Cities. Expenditures include those made for public safety. The General Fund is considered a major fund for reporting purposes.
2. The *Vehicle Replacement Fund* is a special revenue fund used to acquire police vehicles and related equipment for the Department through assessments received from and classified for use by the Participant Cities. The Vehicle Replacement Fund is considered a major fund for reporting purposes.
3. The *Special Capital Assets Fund* is a special revenue fund used to account for the acquisition, construction or rehabilitation of capital assets (excluding assets acquired through the vehicle replacement fund) primarily through assessments received from and classified for use by the Participating Cities. The Special Capital Assets Fund is considered a major fund for reporting purposes.
4. The *Internal Service Fund* is a fund for services provided to other departments or agencies of the primary government, or to other governments, on a cost reimbursement basis. The Internal Service Fund is presently used to account for health benefit services provided to the Department's employees, as well as those of the cities of Bunker Hill Village, Texas and Piney Point Village, Texas.
5. The *Dare Fund* is a fund used for youth related services provided by the Department. Revenues accounted for in this fund are provided by persons or entities other than the Participant Cities.

1. Funds and Fund Structure

The Department will use the minimum number of funds as needed and allowed under GAAP. All funds will be created and closed only upon approval of the Commission and the Participant Cities. Adoption of this policy is acceptance of the existing five funds described above.

In order to enhance the usefulness of fund balance information as recommended by GASB Statement No. 54, fund balance classifications will be used to identify the extent to which the Department is bound to observe constraints imposed on the use of the resources reported in Department funds. Specifically, funds may be classified as restricted, committed, assigned, and unassigned based on the relative strength of the constraints that control how specific amounts can be spent.

Memorial Village Police Department Accounting Funds and Funding Policies

A restricted fund balance classification includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. A committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Department's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the Department for specific purposes but do not meet the criteria to be classified as restricted or committed. In funds other than the *General Fund*, assigned fund balance represents the remaining amount that is not restricted or committed. Unassigned fund balance is the residual classification for the Department's *General Fund* and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

All funds shall be maintained in accordance with the written policies for Department funds and written directives and/or authorizations approved by the Commission related to the classification and use of funds. The Department Finance Manager shall maintain a record of all accounting policies and related directives and authorizations of the Department, including but not limited to, directives and authorizations related to the purpose, funding, use and/or any classifications related to accounting funds.

The Department shall account for any additional programs or cooperative agreements, such as the Health Insurance Fund, separate and apart from other funds.

2. Bank Accounts and Consolidated Cash

The Department will use separate bank accounts to segregate the operating activities of the funds. Separate accounts will include physical, separate bank accounts and the use of consolidated bank accounts, which are commonly used by governmental entities.

3. Budget Carryover for the General Fund

General Fund appropriations shall lapse at the close of a fiscal year to the extent such appropriations have not been expended or maintained in accordance with the policies set forth in this policy statement and/or in accordance with law or prior agreement.

As provided by the Agreement, the Department will carry over \$60,000 at the end of each year to serve as operating capital throughout the year and to facilitate 45 days of operations at the end of the fiscal year before payments from the Participant Cities are due. In addition, the Department may restrict or commit additional funds for the payment of approved and/or authorized specific expenditures in the form of purchase orders, contracts and/or other obligations of the Department, carried from one fiscal year into the next. The Department may also set aside and restrict or commit funds for projects or programs started but not completed at the end of a fiscal year. Encumbered appropriations in the *General Fund* at year end shall be restricted or committed for the specific purpose(s) authorized by the

Memorial Village Police Department Accounting Funds and Funding Policies

Commission and do not become a liability of the Department until the goods or services are provided. These appropriations held in the *General Fund* shall not be considered as part of the \$60,000 General Fund carryover. Thus, the *General Fund* carryover shall be in the amount of \$60,000 plus any restricted or committed appropriations of the *General Fund*. For example, if restricted or committed appropriations total \$7,500, the *General Fund* ending fund balance would total \$67,500. Any carryovers shall be noted in the financial reports.

The procedure for the designation and approval of restrictions or commitments on funds for year end encumbrances is as follows:

Administration requesting to restrict or encumber funds in the *General Fund* must do so in writing to the Finance Manager no later than ten (10) days before the end of a fiscal year. This request must set forth the reason(s) for and amount(s) of the proposed encumbrance along with the appropriation line(s) related to the proposed encumbrance(s). The Finance Manager shall provide a report to the Commission related to all such requests no later than the second Commissioner's meeting of the new fiscal year. The Commission may approve all or only certain proposed encumbrances.

The Commission may request approval to segregate such funds from normal operations through the use of another special revenue fund if the carryover balance is expected to exceed \$10,000 and carryover for a period extending beyond a fiscal year.

As part of its closing process and after all year end final adjustments are made and audited, the Department shall calculate and record the amount of funds due back to the Participant Cities from the General Fund and record such refunds, if any, as payable to the Participant Cities. The Department shall refund the appropriate balances due to the Participant Cities from the General Fund within forty-five (45) days following the approval of the audit of the Department's annual financial statements by the Commission.

4. Vehicle Replacement Fund

The purpose of the *Vehicle Replacement Fund* is to provide a mechanism for funding the timely acquisition of vehicles and related equipment to meet the needs of the Department's fleet.

As a part of the annual budget process, the Chief of Police shall provide the Commission with an inventory of Department vehicles and related equipment ("Vehicle Inventory") and analysis of the condition of such vehicles and related equipment to ensure that such items are funded and replaced according to anticipated lifecycle. The criteria used in the analysis for determining the replacement of vehicles and related equipment should be based on, among other things, the useful service life and/or mileage of the items in the Vehicle Inventory.

In addition, the Chief of Police shall make a forecast of the funds needed during the

Memorial Village Police Department Accounting Funds and Funding Policies

applicable budgetary period to make needed expenditures during such accounting period from the *Vehicle Replacement Fund*. This forecast shall take into consideration: (i) the anticipated fund balance at the beginning of the applicable budgetary period, (ii) insurance proceeds that may be received from vehicles and related equipment, (iii) proceeds from the disposition or sale of vehicles and related equipment and (iv) the amount needed to fund the anticipated acquisition and/or replacement of new vehicles and related equipment during the applicable accounting period. Based upon these factors and criteria, the Chief of Police shall recommend to the Commission the budgeted amount of funding necessary to ensure that sufficient funds are on hand to make expenditures for vehicle replacements and related equipment purchases.

Authorized expenditures of funds from the *Vehicle Replacement Fund* shall include purchases of new and replacement vehicles; purchases of equipment associated with the vehicles; training costs associated with the vehicles and related equipment; and any vehicle and/or equipment related communication/network costs.

5. Special Capital Assets Fund

The purpose of the *Special Capital Assets Fund* is to provide a mechanism for funding the acquisition, construction and/or rehabilitation of capital assets (excluding vehicles and related equipment) in a manner that protects public investment and ensures achievement of the maximum useful life of such assets. Funds allocated to the *Special Capital Assets Fund* may be used for the acquisition, construction and/or rehabilitation of capital assets which include moveable and fixed assets (the latter including land improvements, buildings and building systems).

As a part of the budget process, the Chief of Police shall provide to the Commission an inventory of all capital assets (the "Asset Inventory"), as well as any requests for the acquisition, construction and/or rehabilitation of capital assets, based on evolving technologies, trends, change in focus and best practices. To the extent it is reasonably practicable and to the extent requested by the Commission, the Asset Inventory should include an assessment of factors that may be reasonably forecasted to project the anticipated total cost of ownership of capital assets, and may include such factors specifically related to use and ownership of capital assets as follows:

- Unusual or higher than expected ongoing maintenance costs;
- Technical obsolescence or betterment;
- Market demand (anticipated sales price);
- Up-fitting and graphics costs;
- Safety features;
- Standard operational and functional life of the asset;
- Mileage and run hours of mechanical assets if applicable;
- Interoperability of the asset with other internal and external systems;
- Governmental mandates;
- Anticipated on-going costs and expenditures;

Memorial Village Police Department Accounting Funds and Funding Policies

- Recurring maintenance costs;
- Licensing costs;
- Training costs;
- User conferences; and
- Equipment communication/network costs.

This Asset Inventory shall not include a description of items set forth in the *Vehicle Replacement Fund*.

To the extent the Chief of Police recommends that any part of budgeted funds be allocated to the *Special Capital Assets Fund* for the acquisition, construction and/or rehabilitation of capital assets, such recommendation shall provide the specific reasons for the proposed use of funds, the amount of such funds needed for the intended purpose(s), the proposed timing and manner of the expenditure of such funds, the nature and extent of any constraints to be placed on the use of the funds, and any other information or analysis as requested by the Commission.

The Department will use the *Special Capital Assets Fund* as needed and when appropriate. The purpose of these funds is NOT to circumvent the budget approval process or authorization for specific purchases.

In addition to contributions by the Participant Cities, the *Special Capital Assets Fund* may be funded with the following additions with the written authorization and approval of the Commission:

- Insurance proceeds
- Sales Proceeds
- Forfeitures
- Donations from third parties other than the Participant Cities.

All funds contributed to the *Special Capital Assets Fund* shall be held, administered and distributed in accordance with written authorizations and/or directives authorized by the Participant Cities if not already approved by the Participant Cities as part of the budgetary process.

Approved and Enacted by:


Chairman

4-12-21
Date

Reviewed by and approved in form by:

JOHN HIGHTOWER - LEGAL COUNSEL

TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Discuss and consider possible action on the Memorial Villages Police
Department 2020 Annual Financial Report

Agenda Item: 4

ANNUAL FINANCIAL REPORT

of the

Memorial Villages Police Department

**For the Year Ended
December 31, 2020**

(This page intentionally left blank.)

Memorial Villages Police Department

TABLE OF CONTENTS

December 31, 2020

FINANCIAL SECTION

Independent Auditor's Report	1
Management's Discussion and Analysis	5

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position	15
Statement of Activities	17

Fund Financial Statements

Governmental Funds:

Balance Sheet	18
Reconciliation of the Balance Sheet to the Statement of Net Position- Governmental Funds	20
Statement of Revenues, Expenditures, and Changes in Fund Balance- Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25

Proprietary Funds:

Statement of Net Position	26
Statement of Revenues, Expenses, and Changes in Fund Net Position	27
Statement of Cash Flows	28

Notes to Financial Statements	31
--------------------------------------	-----------

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balances- Budget and Actual - General Fund	61
Schedule of Changes in Net Pension Liability and Related Ratios – Texas Municipal Retirement System	62
Schedule of Employer Contributions to Pension Plan – Texas Municipal Retirement System	64
Schedule of Changes in OPEB Liability and Related Ratios – Texas Municipal Retirement System	66
Schedule of Changes in OPEB Liability and Related Ratios – Retiree Health Plan	67

(This page intentionally left blank.)



INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners of the
Memorial Villages Police Department:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Memorial Villages Police Department (the "Department"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Department's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Department as of December 31, 2020 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net pension liability and related ratios, schedule of employer contributions to pension plan, schedule of changes in other postemployment benefits liability and related ratios, and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



BrooksWatson & Co., PLLC
Certified Public Accountants
Houston, Texas
May 7, 2021

***MANAGEMENT'S DISCUSSION
AND ANALYSIS***

(This page intentionally left blank.)

Memorial Villages Police Department

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

December 31, 2020

As management of the Memorial Villages Police Department (the "Department"), we offer readers of the Department's financial statements this narrative overview and analysis of the financial activities of the Department for the fiscal year ended December 31, 2020.

Financial Highlights

- The Department's total combined net position was a deficit \$(1,544,984) at December 31, 2020.
- At the close of the current fiscal year, the Department's governmental funds reported combined fund balances of \$193,525, a decrease of (\$31,352).
- As of the end of the year, the unassigned fund balance of the general fund was \$60,000 and participant assessment refunds totaled \$285,634 for the year.
- The Department had an overall decrease in net position of \$155,523.
- The Department closed the year with a net pension liability of \$2,370,228.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the Department's basic financial statements. The Department's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Department's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Department's assets and liabilities. The difference between the two is reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Department is improving or deteriorating. Other non-financial factors, such as the Department's property tax base and the condition of the Department's infrastructure, need to be considered in order to assess the overall health of the Department.

The *statement of activities* presents information showing how the Department's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues

Memorial Villages Police Department

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

December 31, 2020

and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Department that are principally supported by charges for services (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Department include public safety.

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Department, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Department can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Department maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, vehicle replacement, youth services and special capital assets funds, which are considered to be major funds.

The Department adopts an annual appropriated budget for its general, vehicle replacement, and capital asset funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the budget.

Memorial Villages Police Department
MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*
December 31, 2020

Proprietary Funds

The Department's proprietary funds consist of an internal service fund. The Department's internal service fund is used to account for health benefit services provided to the Department's employees, as well as those of the cities of Bunker Hill Village, Texas and Piney Point Village, Texas. All activities associated with providing such services are accounted for in these funds, including administration, operation, maintenance, billing and collection. The Department's intent is that costs of providing the services to the individual funds on a continuing basis is financed through charges.

Proprietary financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the health benefits fund.

Notes to Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The required RSI includes a budgetary comparison schedule for the general fund, schedule of changes in the net pension liability and related ratios, schedule of employer contributions for the Texas Municipal Retirement System, and the schedule of changes in the OPEB liability and related ratios. RSI can be found after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of the Department's financial position. For the Department, liabilities exceed assets by (\$1,544,984) as of December 31, 2020, in the primary government.

The largest portion of the Department's net position, \$737,607, reflects its investments in capital assets (e.g., land, police station, equipment and vehicles), less any debt used to acquire those assets that are still outstanding. The Department uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Department's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

Memorial Villages Police Department
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2020

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		
	2020	2019	\$
	Governmental	Governmental	Variance
	Activities	Activities	Variance
Current and other assets	\$ 712,816	\$ 689,720	\$ 23,096
Capital assets, net	737,607	816,385	(78,778)
Total Assets	1,450,423	1,506,105	(55,682)
Deferred Outflows of Resources	877,430	1,302,489	(425,059)
Other liabilities	712,245	595,516	116,729
Long-term liabilities	2,743,818	3,599,079	(855,261)
Total Liabilities	3,456,063	4,194,595	(738,532)
Deferred Inflows of Resources	416,774	3,460	413,314
Net Position:			
Net investment			
in capital assets	737,607	816,385	(78,778)
Unrestricted	(2,282,591)	(2,205,846)	(76,745)
Total Net Position	\$ (1,544,984)	\$ (1,389,461)	\$ (155,523)

Current and other assets for governmental activities increased by \$23,096 when compared to the prior year. This increase is primarily attributed to the Department spending less on capital assets during the year. Capital assets decreased by \$78,778 from the prior year due to depreciation expense exceeding capital additions. Deferred outflows of resources for the Department decreased by \$425,059 when compared to the prior year. This decrease is directly related to the current year changes in actuarial valuation of the Department net pension liability and related deferred outflows. Other liabilities increased by \$116,729 primarily due to a larger accrual for participant refunds at the end of the current year and timing of capital purchases and year end accruals. Total long-term liabilities decreased by \$855,261 primarily due to a decrease in the Department's net pension liability. Deferred inflows of resources for the Department increased by \$413,314 when compared to the prior year. This increase is attributable to pension investment earnings being higher than average. The excess amount is deferred and amortized.

Memorial Villages Police Department
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2020

Statement of Activities:

The following table provides a summary of the Department's changes in net position:

	Governmental Activities		
	2020	2019	\$
	Governmental	Governmental	Variance
	Activities	Activities	
Revenues			
Program revenues:			
Charges for services	\$ 5,564,327	\$ 5,191,952	\$ 372,375
General revenues:			
Investment income	5,046	5,145	(99)
Other revenues	169,321	19,564	149,757
Total Revenues	5,738,694	5,216,661	522,033
Expenses			
Public safety	5,894,217	5,790,371	103,846
Total Expenses	5,894,217	5,790,371	103,846
Change in Net Position	(155,523)	(573,710)	418,187
Beginning Net Position	(1,389,461)	(815,751)	(573,710)
Ending Net Position	\$ (1,544,984)	\$ (1,389,461)	\$ (155,523)

Memorial Villages Police Department

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

December 31, 2020

For the year ended December 31, 2020, revenues from governmental activities totaled \$5,738,694. Charges for services increased by \$372,375 or 7% to account for the assessments needed to fund the department's operational costs. All other revenues remained relatively stable when compared to the previous year.

For the year ended December 31, 2020, expenses for governmental activities totaled \$5,894,217. This represents an increase of \$103,846 or 2% from the prior year. The primary reason for the increase was related to increased salary and related benefit expenses and related expenses. The Department's only functional expense is public safety which accounts for the total operations of the police department.

There was an overall decrease in net position of \$155,523 for the year.

FINANCIAL ANALYSIS OF THE DEPARTMENT'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

Governmental Funds - The focus of the Department's governmental funds is to provide information of near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Department's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Department's net resources available for spending at the end of the year.

As of the end of the year the general fund reflected a total fund balance of \$67,346. Of this, \$7,346 is considered nonspendable due to prepaid assets. Each participating entity has contributed \$20,000 in working capital which remains as unassigned fund balance at the end of the year totaling \$60,000. The general fund balance increased \$30,337 from the prior year.

The vehicle replacement fund reflected a fund balance of \$27,608. This is an increase of \$1,026 compared to the prior year, as current year capital outlay expenditures were less than actual revenues.

There was an overall decrease in governmental fund balance of \$31,352 from the prior year.

Proprietary Funds - The Department's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

GENERAL FUND BUDGETARY HIGHLIGHTS

There was a total negative revenue variance of \$140,668 and a positive expenditure variance of \$110,331 for the year. This negative revenue variance was the result of participant refunds totaling \$285,634 for excess assessments received over final operating expenditures. There was a total positive expenditure variance of \$110,331 due to less than anticipated expenditures for all expenditure categories. Several supplemental budget amendments were made during the year.

Memorial Villages Police Department
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2020

CAPITAL ASSETS

As of the end of the year, the Department's governmental activities funds had invested \$737,607 in a variety of capital assets and infrastructure, net of accumulated depreciation. Depreciation is included with the governmental capital assets as required by GASB Statement No. 34.

Major capital asset additions during the current year include the following:

- Purchase of three new Dodge Durango police vehicles and equipment totaling for \$147,492.

More detailed information about the Department's capital assets is presented in note IV.C to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Board of Police Commissioners are committed to maintaining and improving the overall wellbeing of the Department and improving services provided to their public citizens. The Department is budgeting for growth in the upcoming year.

CONTACTING THE DEPARTMENT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Department's finances for all those with an interest in the Department's finances. Questions concerning this report or requests for additional financial information should be directed to the Chief of Police, Memorial Villages Police Department, 11981 Memorial Drive, Houston, Texas 77024; telephone (713) 365-3700.

(This page intentionally left blank.)

FINANCIAL STATEMENTS

(This page intentionally left blank.)

Memorial Villages Police Department

STATEMENT OF NET POSITION

December 31, 2020

	Primary Government Governmental Activities
<u>Assets</u>	
Current assets:	
Cash and cash equivalents	\$ 615,387
Receivables, net	90,083
Prepays	7,346
Total Current Assets	712,816
Capital assets:	
Net depreciable capital assets	737,607
Total Noncurrent Assets	737,607
Total Assets	1,450,423
<u>Deferred Outflows of Resources</u>	
Deferred outflows-pensions	851,028
Deferred outflows-OPEB	26,402
Total Deferred Outflows of Resources	877,430
<u>Liabilities</u>	
Current liabilities:	
Accounts payable and accrued liabilities	196,587
Due to other governments	285,634
Compensated absences, current	230,024
Total Current Liabilities	712,245
Noncurrent liabilities:	
Net pension liability	2,370,228
OPEB liability-SDBF	224,029
OPEB liability-Health benefits	124,003
Compensated absences, noncurrent	25,558
Total Noncurrent Liabilities	2,743,818
Total Liabilities	3,456,063
<u>Deferred Inflows of Resources</u>	
Deferred inflows-pensions	406,511
Deferred inflows-OPEB	10,263
Total Deferred Inflows of Resources	416,774
<u>Net Position</u>	
Net investment in capital assets	737,607
Unrestricted	(2,282,591)
Total Net Position	\$ (1,544,984)

See Notes to Financial Statements.

(This page intentionally left blank.)

Memorial Villages Police Department

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Grants and Contributions	Primary Government Governmental Activities
Primary Government				
Governmental Activities				
Public safety	\$ 5,894,217	\$ 5,564,327	\$ -	\$ (329,890)
Total Governmental Activities	5,894,217	5,564,327	-	(329,890)
		General Revenues:		
				5,046
				140,961
				28,360
			Total General Revenues	174,367
			Change in Net Position	(155,523)
			Beginning Net Position	(1,389,461)
			Ending Net Position	\$ (1,544,984)

See Notes to Financial Statements.

Memorial Villages Police Department

BALANCE SHEET GOVERNMENTAL FUNDS December 31, 2020

	General	Vehicle Replacement	Youth Services	Special Capital Assets
<u>Assets</u>				
Cash and cash equivalents	\$ 409,073	\$ 77,861	\$ 14,426	\$ 84,148
Receivables, net	81,929	-	-	-
Prepays	7,346	-	-	-
Total Assets	\$ 498,348	\$ 77,861	\$ 14,426	\$ 84,148
 <u>Liabilities</u>				
Accounts payable and accrued liabilities	\$ 145,368	\$ 50,253	\$ -	\$ 3
Due to other governments	285,634	-	-	-
Total Liabilities	431,002	50,253	-	3
 <u>Fund Balances</u>				
Nonspendable:				
Prepays	7,346	-	-	-
Assigned for:				
Vehicle replacement	-	27,608	-	-
Youth services	-	-	14,426	-
Capital projects	-	-	-	84,145
Unassigned reported in:				
General fund	60,000	-	-	-
Total Fund Balances	67,346	27,608	14,426	84,145
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 498,348	\$ 458,610	\$ 445,428	\$ 515,147

See Notes to Financial Statements.

**Total
Governmental
Funds**

\$	585,508
	81,929
	7,346
<hr/>	
\$	674,783
<hr/> <hr/>	

\$	195,624
	285,634
<hr/>	
	481,258
<hr/>	

7,346

27,608

14,426

84,145

60,000

193,525

\$	624,527
<hr/> <hr/>	

Memorial Villages Police Department

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION GOVERNMENTAL FUNDS

December 31, 2020

Fund Balances - Total Governmental Funds

Adjustments for the Statement of Net Position:

Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.

Capital assets - net depreciable

Deferred outflows of resources, represent a consumption of net position that applies to a future period(s) and is not recognized as an outflow of resources (expenditure) until then.

Pension contributions

Pension actuarial (gains) losses

Pension difference in assumption changes

OPEB contributions-SDBF

OPEB difference in assumption changes

Internal service funds are used by management to charge the cost of equipment services and replacement to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

Net position - governmental activities

Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Pension investment earnings

OPEB actuarial (gains) losses

Some liabilities, including bonds payable and capital leases, are not reported as liabilities in the governmental funds.

Compensated absences

Net pension liability

OPEB liability-SDBF

OPEB liability-Health benefits

Net Position of Governmental Activities

See Notes to Financial Statements.

\$ 193,525

737,607

423,905

424,340

2,783

2,191

24,211

37,070

(406,511)

(10,263)

(255,582)

(2,370,228)

(224,029)

(124,003)

\$ (1,544,984)

Memorial Villages Police Department

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	General	Vehicle Replacement	Youth Services	Special Capital Assets
Revenues				
Participant assessments, net	\$ 5,426,327	\$ 138,000	\$ -	\$ -
Investment income	4,258	337	74	377
Other revenue	140,709	-		252
Total Revenues	5,571,294	138,337	74	629
Expenditures				
Current:				
Public safety	5,601,631	153	2,594	150
Capital outlay	-	165,518	-	-
Total Expenditures	5,601,631	165,671	2,594	150
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,337)	(27,334)	(2,520)	479
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	28,360	-	-
Total Other Financing Sources (Uses)	-	28,360	-	-
Net Change in Fund Balances	(30,337)	1,026	(2,520)	479
Beginning fund balances	97,683	26,582	16,946	83,666
Ending Fund Balances	\$ 67,346	\$ 27,608	\$ 14,426	\$ 84,145

See Notes to Financial Statements.

**Total
Governmental
Funds**

\$ 5,564,327
5,046
140,961

5,710,334

5,604,528
165,518

5,770,046

(59,712)

28,360

28,360

(31,352)

224,877

\$ 193,525

(This page intentionally left blank.)

Memorial Villages Police Department

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds \$ (31,352)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	157,614
Depreciation expense	(236,392)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	(48,024)
Pension expense	79,599
OPEB expense-SDBF	(15,067)
OPEB expense-Health benefits	(42,842)

Internal service funds are used by management to charge the cost of health benefits to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.

(19,059)

Change in Net Position of Governmental Activities \$ (155,523)

See Notes to Financial Statements.

Memorial Villages Police Department

STATEMENT OF NET POSITION

PROPRIETARY FUND

December 31, 2020

	<u>Governmental Activities</u>
	<u>Internal Service Fund</u>
	<u>Health Benefits</u>
<u>Assets</u>	
<u>Current Assets</u>	
Cash and cash equivalents	\$ 29,879
Receivables, net	8,154
Total Current Assets	<u>38,033</u>
<u>Liabilities</u>	
<u>Current Liabilities</u>	
Accounts payable and accrued liabilities	963
Total Current Liabilities	<u>963</u>
<u>Net Position</u>	
Unrestricted	37,070
Total Net Position	<u>\$ 37,070</u>

See Notes to Financial Statements.

Memorial Villages Police Department

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUND

For the Year Ended December 31, 2020

		<u>Governmental</u> <u>Activities</u> <u>Internal</u> <u>Service Fund</u> <u>Health Benefits</u>
<u>Operating Revenues</u>		
Charges for services	\$	856,373
Total Operating Revenues		<u>856,373</u>
 <u>Operating Expenses</u>		
Cost of services		875,341
Materials and supplies		91
Total Operating Expenses		<u>875,432</u>
Change in Net Position		(19,059)
Beginning net position		56,129
Ending Net Position	\$	<u><u>37,070</u></u>

See Notes to Financial Statements.

Memorial Villages Police Department

STATEMENT OF CASH FLOWS
PROPRIETARY FUND (Page 1 of 2)
For the Year Ended December 31, 2020

	Governmental Activities
	Internal
	Sevice Fund
	Health Benefits
<u>Cash Flows from Operating Activities</u>	
Receipts from customers	\$ 848,219
Payments to suppliers	(821,140)
Net Cash Provided by Operating Activities	27,079
Increase (Decrease) in Cash and Cash Equivalents	27,079
Beginning cash and cash equivalents	2,800
Ending Cash and Cash Equivalents	\$ 29,879

See Notes to Financial Statements.

Memorial Villages Police Department

STATEMENT OF CASH FLOWS
PROPRIETARY FUND (Page 2 of 2)
For the Year Ended December 31, 2020

	<u>Governmental</u> <u>Activities</u> <u>Internal</u> <u>Service Fund</u> <u>Health Benefits</u>
<u>Reconciliation of Operating Income (Loss)</u>	
<u>to Net Cash Provided by Operating Activities</u>	
Operating Income (Loss)	\$ (19,059)
Changes in Operating Assets and Liabilities:	
(Increase) Decrease in:	
Accounts receivable	(8,154)
Prepaid expenses	53,440
Increase (Decrease) in:	
Accounts payable and accrued liabilities	852
Net Cash Provided by Operating Activities	<u>\$ 27,079</u>

See Notes to Financial Statements.

(This page intentionally left blank.)

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all activities of the primary government. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. The Department has no business-type activities.

B. Reporting Entity

The Memorial Villages Police Department (the "Department") was created in 1977 through an interlocal agreement ("the Agreement") between the cities of Bunker Hill Village, Texas, Hunters Creek Village, Texas, and Piney Point Village, Texas (the "Participating Cities") pursuant to the terms of the Interlocal Cooperation Act of the 62nd legislature of the State of Texas, as amended. The Agreement provides for the Department to furnish all police and law enforcement activities to the Participating Cities.

The Department is an independent political subdivision of the State of Texas, governed by a board of six commissioners, and is considered a primary government. Each contracting city appoints a police commissioner and an alternate police commissioner to the Board of Police Commissioners (the "Board"). The Board governs all budgeting and financing operations as well as the affairs of the agency. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the Department's financial reporting entity. There are no other organizations that meet the criteria for inclusion herein as part of the financial reporting entity.

The financial objective of the Department is to cover annual operating costs and actual and anticipated capital expenditure outlays.

As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the Department's financial reporting entity. The Department has adopted Governmental Accounting Standards Board Statement No. 61, *The Financial Reporting Entity*. No other entities have been included in the Department's reporting entity. Additionally, as the Department is considered a primary government for financial reporting purposes.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the Department's financial reporting entity are based on criteria prescribed by generally

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

accepted accounting principles. These same criteria are evaluated in considering whether the Department is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the Department's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and is fiscally independent of other state and local governments. Additionally prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Department is not considered a component unit of the participating Cities, but is reported as a joint venture.

C. Basis of Presentation – Government-Wide and Fund Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate financial statements are provided for governmental funds and the proprietary funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The fund financial statements provide information about the government's funds, including its blended component units. Separate statements for each fund category—governmental and proprietary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

General Fund

The *general fund* is used to account for all financial transactions not properly includable in other funds. The principal source of revenue is contributions from the Participating Cities. Expenditures include public safety. The general fund is always considered a major fund for reporting purposes.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

Youth Services Fund

The *youth services fund* is a special revenue fund used to account for the receipt and disbursement of legally restricted funds toward Drug Abuse and Resistance Education (DARE) and Gang Resistance Education and Training programs. The youth services fund did not meet the criteria to be presented as a major fund; however, the Department has elected to present it as a major fund for reporting purposes.

Special Capital Assets Fund

The special *capital assets fund* is used to account for the expenditures of resources accumulated from participant assessments and other sources, for capital purchases and improvements. The special capital assets fund is considered a major fund for reporting purposes.

Vehicle Replacement Fund

The *vehicle replacement fund* is used to account for the purchase of new vehicles and the sale of retired vehicles every year. Due to regular use, it is necessary for the Department to retire and replace a certain number of vehicles every year in order to maintain a fleet in working order. The vehicle replacement fund is considered a major fund for reporting purposes.

Additionally, the Department reports the following fund type:

Internal Services Fund

The *health benefits fund* accounts for services provided to other departments or agencies of the primary government, or to other governments, on a cost reimbursement basis. The Department's internal service fund is used to account for health benefit services provided to the Department's employees, as well as those of the cities of Bunker Hill Village, Texas and Piney Point Village, Texas.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Measurement focus refers to what is being measured and basis of accounting refers to when transactions are recorded in the financial records and reported on the financial statements and relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses in the accounting period in which they are incurred and become measurable. Proprietary fund equity consists of net position. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

All governmental funds and component units are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period when they are susceptible to accrual (i.e., when they are measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Department considers revenues available if they are collected within 60 days of the end of the current period. Charges for services, other revenues, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. Other receipts become measurable and available when cash is received by the government and are recognized as revenue at that time.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements.

E. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

F. Assets, Liabilities, Deferred Inflows/Outflows, and Net Position/Fund Balance

1. Deposits and Investments

The Department's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the Department reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexSTAR, are reported using the pools' share price.

The Department has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, of the Texas Governmental Code. In summary, the Department is authorized to invest in the following:

- Direct obligations of the U.S. Government
- Fully collateralized certificates of deposit and money market accounts
- Statewide investment pools

2. Fair Value

The Department has applied Governmental Accounting Standards Board ("GASB") Statement No. 72, *Fair Value Measurement and Application*. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

3. Receivables and Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

reported as "due to/from other funds" in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as "due to/from component unit/primary government." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds are offset by a fund balance reserve account in the applicable governmental fund to indicate they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of any allowance for uncollectible amounts.

4. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred, (i.e., the purchase method). The inventories are valued at the lower of cost or market using the first-in/first-out method. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government, as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful years.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Vehicles	3 to 5 years
Machinery and equipment	5 to 10 years
Buildings and improvements	20 years
Computer equipment	5 to 7 years

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

An example is a deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources can also occur at the government wide level due to differences between investment gains and losses realized on pension investments compared to assumption used within the pension actuarial valuation model.

7. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

8. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

9. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Department council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance.

Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing body (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Each of the three participating entities is required to maintain \$20,000 each in working capital within in fund balance. This equates to a total unassigned fund balance of \$60,000.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

10. Compensated Absences

The Department provides sick, holiday, and vacation leave based on length of employment. An amount equal to one year's authorized vacation may be carried over from one anniversary date to another. Sick leave may be carried over from one year to the next, but is not payable upon termination of employment. Holiday pay up to ten days may be carried over to the next year. Unused vacation leave, personal leave time, or holiday time will be compensated for the unused time at their current hourly rate at the time of separation.

The estimated amounts of vacation and personal time that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it upon maturity. Amounts of accrued vacation and personal time that are not expected to be liquidated with expendable available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

11. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. The long-term debt consists primarily of bonds payable, capital leases, and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payments of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

Long-term debt and other obligations, financed by proprietary funds, are reported as liabilities in the appropriate funds. For proprietary fund types, bond premiums, discounts and similar items are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount.

Assets acquired under the terms of capital leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, capital lease transactions are recorded as other financing sources and as capital outlay expenditures in the general fund. Lease payments representing both principal and interest are recorded as expenditures in the

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

general fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

12. Participant Contributions

The Department collects operating revenues from the Participating Cities based on the approved operating budget, of which each Participating Department contributes 33 percent.

13. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

14. Other Postemployment Benefits ("OPEB")

The Department has implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement applies to the individual employers (TMRS cities) in the TMRS Supplemental Death Benefits (SDB) plan, with retiree coverage. The TMRS SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary, calculated based on the employee's actual earnings on which TMRS deposits are made, for the 12-month period preceding the month of death. The death benefit amount for retirees is \$7,500. GASB No. 75 requires the liability of employers and nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

The Department also provides medical benefits to eligible retirees through a single-employer defined benefit plan (the "Plan"). This Plan is an unfunded, pay-as-you-go plan. Information about the Department's OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense is provided by the Department's consulting actuary.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds. Reconciling items have been presented on the balance sheet of governmental funds in the basic financial statements.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental states that, “the issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” A reconciliation has been presented in the basic financial statements.

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general, vehicle replacement, and capital asset funds. The original budget is adopted by the Board of Police Commissioners prior to the beginning of the year. Intradudget transfers over \$25,000 and all nonbudgeted expenditures must be approved by the Participating Cities. Appropriations lapse at the end of the year.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Custodial credit risk – deposits In the case of deposits, this is the risk that in the event of a bank failure, the Department's deposits may not be returned to it. State statutes require that all deposits in financial institutions be insured or fully collateralized by U.S. government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. The Department's investment policy requires funds on bank deposit at the depository bank to be collateralized by securities with a collective market value (market value of the principal and accrued interest) of at least 102%. As of December 31, 2020, the market values of pledged securities and FDIC exceeded bank balances.

B. Fair Value Measurement

The Department categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are remeasured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy noted above.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Department's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Department's financial instruments consist of cash and cash equivalents, accounts receivable, accrued payables and long-term liabilities. The estimated fair value of cash and cash equivalents, accounts receivable, and accrued payables approximate their carrying amounts due to the short-term nature of these instruments.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

C. Capital Assets

A summary of changes in governmental activities capital assets for the year end was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases/ Reclassifications</u>	<u>Ending Balances</u>
Capital assets, being depreciated:				
Buildings and improvements	\$ 2,143,102	\$ -	\$ -	\$ 2,143,102
Furniture and equipment	672,957	10,122	-	683,079
Vehicles	612,832	147,492	(76,542)	683,782
Total capital assets being depreciated	<u>3,428,891</u>	<u>157,614</u>	<u>(76,542)</u>	<u>3,509,963</u>
Less accumulated depreciation				
Buildings and improvements	(1,718,068)	(107,155)	-	(1,825,223)
Furniture and equipment	(559,475)	(31,205)	-	(590,680)
Vehicles	(334,963)	(98,032)	76,542	(356,453)
Total accumulated depreciation	<u>(2,612,506)</u>	<u>(236,392)</u>	<u>76,542</u>	<u>(2,772,356)</u>
Net capital assets being depreciated	816,385	(78,778)	-	737,607
Total Net Capital Assets	<u>\$ 816,385</u>	<u>\$ (78,778)</u>	<u>\$ -</u>	<u>\$ 737,607</u>

All depreciation was charged to the public safety function.

D. Receivables

The following comprise receivable balances of the primary government at year end:

	<u>General</u>	<u>Health Benefits</u>	<u>Total</u>
Grant receivables	\$ 81,929	\$ -	\$ 81,929
Due from other governments	-	8,154	8,154
	<u>\$ 81,929</u>	<u>\$ 8,154</u>	<u>\$ 90,083</u>

E. Other Long-term Liabilities

The following is a summary of changes in the Department's total other long-term liabilities for the year ended. In general, the Department uses the general fund to liquidate governmental compensated absences. A summary of changes in other long-term liabilities for the year end was as follows:

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 207,558	\$ 255,582	\$ (207,558)	\$ 255,582	\$ 230,024
Total Governmental Activities	\$ 207,558	\$ 255,582	\$ (207,558)	\$ 255,582	\$ 230,024
Compensated Absences Due in More than One Year				\$ 25,558	

IV. OTHER INFORMATION

A. Risk Management

The Department is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the Department participates along with more than 2,800 other entities in the Texas Municipal League's Intergovernmental Risk Pools. The Pool purchases commercial insurance at group rates for participants in the Pool. The Department has no additional risk or responsibility to the Pool outside of the payment of insurance premiums.

The Department has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

The Department uses a number of approaches to decrease risks and protect against losses to the Department, including internal practices, employee training, and a code of ethics, which all employees are required to acknowledge

The Department owns and operates motor vehicles and may provide such vehicle to employees for business use during the course and scope of their employment. The Department is insured as to its own property losses, and the liability of loss to others.

B. Contingent Liabilities

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts of expenditures which may be disallowed by the grantor cannot be determined at this time although the Department expects such amounts, if any, to be immaterial.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

The Department participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Department had not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. In the opinion of the Department, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

C. Defined Benefit Pension Plans

Texas Municipal Retirement System

1. Plan Description

The Memorial Villages Police Department participates as one of 888 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tMrs.com.

All eligible employees of the Department are required to participate in TMRS.

2. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the Department, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the Department -financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

The plan provisions are adopted by the governing body of the Department, within the options available in the state statutes governing TMRS. Plan provisions for the Department were as follows:

	<u>Plan Year 2019</u>	<u>Plan Year 2018</u>
Employee deposit rate	7%	7%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/25	60/5, 0/25
Updated service credit	0% Repeating Transfers	0% Repeating Transfers
Annuity increase (to retirees)	0% of CPI	0% of CPI
Active Employees	Yes	Yes
Supplemental Death Benefit to Retirees	Yes	Yes

Employees covered by benefit terms

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	40
Inactive employees entitled to but not yet receiving benefits	24
Active employees	<u>43</u>
Total	<u>107</u>

3. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the Department matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the Department. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the Memorial Villages Police Department were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the Memorial Villages Police Department were 11.03% and 11.61% in calendar years 2019 and 2020, respectively. The Department's contributions to TMRS for the year ended December 31, 2020, were \$423,905, and were equal to the required contributions.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

4. Net Pension Liability

The Department's Net Pension Liability (NPL) was measured as of December 31, 2019, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions

The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75% net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

(conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	10.0%	7.75%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Department, calculated using the discount rate of 6.75%, as well as what the Department's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 4,138,772	\$ 2,370,228	\$ 884,611

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance at 12/31/18	\$ 15,142,943	\$ 11,837,178	\$ 3,305,765
Changes for the year:			
Service cost	-	-	-
Interest	988,536	-	988,536
Difference between expected and actual experience	499,650	-	499,650
Contributions – employer	-	373,906	(373,906)
Contributions – employee	-	237,293	(237,293)
Net investment income	-	1,826,935	(1,826,935)
Change of assumptions	3,760	-	3,760
Benefit payments, including refunds of emp. contributions	(995,917)	(995,917)	-
Administrative expense	-	(10,340)	10,340
Other changes	-	(311)	311
Net changes	496,029	1,431,566	(935,537)
Balance at 12/31/19	\$ 15,638,972	\$ 13,268,744	\$ 2,370,228

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the internet at www.tmr.com.

5. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2020, the Department recognized pension expense of \$344,300.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

At December 31, 2020, the Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Difference between projected and investment earnings	\$ -	\$ 406,511
Differences between expected and actual economic experience	424,340	-
Differences in assumptions changes	2,783	-
Contributions subsequent to the measurement date	423,905	-
Total	\$ 851,028	\$ 406,511

The Department reported \$423,905 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2021	\$	45,032
2022		27,959
2023		153,208
2024		(205,587)
2025		-
Thereafter		-
	\$	20,612

D. Postemployment Benefits Other Than Pensions

Supplemental Death Benefits Fund (SDBF)

The Department also participates in a defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The Department elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The Department may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB. The SDBF covers both active and retiree benefits with no segregation of assets and, therefore, doesn't meet the definition of a trust under GASB No. 75, paragraph 4b, (i.e., no assets are accumulated for OPEB). As such, the SDBF is considered to be a single-employer unfunded OPEB plan (and not a cost sharing plan) with benefit payments treated as being equal to the employer's yearly contributions for retirees.

The Department contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

Employees covered by benefit terms

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	35
Inactive employees entitled to but not yet receiving benefits	8
Active employees	43
Total	86

The Department's contributions to the TMRS SDBF for the fiscal years ended 2020 and 2019 were \$2,034 and \$1,552, which equaled the required contributions each year.

Schedule of Contribution Rates (*RETIREE-only portion of the rate*)

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2018	0.05%	0.05%	100.00%
2019	0.06%	0.06%	100.00%
2020	0.06%	0.06%	100.00%

Total OPEB Liability

The Department's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2019, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

Actuarial assumptions:

The Total OPEB Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.5% to 11.5%, including inflation per year
Discount rate	2.75%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68

Salary increases were based on a service-related table. For service retirees and beneficiary mortality rates, the OPEB liability and the OPEB contribution rates utilized the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements. Based on the size of the city, rates are multiplied by an additional factor of 100.0%. For disabled annuitants mortality rates, the OPEB liability and the OPEB contribution rates utilized the mortality tables for healthy retirees is used with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 2.75%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2018.

Sensitivity of the Total OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the total OPEB liability of the Department, calculated using the discount rate of 2.75%, as well as what the Department's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (1.75%) or 1-percentage-point higher (3.75%) than the current rate:

1% Decrease	Current Single Rate	1% Increase
1.75%	Assumption 2.75%	3.75%
\$ 268,112	\$ 224,029	\$ 189,524

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/18	\$ 191,397
Changes for the year:	
Service Cost	5,424
Interest	7,164
Difference between expected and actual experience	(11,474)
Changes of assumptions	33,552
Benefit payments	(2,034)
Net changes	32,632
Balance at 12/31/19	\$ 224,029

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2019, the Department recognized OPEB expense of \$17,257.

At December 31, 2020, the Department reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	10,263
Change in assumptions	24,211	-
Contributions subsequent to measurement date	2,191	-
Total	\$ 26,402	\$ 10,263

The Department reported \$2,191 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the OPEB liability for the year ending December 31, 2021.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

Other amounts reported as deferred outflows of resources related to OPEB will be recognized in pension expense as follows:

Year ended December 31:	
2021	\$ 4,669
2022	3,598
2023	2,516
2024	3,165
2025	-
Thereafter	-
	\$ 13,948

OPEB for Health Care Benefit Provided by Plan

Plan Description

The Memorial Villages Police Department Retiree Health Care Plan (the "Plan") is a single employer defined benefit healthcare plan administered by the Department. The Plan provides medical benefits to eligible retirees and their spouses.

Benefits

As of January 1, 2016, the Department will contribute \$430 towards the retiree only monthly premium and \$860 towards the retiree plus spouse monthly premium. Retiring employees, hired before January 1, 2015, who are 55 years of age or older with at least 20 years of service with the Department are eligible for this health/medical benefit. Coverage will continue until Medicare eligibility is reached. If the retiree turns 65 prior to the spouse turning 65, the spouse will be allowed to stay on the Plan until the spouse reaches age 65. There is no post-65 coverage offered to retirees.

Employees covered by benefit terms

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	2
Inactive employees entitled to but not yet receiving benefits	0
Active employees	45
Total	47

Funding Policy

The contribution requirements of Plan members and the Department are established and may be amended by the Department's Board. Funding is provided on a pay-as-you-go basis. No current active employees may retain Police Department coverage in retirement. Active members are included for count purposes only and are creating no liability for the Employer. There is no

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

formal or informal funding policy that exists for the postretirement plan at this time, as the Total OPEB Liability is currently an unfunded obligation.

Actuarial assumptions:

The Total OPEB Liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions:

Actuarial Method Individual Entry Age Normal Cost Method – Level Percentage of Projected Salary

Service Cost Determined for each employee as the Actuarial Present Value of Benefits allocated to the valuation year

Discount Rate: 2.12%

The Total Payroll Increase assumption of 3.00% was based on a review of the TMRS October 31, 2019 Experience Study.

Health Care Cost Trend Level 5.00% based on the 2021 Segal Health Plan Cost Trend Survey.

Mortality rates for active members, retirees, and beneficiaries were based on the Rates from TMRS Experience Study Report dated October 15, 2019.

The adoption date for the new GASB 75 OPEB Accounting Standard was for the fiscal year beginning October 1, 2017. The disclosures shows the development of the Net OPEB Liability (NOL), the Total OPEB expense, the Schedule of Deferred Inflows/Outflows and the Trend and Discount Rate Sensitivity Analysis.

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 2.12%. The discount rate was based on the Bond Buyer 20-year Bond GO Index rate as of December 31, 2020.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the OPEB liability of the Department, calculated using the discount rate of 2.12%, as well as what the Department's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.12%) or 1-percentage-point higher (3.12%) than the current rate:

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2020

1% Decrease (1.12%)	Current Discount Rate (2.12%)	1% Increase (3.12%)
\$ 127,153	\$ 124,003	\$ 121,026

Below is a table illustrating the sensitivity of the Net OPEB Liability to the Healthcare Cost Trend Rates assumption. The healthcare cost trend rate varies with age and gender.

Healthcare costs trend		
1% Decrease	Current Rate (varies)	1% Increase
\$ 121,039	\$ 124,003	\$ 127,076

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/19	\$ 81,161
Changes for the year:	
Interest	1,774
Difference between expected and actual experience	71,622
Changes of assumptions	2,245
Plan changes	-
Benefit payments	(32,799)
Net changes	42,842
Balance at 12/31/19	\$ 124,003

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the Department recognized OPEB expense(gain) of \$75,641.

At December 31, 2020, the Department reported no deferred outflows of resources and deferred inflows of resources related to the OPEB liability.

E. Deferred Compensation Plan

The Department offers its employees a deferred compensation plan (the "Plan") created in accordance with the Internal Revenue Code Section 457. The Plan, available to all Department employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2020

unforeseeable emergency. For the year ended December 31, 2020, the employees contributed \$95,152 and the Department contributed \$31,865 to the Plan.

F. Subsequent Events

There were no material subsequent events through May 7, 2021, the date the financial statements were issued.

(This page intentionally left blank.)

REQUIRED SUPPLEMENTARY INFORMATION

(This page intentionally left blank.)

Memorial Villages Police Department
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Participant assessments	\$ 5,711,962	\$ 5,711,962	\$ 5,711,961	\$ (1)
Participant assessments refund (1)	-	-	(285,634)	(285,634)
Investment income	-	-	4,258	4,258
Other revenue	-	-	140,709	140,709
Total Revenues	5,711,962	5,711,962	5,571,294	(140,668)
Expenditures				
Current:				
Personnel	4,815,125	4,774,125	4,757,896	16,229
Insurance	68,052	68,052	57,300	10,752
Automotive	115,000	116,500	113,814	2,686
Building	68,200	68,200	35,614	32,586
Office and other expenditures	645,585	685,085	637,007	48,078
Total Expenditures	5,711,962	5,711,962	5,601,631	110,331
Net Change in Fund Balance	\$ -	\$ -	(30,337)	\$ (30,337)
Beginning fund balance			97,683	
Ending Fund Balance			\$ 67,346	
(1) Participant Assessment Refunds				
Unassigned fund balance prior to participant assessment refunds			\$ 345,634	
Amount held for Department operations			(60,000)	
Participant assessment refunds			\$ 285,634	
Net Change in Individual City Assessments (1/3) (refund)			\$ 95,211	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Memorial Villages Police Department

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

December 31,

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Total pension liability			
Service cost	\$ 355,622	\$ 381,175	\$ -
Interest	895,234	896,867	900,806
Differences between expected and actual experience	(74,525)	19,619	498,688
Changes of assumptions	-	379,409	-
Benefit payments, including refunds of participant contributions	(1,468,761)	(862,793)	(1,044,381)
Net change in total pension liability	<u>(292,430)</u>	<u>814,277</u>	<u>355,113</u>
Total pension liability - beginning	<u>13,345,620</u>	<u>13,053,190</u>	<u>13,867,467</u>
Total pension liability - ending (a)	<u>13,053,190</u>	<u>13,867,467</u>	<u>14,222,580</u>
Plan fiduciary net position			
Contributions - employer	\$ 277,809	\$ 302,139	\$ 281,002
Contributions - members	199,927	213,205	211,542
Net investment income	683,888	17,176	763,199
Benefit payments, including refunds of participant contributions	(1,468,761)	(862,793)	(1,044,381)
Administrative expenses	(7,142)	(10,465)	(8,627)
Other	(587)	(517)	(465)
Net change in plan fiduciary net position	<u>(314,866)</u>	<u>(341,255)</u>	<u>202,270</u>
Plan fiduciary net position - beginning	<u>11,958,421</u>	<u>11,643,555</u>	<u>11,302,300</u>
Plan fiduciary net position - ending (b)	<u>\$ 11,643,555</u>	<u>\$ 11,302,300</u>	<u>\$ 11,504,570</u>
Fund's net pension liability (asset) - ending (a) - (b)	<u>\$ 1,409,635</u>	<u>\$ 2,565,167</u>	<u>\$ 2,718,010</u>
Plan fiduciary net position as a percentage of the total pension liability	89%	82%	81%
Covered payroll	\$ 2,856,100	\$ 3,010,866	\$ 3,022,029
Fund's net position as a percentage of covered payroll	49%	85%	90%

Notes to schedule:

1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

See Notes to Financial Statements.

	2017	2018	2019 ¹
\$	437,089	\$ 419,425	\$ -
	942,429	973,033	988,536
	81,319	64,280	499,650
	-	-	3,760
	(958,428)	(1,038,784)	(995,917)
	502,409	417,954	496,029
	14,222,580	14,724,989	15,142,943
	14,724,989	15,142,943	15,638,972
\$	347,619	\$ 343,838	\$ 373,906
	224,477	217,319	237,293
	1,593,018	(380,031)	1,826,935
	(958,428)	(1,038,784)	(995,917)
	(8,263)	(7,354)	(10,340)
	(419)	(384)	(311)
	1,198,004	(865,396)	1,431,566
	11,504,570	12,702,574	11,837,178
\$	12,702,574	\$ 11,837,178	\$ 13,268,744
\$	2,022,415	\$ 3,305,765	\$ 2,370,228

	86%	78%	85%
\$	3,206,816	\$ 3,104,553	\$ 3,389,894

	63%	106%	70%
--	-----	------	-----

Memorial Villages Police Department
SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN
Years Ended:

	<u>12/31/2015</u>	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>12/31/2018</u>
Actuarially determined employer contributions	\$ 299,253	\$ 281,231	\$ 347,619	\$ 343,985
Contributions in relation to the actuarially determined contribution	\$ 299,253	\$ 281,231	\$ 347,619	\$ 343,985
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Annual covered payroll	\$ 3,010,866	\$ 3,022,029	\$ 3,204,823	\$ 3,104,559
Employer contributions as a percentage of covered payroll	9.94%	9.31%	10.85%	11.08%

1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	26 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 11.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes There were no benefit changes during the year.

See Notes to Financial Statements.

<u>12/31/2019</u>	<u>12/31/2020</u> ¹
\$ 373,906	\$ 423,905
<u>\$ 373,906</u>	<u>\$ 423,905</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 3,389,898	\$ 3,651,205
11.03%	11.61%

Memorial Villages Police Department
SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN
PENSIONS (OPEB) LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SUPPLEMENTAL DEATH BENEFITS PLAN
December 31,

	<u>2017</u>	<u>2018</u>	<u>2019</u>	¹
Total OPEB liability				
Service cost	\$ 5,131	\$ 5,899	\$ 5,424	
Interest	6,520	6,557	7,164	
Changes in benefit terms	-	-	-	
Differences between expected and actual experience	-	(2,179)	(11,474)	
Changes of assumptions	15,159	(13,253)	33,552	
Benefit payments, including refunds of participant contributions	(1,603)	(1,552)	(2,034)	
Net change in total OPEB liability	<u>25,207</u>	<u>(4,528)</u>	<u>32,632</u>	
Total OPEB liability - beginning	<u>170,718</u>	<u>195,925</u>	<u>191,397</u>	
Total OPEB liability - ending (a)	<u>\$ 195,925</u>	<u>\$ 191,397</u>	<u>\$ 224,029</u>	²
Covered payroll	\$ 3,206,816	\$ 3,104,553	\$ 3,389,894	
Total OPEB liability as a percentage of covered	6.11%	6.17%	6.61%	

Notes to schedule:

¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

² No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

See Notes to Financial Statements.

Memorial Villages Police Department
SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN
PENSIONS (OPEB) LIABILITY AND RELATED RATIOS
RETIREE HEALTH PLAN
December 31,

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total OPEB liability			¹
Service cost	\$ -	\$ -	\$ -
Interest	5,425	4,883	1,774
Changes in benefit terms	-	(21,950)	-
Differences between expected and actual experience	-	-	71,622
Changes of assumptions	(808)	429	2,245
Benefit payments, including refunds of participant contributions	(42,923)	(42,884)	(32,799)
Net change in total OPEB liability	<u>(38,306)</u>	<u>(59,522)</u>	<u>42,842</u>
Total OPEB liability - beginning	<u>178,989</u>	<u>140,683</u>	<u>81,161</u>
Total OPEB liability - ending (a)	<u>\$ 140,683</u>	<u>\$ 81,161</u>	<u>\$ 124,003</u>
Covered payroll	\$ 3,109,137	\$ 3,401,015	\$ 3,615,969
Total OPEB liability as a percentage of covered	4.52%	2.39%	3.43%


Notes to schedule:

¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

² No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

See Notes to Financial Statements.

(This page intentionally left blank.)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Total Number of YTD Incidents 2021				Life Threatening (LT) EMS Incidents				Life Threatening (LT) Fire Incidents						
	Fire	EMS	Total	# LT EMS	Natl Stand. 6:30 1st Resp. Time	of 90%	Natl. Stand 10:30 ALS Resp Time	of 90%	# LT Fire	Natl Stand. 6:50 Response Time	of 90%	% of 2021 Calls are:		Fire Alarms	% of Fire Calls
												Fire	EMS		
Bunker Hill Village	112	37	149	18	3:52	100%	6:49	100%	3	3:14	100%	75%	25%	53	47%
Hedwig Village	65	71	136	43	3:13	100%	3:13	100%	12	3:54	100%	48%	52%	17	26%
Hilshire Village	18	15	33	7	2:59	100%	4:35	100%	3	4:33	100%	55%	45%	4	0%
Hunters Creek Village	135	67	202	30	3:29	100%	5:35	100%	13	4:26	100%	67%	33%	74	55%
Piney Point Village	109	50	159	18	3:50	100%	5:00	100%	11	5:29	100%	69%	31%	43	39%
Spring Valley Village	93	43	136	24	3:20	100%	4:06	100%	11	3:27	100%	68%	32%	25	27%
Houston	36	0	36												
Totals	568	283	851	140	3:27	100%	4:53	100%	53	4:10	100%	67%	33%	216	32%

Notes: ALL Response Time categories include from the receipt of the call at the Primary Dispatch to arrival on location of the responding units.

Column 1: Reflects the cities listed within the chart.

Column 2: Reflects the year to date number of "fire" type calls within each jurisdiction. Includes: fires, vehicle collisions, gas leaks, rescues, tree in roadways, and others.

Column 3: Reflects the year to date number of "EMS" calls within each jurisdiction.

Column 4: Reflects the year to date, total number of all calls within each jurisdiction.

Column 5: Reflects the year to date, number of "life threatening EMS" calls within each jurisdiction. Includes: heart attacks, strokes, seizures, cardiac arrest, seizures and others.

Column 6, Row A: Reflects the "National Standard for total response time for life threatening EMS Calls of 6 minutes 30 seconds.

Column 6: Reflects the year to date, first responder's response times for each jurisdiction.

Column 7, Row A, Reflects the National Standard of the percentage of calls which the national standard should be met: 90%

Column 7: Reflects the year to date, percentage of calls which the national standard is met during life threatening EMS calls.

Column 8 Row A: Reflects the National Standard for total response time for life threatening EMS calls for arrival of Advanced Life Support Equipment and Personnel: 10 minutes 30 seconds.

Column 8: Reflects the year to date, Advanced Life Support equipment and personnel response time for life threatening calls within each jurisdiction.

Column 9 Row A, Reflects the National Standard of the percentage of calls which the ALS standard should be met: 90%

Column 9: Reflects the year to date, percentage of calls, which the national standards is met of ALS response for each jurisdiction.

Column 10: Reflects the year to date, number of life threatening "Fire Type" calls within each jurisdiction.

Column 11: Reflects the year to date, average total response time to fire type calls within each jurisdiction.

Column 12: Reflects the year to date, percentage of life threatening fire type calls which meet or exceed the National Standard.

Column 13: Reflects the year to date, percentage of calls which are "fire type" calls.

Column 14: Reflects the year to date, percentage of call which are "EMS" calls.

Column 15: Reflects the year to date number of Fire Alarms within each jurisdiction.

Column 16: Reflects the percentage of fire type calls which are fire alarms.



Sent from my iPhone

Karen Farris

From: Zeb Nash <zebnash@sbcglobal.net>
Sent: Sunday, May 9, 2021 7:51 PM
To: Karen Farris
Cc: Henry Kollenberg
Subject: Fire Station Rebuild

Hi and Happy Mother's Day

Pls add these pictures to the CC packet so that everyone can see the progress we are making. I will send more next Sunday so that week to week progress can be seen.

Thanks

Zeb

This email has been scanned for spam and viruses by Proofpoint Essentials. Visit the following link to report this email as spam:

https://us3.proofpointessentials.com/index01.php?mod_id=11&mod_option=logitem&mail_id=1620607866-0zC2l-TPw3wz&r_address=citysec%40pineypt.org&report=1

TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Discuss and consider possible action on the Village Fire Department 2020 Annual Financial Report.

Agenda Item: 6

The Fire Commission is requesting the 2020 Annual Financial Report be placed on the agenda for consideration and approval.

ANNUAL FINANCIAL REPORT

of the

VILLAGE FIRE DEPARTMENT

**For the Year Ended
December 31, 2020**

(This page intentionally left blank.)

VILLAGE FIRE DEPARTMENT
TABLE OF CONTENTS
December 31, 2020

<u>FINANCIAL SECTION</u>	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis (Required Supplementary Information)	5
<u>BASIC FINANCIAL STATEMENTS</u>	
Government-Wide Financial Statements	
Statement of Net Position	13
Statement of Activities	15
Governmental Funds Financial Statements	
Balance Sheet – Governmental Funds	17
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Fiduciary Fund Financial Statement	
Statement of Fiduciary Net Position – Agency Fund	23
Notes to Financial Statements	25
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – General Fund	46
Schedule of Changes in Net Pension Liability and Related Ratios – Texas Municipal Retirement System (TMRS)	48
Schedule of Contributions – TMRS	50
Schedule of Changes in Total OPEB Liability and Related Ratios – TMRS	53
<u>SUPPLEMENTARY INFORMATION</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Capital Replacement Fund	57
Budget and Actual – Facility Fund	59

(This page intentionally left blank.)



INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners of the
Village Fire Department:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Village Fire Department (the "Department"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Department's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Department as of December 31, 2020, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, schedules of changes in net pension and total other postemployment liability and related ratios, and schedule of contributions, identified as Required Supplementary Information on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Department's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
March 15, 2021

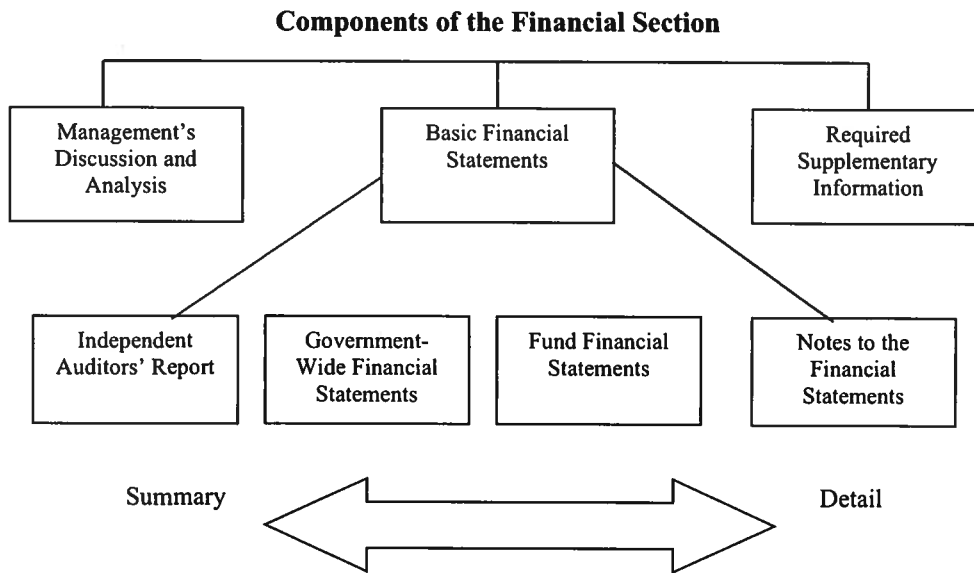
***MANAGEMENT'S DISCUSSION
AND ANALYSIS***

(This page intentionally left blank.)

VILLAGE FIRE DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020

The purpose of the Management's Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of the Village Fire Department (the "Department") for the year ending December 31, 2020. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the Department's activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the Department's financial statements, which follow this section.

THE STRUCTURE OF OUR ANNUAL REPORT



The Department's basic financial statements include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Statements

The government-wide statements report information for the Department as a whole. These statements include transactions and balances relating to all assets, including capital assets. These statements are designed to provide information about cost of services, operating results, and financial position of the Department as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in the Department's financial statements, report information on the Department's activities that enable the reader to understand the financial condition of the Department. These statements are prepared using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account even if cash has not yet changed hands.

The Statement of Net Position presents information on all of the Department's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Department is improving or deteriorating. Other nonfinancial factors, such as the condition of the Department's capital assets, need to be considered in order to assess the overall health of the Department.

VILLAGE FIRE DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended December 31, 2020

The Statement of Activities presents information showing how the Department's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows – the accrual method rather than modified accrual that is used in the fund level statements.

The Statement of Net Position and the Statement of Activities include one class of activity:

1. *Governmental Activities* – The Department's fire protection (public safety) service is reported here. Participating cities and intergovernmental revenues finance this activity.

The government-wide financial statements can be found after the MD&A.

FUND FINANCIAL STATEMENTS

Funds may be considered as operating companies of the parent corporation, which is the Department. They are usually segregated for specific activities or objectives. The Department uses fund accounting to ensure and demonstrate compliance with finance-related legal reporting requirements. The two categories of Department funds are governmental and fiduciary.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the Department's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Department's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Department maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the capital replacement fund, and the facility fund, which are considered to be major funds for reporting purposes.

The Department adopts an annual non-appropriated budget for its general fund, and hybrid annual/project length budget for the facility fund the capital replacement fund, subject to the terms and conditions of the interlocal agreement and the method approved by Participating Cities each year. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with these budgets.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Department's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Department maintains one fiduciary fund, the ambulance billing fund. Monies collected for ambulance services provided by the Department are deposited into the fund and allocated to

VILLAGE FIRE DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended December 31, 2020

the Participating Cities. The Department's fiduciary activities are reported in a separate statement of fiduciary net position.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

Other Information

In addition to the financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes a budgetary comparison schedule for the general fund and a schedule of changes in net pension and other postemployment benefits liability and related ratios and schedule of contributions for the Texas Municipal Retirement System. RSI can be found after the notes to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the Department's financial position. For the Department, assets and deferred outflows of resources exceed liabilities and deferred inflows by \$6,819,166 as of year end.

The largest portion of the Department's net position reflects its unrestricted net position.

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	Governmental Activities	
	2020	2019
<u>Assets</u>		
Current and other assets	\$ 4,374,982	\$ 4,088,834
Capital assets, nondepreciable	1,811,222	-
Capital assets, net of depreciation	1,911,821	1,571,807
Total Assets	8,098,025	5,660,641
Deferred outflows - pensions	448,759	2,175,162
Deferred outflows - OPEB	35,132	10,472
Total Deferred Outflows of Resources	483,891	2,185,634
<u>Liabilities</u>		
Current liabilities	515,549	168,510
Long-term liabilities	426,790	2,329,483
Total Liabilities	942,339	2,497,993
Deferred inflows - pensions	804,457	1,033,640
Deferred inflows - OPEB	15,954	9,442
Total Deferred Inflows of Resources	820,411	1,042,082
<u>Net Position</u>		
Net investment in capital assets	1,911,821	1,571,807
Unrestricted	4,907,345	2,734,393
Total Net Position	\$ 6,819,166	\$ 4,306,200

VILLAGE FIRE DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended December 31, 2020

Unrestricted net position is used to meet the Department's ongoing obligations to participants. The Department's unrestricted net position was \$4,907,345 as of year end. The Department experienced an overall increase in net position of \$2,512,966. The increase is primarily attributable to the special assessment for the facility fund of \$1,500,000, and additional participant contributions of \$641,706. Additionally, the increase was also the result of a decrease in pension liability and partially offset by the decrease in deferred outflows for pensions.

Statement of Activities

The following table provides a summary of the Department's changes in net position:

	Governmental Activities	
	2020	2019
Revenues		
Participant assessments	\$ 8,025,470	\$ 9,691,155
Participant ambulance contribution	641,706	-
Charges for fuel	54,562	175,615
Interest	15,086	8,411
Other	13,639	326
Gain (loss) on sale of capital assets	(79,405)	5,545
Total Revenues	8,671,058	9,881,052
Expenses		
Public safety	6,158,092	7,391,422
Total Expenses	6,158,092	7,391,422
Change in Net Position	2,512,966	2,489,630
Beginning net position	4,306,200	1,816,570
Ending Net Position	\$ 6,819,166	\$ 4,306,200

In comparison to the prior year, revenues decreased by 12% or \$1,209,994. This decrease is mainly due to the decrease in assessment revenue for the renovation of the fire station. Total expenses for the Department decreased by 17% or \$1,233,330 largely as a result of pension adjustments.

FINANCIAL ANALYSIS OF THE DEPARTMENT'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

Governmental Funds – The focus of the Department's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Department's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of the Department's net resources available for spending at the end of the year.

The Department's governmental funds reflect a combined fund balance of \$3,859,433 . Of this, \$11,017 is nonspendable, \$8,476 is assigned for equipment replacement, \$3,780,770 is assigned for improvements to the facility, and \$59,170 is unassigned.

The general fund is the Department's primary operating fund. At the end of the year, unassigned fund balance of the general fund was \$59,170, while total fund balance was \$70,187. As a measure of the general fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. The unassigned fund balance represents

VILLAGE FIRE DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended December 31, 2020

0.9% of total general fund expenditures, while total fund balance represents 1.1% of the same amount. The general fund showed an increase of \$157,439. General fund revenues increased due to increase in participant assessments and the ambulance billing contribution. General fund expenditures increased compared to prior year mainly due to personnel costs incurred as a response to COVID-19. Charges for fuel and related offset for fuel expense both declined for 2020 as the fuel tank use was discontinued during construction.

The Department's capital replacement fund had an ending fund balance of \$8,476, a decrease of \$430,165. This decrease is primarily due to the purchase of a fire pumper truck.

The facility fund had an ending fund balance of \$3,780,770 which represents an net increase of \$210,835 from the prior year, which is mainly due to new assessments slight exceeding costs for renovations to the facility.

CAPITAL ASSETS

At the end of the year, the Department's governmental activities had invested \$3,723,043 (net of accumulated depreciation) in a variety of capital assets. This represents a net increase of \$2,151,236.

During the year, the Department had building improvements in the amount of \$1,811,222 and purchased a 2020 Spartan Pumper and also retired one truck. More detailed information on the Department's capital assets can be found in note III. B. to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Participating Cities and Department approved a \$6,961,314 budget for fiscal year 2021, which includes \$180,000 for the capital replacement fund.

The Interlocal Agreement (ILA), effective January 1, 2020, states Bunker Hill is no longer a participating member of the Department and does not have voting rights, but is a customer of the Department. Bunker Hill shall remain responsible for any obligation or liability of the Department during the term of the ILA. In the future, Bunker Hill may be admitted to membership, but will not be eligible to serve as the Chairman or Vice Chairman of the Board of Commissioners.

The new ILA does not impact the 2021 budget. Bunker Hill is to remain responsible for any obligation or liability of the Department which accrues during the ILA term including, but not limited to, a proportionate share of the Department pension fund. Bunker Hill also remains responsible for 19% of any increase to the Department's employee post-retirement liability above its current level as calculated by the Department.

The Department experienced the economic impacts of the COVID-19 pandemic through an increase in overall expenses for Fiscal Year 2020. The City experienced rising personnel costs due to annual pay increases and overtime for employees and the hiring of additional personnel in response to COVID-19. However, the Department was able to cover these additional expenditures through reimbursements received from the City of Bunker Hill and the City of Hunters Creek Village.

CONTACTING THE DEPARTMENT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Department's finances. Questions concerning this report or requests for additional financial information should be directed to the Fire Chief, Village Fire Department, 901 Corbindale, Houston, Texas 77024.

(This page intentionally left blank.)

BASIC FINANCIAL STATEMENTS

(This page intentionally left blank.)

VILLAGE FIRE DEPARTMENT

STATEMENT OF NET POSITION

December 31, 2020

	<u>Primary Government Governmental Activities</u>
<u>Assets</u>	
Cash	\$ 3,788,951
Prepays	11,017
Other receivables	49,172
Due from ambulance agency fund	525,842
Capital assets, nondepreciable	1,811,222
Capital assets, net	1,911,821
Total Assets	<u>8,098,025</u>
<u>Deferred Outflows of Resources</u>	
Deferred outflows - pensions	448,759
Deferred outflows - OPEB	35,132
Total Deferred Outflows of Resources	<u>483,891</u>
<u>Liabilities</u>	
Current liabilities:	
Accounts payable	515,549
Total Current Liabilities	<u>515,549</u>
Noncurrent liabilities:	
Due within one year	338,315
Due in more than one year	88,475
Total Noncurrent Liabilities	<u>426,790</u>
Total Liabilities	<u>942,339</u>
<u>Deferred Inflows of Resources</u>	
Deferred inflows - pensions	804,457
Deferred inflows - OPEB	15,954
Total Deferred Inflows of Resources	<u>820,411</u>
<u>Net Position</u>	
Net investment in capital assets	1,911,821
Unrestricted	4,907,345
Total Net Position	<u>\$ 6,819,166</u>

See Notes to Financial Statements.

(This page intentionally left blank.)

VILLAGE FIRE DEPARTMENT

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

Functions/Programs	Expenses	Program Revenues Charges for Services	Net Revenue (Expense) and Changes in Net Position Primary Governmental Activities
Primary Government			
Governmental Activities			
Public safety	\$ 6,158,092	\$ 54,562	\$ (6,103,530)
Total Governmental Activities	\$ 6,158,092	\$ 54,562	(6,103,530)
General Revenues:			
Participant assessments			8,025,470
Participant ambulance contribution			641,706
Interest			15,086
Other			13,639
Loss on sale of capital assets			(79,405)
Total General Revenues			8,616,496
			Change in Net Position 2,512,966
			Beginning net position 4,306,200
			Ending Net Position \$ 6,819,166

See Notes to Financial Statements.

(This page intentionally left blank.)

VILLAGE FIRE DEPARTMENT

BALANCE SHEET

GOVERNMENTAL FUNDS

December 31, 2020

	General	Capital Replacement	Facility	Total Governmental Funds
Assets				
Cash	\$ 422,448	\$ 8,407	\$ 3,358,096	\$ 3,788,951
Prepays	11,017	-	-	11,017
Other receivables	49,172	-	-	49,172
Due from agency fund	-	-	525,842	525,842
Due from other funds	-	69	130,061	130,130
Total Assets	\$ 482,637	\$ 8,476	\$ 4,013,999	\$ 4,505,112
Liabilities				
Accounts payable and accrued liabilities	\$ 282,320	\$ -	\$ 233,229	\$ 515,549
Due to other funds	130,130	-	-	130,130
Total Liabilities	412,450	-	233,229	645,679
Fund Balances				
Nonspendable:				
Prepays	11,017	-	-	11,017
Assigned for:				
Equipment replacement	-	8,476	-	8,476
Facility improvements	-	-	3,780,770	3,780,770
Unassigned	59,170	-	-	59,170
Total Fund Balances	70,187	8,476	3,780,770	3,859,433
Total Liabilities and Fund Balances	\$ 482,637	\$ 8,476	\$ 4,013,999	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets, net	3,723,043
---------------------	-----------

Long-term liabilities and deferred outflows and deferred inflows related to the net pension and other postemployment benefits (OPEB) liability are deferred in the governmental funds.

Net pension liability	117,325
Total OPEB liability	(168,209)
Deferred outflows - pensions	1,539,233
Deferred outflows - OPEB	35,132
Deferred inflows - pensions	(1,894,931)
Deferred inflows - OPEB	(15,954)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences	(375,906)
----------------------	-----------

Net Position of Governmental Activities	\$ 6,819,166
--	---------------------

See Notes to Financial Statements.

(This page intentionally left blank.)

VILLAGE FIRE DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2020

	<u>General</u>	<u>Capital Replacement</u>	<u>Facility</u>	<u>Total Governmental Funds</u>
Revenues				
Participant assessments	\$ 6,365,470	\$ 160,000	\$ 1,500,000	\$ 8,025,470
Participant ambulance contribution	115,864	-	525,842	641,706
Charges for fuel	54,562	-	-	54,562
Interest	1,560	786	12,740	15,086
Other	13,639	-	-	13,639
Total Revenues	<u>6,551,095</u>	<u>160,786</u>	<u>2,038,582</u>	<u>8,750,463</u>
Expenditures				
Current:				
Personnel	5,549,532	-	-	5,549,532
Operational	783,740	-	-	783,740
Capital outlay	49,123	658,346	1,839,008	2,546,477
Total Expenditures	<u>6,382,395</u>	<u>658,346</u>	<u>1,839,008</u>	<u>8,879,749</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	168,700	(497,560)	199,574	(129,286)
Other Financing Sources (Uses)				
Sale of capital assets	-	67,395	-	67,395
Transfers in (out)	(11,261)	-	11,261	-
Total Other Financing Sources (Uses)	<u>(11,261)</u>	<u>67,395</u>	<u>11,261</u>	<u>67,395</u>
Net Change in Fund Balances	157,439	(430,165)	210,835	(61,891)
Beginning fund balances	(87,252)	438,641	3,569,935	3,921,324
Ending Fund Balances	<u>\$ 70,187</u>	<u>\$ 8,476</u>	<u>\$ 3,780,770</u>	<u>\$ 3,859,433</u>

See Notes to Financial Statements.

(This page intentionally left blank.)

VILLAGE FIRE DEPARTMENT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2020

Net changes in fund balances - total governmental funds \$ (61,891)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	2,469,568
Depreciation expense	(171,532)
Net book value of capital asset disposal	(146,800)

Net pension and total other postemployment benefits (OPEB) liabilities and deferred outflows and deferred inflows related to the net pension liability and total OPEB liability are reported in the governmental funds.

Net pension liability	2,004,523
Total OPEB liability	(29,724)
Deferred outflows - pensions	(635,929)
Deferred outflows - OPEB	24,660
Deferred inflows - pensions	(861,291)
Deferred inflows - OPEB	(6,512)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	(72,106)
----------------------	----------

Change in Net Position of Governmental Activities	\$ 2,512,966
--	---------------------

See Notes to Financial Statements.

(This page intentionally left blank.)

VILLAGE FIRE DEPARTMENT
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUND
December 31, 2020

<u>Assets</u>	<u>Ambulance Billing</u>
Cash	\$ 525,842
Total Assets	<u>\$ 525,842</u>
<u>Liabilities</u>	
Due to Participant Cities	\$ -
Due to governmental - facility fund	525,842
Total Liabilities	<u>\$ 525,842</u>

See Notes to Financial Statements.

(This page intentionally left blank.)

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

On December 20, 1978, six contracting cities joined into an interlocal cooperation agreement to establish a common municipal fire department, chartered as the Village Fire Department (the "Department"), to provide fire and rescue services beginning January 1, 1979. The area of coverage consists of the six cities commonly known as the Memorial Villages (the "Participating Cities") and is approximately ten square miles. A new interlocal agreement (the "Interlocal Agreement"), effective January 1, 2020, states Bunker Hill is no longer a participating member of the Department and does not have voting rights, but is a customer of the Department continuing to receive fire protection and emergency services. Bunker Hill shall remain responsible for any obligation or liability of the Department during the agreement term. In the future, Bunker Hill may be admitted to membership, but will not be eligible to serve as the Chairman or Vice Chairman of the Village Fire Commission.

The Department operates under a five-member Board of Fire Commissioners (the "Board"). Five of the six cities participating in the Interlocal Agreement appoint one fire commissioner and one alternate. Bunker Hill is the only city without membership. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Department (the primary government) and its component units. In evaluating how to define the Department for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in generally accepted accounting principles. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant indication of this ability is financial interdependency. Other indications of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the Department is able to exercise oversight responsibilities. As of December 31, 2020, the Department had no component units.

The Department is not considered a component unit of the Participating Cities, but is reported as a joint venture.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by intergovernmental revenues and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. The Department has no business-type activities.

C. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and various other functions of the Department. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the Department's funds, including its fiduciary fund. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The Department reports the following governmental funds:

The *general fund* is used to account for all financial transactions not properly includable in other funds. The principal source of revenue is contributions from participating cities. Expenditures include public safety. The general fund is always considered a major fund for reporting purposes.

The *capital replacement fund* calls for a certain amount to be set aside each year to be used for replacement of capital equipment. Any capital expenditure must be approved by four out of the five Participating Cities. The capital replacement fund is considered a major fund for reporting purposes.

The *facility fund* is used to account for monies to be used toward the remodel of the fire station. The facility fund is funded by an annual transfer from the general fund based on unused budgeted assessments from the Participating Cities at the conclusion of the prior year. The facility fund is considered a major fund for reporting purposes.

Additionally, the Department reports the following fund type:

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Department maintains one fiduciary fund, an agency fund for ambulance billing. The agency fund is used to account for assets that the Department holds for others in an agency capacity.

During the course of operations, the Department has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Department considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Participant assessments, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the Department.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The Department's cash consists of demand deposits. All short-term investments that are highly liquid are considered to be cash and cash equivalents.

2. Investments

The Department has adopted a written investment policy regarding the investment of its funds, as required by the Public Funds Investment Act (Chapter 2256, Texas Local Government Code), which permits the Department to invest in most of the investments permitted under state statutes.

3. Receivables

All trade receivables are shown net of an allowance for uncollectibles.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

5. Capital Assets

Capital assets, which include property and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Department as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property and equipment of the Department are depreciated using the straight-line method over the following estimated useful years:

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Buildings and improvements	5 to 40 years
Machinery and equipment	5 to 15 years
Vehicles	9 to 18 years
Computer equipment	5 years

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension/other postemployment benefits (OPEB) activities are amortized over the average of the expected service lives of pension/OPEB plan members, except for the net differences between the projected and actual investment earnings on the pension/OPEB plan assets, which are amortized over a period of five years.
- For employer pension/OPEB plan contributions that were made subsequent to the measurement date through the end of the Department's fiscal year, the amount is deferred and recognized as a reduction to the net pension/OPEB liability during the measurement period in which the contributions were made.

7. Compensated Employee Absences

The Department provides sick and holiday/vacation leave based on length of employment. An amount equal to one year's authorized vacation may be carried over from one anniversary date to

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

another. Sick leave may be carried over from one year to the next, not to exceed 540 hours for 40-hour personnel and not to exceed 648 hours for operational personnel. Upon separation of employment, sick leave balance will not be paid. However, obligated sick leave earned prior to September 1, 1996 shall have a maximum payout of 1,080 hours. In addition, any sick leave earned between September 2, 1996 through March 31, 2011 will pay a maximum of 216 hours if employment is terminated by retirement, disability, death, or general reduction in work force. Holiday/vacation pay up to 180 hours for 40-hour personnel and 216 hours for operational personnel may be carried over to the next year. Also, compensatory time up to 200 hours may be carried over to the next year. Upon separation of employment, 40-hour personnel are allowed to be paid a maximum payout of 180 hours and operational personnel are allowed to be paid a maximum of 216 hours of holiday/vacation pay.

8. Participants' Assessment

The Department collects operating revenues from the Participating Cities based on the approved operating budget, of which each Participating City contributes a pro-rata share.

9. Net Position Flow Assumption

Sometimes the Department will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Department's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

10. Fund Balance Flow Assumptions

Sometimes the Department will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Department's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

11. Fund Balance Policies

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Department itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Department's highest level of decision-making

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

authority. The Board is the highest level of decision-making authority for the Department that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Department for specific purposes but do not meet the criteria to be classified as committed. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

12. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

13. Pensions

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's fiduciary net position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

14. Other Postemployment Benefits

The Department provides postemployment healthcare benefits as mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under COBRA and the Department incurs no direct costs.

In addition, the Department participates in a single-employer, unfunded, defined benefit group-term life insurance plan operated by TMRS known as the Supplemental Death Benefits Fund (SDBF). The Department elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. Benefit payments are treated as being equal to the employer's yearly contributions for retirees. Benefit payments and refunds are due and payable in accordance with the benefit terms. Information about the Department's total OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense is provided by TMRS from reports prepared by their consulting actuary.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The Department adopts an annual non-appropriated budget for its general fund, and hybrid annual/project length budget for the facility fund the capital replacement fund, subject to the terms and conditions of the interlocal agreement and the method approved by Participating Cities each year. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with these budgets.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits and Investments

Custodial credit risk – deposits. In the case of deposits, this is the risk that the Department's deposits may not be returned in the event of a bank failure. The Department's investment policy requires funds on deposit at the depository bank to be collateralized by securities. As of December 31, 2020, fair market values of pledged securities and FDIC coverage exceeded bank balances.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

B. Capital Assets

A summary of changes in capital assets at year end is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets nondepreciable:				
Construction in progress	\$ -	\$ 1,811,222	\$ -	\$ 1,811,222
Capital assets being depreciated:				
Buildings and improvements	\$ 1,272,745	\$ -	\$ -	\$ 1,272,745
Furniture and equipment	907,987	-	-	907,987
Vehicles	2,086,299	658,346	(577,328)	2,167,317
Total capital assets being depreciated	4,267,031	658,346	(577,328)	4,348,049
Less accumulated depreciation for:				
Buildings and improvements	(1,012,805)	(30,932)	-	(1,043,737)
Furniture and equipment	(718,325)	(32,908)	-	(751,233)
Vehicles	(964,094)	(107,692)	430,528	(641,258)
Total accumulated depreciation	(2,695,224)	(171,532)	430,528	(2,436,228)
Capital assets being depreciated, net	1,571,807	486,814	(146,800)	1,911,821
Governmental Activities Capital Assets, Net	\$ 1,571,807	\$ 2,298,036	\$ (146,800)	\$ 3,723,043

Construction in progress at year end are as follows:

<u>Project Description</u>	<u>Authorized Contract</u>	<u>Total In Progress</u>	<u>Remaining Commitment</u>
Fire Station Additions and Renovations	\$ 5,370,000	\$ 1,811,222	\$ 3,558,778

C. Long-Term Liabilities

The following is a summary of changes in the Department's total governmental long-term liabilities for the year.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Compensated absences	\$ 303,800	\$ 386,588	\$ 314,482	\$ 375,906	\$ 338,315
Net pension liability (asset)	1,887,198	-	2,004,523	(117,325)	-
Total OPEB liability	138,485	29,724	-	168,209	-
Total Governmental Activities	\$ 2,329,483	\$ 416,312	\$ 2,319,005	\$ 426,790	\$ 338,315

Long-term liabilities due in more than one year \$ 88,475

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

D. Interfund Receivables and Payables

The composition of interfund balances as of December 31, 2020 is as follows:

<u>Due to</u>	<u>Due From</u>	<u>Amounts</u>
Capital Replacement Fund	General Fund	\$ 69
Facility Fund	General Fund	130,061
		<u>\$ 130,130</u>
Facility Fund	Agency Fund	<u>\$ 525,842</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

IV. OTHER INFORMATION

A. Interlocal Agreement Between the Participating Cities

In July 1985, the six Participating Cities amended the Interlocal Agreement changing the expiration date to December 31, 1990. The amendment also makes the Interlocal Agreement automatically renewable for additional periods of five years each on its anniversary/termination date unless written notice is received from any of the Participating Cities by the first of September prior to the expiration date. The Interlocal Agreement has renewed automatically five times since December 1990 and the current automatic renewal extends to December 31, 2023.

Under the July 1985 amended Interlocal Agreement, each Participating City provides monthly funds to the Department based upon fixed percentages of the annual budget beginning with the 1985 budget and all subsequent years for which the Interlocal Agreement is in effect. The amendments to the Interlocal Agreement also changed the procedures through which the Participating Cities approve each year's budget and intra-budgetary transfers.

The Interlocal Agreement was further amended during 1995 to allow the Department to bill for emergency medical services on behalf of the six Participating Cities. The billing is accounted for as reported in Note IV.D. The Interlocal Agreement also provides that each of the six Participating Cities hold an undivided interest in the leasehold on the land leased by the Department from the Spring Branch Independent School District. In accordance with the terms of the Interlocal Agreement, the six Participating Cities paid for construction of a new fire department building on the leased property, which was completed and occupied during 1980. Each of the six Participating Cities holds an undivided interest in the building. The terms of the Interlocal Agreement require the Department to maintain certain minimum insurance coverage, naming each Participating City as an insured.

The Interlocal Agreement was further amended in December 2019 for a term of 48 months beginning on January 1, 2020. Bunker Hill is no longer a participating member of the Board, but as a customer, continues receiving fire protection and emergency services from the Department. Following the Interlocal Agreement term, if in good standing with the current Interlocal Agreement, Bunker Hill may become a participating member.

The Participating Cities and the Department have complied with the terms of the Interlocal Agreement.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

B. Agreement with the City of Houston

The Department has an automatic assistance agreement with the City of Houston to provide a ladder truck and sufficient personnel to provide fire fighting and emergency medical assistance. In return, the City of Houston will provide two engine companies and sufficient personnel to provide fire fighting in the areas to which the Department provides services.

C. Charges for Fuel

Certain entities served by the Department purchase gasoline and diesel fuel from the Department at the Department's cost plus a three cent per gallon administrative fee. The entities are invoiced by the Department at the end of the month for the fuel that was purchased.

D. Agency Fund – Ambulance Billing

The ambulance billing fund was established to collect amounts billed for ambulance transportation and other emergency medical services provided by the Department. The fees are collected by the Department on behalf of the Participating Cities, and all funds received by the Department are considered to belong to the Participating Cities and, therefore, are recorded as a payable to the Participating Cities.

An eight percent fee is paid to the contractor that issues the billings and collects the payments for the Department. The service fee is considered to be an obligation of the six Participating Cities and is paid from the funds collected on their behalf. The net fees are paid pro-rata to each of the six Participating Cities quarterly based upon each City's percentage of the Department budget. As stated in the December 2019 amended Interlocal Agreement, Bunker Hill is not entitled to any return of departmental ambulance revenues received by the Department. The Participating Cities approved the use of current and prior year accumulated collections to cover 2019 general fund operating deficit and for the renovation of the fire department.

The amounts collected and paid in 2020 are as follows:

	Ambulance Billing
Beginning balance - Due to Participating Cities	\$ 372,977
Total 2020 collections (net of fees)	268,729
Participant contribution to General fund	(115,864)
Paid to Participating Cities	*
Total 2020 disbursements	(115,864)
	525,842
Participant contributions to Facility fund - due to Facility fund	(525,842)
Ending balance - Due to Participating Cities	\$ -

*The Department did not remit collections to Participating Cities in 2020

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

E. Risk Management

The Department is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Department periodically assesses the proper insurance and retention of risk to cover losses to which it may be exposed.

The Department assumes substantially all risks associated with tort and liability claims due to the performance of its duties. Currently, the Department is not involved in any risk pools with other government entities, but does purchase insurance for such events that may occur. The Department has not reduced insurance coverage or had settlements that exceeded coverage amounts in the last three years.

F. Contingent Liabilities

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

The continued spread of the COVID-19 pandemic has given a rise in uncertainties that may have a significant negative impact on the operating activities and results of the Department. The occurrence and extent of such impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) the effects on the financial markets, and (iv) the effects on the economy overall, all of which are uncertain.

G. Pension Plans

1. Texas Municipal Retirement System

Plan Description

The Department participates as one of 888 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the TMRS. TMRS is an agency created by the State of Texas (the "State") and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the "TMRS Act") as an agent multiple-employer retirement system for municipal employees in the State. The TMRS Act places the general administration and management of TMRS with a six-member Board of Trustees (the "Board"). Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report that can be obtained at www.tmr.com.

All eligible employees of the Department are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the Department, within the options available in the state statutes governing TMRS.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the Department-financed monetary credits, with interest, were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a partial lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The plan provisions are adopted by the governing body of the Department, within the options available in the state statutes governing TMRS. Plan provisions for the Department were as follows:

	2020	2019
Employee deposit rate	7.00%	7.00%
Matching ratio (Department to employee)	1.5 to 1	1.5 to 1
Years required for vesting	5	5
Service requirement eligibility (expressed as age/yrs of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity increase (to retirees)	70% of CPI	70% of CPI

Employees Covered by Benefit Terms

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	24
Inactive employees entitled to, but not yet receiving, benefits	8
Active employees	48
Total	80

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the Department-matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the Department. Under the state law governing TMRS, the contribution rate for each entity is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the Department were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the Department were 5.96% and 6.29% in calendar years 2019 and 2020, respectively. The Department's contributions to TMRS for the calendar year ended December 31, 2020 were \$270,985, which were equal to the required contributions.

Net Pension Liability/(Asset)

The Department's Net Pension Liability/Asset (NPL)/(A) was measured as of December 31, 2019 and the Total Pension Liability (TPL)/(A) used to calculate the NPL/(A) was determined by an actuarial valuation as of that date.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

Actuarial Assumptions

The TPL in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.00% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB (10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-Distinct 2019 Municipal Retirees of Texas mortality tables. The rates for active members, healthy retirees, and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a four-year set-forward for males and a three-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied for males and females, respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for the annuity purchase rates is based on the mortality experience investigation study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation, as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, the actuary focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.25%
Non-Core Fixed Income	20.00%	4.14%
Real Return	10.00%	3.85%
Real Estate	10.00%	4.00%
Absolute Return	10.00%	3.48%
Private Equity	10.00%	7.75%
Total	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the TPL was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Changes in the NPL/(A)

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (A)</u>	<u>Plan Fiduciary Net Position (B)</u>	<u>Net Pension Liability/(Asset) (A) - (B)</u>
Changes for the year:			
Service cost	\$ -	\$ -	\$ -
Interest	1,285,295	-	1,285,295
Difference between expected and actual experience	50,159	-	50,159
Changes in assumptions	(92,617)	-	(92,617)
Contributions - employer	-	252,465	(252,465)
Contributions - employee	-	290,189	(290,189)
Net investment income	-	2,720,557	(2,720,557)
Benefit payments, including refunds of employee contributions	(928,285)	(928,285)	-
Administrative expense	-	(15,390)	15,390
Other changes	-	(463)	463
Net Changes	<u>314,552</u>	<u>2,319,073</u>	<u>(2,004,523)</u>
Balance at December 31, 2018	19,505,519	17,618,321	1,887,198
Balance at December 31, 2019	<u>\$ 19,820,071</u>	<u>\$ 19,937,394</u>	<u>\$ (117,325)</u>

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

Sensitivity of the NPL/(A) to Changes in the Discount Rate

The following presents the NPL/(A) of the Department, calculated using the discount rate of 6.75%, as well as what the Department's NPL/(A) would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
Department's Net Pension Liability/(Asset)	\$ 2,474,942	\$ (117,325)	\$ (2,264,665)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

Pension Expense and Deferred Outflows/Deferred Inflows of Resources Related to Pensions

For the calendar year ended December 31, 2020, the Department recognized pension income of \$91,967.

At December 31, 2020, the Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 82,253	\$ 115,013
Changes in actuarial assumptions	95,090	76,946
Difference between projected and actual investment earnings	-	612,498
Contributions subsequent to the measurement date	271,416	-
Total	\$ 448,759	\$ 804,457

\$271,416 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Calendar Year Ended December 31	Pension Expense
2021	\$ (139,958)
2022	(226,841)
2023	57,713
2024	(311,421)
2025	(6,607)
Thereafter	-
Total	\$ (627,114)

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

2. Deferred Compensation Plan

The Department offers its employees a deferred compensation plan (the “Plan”) created in accordance with Internal Revenue Code Section 457. The Plan, available to all Department employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

3. Village Fire Department Cafeteria Plan

Effective January 1, 1989, the Department began the Village Fire Department Cafeteria Plan (the “Plan”) under which qualified employees may elect to contribute a portion of their compensation to the Plan for payment of employee benefits selected by each participant. The Plan is funded entirely from participants’ contributions. The Department is not required to provide any employer contributions to the Plan.

H. Other Postemployment Benefits

1. TMRS Supplemental Death Benefit

Plan Description

The Department participates in an OPEB plan administered by TMRS. TMRS administers the defined benefit group-term life insurance plan known as the SDBF. This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. Employers may terminate coverage under, and discontinue participation in, the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The member entity contributes to the SDBF at a contractually required rate (based on the covered payroll of employee members) as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees’ entire careers. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB 75). As such, the SDBF is considered to be a single-employer unfunded OPEB defined benefit plan with benefit payments treated as being equal to the employer’s yearly contributions for retirees.

The contributions to the SDBF are pooled for investment purposes with those of the Pension Trust Fund (PTF). The TMRS Act requires the PTF to allocate a 5% interest credit from investment income to the SDBF on an annual basis each December 31 based on the mean balance in the SDBF during the year.

Benefits

The death benefit for active employees provides a lump-sum payment approximately equal to the employee’s annual salary (calculated based on the employee’s actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an OPEB and is a fixed amount of \$7,500. As the SDBF covers both active and retiree participants with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e., no assets are accumulated).

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

Participation in the SDBF as of December 31, 2019 is summarized below:

Inactive employees or beneficiaries currently receiving benefits	24	
Inactive employees entitled to, but not yet receiving, benefits	8	
Active employees	48	
Total	80	

Total OPEB Liability

The Department's total OPEB liability of \$168,209 was measured as of December 31, 2019 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%	
Salary increases	3.50% to 11.50% including inflation	
Discount rate*	2.75%	
Administrative expenses	All administrative expenses are paid through the PTF and accounted for under reporting requirements under GASB 68.	
Mortality - service retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.	
Mortality - disabled retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.	

*The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2019.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

Changes in the Total OPEB Liability

		Increase (Decrease)	
			Total OPEB Liability
Changes for the year:			
Service cost	\$	3,731	
Interest		5,184	
Change of benefit terms		-	
Difference between expected and actual experience		(7,842)	
Changes of assumptions		29,896	
Benefit payments		(1,244)	
	Net Changes	29,274	
Balance at December 31, 2018			138,485
	Balance at December 31, 2019		\$ 168,209

The discount rate decreased from 3.71% as of December 31, 2018 to 2.75% as of December 31, 2019. There were no other changes of assumptions or other inputs that affected measurement of the total OPEB liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Department, as well as what the Department's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (1.75%)	Discount Rate (2.75%)	1% Increase (3.75%)
Department's Total OPEB Liability	\$ 207,707	\$ 168,209	\$ 138,091

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended December 31, 2020, the Department recognized OPEB expense of \$11,726.

The Department reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic Experience	\$ -	\$ 7,832
Changes in actuarial assumptions	33,840	8,122
Contributions subsequent to the measurement date	1,292	-
Total	\$ 35,132	\$ 15,954

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2020

\$1,292 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the fiscal year ending December 31, 2021.

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Calendar Year Ended December 31	OPEB Expense
2021	\$ 2,811
2022	2,811
2023	2,811
2024	2,811
2025	2,811
Thereafter	3,831
Total	\$ 17,886

I. Concentrations and Economic Dependency

The Department's principal source of revenue consists of charges to the Participating Cities under the provisions of the Interlocal Agreement. The Department is dependent on these charges for its ongoing operations.

The Department receives all of its funding from the six Participating Cities that are participants in the Interlocal Agreement. Except for Hilshire Village, withdrawal of any one of the other five cities would have a significant impact on the operation of the Department.

The approximate percentages of total City assessments and total revenues provided by each City are as follows:

	Percentage of City Assessment	Percentage of Total Revenues
Bunker Hill Village	19.00%	19.00%
Hedwig Village	18.50%	18.50%
Hilshire Village	3.00%	3.00%
Hunters Creek Village	22.25%	22.25%
Piney Point Village	21.00%	21.00%
Spring Valley Village	16.25%	16.25%
Totals	100.00%	100.00%

(This page intentionally left blank.)

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE FIRE DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND

For the Year Ended December 31, 2020

	Original Budget Amounts	Final Budget Amounts	Budget Basis Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Participant assessments	\$ 6,365,470	\$ 6,365,470 (1)	\$ 6,365,470 (1)	\$ -
(2a) Participant ambulance contribution	-	115,864	115,864 (2b)	-
Charges for fuel	-	-	-	-
Interest	-	-	1,560	1,560
Other	-	-	13,639	13,639
Total Revenues	6,365,470	6,481,334	6,496,533	15,199
Expenditures				
Personnel	5,608,280	5,608,280	5,549,532	58,748
Operational	678,190	678,190	783,740	(105,550)
Operational (offset to charges for fuel)	-	-	(54,562)	54,562
Capital outlay	79,000	79,000	49,123	29,877
Total Expenditures	6,365,470	6,365,470	6,327,833	37,637
Excess of Revenues Over Expenditures	-	115,864	168,700	52,836
Other Financing Sources (Uses)				
Transfers (out)	-	-	(11,261)	(11,261)
Total Other Financing (Uses)	-	-	(11,261)	(11,261)
Net Change in Fund Balance	\$ -	\$ 115,864	157,439	\$ 41,575

Beginning fund balance

(87,252) (2b)

Ending Fund Balance

\$ 70,187 (3)

(1) General operations	\$ 6,365,470
Capital replacement	160,000
Facility	1,500,000
Total Assessments	\$ 8,025,470

(2) Participant ambulance contribution

(2a) In 2020 the sub-fund of the general fund, the compensated absences fund, was combined with the general fund. Participants approved using \$11,261 of the compensated absences fund for the facility fund, which is reflected as a transfer.

	Fund Balance	
General fund balance excluding compensated absences fund	\$ (115,864)	Basis for ambulance contribution
Compensated absence subfund	28,612	
(2b) Total general fund beginning balance	\$ (87,252)	

(3) Amount to be returned to participants or approved for other uses, if objective is to zero out fund balance.

<u>Reconciliation to Budget Basis</u>	<u>Actual Amounts</u>
<u>Fuel</u>	
\$ -	\$ 6,365,470
-	115,864
54,562	54,562
-	1,560
-	13,639
<u>54,562</u>	<u>6,551,095</u>
-	5,549,532
-	783,740
54,562	-
-	49,123
<u>54,562</u>	<u>6,382,395</u>
-	168,700
-	(11,261)
<u>-</u>	<u>(11,261)</u>
<u>\$ -</u>	<u>\$ 157,439</u>

VILLAGE FIRE DEPARTMENT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the Year Ended December 31, 2020

	Measurement Year*			
	2014	2015	2016	2017
Total Pension Liability				
Service cost	\$ 307,435	\$ 330,958	\$ -	\$ 374,669
Interest (on the total pension liability)	1,126,961	1,168,403	1,196,360	1,206,336
Difference between expected and actual experience	(18,740)	41,040	(329,361)	64,222
Change of assumptions	-	539,440	-	-
Benefit payments, including refunds of employee contributions	(699,381)	(971,398)	(792,574)	(1,020,523)
Net Change in Total Pension Liability	<u>716,275</u>	<u>1,108,443</u>	<u>74,425</u>	<u>624,704</u>
Beginning total pension liability	<u>16,295,422</u>	<u>17,011,697</u>	<u>18,120,140</u>	<u>18,194,565</u>
Ending Total Pension Liability	<u>\$ 17,011,697</u>	<u>\$ 18,120,140</u>	<u>\$ 18,194,565</u>	<u>\$ 18,819,269</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 257,774	\$ 232,199	\$ 228,920	\$ 290,951
Contributions - employee	235,871	231,208	239,170	244,197
Net investment income	908,400	24,454	1,085,626	2,330,006
Benefit payments, including refunds of employee contributions	(699,381)	(971,398)	(792,574)	(1,020,523)
Administrative expense	(9,485)	(14,896)	(12,269)	(12,083)
Other	(780)	(734)	(661)	(612)
Net Change in Plan Fiduciary Net Position	<u>692,399</u>	<u>(499,167)</u>	<u>748,212</u>	<u>1,831,936</u>
Beginning plan fiduciary net position	<u>15,881,143</u>	<u>16,573,542</u>	<u>16,074,375</u>	<u>16,822,587</u>
Ending Plan Fiduciary Net Position	<u>\$ 16,573,542</u>	<u>\$ 16,074,375</u>	<u>\$ 16,822,587</u>	<u>\$ 18,654,523</u>
Net Pension Liability/(Asset)	<u>\$ 438,155</u>	<u>\$ 2,045,765</u>	<u>\$ 1,371,978</u>	<u>\$ 164,746</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	97.42%	88.71%	92.46%	99.12%
Covered Payroll	\$ 3,369,589	\$ 3,302,977	\$ 3,416,713	\$ 3,488,534
Net Pension Liability/(Asset) as a Percentage of Covered Payroll	13.00%	61.94%	40.15%	4.72%

*Only six years of information is currently available. The Department will build this schedule over the next four-year period.

Measurement Year	
2018	2019
\$ 386,412	\$ -
1,251,321	1,285,293
(2,721)	50,159
-	(92,617)
(948,762)	(928,285)
<u>686,250</u>	<u>314,550</u>
<u>18,819,269</u>	<u>19,505,519</u>
<u>\$ 19,505,519</u>	<u>\$ 19,820,069</u>
\$ 228,219	\$ 252,465
253,980	290,189
(558,275)	2,720,557
(948,762)	(928,285)
(10,800)	(153,900)
(564)	(462)
<u>(1,036,202)</u>	<u>2,319,073</u>
<u>18,654,523</u>	<u>17,618,321</u>
<u>\$ 17,618,321</u>	<u>\$ 19,937,394</u>
<u>\$ 1,887,198</u>	<u>\$ (117,325)</u>
90.32%	100.59%
\$ 3,628,281	\$ 4,145,554
52.01%	-2.83%

VILLAGE FIRE DEPARTMENT
SCHEDULE OF CONTRIBUTIONS
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the Year Ended December 31, 2020

	Fiscal Year*			
	2014	2015	2016	2017
Actuarially determined contribution	\$ 257,926	\$ 232,200	\$ 228,920	\$ 290,944
Contributions in relation to the actuarially determined contribution	257,926	232,200	228,920	290,944
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,369,589	\$ 3,302,982	\$ 3,416,716	\$ 3,488,534
Contributions as a percentage of covered payroll	7.65%	7.03%	6.70%	8.34%

*Only seven years of information is currently available. The Department will build this schedule over the next three-year period.

Notes to Required Supplementary Information:

1. Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

2. Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26 years
Asset valuation method	10 year smoothed market; 15% soft corridor
Inflation	2.5%
Salary increases	3.50% to 11.50% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the Department's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period December 31, 2014-2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

3. Other Information:

There were no benefit changes during the year.

Fiscal Year*		
2018	2019	2020
\$ 228,109	\$ 252,456	\$ 271,416
<u>228,109</u>	<u>252,456</u>	<u>271,416</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,628,278	\$ 4,145,562	\$ 4,308,190
6.29%	6.09%	6.30%

(This page intentionally left blank.)

VILLAGE FIRE DEPARTMENT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the Year Ended December 31, 2020

	Measurement Year*		
	2017	2018	2019
Total OPEB Liability			
Service cost	\$ 2,791	\$ 3,628	\$ 3,731
Interest (on the total OPEB liability)	4,720	4,777	5,184
Changes in benefit terms	-	-	-
Difference between expected and actual experience	-	(1,302)	(7,843)
Change in assumptions	12,228	(10,762)	29,896
Benefit payments	(698)	(726)	(1,244)
Net Change in Total OPEB Liability	<u>19,041</u>	<u>(4,385)</u>	<u>29,724</u>
Beginning total OPEB liability	<u>123,829</u>	<u>142,870</u>	<u>138,485</u>
Ending Total OPEB Liability	<u>\$ 142,870</u>	<u>\$ 138,485</u>	<u>\$ 168,209</u>
Covered Payroll	\$ 3,488,534	\$ 3,628,281	\$ 4,145,554
Total OPEB Liability as a Percentage of Covered Payroll	4.10%	3.82%	4.06%

* Only three years of information is currently available. The Department will build this schedule over the next seven-year period.

** Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Notes to Required Supplementary Information:

1.) Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

2.) Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Inflation	2.5%
Salary increases	3.50 to 11.50% including inflation
Discount rate	2.75%
Administrative expenses	All administrative expenses are paid through the PTF and accounted for under reporting requirements under GASB 68.
Mortality - service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

3.) Other Information:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits.

The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2019.

Change of assumptions is the annual change in the municipal bond index rate.

There were no benefit changes during the year.

(This page intentionally left blank.)

SUPPLEMENTARY INFORMATION

(This page intentionally left blank.)

VILLAGE FIRE DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL REPLACEMENT FUND
For the Year Ended December 31, 2020

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Participant assessments	\$ 160,000	\$ 160,000 (1)	\$ 160,000	\$ -
Interest	-	-	786	786
Total Revenues	160,000	160,000	160,786	786
<u>Expenditures</u>				
Capital outlay	598,641	598,641 (2)	658,346	(59,705)
Total Expenditures	598,641	598,641	658,346	(59,705)
(Deficiency) of Revenues (Under) Expenditures	(438,641)	(438,641)	(497,560)	(58,919)
<u>Other Financing Sources (Uses)</u>				
Sale of capital assets	-	-	67,395	67,395
Total Other Financing Sources	-	-	67,395	67,395
Net Change in Fund Balance	\$ (438,641)	\$ (438,641)	(430,165)	\$ 8,476
Beginning fund balance			438,641	
		Ending Fund Balance	\$ 8,476	
General operations				
	\$ 6,365,470			
(1) Capital replacement	160,000			
Facility	1,500,000			
Total Assessments	\$ 8,025,470			

- (2) The Department uses a capital replacement forecasting schedule to determine future needs. A formal budget is not adopted for expenditures, but the budget for expenditures is considered current assessment plus beginning fund balance.

(This page intentionally left blank.)

VILLAGE FIRE DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FACILITY FUND

For the Year Ended December 31, 2020

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Participant assessments	\$ 1,500,000	\$ 1,500,000 (1)	\$ 1,500,000	\$ -
Participant ambulance contribution	-	525,842	525,842	-
Interest	-	-	12,740	12,740
Total Revenues	1,500,000	2,025,842	2,038,582	12,740
Expenditures				
Capital outlay	5,069,935	5,595,777 (2)	1,839,008	3,756,769
Total Expenditures	5,069,935	5,595,777	1,839,008	3,756,769
(Deficiency) of Revenues (Under) Expenditures	(3,569,935)	(3,569,935)	199,574	3,769,509
Other Financing Sources (Uses)				
Transfers (in)	-	11,261	11,261	-
Total Other Financing Sources	-	11,261	11,261	-
Net Change in Fund Balance	\$ (3,569,935)	\$ (3,558,674)	210,835	\$ 3,769,509
Beginning fund balance			3,569,935	
		Ending Fund Balance	\$ 3,780,770	
General operations	\$ 6,365,470			
Capital replacement	160,000			
(1) Facility	1,500,000			
Total Assessments	\$ 8,025,470			

(2) A formal budget is not adopted for expenditures, however budget expenditures are consider the current year assessment plus beginning fund balance.

(This page intentionally left blank.)

TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Discuss and consider possible action on the Village Fire Department 2020
Intra-Budgetary Transfers related to the 2020 Audit.

Agenda Item: 7

The Fire Commission is requesting the Intra-Budgetary Transfers related to the 2020 Audit be placed on the agenda for consideration and approval.

2020 Intra Budgetary Transfers A

	B	C	D	E
Village Fire Department	Actual 2020 Expenditures	Approved 2020	Intra-Budgetary Transfers-2020 Plus/(Minus)	Adjusted 2020 Budget
CAPITAL EXPENDITURES				
Contingency-Physical Plant	2,726.84	35,000.00	26,882.27	8,117.73
Misc Tools & Equip./Hose	29,390.89	24,000.00	0.00	24,000.00
Protective Gear	17,005.70	20,000.00	2,994.30	17,005.70
Radio Purchase	0.00	0.00	0.00	0.00
			0.00	
	49,123.43	79,000.00	29,876.57	49,123.43
PERSONNEL EXPENDITURES				
Salaries	4,063,701.28	3,992,496.00	0.00	3,992,496.00
Salaries-O/T	100,273.94	105,000.00	0.00	105,000.00
457 Plan contribution	0.00	78,730.00	0.00	78,730.00
Prof Certification	52,207.85	44,400.00	(2,400.31)	46,800.31
FICA Tax	320,170.41	322,419.00	0.00	322,419.00
Disability Insurance	24,657.98	23,000.00	0.00	23,000.00
Employee Retirement	277,337.21	271,000.00	0.00	271,000.00
Hospitalization Ins.	624,809.66	701,235.00	0.00	701,235.00
Meal Allowances	33,793.00	35,000.00	0.00	35,000.00
Workers Compensation	34,998.96	35,000.00	0.00	35,000.00
Accrual - 2020	17,581.71			
	5,549,532.00	5,608,280.00	(2,400.31)	5,610,680.31
OPERATIONAL EXPENDITURES				
Ambulance Med. Sup.	56,324.64	55,000.00	0.00	55,000.00
Bldg. Supplies/Maint.	66,124.88	47,000.00	0.00	47,000.00
Chemicals	0.00	2,000.00	0.00	2,000.00
Emergency Contingency	5,374.52	20,000.00	0.00	20,000.00
Dues/Subscrip/Manuals	10,067.47	6,500.00	0.00	6,500.00
Fire Prevent/Relations	9,537.51	15,000.00	0.00	15,000.00
Fuel Software expense	0.00	0.00	0.00	0.00
Gas & Oil	75,454.03	45,000.00	(30,454.03)	75,454.03
Insurance-Casualty	49,084.79	42,000.00	0.00	42,000.00
Maint of Equipment	232,117.82	135,000.00	(52,768.46)	187,768.46
Miscellaneous Exp.	6,771.47	7,200.00	0.00	7,200.00
Office Expenses	65,233.33	37,000.00	(22,547.80)	59,547.80
Prof. Services	103,745.62	145,480.00	0.00	145,480.00
Public Utilities	71,510.33	60,000.00	0.00	60,000.00
Rent	10.00	10.00	0.00	10.00
State Cert. Fees	3,554.11	6,000.00	0.00	6,000.00
Training Programs	21,062.56	30,000.00	0.00	30,000.00
Uniforms	7,997.23	25,000.00	0.00	25,000.00
misc.	(220.31)			
	783,740.00	678,190.00	(105,770.29)	783,960.29
	6,382,395.43	6,385,470.00		6,443,764.03
City Fuel Payment		54,662.00		
other		13,639.00		
Ambulance Contribution for 2019 Deficit		115,864.00		
Interest 2020		1,560.00		
Beginning Fund Balance 2020	(87,252.00)			
	6,382,395.43	6,551,095.00	168,699.57	157,438.57
Transfers out GF to FF Close out CA FUND			11,261.00	(87,252.00)
			157,438.57	0.00
Page 19	2020 Excess of Revenues - Page 19			70,187

TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Discuss and consider possible action on the Village Fire Department 2022
Proposed Budget

Agenda Item: 8

The Fire Commission is requesting the 2022 Proposed Budget be placed on the agenda for consideration and approval.

Village Fire Department



901 Corbindale Rd
Houston, Texas 77024
(713) 468-7941
(713) 468-5039 FAX

Protecting and Serving the Cities of:

BUNKER HILL VILLAGE
HEDWIG VILLAGE
HILSHIRE VILLAGE
HUNTERS CREEK VILLAGE
PINEY POINT VILLAGE
SPRING VALLEY VILLAGE

To: Ms. Kelly Johnson, City of Hedwig Village
Ms. Susan Blevins, City of Hilshire Village
Mr. Tom Fullen, City of Hunters Creek Village
Ms. Karen Farris, City of Piney Point Village
Ms. Julie Robinson, City of Spring Valley
Ms. Karen Glynn, City of Bunker Hill Village

CC: Village Fire Department Commissioner and Alternates

From: Marlo Longoria

Date: April 29, 2021

Re: 2022 Proposed Budget and Audit

Consider the following items to be placed on your agenda. Copies for your VFD Commissioner/Alternate, Mayor, and City Council members are enclosed. If you have any questions or need anything else, please let me know.

Please place the following items on your agenda for consideration and advise us on your council's action in writing.

- 2020 Audit and Intra-Budgetary Transfers
- Proposed 2022 Budget which consist of three funds. The General budget, Fund-1, the Capital Replacement, Funds-2 and Facility Fund, Fund -4 in the amount of \$7,453,447.31 funded by annual assessments.

Thank you,

Marlo Longoria
Enclosures

Village Fire Department



**901 Corbindale Rd
Houston, Texas 77024
(713) 468-7941
(713) 468-5039 FAX**

Protecting and Serving the Cities of:

**BUNKER HILL VILLAGE
HEDWIG VILLAGE
HILSHIRE VILLAGE
HUNTERS CREEK VILLAGE
PINEY POINT VILLAGE
SPRING VALLEY VILLAGE**

April 29, 2021

The Honorable Mark Kobelan
Mayor, City of Piney Point Village

The Honorable Marcus Vajdos
Mayor, City of Spring Valley Village

The Honorable Brian T. Muecke
Mayor, City of Hedwig Village

The Honorable Russell Herron
Mayor, City of Hilshire Village

The Honorable Jimmy Pappas
Mayor, City of Hunters Creek Village

Dear Mayors:

In accordance with the terms of the Interlocal Agreement, the Village Fire Department's 2022 Proposed Budget is hereby submitted for consideration and approval by the Contracting Cities. Pursuant to Section 5.02 of the Interlocal Agreement, by a unanimous vote of Commissioners, the Board has approved and recommended this budget. Please place this item on your council's agenda for consideration, and within the time and manner specified in the Interlocal, then advise the department of your City Council's action.

The 2022 Proposed Budget consists of three funds. The General Budget is Fund-01, the Capital Replacement Fund, Fund-02, and the Facility Fund, Fund-04. The board is recommending that \$180,000 be placed into the Capital Replacement Fund. This budget also includes a .007% CPI and a 2% base salary contribution into the employees' 457 Plan.

The total General Fund Budget proposed has an increase of 7.19% from the 2021 Budget.

Among other information, this year's budget package includes:

- 2022 Proposed Budget and Assessments per city
- General Fund Detail
- Comparison Charts
- Capital Replacement Fund Detail for projected capital outlays
- VFD Organizational Structure
- VFD Commissioners and Alternates 2021/2022

Your Commissioners and VFD personnel are prepared to answer your questions regarding this proposed budget.

Respectfully submitted,



Jay Carlton, Chair
Village Fire Department Board of Commissioners

Attachment

cc: Village Fire Department Commissioners and Alternates
Council Members
City Administrators/Secretaries

Village Fire Department

Proposed 2022 Budget

Prepared For:

City of Spring Valley Village
City of Hunters Creek Village
City of Hilshire Village
City of Hedwig Village
City of Piney Point Village

Prepared by: Village Fire Department

April 28, 2021



**VILLAGE FIRE DEPARTMENT BUDGET
2022 BUDGET WORKSHEET DRAFT 4**

* See note

Line Item	FUND 1	2020 BUDGET	2020 Actual	2021 BUDGET	2022 BUDGET	DELTA
1	<u>CAPITAL EXPENDITURES:</u>					
2	CONTINGENCY - FACILITY	35,000.00	2,726.84	10,000.00	40,000.00	30,000.00
3	MISC. TOOLS & EQUIP./HOSE(cardiac Lifepak)	24,000.00	29,390.89	36,000.00	75,000.00	39,000.00
4	PROTECTIVE GEAR	20,000.00	17,005.70	26,000.00	26,000.00	0.00
5	Computer/ Radios Equipment				89,400.00	89,400.00
6	CAPITAL EXPENDITURE TOTAL	79,000.00	49,123.43	72,000.00	230,400.00	158,400.00
		2020 BUDGET		2021 BUDGET		DELTA
7	<u>PERSONNEL EXPENDITURES:</u>					
8	SALARIES:				0.07% CPI	
9	Base Salary	3,936,496.00		4,131,596.00	4,211,342.88	79,746.88
10	2% 457 Deferred Compensation	78,730.00		82,632.00	84,226.86	1,594.86
11	Longevity	22,000.00		22,000.00	22,000.00	0.00
12	Higher Class	28,000.00		28,000.00	28,000.00	0.00
13	TOTALS	4,065,226.00	4,063,701.28	4,264,228.00	4,345,569.74	81,341.74
14	SALARIES - OVERTIME	105,000.00	100,273.94	110,000.00	110,000.00	0.00
16	Professional Certification	44,400.00	52,207.85	46,000.00	50,000.00	4,000.00
17	FICA TAX - 7.65%	322,419.00	320,170.41	338,175.00	344,408.34	6,233.34
18	LIFE/LTD INSURANCE	23,000.00	24,658.00	25,500.00	26,000.00	500.00
	*RETIREMENT:					
19	Contribution - 7.21%, 2020-6.43 and 2019 6.22	271,000.00	277,337.21	284,221.00	324,599.23	40,378.23
20	*HOSPITALIZATION INSURANCE (.9% Estimate) (Final % TBD in October)	701,235.00	624,809.66	723,000.00	941,760.00	218,760.00
21	MEAL ALLOWANCE	35,000.00	33,793.00	35,000.00	35,000.00	0.00
22	WORKMEN'S COMP. INSURANCE	35,000.00	34,998.96	35,000.00	40,084.00	5,084.00
23	*Total Rewards Adjustment			150,000.00		
24	PERSONNEL EXPENDITURES TOTAL	5,602,280.00	5,531,950.31	6,011,124.00	6,217,421.31	206,297.31

Line Item	2020 BUDGET		2021 BUDGET	2022 BUDGET	DELTA
25 OPERATIONAL EXPENDITURES:					
26 AMBULANCE MEDICAL SUPPLIES	55,000.00	56,324.64	62,000.00	62,000.00	0.00
27 BUILDING SUPPLIES & MAINTENANCE	47,000.00	66,124.88	45,000.00	45,000.00	0.00
28 CHEMICALS	2,000.00		2,000.00	0.00	
29 EMERGENCY CONTINGENCY	20,000.00	5,374.52	20,000.00	20,000.00	0.00
30 DUES/SUBSCRIPTIONS/RADIOS/MANUALS	6,500.00	10,067.47	6,500.00	8,000.00	1,500.00
31 FIRE PREVENTION/ Pub Relations	15,000.00	9,537.51	15,000.00	15,000.00	0.00
32 Fuel Software Expense					
33 GAS & OIL	45,000.00	20,892.07	45,000.00	45,000.00	0.00
34 INSURANCE - CASUALTY	42,000.00	49,084.79	42,000.00	49,066.00	7,066.00
35 TOTALS	232,500.00	217,405.88	237,500.00	244,066.00	6,566.00
36 MISCELLANEOUS:					
37 Legal Notices/Advertising	1,000.00	1,369.48	1,000.00	1,000.00	0.00
38 License/Permits	6,000.00	1,320.00	6,000.00	6,000.00	0.00
39 Other Expenses	200.00	4,081.99	200.00	200.00	0.00
40 MISCELLANEOUS TOTAL	7,200.00	6,771.47	7,200.00	7,200.00	0.00
41 OFFICE EXPENSE:					
42 Office Supplies, Paper, Staples, Toner, Ink	7,000.00	11,543.58	7,000.00	7,000.00	0.00
43 Batteries, SCBA, PASS,	5,300.00		5,300.00	5,300.00	0.00
44 Shipping	1,200.00	275.99	1,200.00	1,200.00	0.00
45 Printing (letterhead, envelope, forms)	200.00	564.87	200.00	200.00	0.00
46 Office/PC Equipment Maintenance Contracts	10,200.00	30,642.79	10,200.00	98,000.00	87,800.00
47 Hospitality Supplies	6,000.00	3,068.92	6,000.00	6,000.00	0.00
48 Postage Meter Rental	1,500.00		1,500.00	1,500.00	0.00
49 Chairs, Tables, Printers	4,000.00	6,386.90	4,000.00	4,000.00	0.00
50 Bank Services Charges	400.00	9,138.49	400.00	1,000.00	600.00
51 Misc. Office Expenses	1,200.00	4,706.68	1,200.00	4,000.00	2,800.00
52 Total	37,000.00	65,233.33	37,000.00	128,200.00	91,200.00
53 PROFESSIONAL SERVICES:					
54 CPA	21,000.00		21,000.00	21,000.00	0.00
55 Legal	32,000.00		32,000.00	32,000.00	0.00

56	IT Services	26,400.00		26,400.00	26,400.00	0.00
57	Health Insurance Consultation	8,080.00		8,080.00	8,750.00	670.00
58	Medical	7,000.00		7,000.00	7,000.00	0.00
59	Medical Director - Dr. Osborn	15,000.00		15,000.00	15,000.00	0.00
60	Salary/Benefit Survey	20,000.00		0.00	0.00	
61	Professional Services Other	16,000.00		16,000.00	16,000.00	0.00
62	PROFESSIONAL SERVICES TOTAL	145,480.00	103,745.62	125,480.00	126,150.00	670.00
63	PUBLIC UTILITIES	60,000.00	71,510.33	65,000.00	65,000.00	0.00
64	RENT	10.00	10.00	10.00	10.00	0.00
65	STATE CERTIFICATION FEES	6,000.00	3,554.11	6,000.00	6,000.00	0.00
66	TRAINING	30,000.00	21,052.56	33,000.00	33,000.00	0.00
67	EMS/ TRAINING			17,000.00	17,000.00	0.00
68	UNIFORMS	25,000.00	7,997.23	25,000.00	20,000.00	(5,000.00)
69	MAINTENANCE EXPENDITURES:					
70	MAINTENANCE OF VEHICLES	100,000.00	155,764.57	100,000.00	120,000.00	20,000.00
71	MAINTENANCE OF EQUIP. & SUPPLIES	25,000.00	51,817.60	35,000.00	35,000.00	0.00
72	MAINTENANCE CONTRACTS	10,000.00	24,535.65	10,000.00	24,000.00	14,000.00
73	MAINTENANCE EXPENDITURES TOTAL	135,000.00	232,117.82	145,000.00	179,000.00	34,000.00
74	OPERATIONAL EXPENDITURE TOTAL	678,190.00	729,398.35	698,190.00	825,626.00	127,436.00
75	OPERATING BUDGET	\$6,359,470.00	\$6,310,472.09	6,781,314.00	7,273,447.31	492,133.31
76	CAPITAL REPLACEMENT FUND	160,000.00		180,000.00	180,000.00	0.00
77	FACILITY FUND	1,500,000.00		0.00	0.00	
78	FUNDS TOTAL	1,660,000.00		180,000.00	180,000.00	0.00
79	TOTAL BUDGET (assessed to Cities)	8,019,470.00		6,961,314.00	7,453,447.31	492,133.31
		2020		2021	2022	
		BUDGET		BUDGET	Budget	
82	Fund 2 (Major Equipment)					

83	VEHICLE REPLACEMENT	160,000.00	180,000.00	180,000.00
84	MAJOR EQUIPMENT	0.00	0.00	0.00
85	Fund 2 BUDGET TOTAL	160,000.00	180,000.00	180,000.00
86	Fund 2 DETAIL	2020	2021	2022
87	BEGINNING Fund Balance	438,641.19	8,476.19	189,226.19
88	Vehicle Expenditures	650,000.00	0.00	200,000.00
89	Major Equipment Expenditures	0.00	0.00	0.00
90	Sold Vehicles/Other Items	52,000.00	0.00	12,000.00
91	Interest Income	0.00	750.00	750.00
92	Additional Unbudgeted Contributions/Deposits	0.00	0.00	0.00
93	BUDGETED CONTRIBUTIONS/DEPOSITS	160,000.00	180,000.00	180,000.00
94	END OF YEAR FUND BALANCE	641.19	189,226.19	181,976.19

*** Note**

Line 2 Increased to \$40k for Annex Roof

Line 3 Increase to \$75k, for the purchase of 2 Cardiac Life Pak Defibrillator, 10 years old, exceeded 7 year life span

Line 5 \$89,400 represents necessary replacement of aging portable radios and licensing fees

Line 9 Represents both a 0.7% CPI (Column M) US Bureau of Labor Statistics SW CPI Indicators 12Mth Houston/Woodlands/Sugarland 2020

Line 16 increased to more closely represent 2020 actual

Line 19 the contribution rate 7.21% is accounting to the current year and TMRS Δ The calc. for 21' was based on 20' 6.43% contribution rate and continued... 20' 6.22% was based on 19' contribution rate

Line 20 increased to match actual spending during 1st qtr. 2021 plus up to 9% cost increase

Line 22 increased to actual contract bid amount

Line 23 150k total rewards adjustment - 2021' 35k placed in TMRS increase and remainder placed in hospitalization insurance note * no budget amendment made

Line 30 increased to more closely match actual 2020 numbers

Line 31 increased to match pre-Covid public education budget

Line 33 Increased due to the increased price of fuel

Line 34 Increased to match insurance contract bid

Line 46 Increase due to maint.contract of Motorola - 42,967.00- per contract with life cycle increases, PPhoenix 21K per contract per year with a 5% increase yearly, continued ... US digital Designs 7,543.86 per year and an annual maint. 4(\$6,480)= 25,920.00 per lifepak

Line 50 decreased bank service charges due to possible change in bank institutions

Line 51 increased to mirror 2020 costs

Line 57 increase due to insurance consultant fee increased

Line 68 Decreased to mirror 2020 costs

Line 70 Increased to fund increased vehicle maintenance costs

Line 71 Increased to fund increased equipment maintenance costs

Line 72 Increased due to actual costs of maintenance contracts

updated 1/30/2021

*** Note**"When the 2021 budget was put together, the line item for "total rewards adjustment" was included on the basis that the then ongoing salary and benefits survey was likely to lead to adjustment in salary and/or benefits.

It did and those adjustments were in retirement and health insurance contributions.

If the total rewards line item were restated as part of those 2 line items, then the Retirement line item in the 2021 budget column would be 314,221 and the Hospitalization Insurance line item would be 843,000."

HK- Piney Point

**VILLAGE FIRE DEPARTMENT
2022 BUDGET ASSESSMENTS
PER CITY**

<u>CITY</u>	<u>%</u>	<u>JANUARY 1-1/2 MONTHS</u>	<u>MONTHLY, FEBRUARY THROUGH NOVEMBER</u>	<u>DECEMBER</u>	<u>ANNUAL ASSESSMENT</u>	
BUNKER HILL VILLAGE	19.00%	177,019.37	118,012.92	59,006.46	1,416,154.99	7,453,447.31
HEDWIG VILLAGE	18.50%	172,360.97	114,907.31	57,453.66	1,378,887.75	
HILSHIRE VILLAGE	3.00%	27,950.43	18,633.62	9,316.81	223,603.42	
HUNTERS CREEK VILLAGE	22.25%	207,299.00	138,199.34	69,099.67	1,658,392.03	
PINEY POINT VILLAGE	21.00%	195,652.99	130,435.33	65,217.66	1,565,223.94	
SPRING VALLEY VILLAGE	16.25%	<u>151,398.15</u>	<u>100,932.10</u>	<u>50,466.05</u>	<u>1,211,185.19</u>	
	100%	\$ 931,680.91	\$ 621,120.61	\$ 310,560.30	<u>\$ 7,453,447.31</u>	
			\$ 6,211,206.09			
					<u>\$ 7,453,447.31</u>	

**Village Fire Department
2022 Proposed Budget Budget Summary**

CAPITAL EXPENDITURES:

CONTINGENCY - FACILITY	40,000	
MISC. TOOLS & EQUIP./HOSE:	75,000	DEFIB. (2)
PROTECTIVE GEAR	26,000	
COMPUTER/RADIO EQUIPMENT	89,400	
		\$230,400.00

PERSONNEL EXPENDITURES:

Salaries	4,261,343	
457 Plan Contribution	84,227	
Salaries - Overtime	110,000	
Professional Certification	50,000	
FICA	344,408	
Life/Disability Insurance	26,000	
Retirement	324,599	
Hospitalization	941,760	
Meal Allowance	35,000	
Workers Compensation	40,084	
Total Rewards Adjustment	0	
		\$6,217,421

OPERATIONAL EXPENDITURES

Ambulance Medical Supplies	62,000	
Building Supplies & Maintenance	45,000	
Chemicals	0	
Emergency Contingency	20,000	
Dues/Subscriptions	8,000	
Fire Prevention/Public Relations	15,000	
GAS & OIL	45,000	
INSURANCE - CASUALTY	49,066	
Miscellaneous	7,200	
Office Expenses/Postage/Printing/Stationary	128,200	EQUIPMENT MAINT. CONTRACTS
Professional Services	126,150	
Public Utilities	65,000	
Rent	10	
State Certification Fees	6,000	
Training Programs	33,000	
EMS Training	17,000	
Uniforms	20,000	
Maintenance of Equipment	179,000	

		\$825,626
OPERATING BUDGET		\$7,273,447

CAPITAL REPLACEMENT FUND 2

Escrow	<u>180,000</u>	
		<u>\$180,000</u>

FACILITY FUND 4

Escrow	<u>0</u>	
		<u>\$0</u>

<u>\$180,000</u>
<u>\$180,000</u>

TOTAL BUDGET

<u><u>\$7,453,447</u></u>

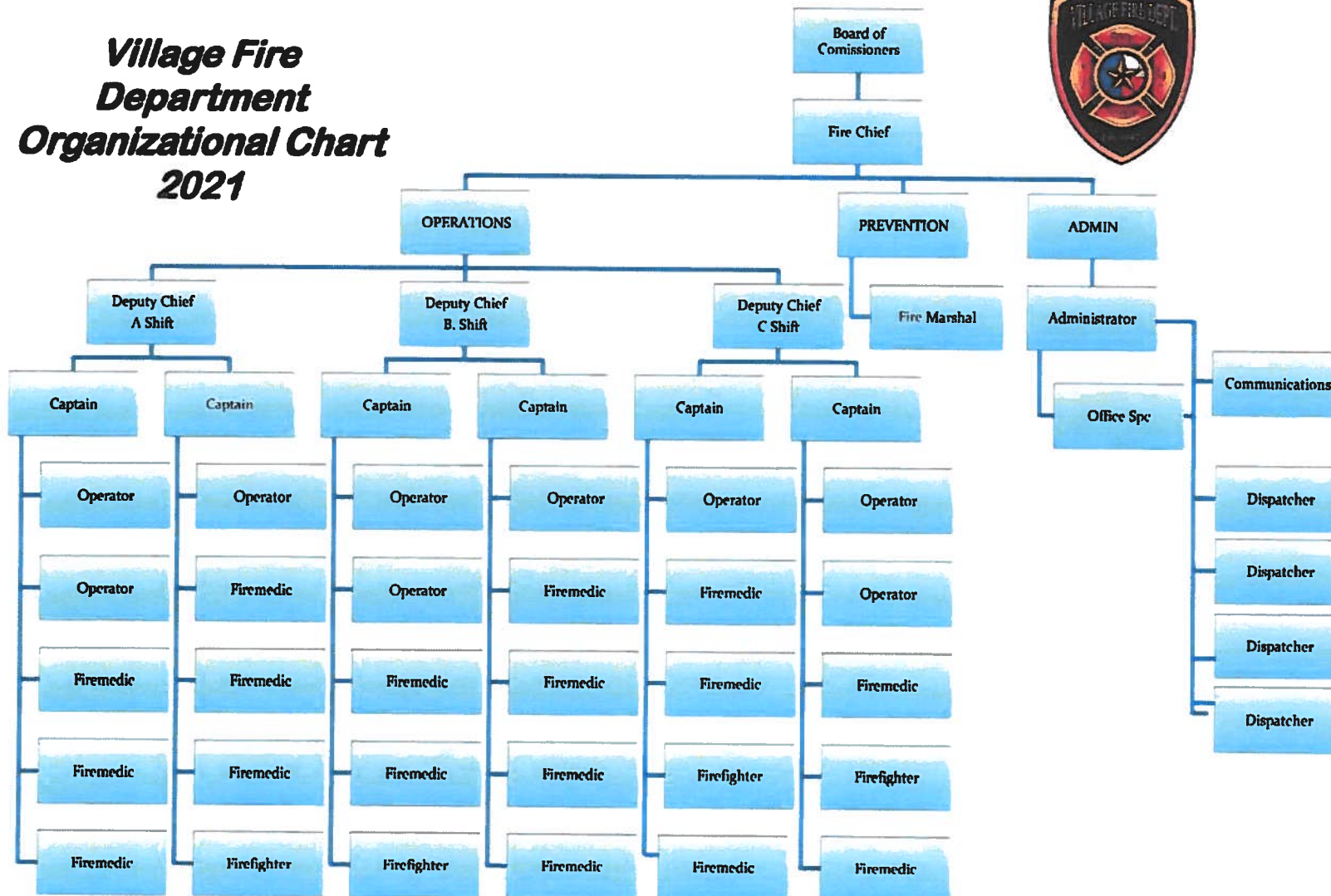
**Capital Replacement Fund For
Projected Capital Projects
Updated 4/27/2022**

Equipment	Life	2020	2021	2022	2023	2024	2025	2026	2027
Ladder	15								
Pumper	20								650,000.00
Reserve Pumper	20	650,000.00							
Battalion Chief's Vehicle	9					53,000.00			
Fire Chief's Vehicle	10								
Utility Vehicle	10								
Medic 1	9				220,000.00				
Medic 2	9			200,000.00					
Inspector's Vehicle	8								36,500.00
Medic 3	9								
Major Equipment									
Total Cash Outlay		658,346.00	0.00	200,000.00	220,000.00	53,000.00	0.00	0.00	686,500.00
Beginning Cash		438,641.19	8,476.19	189,226.19	181,976.19	159,726.19	303,726.19	495,726.19	687,726.19
Planned Budgeted Yearly Contrib.		160,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	400,000.00
Extra For 5 year purchase heavy trucks									400,000.00
Funds From Sale of Vehicles		67,395.00	0.00	12,000.00	17,000.00	5,000.00	0.00	0.00	2,700.00
Disbursements		658,346.00	0.00	200,000.00	220,000.00	53,000.00	0.00	0.00	686,500.00
Addt. Unbudgeted Contributions									
Interest on CD's (see note 1)		786.00	750.00	750.00	750.00	12,000.00	12,000.00	12,000.00	12,000.00
Ending Cash		\$8,476.19	\$189,226.19	\$181,976.19	\$159,726.19	\$303,726.19	\$495,726.19	\$687,726.19	\$415,926.19

**Capital Replacement Fund For
Projected Capital Projects
Updated 4/27/2022**

Equipment	Life	2028	2029	2030	2031	2032
Ladder	15					\$2,000,000.00
Pumper	20					
Reserve Pumper	20					
Battalion Chief's Vehicle	9					
Fire Chief's Vehicle	10				\$30,000.00	
Utility Vehicle	10	30,000.00				
Medic 1	9					
Medic 2	9					\$250,000.00
Inspector's Vehicle	8					
Medic 3	9					
Major Equipment						
Total Cash Outlay		30,000.00	0.00	0.00	30,000.00	2,250,000.00
Beginning Cash		415,926.19	857,926.19	1,269,926.19	1,681,926.19	2,068,926.19
Planned Budgeted Yearly Contrib.		400,000.00	400,000.00	400,000.00	400,000.00	190,000.00
Extra For 5 year purchase heavy trucks		400,000.00	400,000.00	400,000.00	400,000.00	
Funds From Sale of Vehicles		50,000.00	0.00	0.00	5,000.00	12,000.00
Disbursements		20,000.00	0.00	0.00	30,000.00	2,250,000.00
Add'l. Unbudgeted Contributions						
Interest on CD's (see note 1)		12,000.00	12,000.00	12,000.00	12,000.00	12,000.00
Ending Cash		\$857,926.19	\$1,269,926.19	\$1,681,926.19	\$2,068,926.19	\$32,926.19

Village Fire Department Organizational Chart 2021



**VILLAGE FIRE DEPARTMENT
2022/2023 BOARD OF COMMISSIONERS
REVISED 4/29/2021**

COMMISSIONERS

Hunters Creek	Council Member Mr. Jay Carlton, Chair
Hilshire	Council Member Mr. Robert Byrne, Vice-Chair
Hedwig	Council Member, Harry Folloder, Treasurer
Piney Point	Member Mr. Zebulun Nash, Secretary
Spring Valley	Council Member Mr. Allen Carpenter, Member

ALTERNATES

Hunters Creek	Council Member Mr. Rob Adams
Hilshire	
Hedwig	Member Mr. William Johnson
Piney Point	Member Mr. Henry Kollenberg
Spring Valley	Council Member Mr. Bo Bothe
Attorney	Mr. J. Grady Randle

TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Discuss and consider possible action on the Tax Collection contract between Spring Branch Independent School District Tax Office and the City of Piney Point Village to assess and collect ad valorem taxes for the City of Piney Point Village.

Agenda Item: 9



Spring Branch ISD Tax Office
8880 Westview Road, Houston, Texas 77055
713-251-7968
tiffany.morawiec@springbranchisd.com
Tiffany D. Morawiec, Tax Assessor/Collector

May 12, 2021

Honorable Mark Kobelan
Mayor
City of Piney Point Village
7676 Woodway Ste 300
Houston, TX 77063

**SUBJECT: Tax Collection contract between Spring Branch Independent School District
Tax Office and City of Piney Point Village**

Dear Sir:

Enclosed please find three originals of the above-referenced contract for consideration. Upon execution by the City Council, please return all three signed contracts by August 13, 2021. An original will be returned to the City after SBISD Board Meeting on August 23, 2021.

If you have any questions, please do not hesitate to contact me at (713) 251-7968.

Sincerely,

Tiffany D. Morawiec
Tax Assessor/Collector

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF HARRIS

This memorandum of contract is made and executed this ___ day of August, 2021 by and between the City of Piney Point Village, Texas a municipal corporation of the State of Texas, hereinafter called "City," and the Spring Branch Independent School District, a body politic and corporate, hereinafter called "District";

WHEREAS, City has requested District to assess and collect ad valorem taxes for said City; and

WHEREAS, it will be to the mutual benefit of both parties to enter into such an agreement; now therefore

FOR AND IN CONSIDERATION of the premises and benefits described below, City and District hereby enter into the following agreement:

1. District agrees that its Tax Assessor-Collector will assess and collect all ad valorem taxes for City and perform all the necessary services with regard to assessment and collection of said City's taxes with the exception of legal services incidental to the collection of delinquent taxes. In the performance of such necessary services, the Tax Assessor-Collector will apply the applicable rules, regulations, and ordinances of City.

2. This contract shall be for a period of two (2) years, beginning on the 1st day of September 2021, and ending on the 31st day of August 2023.

3. District agrees to make deposits to the Depository of City of all taxes collected on behalf of City at least once each week.

4. City agrees that it will pay to District, as compensation for performing this service, a fee which shall be the sum of five dollars (\$5.00) per account for each annual tax period, plus postage expenses incurred by District on behalf of the City. District will submit a statement for the services so

rendered and payment for said services will be made to District on or before February 1. Payment for said services shall be made from current revenues available to City.

5. City and District recognize that the Harris County Appraisal District is responsible for appraising the property that is subject to taxation by City and District. City or District, separately in its own name and on its own behalf, may challenge any act or omission of the Appraisal District and any decision to make such challenge or not, by either City or District, shall not be binding on the other.

6. District will not be liable to City for any failure to collect taxes, nor shall District's Tax Assessor-Collector be liable unless such failure to collect results from the failure of the Tax Assessor-Collector to perform such duties in the manner and in accordance with the standards imposed by law. District's Tax Assessor-Collector shall furnish a bond in the sum of statutory minimum payable to and approved by City and conditioned on the faithful performance of the duties as Tax Assessor-Collector. The cost of such bond shall be paid by City.

7. District's Tax Assessor-Collector shall prepare a written monthly statement of all amounts collected for the benefit of City, and such reports of collection made in the months of October through January are due on the twenty-fifth (25th) day of the month following the month that is the subject of the report. Reports of collections made in all other months are due the fifteenth (15th) day of the month following the month that is the subject of the report. City will be permitted to audit the tax records at a reasonable time mutually agreed upon by both parties.

8. The tax office is to remain under the administrative control of the Tax Assessor-Collector of District.

9. In the event any provision of this contract is inconsistent with the statutes of the State of Texas, the statutes of the State of Texas shall control and

the District's Tax Assessor-Collector will discharge these duties in accordance therewith.

10. District agrees to furnish to City a written list of each delinquent taxpayer, the delinquent taxpayer's address, the amount of the delinquency, and the designation of the property involved, by July 1st of each year. District further agrees that by August 1st, or as soon thereafter as practical each year, the Tax Assessor-Collector will provide City with the Harris County Appraisal District's certified estimate of the total appraised value of all property in the Appraisal District that is taxable by City.

11. This agreement shall replace all prior agreements with regard to the assessing and collecting of ad valorem taxes heretofore made between the parties hereto.

ATTEST:

CITY OF PINEY POINT VILLAGE, TEXAS

Karen Farris
City Secretary

Mark Kobelan
Mayor

ATTEST:

SPRING BRANCH INDEPENDENT
SCHOOL DISTRICT

Karen Peck
Secretary
Board of Trustees

Chris Gonzalez
President
Board of Trustees

TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Mosquito Control Agreement

Agenda Item: 10

Discuss and consider possible action on a 2021 mosquito agreement with Cypress Creek Pest Control for weekly mosquito spraying.

MOSQUITO CONTROL AGREEMENT

1. The parties to this Mosquito Control Agreement are **City of Piney Point** (hereinafter, the "Association") and **Cypress Creek Mosquito Control, Inc.** (hereinafter, the "Contractor"), a Texas Corporation, with principal offices in Houston, Harris County, Texas.
2. In consideration for the payments to be made by Association to Contractor, as recited herein below, Contractor shall be responsible for providing mosquito control application for the **City of Piney Point** community in Greater Harris County, Texas. Association shall attach hereto as Exhibit "A" a map, plat or chart, showing the layout of the said subdivision.
3. Contractor shall perform application once every week commencing the week of May 10, 2021 and ending on October 30, 2021, weather conditions permitting, and in case of bad weather, as soon thereafter as is practicable the (Application Visits"). However, in the event the Association determines that additional applications are not caused by faulty work or breach of warranty by Contractor, **Association may request Contractor to make additional applications at the agreed upon rate per Application Visits.**
4. The Association shall pay a consideration of **\$595.00** (plus tax, if applicable) per application visit to Contractor for each actual visit made by Contractor to the subdivision for complete application. The Contractor shall submit invoices on the first of each month. Invoice terms shall be net fifteen (15) days.
5. Should the price of fuel increase more than twenty-five percent from the highest average price of gasoline of the previous year (2020) published by the Energy Information Administration, Contractor has the right to add a fuel adjustment to the price of each Application Visit (the "Fuel Adjustment"). The Fuel Adjustment shall be determined by increasing the price of each Application Visit by the percentage of the fuel cost increase (Application Visit Price x (100% + the percentage of the fuel cost increase) multiplied by the Contractor's percentage of overhead costs attributed to fuel (8%)."
6. Contractor hereby warrants that the application Visits shall be performed shall in accordance with the chemical labeling.
7. Contractor is to provide:
 - (a) All necessary equipment;
 - (b) Equipped, trained and competent personnel adequate for the performance of Contractor's duties hereunder;
 - (c) Public liability and property damage insurance with limits of \$300,000 for damage resulting to one person, \$300,000 for damages resulting from one casualty, and \$50,000 property damage insurance for damages Resulting from one occurrence;
 - (d) Responsibility for all existing local, state and federal regulations relating to work performed under this contract;
 - (e) Workman's Compensation - Statutory
8. Contractor shall indemnify and hold harmless the Association against any and all liability which may be incurred by Association arising from work performed under this contract, or from work which was to have been performed by Contractor under this contract, but which Contractor omitted to perform.
9. Association hereby expressly disclaims any liability whatsoever or responsibility of any kind with respect to the choice of judgment exercised by Contractor in his determination of what chemicals or other materials should be used by Contractor in performance of the work provided for by this contract.
10. This contract will be for the year 2021; however, this contract will renew itself automatically on a year to year basis, unless written notice of cancellation is sent to either party by the other party prior to January 31st of each succeeding year.
11. It is the express agreement and understanding of the parties that Contractor is in all respects an independent contractor of Association and shall not be deemed in any manner to be acting as an agent or employee of the Association.
12. Association designates the agent named herein below in this paragraph as its agent for the performance of Association obligations under this contract. All correspondence between the parties shall be sent to the names and addresses shown herein below. Any notice required under provisions within this contract shall be deemed to have been sent if mailed to the appropriate address shown herein below.

For Association:
 City of Piney Point
 7676 Woodway #300
 Houston, TX 77063

For Contractor:
 CYPRESS CREEK MOSQUITO CONTROL,
 INC. PO Box 691227
 Houston, TX 77269

13. The parties hereby warrant to each other that the person or persons signing below is or are principal(s), officer(s), or otherwise duly authorized agent(s) to enter into this agreement for the party for whom such person or persons is or are signing.

14. This contract may be canceled by either party, provided a written notice of such cancellation is given to the other party thirty (30) days prior to the effect of the cancellation date.

IN WITNESS, WHEREOF, this Mosquito Control Agreement has been executed in duplicate original, this _____ day of _____, 20_____.

 TDA BL # 0667952
 CONTRACTOR
 CYPRESS CREEK MOSQUITO CONTROL, INC.
 PH: 281-469-2679 FAX: 281-469-4720

 ASSOCIATION/ Signature

Licensed and regulated by:
 Texas Department of Agriculture
 PO Box 12847, Austin, TX 78711
 Phone (866) 918-4481 Fax (888) 232-2567

CYPRESS CREEK MOSQUITO CONTROL, INC.

2021 INFORMATION FORM

Association/Subdivision- City of Piney Point

Account Instruction-

Property Mgmt. Co. (if applicable) _____

Manager or Contact _____

Phone _____ Email _____ Cell _____

Board Contact _____

Phone _____ Email _____ Cell _____

Additional Information _____

Do you want Cypress Creek Mosquito Control to maintain your TCEQ log at a cost of \$15.00 per month + tax, Yes

If no, our Association will maintain our TCEQ log and release and indemnify Cypress Creek Pest Control, Inc. from all regulatory responsibilities

***** Alternative Start and End Dates Mar. 15 thru Nov. 15 (Weather permitting) Yes**

We offer Larvaciding as a supplement to mosquito control abatement. This consists of monthly (April – October) treatment of the drains, ditches, retention ponds and other areas of standing water where mosquitos breed. This offers additional benefit for control of mosquitos by reducing the number of potential breeding sites.

If your community was provided Larvaciding service for the 2020 season, we will continue to provide that service unless otherwise notified.

If your community was not provided Larvaciding service for the 2020 season and are interested, let us know so we can give you a quote.

Signature

Title

Date

*****PLEASE ENCLOSE CURRENT MAP OF COMMUNITY *****

Texas Sales and Use Tax Exemption Certification

This certificate does not require a number to be valid.

Name of purchaser, firm or agency	
Address (Street & number, P.O. Box or Route number)	Phone (Area code and number)
City, State, ZIP code	

I, the purchaser named above, claim an exemption from payment of sales and use taxes (for the purchase of taxable items described below or on the attached order or invoice) from:

Seller: _____


Street address: _____ City, State, ZIP code: _____

Description of items to be purchased or on the attached order or invoice:

Purchaser claims this exemption for the following reason:

I understand that I will be liable for payment of all state and local sales or use taxes which may become due for failure to comply with the provisions of the Tax Code and/or all applicable law.

I understand that it is a criminal offense to give an exemption certificate to the seller for taxable items that I know, at the time of purchase, will be used in a manner other than that expressed in this certificate, and depending on the amount of tax evaded, the offense may range from a Class C misdemeanor to a felony of the second degree.

	Purchaser	Title	Date

NOTE: This certificate cannot be issued for the purchase, lease, or rental of a motor vehicle.

THIS CERTIFICATE DOES NOT REQUIRE A NUMBER TO BE VALID.

Sales and Use Tax "Exemption Numbers" or "Tax Exempt" Numbers do not exist.

**This certificate should be furnished to the supplier.
Do not send the completed certificate to the Comptroller of Public Accounts.**

Karen Farris

From: Suzanne Ivey <suzanne@cycreekpestcontrol.com>
Sent: Tuesday, May 18, 2021 2:09 PM
To: Karen Farris
Subject: Mosquito control
Attachments: City of Piney Point 50536.pdf

Attached is a 2021 mosquito agreement, info sheet and tax form (if applicable). Please sign the agreement, fill out the info sheet and tax form (if applicable) and email back to me. I will then sign it and email you a completed agreement. Please let me know if you have any questions.

Please check the appropriate boxes on the info sheet for the TCEQ log and /or the alternate start/stop date.

Thanks ,

Suzanne Ivey



P.O. Box 690548 Houston, Texas 77269
(281)469-2679 www.cycreekpestcontrol.com

This email has been scanned for spam and viruses by Proofpoint Essentials. Click [here](#) to report this email as spam.

TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Discuss and consider possible action on the Accounts Payable Procedures

Agenda Item: 11

The Accounts Payable Procedures was last reviewed and updated on April 23, 2018.

City of Piney Point Village
Accounts Payable Procedures
April 2018

1. Staff reviews invoices for validity and accuracy and codes invoices for proper general ledger account.
 - a. City Administrator or his designee will initial that # 1 has been completed before sending to the Accounts Payable “approvers”.
 - b. Staff will enter invoices into the general ledger on a timely basis and will use accrual basis accounting when practical to provide consistent month to month financial comparisons.
 - c. City Administrator or his designee (in his absence) will approve all Accounts Payable “batches” in Incode.
2. Invoices will be scanned and sent to the Mayor and one other Councilman, as designated, as needed, but normally on once-a-month basis in order to process invoices for timely payment to vendors. Both pre-authorized “ACH’s and early due date invoices” and regular invoices due later in the month will be sent for approval.
 - a. Any invoices not approved will be noted on the cover sheet.
 - b. Remaining invoices can be paid, even if some are disallowed.
 - c. A copy of the signed cover sheet will be attached to each paid invoice to show approval.
 - d. The signed cover sheet and scanned invoices copies will be saved as a further backup to show approvals have been obtained.
 - e. Should one of the designated signers be unable to review the invoices in a timely manner, the remaining signer shall approve the invoices (and the checks may issue on that one approval) and the absent signer shall review and approve the invoices as soon as possible thereafter.
3. The City Secretary or designee will process checks after approvals are obtained and run a monthly check register of all payments made.
 - a. A check register to include checks and ACH type payments will be included with the monthly Financial Statements presented to Council at each month’s regular meeting.
 - b. City Administrator or his designee (in his absence) will approve all check “batches” in Incode.
 - c. Checks under \$10,000 may be signed by electronic signatures once the invoices have been approved. Electronic signatures will be the same as the regular invoice approvers.
 - d. Checks greater than \$10,000 will be signed manually by the Mayor and one Councilman. However, if the Mayor or the designated Councilmember is unavailable the City Administrator may serve as the second signature once the invoices have been approved.
 - e. The following repetitive vendors whose invoices are typically over \$10,000 are an exception and can be paid with a digital signature: VF Waste, HDR, Olson & Olson, Texas Comptroller, HCAD, and the entities listed in paragraph 7.
4. Invoices will be marked as paid by attaching a copy of the check stub or ACH payment notice.
5. Bank accounts will be reconciled on a monthly basis by a competent outside third party.

6. The City Administrator will review the general ledger monthly to verify proper and consistent coding of revenues and expenses on an accrual basis.
7. The following invoices are “pre-authorized” to be paid by ACH about the 1st day of each month, and will be presented with the regular end of month payments for formal approval:
 - a. Memorial Village Police Department-General Fund
 - b. Memorial Village Police Department-Auto Replacement
 - c. Village Fire Department
 - d. Caldwell-Office Lease monthly payment
8. The following invoices which have late payment penalties are “pre-authorized’ to be paid as “Early Due Dates” and will be formally approved with the regular end of month payments:
 - a. Amegy Credit Card
 - b. GTT-phone and internet service
 - c. Office Depot
 - d. Home Depot
 - e. Xerox
 - f. Pitney Bowes (stamp machine and postage)
 - g. MP2 Energy (street lights)
 - h. Payroll
9. A list of all checks shall be distributed to Council no later than in advance of the Council meeting following the end of the month.

TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Discuss and consider possible action on landscape maintenance invoices

Agenda Item: 12

Council will discuss Bright Landscape Designs, Inc. landscape maintenance invoices. Both invoices listed below should be the same amount as the May 2021 invoice, which was \$3,158.70.

- June 2021 invoice – the city has not been invoiced.
- July 2021 invoice – the city has not been invoiced.

TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Discuss and consider possible action on Bright Landscape estimate.

Agenda Item: 13

Discuss and consider possible action on the Bright Landscape Designs, estimate #11860 for a total cost of \$2,114.83. This estimate includes replacement of plants damaged by the freeze at the Echo Lane and Taylorcrest esplanade, and replacement of plants and landscape materials which were damaged by a car at the esplanade at Briar Forest. The Briar Forest esplanade is east of the light at Memorial and Briar Forest.

Estimate

Bright Landscape Designs, Inc

9302 Reid Lake Drive
Houston, TX 77064

DATE	ESTIMATE #
3/19/2021	11860

City of Piney Point Village
7676 Woodway Drive Suite 300
Houston, TX 77024

PROJECT

March 2021

DESCRIPTION	SIZE	QTY	COST	TOTAL
ECHO LANE/TAYLORCREST - REPLACEMENT DUE TO FREEZE DAMAGE				
Dianella-Variegated	3 gal	2	26.10	52.20
Lantana	1 gal	3	9.90	29.70
Cleyera (18"-20")	3 gal	13	23.31	303.03
Hawaiian Ti	3g	4	48.87	195.48
Loropetalum OR 4-7g Loropetalum @ \$324.00	3 gal	4	24.12	96.48
St Augustine Raleigh Sod	sq yd	10	5.40	54.00
Premium Mix Compost	cy	0.5	46.50	23.25
Pine Deco Mulch	cy	1	40.50	40.50
Dwarf Pine - NOT AVAILABLE	5g	2	0.00	0.00
ESPLANADE @ BRIAR FOREST DUE TO CAR DAMAGE				
Dianella-Variegated	3 gal	2	34.11	68.22
Yaupon - Dwarf	3 gal	4	22.805	91.22
Pop Up Spray Head with Nozzles - Already Replace 4/9	12"	1	17.25	17.25
"L" - 1/2" - Already Replaced 4/9	1/2"	1	0.63	0.63
Pine Deco Mulch	cy	0.33	40.51515	13.37
Metal Tree Stake with strap 6'	each	2	12.15	24.30
TOTAL PLANTS & MATERIALS				1,009.63
LABOR, PICKUP, DELIVERY, DISPOSAL, INVENTORY ITEMS, ETC.				1,216.51
Subtotal				2,226.14
REPEAT CUSTOMER DISCOUNT			-5.00%	-111.31

Phone #

2814963576

E-mail

carol@brightlandscapedesigns.com

Estimate

Bright Landscape Designs, Inc

9302 Reid Lake Drive
Houston, TX 77064

DATE	ESTIMATE #
3/19/2021	11860

City of Piney Point Village
7676 Woodway Drive Suite 300
Houston, TX 77024

PROJECT
March 2021

DESCRIPTION	SIZE	QTY	COST	TOTAL
Subtotal				2,114.83
NOTE: DUE TO CONSTRUCTION THERE MAY NEED TO BE MORE DONE HERE.				
NOTE: SOD IS NOT COVERED BY GUARANTEE				
NOTE: ESTIMATE DOES NOT INCLUDE ANY SPRINKLER SYSTEM ADJUSTMENTS				
Notes: 1) This estimate is based upon the above plants and materials and condition of property at time of site inspection by Bright Landscape Designs, Inc. Deviations from original accepted estimate/design for plants, materials and labor will be adjusted at retail cost for plants and materials and at \$51 per man hour. 2) Please turn sprinkler system off if set to run the afternoon before or morning of scheduled work. 3) Any main line or water lines that run under area where we will be installing patio it is recommended that it be moved. But cost is not included in estimate. 4) Unless specified sprinkler adjustments/repairs or additions are not included in estimate. 5)Options are not included in bottom line of estimate. 6) There is no guarantee on seasonal color. 7) There is no guarantee on Sod				

Phone #
2814963576

E-mail
carol@brightlandscapedesigns.com

Estimate

Bright Landscape Designs, Inc

9302 Reid Lake Drive

Houston, TX 77064

DATE	ESTIMATE #
3/19/2021	11860

City of Piney Point Village
7676 Woodway Drive Suite 300
Houston, TX 77024

PROJECT
March 2021

DESCRIPTION	SIZE	QTY	COST	TOTAL
<p>Payment Terms: 1) 40% deposit due at time customer signs and returns estimate to Bright Landscape Designs, Inc. 2) Remaining balance (adjusted for changes made at time of installation) due upon receipt of invoice. 3) If job takes more than 2 weeks, there will be an intermediate draw of 35% of remaining balance.</p> <p>WANT TO EARN YOUR BONUS POINTS? WE NOW ACCEPT MASTERCARD/VISA/DISCOVER</p>				

PLEASE INITIAL BELOW AND SIGN THE ATTACHED (IF APPLICABLE) AND RETURN TO BRIGHT LANDSCAPE DESIGNS, INC. PRIOR TO COMMENCEMENT OF WORK.

TOTAL BEFORE SALES TAXES

\$2,114.83

Sales Taxes (8.25%)

\$0.00

TOTAL

\$2,114.83

Phone #
INITIALS
2814963576

E-mail
carol@brightlandscapedesigns.com

Karen Farris

From: Mark Kobelan <mark@ppvouncil.org>
Sent: Thursday, May 13, 2021 8:47 AM
To: Karen Farris
Cc: Margaret Rohde
Subject: Fwd: Estimate 11860 from Bright Landscape Designs, Inc
Attachments: Est_11860_from_Bright_Landscape_Designs_Inc_7588.pdf

Karen
Could you add this proposal from Bright Landscape to the agenda?
It is for damage repair to two areas.

Sent from my iPad

Begin forwarded message:

From: margaretrohde@comcast.net
Date: May 12, 2021 at 9:53:01 AM CDT
To: Mark Kobelan <mark@ppvouncil.org>
Subject: Fwd: Estimate 11860 from Bright Landscape Designs, Inc

Hi Mark --

Not sure what your timeline is on having these 2 areas fixed, but both Jim and I have walked the areas so I think the quote is appropriate. Is there still additional utility work to be done at Echo/Taylorcrest, and if so, do we have a timeframe?

Thanks!
Margaret

----- Original Message -----

From: Carol Bright <carol@brightlandscapedesigns.com>
To: "margaretrohde@comcast.net" <margaretrohde@comcast.net>
Date: 05/11/2021 12:34 PM
Subject: Estimate 11860 from Bright Landscape Designs, Inc

Dear Customer :

Attached is our estimate for your review. Feel free to contact us if you have any questions. If you would like to commence with work please call us at 281-496-3576. Also attached is a disclaimer. If you choose to do the work a signed copy of this will need to be sent to us either by mail or fax.

We look forward to working with you.

Sincerely,
Tammy
BRIGHT LANDSCAPE DESIGNS, INC.

281-496-3576
Fax: 713-896-0773

This email has been scanned for spam and viruses by Proofpoint Essentials. Click [here](#) to report this email as spam.

TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Mayor's Monthly Report

Agenda Item: 14

TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Discuss and consider possible action on the City Administrator's Monthly Report.

Agenda Item: 15

- April 2021 Financials
- Non-residential fee schedule

CITY OF PINEY POINT VILLAGE
 YEAR TO DATE BALANCE SHEET (UNAUDITED)
 AS OF: APRIL 30TH, 2021

10 -GENERAL FUND

ACCT NO#	ACCOUNT NAME	BEGINNING BALANCE	M-T-D ACTIVITY	Y-T-D ACTIVITY	CURRENT BALANCE
ASSETS					
10-1100	Claim on Cash	2,901,876.88	(307,531.56)	918,637.80	3,820,514.68
10-1101	Cash- GF Texpool	1,926,058.06	198,830.96	1,419,965.06	3,346,023.12
10-1105	Cash with Amegy	0.00	0.00	0.00	0.00
10-1108	Cash with Agent	517,073.82	0.00	0.00	517,073.82
10-1120	Cash-Texas Class	1,266,696.11	18.42	(999,620.92)	267,075.19
10-1200	Accounts Receivable	0.00	0.00	0.00	0.00
10-1201	Sales Tax Receivable	21,374.37	0.00	0.00	21,374.37
10-1202	FEMA Reimbursement Receivable	0.00	0.00	0.00	0.00
10-1203	Property Tax receivable-PY	211,633.93	0.00	0.00	211,633.93
10-1204	Property Tax Receivable-CY	3,432,434.53	0.00	0.00	3,432,434.53
10-1205	Other Receivables	21,484.69	0.00	0.00	21,484.69
10-1209	A/R Willet	2,813.36	0.00	0.00	2,813.36
10-1301	Accrued Interest	0.00	0.00	0.00	0.00
10-1400	Prepaid Expenses	0.00	0.00	0.00	0.00
10-1507	Due from Debt Service Fund	0.00	0.00	0.00	0.00
10-1508	Due from Capital Projects Fund	0.00	0.00	0.00	0.00
10-1509	Due from Non-Major Fund	0.00	0.00	0.00	0.00
10-1510	Due from Metro Fund	0.00	0.00	0.00	0.00
10-1550	Due from Other Governments	0.00	0.00	0.00	0.00
10-1802	Street and Drainage System	0.00	0.00	0.00	0.00
	TOTAL ASSETS	10,301,445.75	(108,682.18)	1,338,981.94	11,640,427.69
LIABILITIES					
10-2001	Accounts Payable	107,127.09	213,706.33	543,409.25	650,536.34
10-2002	Other Accrued Liabilities	1,953.89	0.00	0.00	1,953.89
10-2005	Misc Payables	0.00	0.00	0.00	0.00
10-2051	Payroll Tax Payable	0.00	0.00	0.00	0.00
10-2052	Employee Insurance Payable	(5,382.42)	273.03	(4,467.01)	(9,849.43)
10-2062	TMRS Payable	159.04	1,576.28	(5,714.44)	(5,555.40)
10-2101	Property Tax Overpayments	0.00	0.00	0.00	0.00
10-2102	MC-Child Safety Fees Due	(28.50)	0.00	0.00	(28.50)
10-2103	MC-Bonds Due	0.00	0.00	0.00	0.00
10-2104	Due To - MC Technology	0.36	0.00	0.00	0.36
10-2105	Due To-MC Security	0.00	0.00	0.00	0.00
10-2106	Due To-State Comptroller	7,206.89	3,124.77	2,073.09	9,279.98
10-2107	Due To OMNI Base	3,983.73	126.00	426.00	4,409.73
10-2108	RESTITUTION	(270.00)	0.00	0.00	(270.00)
10-2109	Due from other fund	(348,914.48)	0.00	0.00	(348,914.48)
10-2110	Bond Payable - FAST	6,709.05	316.00	316.00	7,025.05
10-2111	Other Accrued Liabilities	0.00	0.00	0.00	0.00
10-2130	Deferred Revenue-Property Tax	211,633.93	0.00	(2,094,929.58)	(1,883,295.65)
10-2131	Other Deferred Revenue	20,450.83	0.00	0.00	20,450.83
10-2302	Due to State-CJ Fee	331.23	0.90	1.93	333.16
10-2303	Due To-Debt Service Fund	0.00	0.00	0.00	0.00
10-2402	Permit Deposits	0.00	0.00	0.00	0.00
10-2403	Drainage Deposit Payable	0.00	0.00	0.00	0.00
10-2404	Gas Meter Deposit	149,485.00	(4,000.00)	25,000.00	174,485.00

CITY OF PINEY POINT VILLAGE
 YEAR TO DATE BALANCE SHEET (UNAUDITED)
 AS OF: APRIL 30TH, 2021

10 -GENERAL FUND

ACCT NO#	ACCOUNT NAME	BEGINNING BALANCE	M-T-D ACTIVITY	Y-T-D ACTIVITY	CURRENT BALANCE
10-2405	P&Z Deposit	0.00	0.00	0.00	0.00
10-2500	Accrued Wages	21,771.31	0.00	0.00	21,771.31
10-2501	Gordon Estate Bond	0.00	0.00	0.00	0.00
10-2601	Construction Retainage Payable	154,182.27	0.00	0.00	154,182.27
10-2701	Deferred Taxes	0.00	0.00	0.00	0.00
10-2702	Deferred Revenue-Alarm Fees	0.00	0.00	0.00	0.00
10-2703	Deferred Franchise Taxes	0.00	0.00	0.00	0.00
10-2704	Unearned Revenue-CY Prop Taxes	5,641,983.23	0.00	0.00	5,641,983.23
10-2801	General LT Debt-N/P	0.00	0.00	0.00	0.00
10-2802	GO Bonds Payable	0.00	0.00	0.00	0.00
	TOTAL LIABILITIES	5,972,382.45	215,123.31	(1,533,884.76)	4,438,497.69
FUND EQUITY					
10-3000	Fund Balance	726,631.20	0.00	0.00	726,631.20
10-3003	Fund Balance	3,602,432.10	0.00	0.00	3,602,432.10
10-3900	Earnings	0.00	0.00	0.00	0.00
	TOTAL BEGINNING EQUITY	4,329,063.30	0.00	0.00	4,329,063.30
	TOTAL REVENUES	0.00	338,087.17	6,014,780.32	6,014,780.32
	TOTAL EXPENSES	0.00	661,892.66	3,141,913.62	3,141,913.62
	INCREASE/(DECREASE) IN FUND BAL.	0.00	(323,805.49)	2,872,866.70	2,872,866.70
	TOTAL LIABILITIES, EQUITY & FUND BAL.	10,301,445.75	(108,682.18)	1,338,981.94	11,640,427.69
		=====	=====	=====	=====

CITY OF PINEY POINT VILLAGE
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2021

10 -GENERAL FUND
 FINANCIAL SUMMARY

33.33% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>REVENUE SUMMARY</u>					
TAXES	5,787,210.00	222,337.43	5,665,107.41	97.89	122,102.59
PERMITS & INSPECTIONS	357,000.00	63,090.02	190,293.82	53.30	166,706.18
COURT	100,000.00	6,041.13	21,956.38	21.96	78,043.62
INVESTMENT INCOME	50,000.00	60.89	720.63	1.44	49,279.37
AGENCIES & ALARMS	30,000.00	250.00	1,150.00	3.83	28,850.00
FRANCHISE REVENUE	408,200.00	46,307.70	135,552.08	33.21	272,647.92
DONATIONS & IN LIEU	136,500.00	0.00	0.00	0.00	136,500.00
TOTAL REVENUES	6,868,910.00	338,087.17	6,014,780.32	87.57	854,129.68
<u>EXPENDITURE SUMMARY</u>					
<u>PUBLIC SERVICE</u>					
COMMUNITY	5,000.00	0.00	0.00	0.00	5,000.00
POLICE	2,036,481.00	169,248.00	851,745.00	41.82	1,184,736.00
MISCELLANEOUS	0.00	0.00	10,405.00	0.00 (	10,405.00)
SANITATION COLLECTION	536,500.00	44,119.95	176,479.80	32.89	360,020.20
LIBRARY	1,500.00	0.00	0.00	0.00	1,500.00
STREET LIGHTING	15,000.00	2,812.33	4,551.08	30.34	10,448.92
FIRE	1,461,876.00	121,823.00	548,203.49	37.50	913,672.51
TOTAL PUBLIC SERVICE	4,056,357.00	338,003.28	1,591,384.37	39.23	2,464,972.63
<u>CONTRACT SERVICES</u>					
CONTRACT SERVICES	453,000.00	41,207.11	213,974.76	47.24	239,025.24
TOTAL CONTRACT SERVICES	453,000.00	41,207.11	213,974.76	47.24	239,025.24
<u>BUILDING</u>					
CONTRACT SERVICES	0.00	0.00	0.00	0.00	0.00
BUILDING SERVICES	239,500.00	18,538.80	87,538.80	36.55	151,961.20
ADMIN EXPENSE	0.00	0.00	250.00	0.00 (	250.00)
OFFICE EXPENSE	0.00	0.00	912.05	0.00 (	912.05)
WAGES & BENEFITS	0.00	0.00	0.00	0.00	0.00
INSURANCE	0.00	469.24	4,585.17	0.00 (	4,585.17)
TOTAL BUILDING	239,500.00	19,008.04	93,286.02	38.95	146,213.98
<u>GENERAL GOVERNMENT</u>					
CONTRACT SERVICES	0.00	637.70	794.13	0.00 (	794.13)
ADMIN EXPENSE	39,200.00	1,909.85	12,101.91	30.87	27,098.09
OFFICE EXPENSE	172,500.00	13,688.39	52,541.88	30.46	119,958.12
WAGES & BENEFITS	628,000.00	68,517.65	259,656.73	41.35	368,343.27
INSURANCE	123,500.00	1,934.21	17,460.83	14.14	106,039.17
TOTAL GENERAL GOVERNMENT	963,200.00	86,687.80	342,555.48	35.56	620,644.52

CITY OF PINEY POINT VILLAGE
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2021

10 -GENERAL FUND
 FINANCIAL SUMMARY

33.33% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>MUNICIPAL COURT</u>					
CONTRACT SERVICES	0.00	0.00	0.00	0.00	0.00
ADMIN EXPENSE	0.00	0.00	99.83	0.00 (	99.83)
OFFICE EXPENSE	0.00	101.42	276.42	0.00 (	276.42)
WAGES & BENEFITS	0.00	0.00	0.00	0.00	0.00
INSURANCE	0.00	1,147.60	8,430.78	0.00 (	8,430.78)
COURT OPERATIONS	30,000.00	5,830.81	10,681.70	35.61	19,318.30
TOTAL MUNICIPAL COURT	30,000.00	7,079.83	19,488.73	64.96	10,511.27
<u>PUBLIC WORKS MAINTENANCE</u>					
CONTRACT SERVICES	0.00	0.00	0.00	0.00	0.00
ADMIN EXPENSE	0.00	0.00	967.32	0.00 (	967.32)
OFFICE EXPENSE	0.00	0.00	0.00	0.00	0.00
WAGES & BENEFITS	0.00	0.00	0.00	0.00	0.00
INSURANCE	0.00	1,773.78	14,292.52	0.00 (	14,292.52)
PUBLIC WORKS OPERATIONS	383,500.00	3,441.08	137,022.89	35.73	246,477.11
TOTAL PUBLIC WORKS MAINTENANCE	383,500.00	5,214.86	152,282.73	39.71	231,217.27
<u>GOF CAPITAL OUTLAYS</u>					
OTHER EXPENSES	1,920,896.00	164,691.74	728,941.53	37.95	1,191,954.47
TOTAL GOF CAPITAL OUTLAYS	1,920,896.00	164,691.74	728,941.53	37.95	1,191,954.47
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
REVENUES OVER/(UNDER) EXPENDITURES	(1,177,543.00)	(323,805.49)	2,872,866.70		(4,050,409.70)

10 -GENERAL FUND

33.33% OF FISCAL YEAR

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>TAXES</u>					
10-4101 Property Tax Revenue (M&O)	5,557,210.00	198,794.34	5,557,304.65	100.00 (	94.65)
10-4150 State Comptroller (Sales Tax)	230,000.00	23,543.09	107,802.76	46.87	122,197.24
TOTAL TAXES	5,787,210.00	222,337.43	5,665,107.41	97.89	122,102.59
<u>PERMITS & INSPECTIONS</u>					
10-4203 Plat Reviews	3,500.00	300.00	3,800.00	108.57 (	300.00)
10-4204 Code Enforcement Citations	500.00	0.00	0.00	0.00	500.00
10-4205 Contractor Registration	12,000.00	1,260.00	4,980.00	41.50	7,020.00
10-4206 Drainage Reviews	40,000.00	8,050.00	16,900.00	42.25	23,100.00
10-4207 Permits/Insp Fees - Other	300,000.00	53,480.02	164,113.82	54.70	135,886.18
10-4208 Board of Adjustment Fees	1,000.00	0.00	500.00	50.00	500.00
TOTAL PERMITS & INSPECTIONS	357,000.00	63,090.02	190,293.82	53.30	166,706.18
<u>COURT</u>					
10-4300 Court Fines	100,000.00	5,803.87	21,141.29	21.14	78,858.71
10-4301 Building Security Fund	0.00	83.04	285.28	0.00 (	285.28)
10-4302 Truancy Prevention	0.00	84.74	291.11	0.00 (	291.11)
10-4303 Local Municipal Tech Fund	0.00	67.79	232.88	0.00 (	232.88)
10-4304 Local Municipal Jury Fund	0.00	1.69	5.82	0.00 (	5.82)
TOTAL COURT	100,000.00	6,041.13	21,956.38	21.96	78,043.62
<u>INVESTMENT INCOME</u>					
10-4400 Interest Income	50,000.00	60.89	720.63	1.44	49,279.37
TOTAL INVESTMENT INCOME	50,000.00	60.89	720.63	1.44	49,279.37
<u>AGENCIES & ALARMS</u>					
10-4501 Agencies	0.00	0.00	0.00	0.00	0.00
10-4507 Sec-False Alarm	0.00	0.00	0.00	0.00	0.00
10-4508 SEC-Registration	30,000.00	250.00	1,150.00	3.83	28,850.00
10-4520 FEMA - State Reimbursement	0.00	0.00	0.00	0.00	0.00
TOTAL AGENCIES & ALARMS	30,000.00	250.00	1,150.00	3.83	28,850.00
<u>FRANCHISE REVENUE</u>					
10-4602 Cable	75,000.00	0.00	20,450.83	27.27	54,549.17
10-4605 Power/Electric	272,000.00	45,397.70	111,981.45	41.17	160,018.55
10-4606 Franchise Fees-Gas	26,000.00	0.00	0.00	0.00	26,000.00
10-4607 Franchise Fees/Telephone	35,000.00	910.00	2,999.67	8.57	32,000.33
10-4608 Franchise Fees/Wireless Comm	200.00	0.00	120.13	60.07	79.87
TOTAL FRANCHISE REVENUE	408,200.00	46,307.70	135,552.08	33.21	272,647.92
<u>DONATIONS & IN LIEU</u>					
10-4702 Kinkaid School Contribution	0.00	0.00	0.00	0.00	0.00
10-4703 Metro Congested Mitigation	136,000.00	0.00	0.00	0.00	136,000.00
10-4704 Intergovernmental Revenues	0.00	0.00	0.00	0.00	0.00
10-4705 Ambulance	0.00	0.00	0.00	0.00	0.00
10-4706 Donation to Historical Preserv	0.00	0.00	0.00	0.00	0.00
10-4800 Misc Income (Cheska St. 2019)	500.00	0.00	0.00	0.00	500.00

CITY OF PINEY POINT VILLAGE
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2021

10 -GENERAL FUND

33.33% OF FISCAL YEAR

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
10-4850 Transfer In	0.00	0.00	0.00	0.00	0.00
10-4900 Prior Period Adjustments	0.00	0.00	0.00	0.00	0.00
10-4907 Unearned Revenue	0.00	0.00	0.00	0.00	0.00
TOTAL DONATIONS & IN LIEU	136,500.00	0.00	0.00	0.00	136,500.00
TOTAL REVENUES	6,868,910.00	338,087.17	6,014,780.32	87.57	854,129.68

10 -GENERAL FUND

33.33% OF FISCAL YEAR

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>PUBLIC SERVICE</u>					
=====					
<u>COMMUNITY</u>					
10-510-5001 Community Celebrations	5,000.00	0.00	0.00	0.00	5,000.00
TOTAL COMMUNITY	5,000.00	0.00	0.00	0.00	5,000.00
<u>POLICE</u>					
10-510-5010 MEMORIAL VILLAGE POLICE DEPT	1,979,981.00	164,998.00	830,495.00	41.94	1,149,486.00
10-510-5011 MVPD - AUTO REPLACEMENT	51,000.00	4,250.00	21,250.00	41.67	29,750.00
10-510-5012 MVPD CAPITAL EXPENDITURE	5,500.00	0.00	0.00	0.00	5,500.00
TOTAL POLICE	2,036,481.00	169,248.00	851,745.00	41.82	1,184,736.00
<u>MISCELLANEOUS</u>					
10-510-5020 Miscellaneous	0.00	0.00	10,405.00	0.00	(10,405.00)
TOTAL MISCELLANEOUS	0.00	0.00	10,405.00	0.00	(10,405.00)
<u>SANITATION COLLECTION</u>					
10-510-5030 SANITATION COLLECTION	525,000.00	43,254.85	173,019.40	32.96	351,980.60
10-510-5031 SANITATION FUEL CHARGE	11,500.00	865.10	3,460.40	30.09	8,039.60
TOTAL SANITATION COLLECTION	536,500.00	44,119.95	176,479.80	32.89	360,020.20
<u>LIBRARY</u>					
10-510-5040 Spring Branch Library	1,500.00	0.00	0.00	0.00	1,500.00
TOTAL LIBRARY	1,500.00	0.00	0.00	0.00	1,500.00
<u>STREET LIGHTING</u>					
10-510-5050 Street Lighting	15,000.00	2,812.33	4,551.08	30.34	10,448.92
TOTAL STREET LIGHTING	15,000.00	2,812.33	4,551.08	30.34	10,448.92
<u>FIRE</u>					
10-510-5060 Villages Fire Department	1,461,876.00	121,823.00	548,203.49	37.50	913,672.51
10-510-5070 Contribution to Fire Dept	0.00	0.00	0.00	0.00	0.00
TOTAL FIRE	1,461,876.00	121,823.00	548,203.49	37.50	913,672.51
<hr/>					
TOTAL PUBLIC SERVICE	4,056,357.00	338,003.28	1,591,384.37	39.23	2,464,972.63
<u>CONTRACT SERVICES</u>					
=====					
<u>CONTRACT SERVICES</u>					
10-520-5102 Accounting/Audit	30,000.00	825.00	25,035.00	83.45	4,965.00
10-520-5103 Engineering	200,000.00	25,118.43	104,994.85	52.50	95,005.15
10-520-5104 Legal	90,000.00	0.00	38,476.00	42.75	51,524.00
10-520-5105 Tax Appraisal-HCAD	60,000.00	12,588.00	31,634.00	52.72	28,366.00
10-520-5107 Animal Control	1,000.00	0.00	329.98	33.00	670.02
10-520-5108 IT Hardware/Software & Support	50,000.00	2,675.68	13,504.93	27.01	36,495.07

10 -GENERAL FUND

33.33% OF FISCAL YEAR

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
10-520-5110 Mosquito Control	22,000.00	0.00	0.00	0.00	22,000.00
TOTAL CONTRACT SERVICES	453,000.00	41,207.11	213,974.76	47.24	239,025.24
TOTAL CONTRACT SERVICES	453,000.00	41,207.11	213,974.76	47.24	239,025.24
BUILDING					
CONTRACT SERVICES					
10-530-5108 Information Technology	0.00	0.00	0.00	0.00	0.00
TOTAL CONTRACT SERVICES	0.00	0.00	0.00	0.00	0.00
BUILDING SERVICES					
10-530-5152 Drainage Reviews	75,000.00	5,438.80	37,443.80	49.93	37,556.20
10-530-5153 Electrical Inspections	14,000.00	1,035.00	3,960.00	28.29	10,040.00
10-530-5154 Plat Reviews	500.00	0.00	0.00	0.00	500.00
10-530-5155 Plan Reviews	50,000.00	4,000.00	16,000.00	32.00	34,000.00
10-530-5156 Plumbing Inspections	19,000.00	1,440.00	5,400.00	28.42	13,600.00
10-530-5157 Structural Inspections	28,000.00	2,430.00	9,315.00	33.27	18,685.00
10-530-5158 Urban Forester	46,000.00	3,520.00	13,440.00	29.22	32,560.00
10-530-5160 Mechanical Inspections	7,000.00	675.00	1,980.00	28.29	5,020.00
TOTAL BUILDING SERVICES	239,500.00	18,538.80	87,538.80	36.55	151,961.20
ADMIN EXPENSE					
10-530-5204 Dues & Subscriptions	0.00	0.00	0.00	0.00	0.00
10-530-5206 Legal Notices	0.00	0.00	0.00	0.00	0.00
10-530-5207 Misc Supplies	0.00	0.00	250.00	0.00	(250.00)
10-530-5209 Office Equipment & Maintenance	0.00	0.00	0.00	0.00	0.00
TOTAL ADMIN EXPENSE	0.00	0.00	250.00	0.00	(250.00)
OFFICE EXPENSE					
10-530-5210 Postage	0.00	0.00	0.00	0.00	0.00
10-530-5211 Meeting Supplies	0.00	0.00	172.16	0.00	(172.16)
10-530-5213 Office Supplies	0.00	0.00	239.89	0.00	(239.89)
10-530-5214 Telecommunications	0.00	0.00	0.00	0.00	0.00
10-530-5215 Travel & Training	0.00	0.00	500.00	0.00	(500.00)
TOTAL OFFICE EXPENSE	0.00	0.00	912.05	0.00	(912.05)
WAGES & BENEFITS					
10-530-5301 Gross Wages	0.00	0.00	0.00	0.00	0.00
10-530-5311 Payroll Processing	0.00	0.00	0.00	0.00	0.00
10-530-5313 Fringe Benefits	0.00	0.00	0.00	0.00	0.00
TOTAL WAGES & BENEFITS	0.00	0.00	0.00	0.00	0.00
INSURANCE					
10-530-5353 Employee Insurance	0.00	469.24	4,585.17	0.00	(4,585.17)
TOTAL INSURANCE	0.00	469.24	4,585.17	0.00	(4,585.17)
TOTAL BUILDING	239,500.00	19,008.04	93,286.02	38.95	146,213.98

10 -GENERAL FUND

33.33% OF FISCAL YEAR

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>GENERAL GOVERNMENT</u>					
<u>CONTRACT SERVICES</u>					
10-540-5108 Information Technology	0.00	637.70	794.13	0.00	(794.13)
TOTAL CONTRACT SERVICES	0.00	637.70	794.13	0.00	(794.13)
<u>ADMIN EXPENSE</u>					
10-540-5201 Administrative	0.00	0.00	0.00	0.00	0.00
10-540-5202 Auto Allowance/Mileage	10,000.00	930.04	930.04	9.30	9,069.96
10-540-5203 Bank Fees	2,200.00	386.26	1,211.91	55.09	988.09
10-540-5204 Dues/Seminars/Subscriptions	4,000.00	0.00	90.00	2.25	3,910.00
10-540-5205 Elections	5,000.00	0.00	0.00	0.00	5,000.00
10-540-5206 Legal Notices	0.00	0.00	137.40	0.00	(137.40)
10-540-5207 Miscellaneous	3,000.00	158.51	1,746.93	58.23	1,253.07
10-540-5208 Citizen Communication	5,000.00	0.00	5,073.59	101.47	(73.59)
10-540-5209 Office Equipment & Maintenance	10,000.00	435.04	2,912.04	29.12	7,087.96
TOTAL ADMIN EXPENSE	39,200.00	1,909.85	12,101.91	30.87	27,098.09
<u>OFFICE EXPENSE</u>					
10-540-5210 Postage	2,000.00	500.00	500.00	25.00	1,500.00
10-540-5211 Meeting Supplies	10,000.00	874.34	2,207.99	22.08	7,792.01
10-540-5212 Rent/Leasehold/Furniture	125,000.00	10,385.80	42,044.08	33.64	82,955.92
10-540-5213 Supplies/Storage	15,000.00	507.69	2,433.79	16.23	12,566.21
10-540-5214 Telecommunications	17,000.00	1,420.56	5,079.42	29.88	11,920.58
10-540-5215 Travel & Training	0.00	0.00	150.00	0.00	(150.00)
10-540-5216 Statutory Legal Notices	3,500.00	0.00	126.60	3.62	3,373.40
TOTAL OFFICE EXPENSE	172,500.00	13,688.39	52,541.88	30.46	119,958.12
<u>WAGES & BENEFITS</u>					
10-540-5301 Gross Wages	525,000.00	41,092.04	206,190.97	39.27	318,809.03
10-540-5302 Overtime/Severance	20,000.00	3,677.89	3,677.89	18.39	16,322.11
10-540-5303 Temporary Personnel	5,000.00	20,123.54	27,309.72	546.19	(22,309.72)
10-540-5304 Salary Adjustment(Bonus)	0.00	0.00	0.00	0.00	0.00
10-540-5306 FICA/Med/FUTA Payroll Tax Exp	35,000.00	3,405.40	3,405.40	9.73	31,594.60
10-540-5310 TMRS (City Responsibility)	40,000.00	0.00	17,954.20	44.89	22,045.80
10-540-5311 Payroll Process Exp-Paychex	3,000.00	218.78	1,118.55	37.29	1,881.45
10-540-5312 TWC-Unemployment	0.00	0.00	0.00	0.00	0.00
10-540-5313 Fringe Benefits	0.00	0.00	0.00	0.00	0.00
TOTAL WAGES & BENEFITS	628,000.00	68,517.65	259,656.73	41.35	368,343.27
<u>INSURANCE</u>					
10-540-5353 Employee Insurance	110,000.00	1,934.21	14,579.83	13.25	95,420.17
10-540-5354 General Liability	11,000.00	0.00	500.00	4.55	10,500.00
10-540-5355 Bonds for City Staff	0.00	0.00	0.00	0.00	0.00
10-540-5356 Workman's Compensation	2,500.00	0.00	2,381.00	95.24	119.00
10-540-5357 Drainage Study	0.00	0.00	0.00	0.00	0.00
TOTAL INSURANCE	123,500.00	1,934.21	17,460.83	14.14	106,039.17
TOTAL GENERAL GOVERNMENT	963,200.00	86,687.80	342,555.48	35.56	620,644.52

10 -GENERAL FUND

33.33% OF FISCAL YEAR

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>MUNICIPAL COURT</u>					
<u>CONTRACT SERVICES</u>					
10-550-5108 Information Technology	0.00	0.00	0.00	0.00	0.00
TOTAL CONTRACT SERVICES	0.00	0.00	0.00	0.00	0.00
<u>ADMIN EXPENSE</u>					
10-550-5204 Dues & Subscriptions	0.00	0.00	0.00	0.00	0.00
10-550-5207 Misc Supplies	0.00	0.00	99.83	0.00 (	99.83)
10-550-5209 Office Equipment & Maintenance	0.00	0.00	0.00	0.00	0.00
TOTAL ADMIN EXPENSE	0.00	0.00	99.83	0.00 (	99.83)
<u>OFFICE EXPENSE</u>					
10-550-5210 Postage	0.00	0.00	0.00	0.00	0.00
10-550-5211 Meeting Supplies	0.00	101.42	101.42	0.00 (	101.42)
10-550-5213 Office Supplies	0.00	0.00	0.00	0.00	0.00
10-550-5214 Telecommunications	0.00	0.00	0.00	0.00	0.00
10-550-5215 Travel & Training	0.00	0.00	175.00	0.00 (	175.00)
TOTAL OFFICE EXPENSE	0.00	101.42	276.42	0.00 (	276.42)
<u>WAGES & BENEFITS</u>					
10-550-5301 Gross Wages	0.00	0.00	0.00	0.00	0.00
10-550-5311 Payroll Processing	0.00	0.00	0.00	0.00	0.00
10-550-5313 Fringe Benefits	0.00	0.00	0.00	0.00	0.00
TOTAL WAGES & BENEFITS	0.00	0.00	0.00	0.00	0.00
<u>INSURANCE</u>					
10-550-5353 Employee Insurance	0.00	1,147.60	8,430.78	0.00 (	8,430.78)
TOTAL INSURANCE	0.00	1,147.60	8,430.78	0.00 (	8,430.78)
<u>COURT OPERATIONS</u>					
10-550-5402 MC Facilities	0.00	0.00	0.00	0.00	0.00
10-550-5403 Credit Card Charges	7,000.00	1,630.81	4,211.64	60.17	2,788.36
10-550-5404 Judge/Prosecutor/Interpreter	22,000.00	4,200.00	6,300.00	28.64	15,700.00
10-550-5405 Jury Pay	0.00	0.00	0.00	0.00	0.00
10-550-5406 State Comptroller/OMNI/Linebar	0.00	0.00	60.95	0.00 (	60.95)
10-550-5407 SETCIC	0.00	0.00	0.00	0.00	0.00
10-550-5408 Supplies/Miscellaneous	0.00	0.00	0.00	0.00	0.00
10-550-5409 Collection Agency	0.00	0.00	0.00	0.00	0.00
10-550-5410 OmniBase Services of Texas	1,000.00	0.00	109.11	10.91	890.89
10-550-5412	0.00	0.00	0.00	0.00	0.00
10-550-5417 Time Payment Reimbursement Fee	0.00	0.00	0.00	0.00	0.00
TOTAL COURT OPERATIONS	30,000.00	5,830.81	10,681.70	35.61	19,318.30
TOTAL MUNICIPAL COURT	30,000.00	7,079.83	19,488.73	64.96	10,511.27

10 -GENERAL FUND

33.33% OF FISCAL YEAR

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>PUBLIC WORKS MAINTENANCE</u>					
=====					
<u>CONTRACT SERVICES</u>					
10-560-5108 Information Technology	0.00	0.00	0.00	0.00	0.00
TOTAL CONTRACT SERVICES	0.00	0.00	0.00	0.00	0.00
<u>ADMIN EXPENSE</u>					
10-560-5207 Misc Supplies	0.00	0.00	967.32	0.00	(967.32)
10-560-5209 Office Equipment & Maintenance	0.00	0.00	0.00	0.00	0.00
TOTAL ADMIN EXPENSE	0.00	0.00	967.32	0.00	(967.32)
<u>OFFICE EXPENSE</u>					
10-560-5213 Office Supplies	0.00	0.00	0.00	0.00	0.00
10-560-5214 Telecommunications	0.00	0.00	0.00	0.00	0.00
10-560-5215 Travel & Training	0.00	0.00	0.00	0.00	0.00
TOTAL OFFICE EXPENSE	0.00	0.00	0.00	0.00	0.00
<u>WAGES & BENEFITS</u>					
10-560-5301 Gross Wages	0.00	0.00	0.00	0.00	0.00
10-560-5311 Payroll Processing	0.00	0.00	0.00	0.00	0.00
10-560-5313 Fringe Benefits	0.00	0.00	0.00	0.00	0.00
TOTAL WAGES & BENEFITS	0.00	0.00	0.00	0.00	0.00
<u>INSURANCE</u>					
10-560-5353 Employee Insurance	0.00	1,773.78	14,292.52	0.00	(14,292.52)
TOTAL INSURANCE	0.00	1,773.78	14,292.52	0.00	(14,292.52)
<u>PUBLIC WORKS OPERATIONS</u>					
10-560-5500 Public Works Maintenance	0.00	0.00	0.00	0.00	0.00
10-560-5501 TCEQ & Harris CO Permits	2,000.00	0.00	0.00	0.00	2,000.00
10-560-5504 Landscaping Maintenance	40,000.00	3,170.50	8,334.43	20.84	31,665.57
10-560-5505 Gator Fuel & Maintenance	2,000.00	35.65	284.82	14.24	1,715.18
10-560-5506 Right of Way Mowing	90,000.00	0.00	14,996.23	16.66	75,003.77
10-560-5507 Road & Sign Repair	30,000.00	0.00	46,743.28	155.81	(16,743.28)
10-560-5508 ROW Water/Planting	2,000.00	129.07	269.01	13.45	1,730.99
10-560-5509 Tree Care/Removal	15,000.00	0.00	2,875.00	19.17	12,125.00
10-560-5510 Road/Drainage Maintenance	50,000.00	0.00	0.00	0.00	50,000.00
10-560-5515 Landscape Improvements	100,000.00	0.00	63,053.18	63.05	36,946.82
10-560-5516 Ford F150 Maintenance & Fuel	2,500.00	105.86	466.94	18.68	2,033.06
10-560-5517 Sidewalk Improvements	50,000.00	0.00	0.00	0.00	50,000.00
TOTAL PUBLIC WORKS OPERATIONS	383,500.00	3,441.08	137,022.89	35.73	246,477.11
TOTAL PUBLIC WORKS MAINTENANCE	383,500.00	5,214.86	152,282.73	39.71	231,217.27

10 -GENERAL FUND

33.33% OF FISCAL YEAR

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
GOF CAPITAL OUTLAYS					
=====					
OTHER EXPENSES					
10-570-5601 Capital Improvements	0.00	0.00	0.00	0.00	0.00
10-570-5602 Drainage Ditch Maintenance	0.00	0.00	0.00	0.00	0.00
10-570-5606 Road/Drainage Projects	0.00	0.00	24,991.89	0.00 (	24,991.89)
10-570-5607 2014 Paving Project	0.00	0.00	0.00	0.00	0.00
10-570-5608 MDE Drainage	0.00	0.00	0.00	0.00	0.00
10-570-5609 Windermere Drainage	0.00	0.00	0.00	0.00	0.00
10-570-5610 Fire Station Remodel	0.00	0.00	0.00	0.00	0.00
10-570-5616 S. Piney Pt/Blalock Rd	0.00	0.00	0.00	0.00	0.00
10-570-5640 Surrey Oaks	0.00	0.00	100,237.47	0.00 (	100,237.47)
10-570-5660 Smithdale Estates Bypass	0.00	0.00	0.00	0.00	0.00
10-570-5665 Woods Edge Erosion Project	0.00	0.00	0.00	0.00	0.00
10-570-5700 2015 Maintenance Project	0.00	0.00	0.00	0.00	0.00
10-570-5701 2019 Maintenance Projects	0.00	0.00	6,509.30	0.00 (	6,509.30)
10-570-5702 2020 Paving Improvements	337,304.00	670.00	220,749.05	65.45	116,554.95
10-570-5705 Tynewood Ditch Washout Project	0.00	0.00	0.00	0.00	0.00
10-570-5800 Lanecrest Improvements Project	0.00	0.00	0.00	0.00	0.00
10-570-5805 Beinhorn Paving Project	0.00	0.00	0.00	0.00	0.00
10-570-5806 Drainage and Sidewalks	0.00	0.00	2,429.01	0.00 (	2,429.01)
10-570-5808 Wilding Lane	1,583,592.00	164,021.74	374,024.81	23.62	1,209,567.19
TOTAL OTHER EXPENSES	1,920,896.00	164,691.74	728,941.53	37.95	1,191,954.47
TOTAL GOF CAPITAL OUTLAYS	1,920,896.00	164,691.74	728,941.53	37.95	1,191,954.47
TOTAL EXPENDITURES	8,046,453.00	661,892.66	3,141,913.62	39.05	4,904,539.38
REVENUES OVER/(UNDER) EXPENDITURES	(1,177,543.00)	(323,805.49)	2,872,866.70		(4,050,409.70)

CITY OF PINEY POINT VILLAGE
YEAR TO DATE BALANCE SHEET (UNAUDITED)
AS OF: APRIL 30TH, 2021

0 -DEBT SERVICE

ACCT NO#	ACCOUNT NAME	BEGINNING BALANCE	M-T-D ACTIVITY	Y-T-D ACTIVITY	CURRENT BALANCE
ASSETS					
20-1100	Claim on Cash	(1,586,039.53)	0.00	(1,043,480.31)	(2,629,519.84)
20-1105	Cash - Amegy Bank	0.00	0.00	0.00	0.00
20-1108	Cash with Agent	122,855.85	0.00	0.00	122,855.85
20-1109	Texpool-DS	537,832.63	43,458.43	914,577.69	1,452,410.32
20-1110	Texas Class-DS	1,973,942.44	136.25	698.26	1,974,640.70
20-1200	Property Tax Receivable-PY	46,177.51	0.00	0.00	46,177.51
20-1201	Property Tax Receivable-CY	813,686.24	0.00	0.00	813,686.24
20-1300	Due to/From General Fund	(348,914.48)	0.00	0.00	(348,914.48)
20-1301	Accrued Interest Receivable	0.00	0.00	0.00	0.00
	TOTAL ASSETS	1,559,540.66	43,594.68	(128,204.36)	1,431,336.30
		=====	=====	=====	=====
LIABILITIES					
20-2001	Accounts Payable	(1,419,475.00)	0.00	0.00	(1,419,475.00)
20-2002	Other Accrued Liabilities	1,419,475.00	0.00	0.00	1,419,475.00
20-2130	Deferred Revenue-Property Tax	48,571.51	0.00	0.00	48,571.51
20-2200	Deferred Property Tax Rec	0.00	0.00	0.00	0.00
20-2300	Other Accrued Liabilities	0.00	0.00	0.00	0.00
20-2701	Unearned Revenue-Property Tax	1,340,436.26	0.00	0.00	1,340,436.26
	TOTAL LIABILITIES	1,389,007.77	0.00	0.00	1,389,007.77
FUND EQUITY					
20-3000	Fund Balance	170,532.89	0.00	0.00	170,532.89
	TOTAL BEGINNING EQUITY	170,532.89	0.00	0.00	170,532.89
	TOTAL REVENUES	0.00	43,594.68	1,317,445.64	1,317,445.64
	TOTAL EXPENSES	0.00	0.00	1,445,650.00	1,445,650.00
	INCREASE/(DECREASE) IN FUND BAL.	0.00	43,594.68	(128,204.36)	(128,204.36)
	TOTAL LIABILITIES, EQUITY & FUND BAL.	1,559,540.66	43,594.68	(128,204.36)	1,431,336.30
		=====	=====	=====	=====

CITY OF PINEY POINT VILLAGE
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2021

20 -DEBT SERVICE
 FINANCIAL SUMMARY

33.33% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>REVENUE SUMMARY</u>					
TAXES	1,333,692.00	43,442.45	1,316,614.59	98.72	17,077.41
INVESTMENT INCOME	0.00	152.23	831.05	0.00	(831.05)
TOTAL REVENUES	<u>1,333,692.00</u>	<u>43,594.68</u>	<u>1,317,445.64</u>	<u>98.78</u>	<u>16,246.36</u>
<u>EXPENDITURE SUMMARY</u>					
<u>NON-DEPARTMENTAL</u>					
ADMIN EXPENSE	2,250.00	0.00	750.00	33.33	1,500.00
OTHER EXPENSES	1,504,525.00	0.00	1,444,900.00	96.04	59,625.00
TRANSFERS	0.00	0.00	0.00	0.00	0.00
TOTAL NON-DEPARTMENTAL	<u>1,506,775.00</u>	<u>0.00</u>	<u>1,445,650.00</u>	<u>95.94</u>	<u>61,125.00</u>
TOTAL EXPENDITURES	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
REVENUES OVER/(UNDER) EXPENDITURES	(173,083.00)	43,594.68	(128,204.36)		(44,878.64)

CITY OF PINEY POINT VILLAGE
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2021

20 -DEBT SERVICE

33.33% OF FISCAL YEAR

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>TAXES</u>					
20-4101 Property Tax Revenue	1,333,692.00	43,442.45	1,316,614.59	98.72	17,077.41
TOTAL TAXES	1,333,692.00	43,442.45	1,316,614.59	98.72	17,077.41
<u>INVESTMENT INCOME</u>					
20-4400 Bank Interest	0.00	152.23	831.05	0.00 (	831.05)
20-4410 Bond Premium	0.00	0.00	0.00	0.00	0.00
TOTAL INVESTMENT INCOME	0.00	152.23	831.05	0.00 (	831.05)
TOTAL REVENUES	1,333,692.00	43,594.68	1,317,445.64	98.78	16,246.36

CITY OF PINEY POINT VILLAGE
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2021

20 -DEBT SERVICE

33.33% OF FISCAL YEAR

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>NON-DEPARTMENTAL</u>					
<u>ADMIN EXPENSE</u>					
20-500-5204 Paying Agent Fees	2,250.00	0.00	750.00	33.33	1,500.00
TOTAL ADMIN EXPENSE	2,250.00	0.00	750.00	33.33	1,500.00
<u>OTHER EXPENSES</u>					
20-500-5820 Interest Expense-Bonds	139,525.00	0.00	79,900.00	57.27	59,625.00
20-500-5821 Bond Principal Payments	1,365,000.00	0.00	1,365,000.00	100.00	0.00
20-500-5822 Amortization of Bonds	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER EXPENSES	1,504,525.00	0.00	1,444,900.00	96.04	59,625.00
<u>TRANSFERS</u>					
20-500-5902 Transfers Out	0.00	0.00	0.00	0.00	0.00
TOTAL TRANSFERS	0.00	0.00	0.00	0.00	0.00
TOTAL NON-DEPARTMENTAL	1,506,775.00	0.00	1,445,650.00	95.94	61,125.00
TOTAL EXPENDITURES	1,506,775.00	0.00	1,445,650.00	95.94	61,125.00
REVENUES OVER/ (UNDER) EXPENDITURES	(173,083.00)	43,594.68	(128,204.36)		(44,878.64)

CITY OF PINEY POINT VILLAGE
 YEAR TO DATE BALANCE SHEET (UNAUDITED)
 AS OF: APRIL 30TH, 2021

30 -SPECIAL REVENUE FUND

ACCT NO#	ACCOUNT NAME	BEGINNING BALANCE	M-T-D ACTIVITY	Y-T-D ACTIVITY	CURRENT BALANCE
ASSETS					
30-1100	Claim on Cash	64,354.79	172.00	21,786.66	86,141.45
30-1102	Donation	0.02	0.00	0.00	0.02
30-1103	MC Security	0.36	0.00	0.00	0.36
30-1104	MC Technology	0.05	0.00	0.00	0.05
30-1106	Child Safety	27,665.05	408.32	1,230.14	28,895.19
30-1200	Due To/From General Fund	0.00	0.00	0.00	0.00
30-1301	Accrued Interest Receivable	0.00	0.00	0.00	0.00
	TOTAL ASSETS	92,020.27	580.32	23,016.80	115,037.07
LIABILITIES					
30-2001	Accounts Payable	0.00	0.00	0.00	0.00
30-2100	Grants Payable	0.00	0.00	0.00	0.00
30-2200	Due To General Fund	0.00	0.00	0.00	0.00
	TOTAL LIABILITIES	0.00	0.00	0.00	0.00
FUND EQUITY					
30-3000	Fund Balance	3,695.40	0.00	(3,695.40)	0.00
30-3001	Fund Balance-Child Safety	42,532.64	0.00	3,644.97	46,177.61
30-3002	Fund Balance-MC Security	24,123.20	0.00	206.23	24,329.43
30-3003	Fund Balance-MC Technology	21,669.03	0.00	(155.80)	21,513.23
30-3010	Unrestricted Retained Earnings	0.00	0.00	0.00	0.00
30-3300	Fund Balance-MC Security	0.00	0.00	0.00	0.00
30-3400	Fund Balance- MC Technology	0.00	0.00	0.00	0.00
30-3904	Earnings-MC Technology	0.00	0.00	0.00	0.00
	TOTAL BEGINNING EQUITY	92,020.27	0.00	0.00	92,020.27
	TOTAL REVENUES	0.00	580.32	1,636.65	1,636.65
	TOTAL EXPENSES	0.00	0.00	(21,380.15)	(21,380.15)
	INCREASE/(DECREASE) IN FUND BAL.	0.00	580.32	23,016.80	23,016.80
	TOTAL LIABILITIES, EQUITY & FUND BAL.	92,020.27	580.32	23,016.80	115,037.07

CITY OF PINEY POINT VILLAGE
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2021

30 -SPECIAL REVENUE FUND
 FINANCIAL SUMMARY

33.33% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>REVENUE SUMMARY</u>					
COURT	0.00	580.20	1,636.18	0.00 (	1,636.18)
INVESTMENT INCOME	0.00	0.12	0.47	0.00 (	0.47)
DONATIONS & IN LIEU	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	0.00	580.32	1,636.65	0.00 (	1,636.65)
<u>EXPENDITURE SUMMARY</u>					
<u>NON-DEPARTMENTAL</u>					
MISCELLANEOUS	0.00	0.00	0.00	0.00	0.00
TOTAL NON-DEPARTMENTAL	0.00	0.00	0.00	0.00	0.00
<u>QUALIFIED EXPENSES</u>					
COURT	0.00	0.00 (	21,380.15)	0.00	21,380.15
TOTAL QUALIFIED EXPENSES	0.00	0.00 (	21,380.15)	0.00	21,380.15
<u>ADMINISTRATION</u>					
ADMIN EXPENSE	0.00	0.00	0.00	0.00	0.00
OTHER EXPENSES	0.00	0.00	0.00	0.00	0.00
TRANSFERS	0.00	0.00	0.00	0.00	0.00
TOTAL ADMINISTRATION	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
REVENUES OVER/(UNDER) EXPENDITURES	0.00	580.32	23,016.80	(	23,016.80)

CITY OF PINEY POINT VILLAGE
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2021

30 -SPECIAL REVENUE FUND

33.33% OF FISCAL YEAR

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>COURT</u>					
30-4305 MC Security Revenue	0.00	63.00	163.50	0.00 (	163.50)
30-4310 MC Technology Revenue	0.00	84.00	218.01	0.00 (	218.01)
30-4315 Child Safety Revenues	0.00	433.20	1,254.67	0.00 (	1,254.67)
TOTAL COURT	0.00	580.20	1,636.18	0.00 (	1,636.18)
<u>INVESTMENT INCOME</u>					
30-4405 MC Security-Interest	0.00	0.00	0.00	0.00	0.00
30-4410 MC Technology-Interest	0.00	0.00	0.00	0.00	0.00
30-4415 Child Safety-Interest	0.00	0.12	0.47	0.00 (	0.47)
30-4420 Donations-Interest	0.00	0.00	0.00	0.00	0.00
TOTAL INVESTMENT INCOME	0.00	0.12	0.47	0.00 (	0.47)
<u>DONATIONS & IN LIEU</u>					
30-4720 Donations	0.00	0.00	0.00	0.00	0.00
30-4800 Other Income	0.00	0.00	0.00	0.00	0.00
TOTAL DONATIONS & IN LIEU	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	0.00	580.32	1,636.65	0.00 (	1,636.65)

30 -SPECIAL REVENUE FUND

33.33% OF FISCAL YEAR

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>NON-DEPARTMENTAL</u>					
<u>MISCELLANEOUS</u>					
30-500-5029 Gen Govt Qualified Expenses	0.00	0.00	0.00	0.00	0.00
TOTAL MISCELLANEOUS	0.00	0.00	0.00	0.00	0.00
TOTAL NON-DEPARTMENTAL	0.00	0.00	0.00	0.00	0.00
<u>QUALIFIED EXPENSES</u>					
<u>COURT</u>					
30-510-5121 Child Safety	0.00	0.00	(18,950.00)	0.00	18,950.00
30-510-5122 MC Security	0.00	0.00	164.85	0.00	(164.85)
30-510-5123 MC Technology	0.00	0.00	(2,595.00)	0.00	2,595.00
30-510-5129 Donation	0.00	0.00	0.00	0.00	0.00
TOTAL COURT	0.00	0.00	(21,380.15)	0.00	21,380.15
TOTAL QUALIFIED EXPENSES	0.00	0.00	(21,380.15)	0.00	21,380.15
<u>ADMINISTRATION</u>					
<u>ADMIN EXPENSE</u>					
30-520-5203 Bank Fees	0.00	0.00	0.00	0.00	0.00
TOTAL ADMIN EXPENSE	0.00	0.00	0.00	0.00	0.00
<u>OTHER EXPENSES</u>					
30-520-5702 Other Expenses	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER EXPENSES	0.00	0.00	0.00	0.00	0.00
<u>TRANSFERS</u>					
30-520-5902 Transfers Out	0.00	0.00	0.00	0.00	0.00
TOTAL TRANSFERS	0.00	0.00	0.00	0.00	0.00
TOTAL ADMINISTRATION	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	0.00	0.00	(21,380.15)	0.00	21,380.15
REVENUES OVER/(UNDER) EXPENDITURES	0.00	580.32	23,016.80	(	23,016.80)

CITY OF PINEY POINT VILLAGE
 YEAR TO DATE BALANCE SHEET (UNAUDITED)
 AS OF: APRIL 30TH, 2021

40 -CAPITAL PROJECTS FUND

ACCT NO#	ACCOUNT NAME	BEGINNING BALANCE	M-T-D ACTIVITY	Y-T-D ACTIVITY	CURRENT BALANCE
<u>ASSETS</u>					
40-1100	Claim on Cash	1,350.00	0.00	(8,992.50)	(7,642.50)
40-1101	Texpool	0.00	0.00	0.00	0.00
40-1105	Cash - Amegy Checking	0.00	0.00	0.00	0.00
40-1120	Texas Class	0.00	0.00	0.00	0.00
40-1200	Accounts Receivable	0.00	0.00	0.00	0.00
40-1220	A/R - General Fund	0.00	0.00	0.00	0.00
40-1250	Due To Metro	0.00	0.00	0.00	0.00
40-1300	Accrued Interest Receivable	0.00	0.00	0.00	0.00
	TOTAL ASSETS	1,350.00	0.00	(8,992.50)	(7,642.50)
=====					
<u>LIABILITIES</u>					
40-2001	Accounts Payable	1,350.00	0.00	(1,350.00)	0.00
40-2002	Other Accrued Liabilities	0.00	0.00	0.00	0.00
40-2200	Deferred Revenue	0.00	0.00	0.00	0.00
40-2300	Construction Retainage Payable	0.00	0.00	0.00	0.00
40-2400	Accrued Liabilities	0.00	0.00	0.00	0.00
	TOTAL LIABILITIES	1,350.00	0.00	(1,350.00)	0.00
<u>FUND EQUITY</u>					
40-3000	Fund Balance	0.00	0.00	0.00	0.00
	TOTAL BEGINNING EQUITY	0.00	0.00	0.00	0.00
	TOTAL REVENUES	0.00	0.00	0.00	0.00
	TOTAL EXPENSES	0.00	0.00	7,642.50	7,642.50
	INCREASE/(DECREASE) IN FUND BAL.	0.00	0.00	(7,642.50)	(7,642.50)
	TOTAL LIABILITIES, EQUITY & FUND BAL.	1,350.00	0.00	(8,992.50)	(7,642.50)
=====					

CITY OF PINEY POINT VILLAGE
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2021

40 -CAPITAL PROJECTS FUND
 FINANCIAL SUMMARY

33.33% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>REVENUE SUMMARY</u>					
INVESTMENT INCOME	0.00	0.00	0.00	0.00	0.00
DONATIONS & IN LIEU	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	0.00	0.00	0.00	0.00	0.00
<u>EXPENDITURE SUMMARY</u>					
<u>NON-DEPARTMENTAL</u>					
ADMIN EXPENSE	0.00	0.00	0.00	0.00	0.00
OTHER EXPENSES	0.00	0.00	7,642.50	0.00 (	7,642.50)
TRANSFERS	0.00	0.00	0.00	0.00	0.00
TOTAL NON-DEPARTMENTAL	0.00	0.00	7,642.50	0.00 (	7,642.50)
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
REVENUES OVER/(UNDER) EXPENDITURES	0.00	0.00	(7,642.50)		7,642.50

CITY OF PINEY POINT VILLAGE
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2021

40 -CAPITAL PROJECTS FUND

33.33% OF FISCAL YEAR

REVENUES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>INVESTMENT INCOME</u>					
40-4400 Interest Income	0.00	0.00	0.00	0.00	0.00
TOTAL INVESTMENT INCOME	0.00	0.00	0.00	0.00	0.00
<u>DONATIONS & IN LIEU</u>					
40-4800 Other Income	0.00	0.00	0.00	0.00	0.00
40-4910 Debt Proceeds	0.00	0.00	0.00	0.00	0.00
40-4911 Bond Premium	0.00	0.00	0.00	0.00	0.00
40-4912 Issuance Cost	0.00	0.00	0.00	0.00	0.00
TOTAL DONATIONS & IN LIEU	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	0.00	0.00	0.00	0.00	0.00

CITY OF PINEY POINT VILLAGE
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: APRIL 30TH, 2021

40 -CAPITAL PROJECTS FUND

33.33% OF FISCAL YEAR

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
NON-DEPARTMENTAL					
ADMIN EXPENSE					
40-500-5203 Bank Fees	0.00	0.00	0.00	0.00	0.00
TOTAL ADMIN EXPENSE	0.00	0.00	0.00	0.00	0.00
OTHER EXPENSES					
40-500-5601 Capital Outlay	0.00	0.00	0.00	0.00	0.00
40-500-5616 S. Piney Pt/Blalock Rd	0.00	0.00	0.00	0.00	0.00
40-500-5617 Smithdale/Claymore	0.00	0.00	0.00	0.00	0.00
40-500-5640 Batch 1 Projects	0.00	0.00	0.00	0.00	0.00
40-500-5641 Batch 1 - Preliminary	0.00	0.00	0.00	0.00	0.00
40-500-5655 Blalock/S. Piney Point	0.00	0.00	0.00	0.00	0.00
40-500-5660 Smithdale Estates Bypass	0.00	0.00	0.00	0.00	0.00
40-500-5670 N. Piney Point Road Project	0.00	0.00	0.00	0.00	0.00
40-500-5675 Lanecrest Drainage Improvement	0.00	0.00	0.00	0.00	0.00
40-500-5702 Miscellaneous Expense	0.00	0.00	7,642.50	0.00	(7,642.50)
TOTAL OTHER EXPENSES	0.00	0.00	7,642.50	0.00	(7,642.50)
TRANSFERS					
40-500-5901 Transfers In	0.00	0.00	0.00	0.00	0.00
40-500-5902 Transfers Out	0.00	0.00	0.00	0.00	0.00
TOTAL TRANSFERS	0.00	0.00	0.00	0.00	0.00
TOTAL NON-DEPARTMENTAL	0.00	0.00	7,642.50	0.00	(7,642.50)
TOTAL EXPENDITURES	0.00	0.00	7,642.50	0.00	(7,642.50)
REVENUES OVER/(UNDER) EXPENDITURES	0.00	0.00	(7,642.50)		7,642.50

CITY OF PINEY POINT VILLAGE
 YEAR TO DATE BALANCE SHEET (UNAUDITED)
 AS OF: APRIL 30TH, 2021

99 - POOLED CASH FUND

ACCT NO#	ACCOUNT NAME	BEGINNING BALANCE	M-T-D ACTIVITY	Y-T-D ACTIVITY	CURRENT BALANCE
<u>ASSETS</u>					
99-1101	Cash	1,070,090.86	692,640.44	(62,125.63)	1,007,965.23
99-1510	DUE FROM GENERAL FUND	0.00	0.00	0.00	0.00
99-1520	DUE FROM DEBT SERVICE	0.00	0.00	0.00	0.00
99-1530	DUE FROM SPECIAL REVENUE	0.00	0.00	0.00	0.00
99-1540	DUE FROM CAPITAL PROJECTS	0.00	0.00	0.00	0.00
99-1550	DUE FROM METRO FUND	0.00	0.00	0.00	0.00
99-1599	Due From Other Funds	108,477.09	213,706.33	542,059.25	650,536.34
	TOTAL ASSETS	1,178,567.95	906,346.77	479,933.62	1,658,501.57
=====					
<u>LIABILITIES</u>					
99-2000	Accounts Payable	(202,974.19)	213,706.33	591,981.97	389,007.78
99-2190	Due to Other Funds	1,381,542.14	692,640.44	(112,048.35)	1,269,493.79
	TOTAL LIABILITIES	1,178,567.95	906,346.77	479,933.62	1,658,501.57
<u>FUND EQUITY</u>					
99-3000	Fund Balance	0.00	0.00	0.00	0.00
	TOTAL BEGINNING EQUITY	0.00	0.00	0.00	0.00
	TOTAL REVENUES	0.00	0.00	0.00	0.00
	TOTAL EXPENSES	0.00	0.00	0.00	0.00
	INCREASE/(DECREASE) IN FUND BAL. (WILL CLOSE TO FUND BAL.)	0.00	0.00	0.00	0.00
	TOTAL LIABILITIES, EQUITY & FUND BAL.	1,178,567.95	906,346.77	479,933.62	1,658,501.57
=====					

**City of Piney Point Village
Monthly Tax Office Report
April 30, 2021**

Prepared by: Tiffany D. Morawiec, Tax Assessor/Collector

A. Current Taxable Value \$ 2,744,107,425

B. Summary Status of Tax Levy and Current Receivable Balance:

	Current 2020 Tax Year	Delinquent 2019 & Prior Tax Years	Total
Original Levy 0.25514	\$ 6,254,063.32	\$ -	\$ 6,254,063.32
Carryover Balance	-	259,611.44	259,611.44
Adjustments	747,252.30	27,372.93	774,625.23
Adjusted Levy	7,001,315.62	286,984.37	7,288,299.99
Less Collections Y-T-D	6,761,542.46	67,875.39	6,829,417.85
Receivable Balance	<u>\$ 239,773.16</u>	<u>\$ 219,108.98</u>	<u>\$ 458,882.14</u>

C. COLLECTION RECAP:

Current Month:	Current 2020 Tax Year	Delinquent 2019 & Prior Tax Years	Total
Base Tax	\$ 34,098.61	\$ (1,714.07)	\$ 32,384.54
Penalty & Interest	2,965.47	125.23	3,090.70
Attorney Fees	-	117.80	117.80
Other Fees	-	-	-
Total Collections	<u>\$ 37,064.08</u>	<u>\$ (1,471.04)</u>	<u>\$ 35,593.04</u>

Year-To-Date:	Current 2020 Tax Year	Delinquent 2019 & Prior Tax Years	Total
Base Tax:	\$ 6,761,542.46	\$ 67,875.39	\$ 6,829,417.85
Penalty & Interest	18,629.49	40,666.21	59,295.70
Attorney Fees	-	1,476.08	1,476.08
Other Fees	14.04	0.46	14.50
Total Collections	<u>\$ 6,780,185.99</u>	<u>\$ 110,018.14</u>	<u>\$ 6,890,204.13</u>

Percent of Adjusted Levy	<u>96.84%</u>	<u>98.41%</u>
--------------------------	---------------	---------------

MONTHLY TAX OFFICE REPORT
Tax A/R Summary by Year
April 30, 2021

YEAR	BEGINNING BALANCE AS OF 12/31/2020	ADJUSTMENTS	COLLECTIONS	RECEIVABLE BALANCE AS OF 4/30/21
2019	\$ 62,289.97	\$ 9,830.28	\$ 10,407.26	\$ 61,712.99
18	32,827.45	9,626.27	3,157.30	39,296.42
17	18,998.39	7,916.38	5,024.03	21,890.74
16	17,824.69	-	4,849.26	12,975.43
15	17,894.67	-	4,403.55	13,491.12
14	18,424.08	-	3,998.36	14,425.72
13	14,151.07	-	3,630.00	10,521.07
12	11,751.79	-	3,016.59	8,735.20
11	9,318.42	-	3,045.66	6,272.76
10	9,145.21	-	3,045.66	6,099.55
09	9,141.92	-	3,045.66	6,096.26
08	8,767.71	-	2,917.26	5,850.45
07	8,462.68	-	2,647.94	5,814.74
06	8,152.59	-	2,543.86	5,608.73
05	2,687.68	-	2,612.55	75.13
04	2,510.18	-	2,446.23	63.95
03	2,490.91	-	2,446.23	44.68
02	2,476.24	-	2,431.56	44.68
01	2,251.11	-	2,206.43	44.68
00	44.68	-	-	44.68
1999	-	-	-	-
	<u>\$ 259,611.44</u>	<u>\$ 27,372.93</u>	<u>\$ 67,875.39</u>	<u>\$ 219,108.98</u>

Council Agenda Item Cover Memo

5/24/2021

Date of Meeting

To: Mayor and City Council

Agenda Item:

Discuss and take possible action on a revision to pricing for pavement subgrade stabilization for the Wilding Lane Drainage and Paving Improvements Project.

SUMMARY/BACKGROUND (WHY): The purpose of this item is to compare the use of TRU-BLN material for stabilization of the pavement subgrade with lime and fly ash on the Wilding Lane Drainage and Paving Improvements Project.

STAFF RECOMMENDATION:

ESTIMATED COST: See attached

FUNDING SOURCE: N/A

CURRENT BUDGETED ITEM: YES NO

EMERGENCY REQUEST: YES NO

PREPARED BY: Joe Moore

ATTACHMENTS: Yes

Council Agenda Item Cover Memo

5/24/2021
Date of Meeting

To: Mayor and City Council

Agenda Item:

Discuss and take possible action on the Engineer's Report

SUMMARY/BACKGROUND (WHY): The City has requested that updates to current projects be summarized in an Engineer's Report. The Engineer's Report for this month includes updates to the Beinhorn Road Project, the Wilding Lane Project, other various maintenance projects, and future projects.

STAFF RECOMMENDATION: _____

ESTIMATED COST: N/A **FUNDING SOURCE:** _____

CURRENT BUDGETED ITEM: YES NO **EMERGENCY REQUEST:** YES NO

PREPARED BY: Joe Moore

ATTACHMENTS: Yes



Engineer's Status Report
City of Piney Point Village
HDR Engineering, Inc.
City Council Meeting Date: May 24, 2021

CURRENT PROJECTS

1. Beinhorn Drainage & Sidewalk Improvements Project

The illuminated crosswalk supplier company has had several mix-ups in procuring the specified crosswalk signage. The company shipped the sign to the local installer, but the sign did not have the second side of EdgeLight flashing sign nor did it have the rectangular light flashers. T-Con offered to have the sign installed without these appurtenances. T-Con has been working with the supplier to have this issue resolved. The latest update was that the installer estimated two weeks for the missing parts to arrive and the sign would be installed shortly after. The City is still withholding \$71,000 in retainage on the project.

2. Wilding Lane Drainage & Paving Improvements Project

The Contractor has mobilized and staged equipment and begun installation of the storm sewer trunk main for Phase 2 of construction. To date, pipe has been installed to approximately 11211 Wilding.

After the storm sewer installation is complete, the contractor will prepare and stabilize the subgrade and install the asphalt black base to complete Phase 2. That process will take an additional 1-2 weeks. It is estimated that Phase 2 will be open to traffic starting mid-June.

3. Farnham Park Washout

A Notice to Proceed has been issued to T-Construction and they anticipate mobilizing on site the last week of May. They are working to provide a construction schedule. HDR has notified the residents at 15 & 16 Farnham Park of the current status and has drafted right-of-entry forms and provided the forms to T-Con. T-Con will be responsible for obtaining signatures for the forms from the residents.

4. North Country Squire

John Brennan previously reached out to Councilman Dodds to resolve a constant bird bath issue at a property he is developing at 11115 North Country Squire. This birdbath has been presented to Council over previous years. Mr. Brennan is interested in partnering with the City to fix the birdbath, but either pavement replacement or extension of the storm sewer. Existing paving/drainage issues along the street near 11115 N. Country Squire include extremely flat pavement grades, storm sewer was not installed the full length of the street, and severe cracking along the concrete pavement. Options to improve the drainage in the street and help alleviate the bird bath include the extension of the storm sewer from the existing inlet on the south side of the road west through 11115 N. Country Squire and install an additional Type C Inlet at the property line of 11115 and 11125, and replacing multiple concrete paving panels to adjust gutter line slopes removing high and low points. Opinions of Probable Construction Costs for the various options are presented for discussion.



5. City of Houston Water Line (N. Piney Point Road at Greenbay)

The City of Houston reported on March 24th that the City is currently working on a design plan for the water line repair including traffic control. They are also waiting on a new contract for their large diameter on-call Contractor but anticipated having this work completed in the next month or two.

The COH most recently reported that they are still waiting on the contract to be approved and they provided no schedule for their return to the jobsite.

6. Raintree/Green Oaks

Mr. Anil Sheth, the resident at 11550 Raintree Circle, reported an issue of standing water between his backyard fence and the backyard of 11539 Green Oaks. HDR inspected the backyard at 11539 Green Oaks and it appears there could have been some standing water in the backyard. The ditch at 11535 has rock placed along the ditch line that appears to have a few potential high points. HDR has discussed the issue with the homeowner at 11535 who said that they would monitor the ditch flow and standing water in the upcoming rains and report back to HDR with photos.

7. Shadow Way

The resident at 11418 Shadow Way Lane reported that there are several small sinkholes forming in her front yard around the City's existing 18-inch RCP storm sewer pipe in the right-of-way. HDR inspected the storm sewer pipe at this address and found the pipe to be extremely shallow with several large tree roots growing directly adjacent to the pipe that could be a possible cause of cracks or joint separation leading to erosion of the soil around the pipe. In order to identify specific deficiencies, the City could have the pipe cleaned and televised.

FUTURE PROJECTS

8. Texas General Land Office (TGLO) - Community Development Block Grant Mitigation Action Plan (CDBG-MIT)

No information has been received from the TGLO. It is a rumor that information on these applications may be released in June.

9. Memorial Drive Elementary Rebuild

The reported re-build schedule as reported by Travis Stanford, Director of Planning & Construction Services

- Design – Begin Jan. 2022 – 1 year duration
- Construction – Begin Jan. 2023 – 18 month duration
- Students to be in south transition campus until August 2024
- Project Advisory Board – Comprised of representatives from the Village – October or November 2021



10. Future Projects:

At Council's request, HDR has identified multiple projects for the City to consider performing. The Master Drainage Study identified several drainage projects. Multiple cul-de-sac streets stemming off of the larger drainage projects the City has completed are good candidates for future drainage improvements projects as further outlined in the Master Drainage Study Update. An additional drainage project is the replacement of the 96-inch CMP along S. Piney Point Road. Councilman Kollenberg requested that Council hold a meeting to discuss the results of the 2018 Update to the Street Assessment and the Update to the Master Drainage Study. Drainage improvements on Tokeneke Trail have previously been discuss and survey has been obtained. The background and current status of this project is as follows:

Tokeneke Trail

A Lanecrest resident Mr. Kelly Coughlan has approached HDR and Dale about the possibility of installing storm sewer in the existing ditch behind 1 Tokeneke/541 Lanecrest/555 Lanecrest. The ditch drains runoff from approximately 2/3rd of Tokeneke along the north line of 1 Tokeneke and then turns south along the east property line of 1 Tokeneke. The ditch outfalls into a Type E Inlet and 30-inch storm sewer installed during the Claymore & Smithdale Project. The existing 30-inch pipe is approximately 5.5-feet deep and had adequate depth to be extended.

The ditch was regraded by hand digging during the Claymore & Smithdale project to protect trees. HDR contacted the residents at both 1 & 2 Tokeneke to discuss the potential installation of a storm sewer in the drainage easement along their side/backyards and its potential impacts to trees. Both residents were interested in a storm sewer improvements project and said that they would like to have continuing conversations about tree impacts.

HDR presented the existing site conditions drawings at the February Engineering Meeting and discussed specific deficiencies in the existing drainage system along the street and option for possible improvements. Council did not direct HDR to proceed with the design of any proposed drainage improvements for Tokeneke at that time. The initial Opinion of Probable Construction Cost for discussion is approximately \$86,225, however this could be refined with additional engineering, tree evaluation, survey, etc.



11. Current Anticipated Piney Point Project Schedules:

The following is a summary of anticipated project schedules for projects in various phases throughout the City. Please be aware that the schedules are approximate and subject to the weather, utility company reviews, City and County reviews, and other unforeseen circumstances that may develop as each project progresses. HDR will submit an updated schedule with each engineer's report.

- **Beinhorn Drainage & Sidewalk Improvements Project**
 - Anticipated Schedule –
 - Construction Notice to Proceed – March 9, 2020
 - Construction Completion Date – November 4, 2020
 - Illuminated Crosswalk installation complete – May 31, 2021

- **Wilding Lane Drainage & Paving Improvements Project**
 - Anticipated Schedule –
 - Start of Construction: March 8, 2021
 - Phase 1 – 3/13/2021 - 5/1/2021
 - Phase 2 – 5/2/2021 - 6/15/2021
 - Phase 3 – 6/16/2021 - 7/30/2021
 - Phase 4 – 7/31/2021 - 9/8/2021
 - Phase 5 – 9/9/2021 - 10/18/2021
 - Phase 6 – 10/19/2021 - 12/3/2021
 - Construction Completion Date – December 3, 2021

**MINUTES
THE CITY OF PINEY POINT VILLAGE
REGULAR COUNCIL MEETING
MONDAY, APRIL 26, 2021**

THE CITY COUNCIL OF THE CITY OF PINEY POINT VILLAGE MET IN A REGULAR COUNCIL MEETING ON MONDAY, APRIL 26, 2021 AT 6:30 P.M. IN PERSON AT PINEY POINT CITY HALL AND VIA ZOOM TO DISCUSS THE AGENDA ITEMS LISTED BELOW.

Zoom Meeting ID: 884 841 6839

COUNCIL MEMBERS PRESENT: Mayor Mark Kobelan, Joel Bender, Dale Dodds, Michael Herminghaus, Henry Kollenberg, Brian Thompson

CITY STAFF: Paul Davis, Interim City Administrator; Karen Farris, City Secretary; Annette Arriaga, Director of Planning & Development; David Olson, City Attorney; Joe Moore, City Engineer

DECLARATION OF QUORUM AND CALL TO ORDER

Mayor Kobelan called the meeting to order at 6:31 p.m.

PLEDGE OF ALLEGIANCE

CITIZENS WISHING TO ADDRESS COUNCIL – *At this time, any person with city-related business may speak to the Council. In compliance with the Texas Open Meetings Act, if a member of the public comments or inquiries about a subject that is not specifically identified on the agenda, a member of Council or a Staff Member may only respond by giving a statement of specific factual information or by reciting existing policy. The City Council may not deliberate or vote on the matter.*

There were no citizens wishing to address Council.

1. Discuss and consider possible action on the MVPD monthly report.

Chief Schultz provided the report for the month of March.

- In Piney Point there were 1,696 calls; there were 1,378 house watches; there were 9 accidents; there were a total of 65 citations issued which consisted of 18 persons cited into court, and 47 warning citations; and there were 3 emergency response events with a response time of 4 minutes 6 seconds. There were 85 police reports.
- MVPD is under budget.
- Fund raiser hosted by area residents was a huge success.
- Personnel changes and updates
- Major and significant events: MVPD hosted a regional RAD Instructor certification class for Statewide RAD Instructors at Chapelwood.
- ALPR

The MVPD FY 22 Budget was presented. The proposed 2022 Budget is \$6,299,250. The cost per Village is \$2,099,750 which is an increase of \$63,268 per village over 2021. The MPVD continues to work on Capital Projects and have identified projects that will need to be addressed over the next 4-5 years.

Commissioner Huguenard explained accounting issues and the detail of fund accounts for the FY 22 Budget. Council Member Kollenberg commented on the costs to the City regarding Bailiff's, Long Term Capital, and the Auto Replacement Fund. Commissioner Huguenard will discuss these issues at the next Commissioners Meeting. The MVPD FY 22 Budget will be on the next month Piney Point City Council Agenda for consideration and possible action.

2. Discuss and consider possible action on the VFD monthly report.

Commissioner Nash was present via Zoom and presented the VFD monthly report. Commissioner Nash updated Council on the construction project, staff changes; and informed Council the fire department will begin working on an RFP for a replacement ambulance for next year. Commissioner Nash reported the performance response times have remained the same.

3. Discuss and consider possible action on amending the Village Fire Department 2021 construction budget.

The Fire Commission is recommending the City approve amending the 2021 construction budget without increasing the Cities' assessment but will be funded by other possible sources. Council Member Kollenberg explained the details of this request. Council Member Kollenberg made a motion to approve amending the VFD 2021 Construction Budget by an additional \$200,000 with the proviso that it will not increase the Cities' assessment. Council Member Bender seconded the motion and it passed unanimously.

Mayor Kobelan moved Agenda Item #15, and Agenda Item #16.

15. Discuss and consider possible action on a change order to the Wilding Lane Drainage and Paving Improvements Projects to provide protection to existing driveways in the project that will not be moved.

HDR worked with RAC, the contractor, to propose a high-density polyethylene mat that can be laid across driveways that will protect the existing driveways remaining in place from damage during construction. Council Member Thompson made a motion to approve the change order to the Wilding Lane Drainage and Paving Improvements Project to provide protection to existing driveways that will not be moved for Phase 2. Council Member Dodds seconded the motion and it passed unanimously.

16. Discuss and consider possible action on a change order to the Wilding Lane Drainage and Paving Improvements Project to address sanitary sewer residential service conflicts.

When installing the 54" storm sewer trunk main under the south side of Wilding Lane, two conflicts were found with the existing sewer service lines. Council Member Kollenberg made a motion to approve Change Order No. 3. Council Member Thompson seconded the motion and it passed unanimously.

Residents of Wilding Lane were present to voice their concerns and issues with construction on Wilding Lane.

- The residents stated that parking was occurring on both sides of the street when it was initially to be parking on one side of the street only. Residents' concern is that emergency vehicles will not be able to gain access to people in case of an emergency.
- Residents are requesting that the street be supervised on regular intervals.
- There is trash left behind.

There was discussion. It was suggested that there be signage to direct subcontractors to park in designated areas. The residents should call the City should they have a concern. The area will be monitored. Police will patrol the area more frequently. Groups concerned will talk to work out traffic issues.

4. Discuss and consider possible action on the 2020 Annual Financial Report.

Louis Breedlove, the auditor from Brooks Watson gave a presentation of the City's 2020 Financial Report. Mr. Breedlove explained the audit process and explained the components of the audit. There was discussion regarding the journal entry process and the bank reconciliation process. Currently a third-party accounting firm does the journal entries and the bank reconciliation. The goal is for the City Secretary to learn the journal entry process. The City received an Unmodified Opinion, also referred to as a Clean Opinion which is the highest level of assurance that auditors can provide. Council Member Kollenberg made a motion to accept the 2020 Audit. Council Member Herminghaus seconded the motion and it passed unanimously.

5. Discuss and consider possible action on a consulting agreement with Brooks Watson & Co. for financial consulting services.

The City requested Brooks Watson & CO. to provide support to the city secretary with financial expertise to help enhance and fulfill duties in overseeing the operations of finance. Mr. Breedlove explained, as Auditors, they must maintain independence but will assist and can provide templates and guides. This should be a short-term agreement and perhaps 5-6 hours per month. Council Member Kollenberg made a motion to adopt the agreement with Brooks Watson & Co. for financial consulting services. Council Member Herminghaus seconded the motion and it passed unanimously.

6. Discuss and consider possible action on CenterPoint Energy Annual Franchise Payment Calculation.

Mayor Kobelan acknowledged acceptance. No other action was taken.

7. Discuss and take possible action on the Accounts Payable Procedure.

This item was tabled to next month.

8. Discuss and consider possible action on a proposed Personnel Policies and Procedures Manual.

This item was tabled to a future meeting.

9. Discuss and consider possible action on a proposed Purchasing Policy.

This item was tabled to a future meeting.

- 10. Discuss and consider possible action on City landscape maintenance invoices.**
There was discussion regarding the landscaping maintenance invoices, and the cost for maintaining and landscaping of the esplanades. Council Member Bender made a motion to approve payment of February, March, April, and May landscape maintenance invoices. The May landscape invoice will be the same amount as the April invoice. Council Member Kollenberg seconded the motion and it passed unanimously.
- 11. Discuss and consider possible action on Bright Landscape Maintenance Proposal.**
There was discussion. The City will obtain bids for Landscape Maintenance once the final landscaping project is completed.
- 12. Discuss and consider possible action on Resolution 2021.04.26A, opposing Senate Bill 1661 amending the Election Code.**
Council Member Bender made a motion to approve Resolution 2021.04.26A opposing Senate Bill 1661 amending the Election Code. Council Member Herminghaus seconded the motion and it passed unanimously.
- 13. Discuss and consider possible action on the Mayor's Monthly Report.**

 - Cub Scouts – Mayor Kobelan met with cub scouts and their parents at Carol Tree Park and discussed the history of Piney Point. They then rode their bikes to MVWA for a tour of the plant.
 - Temporary sidewalk repair – to be temporarily repaired with crushed granite.
 - Flags on Piney Point Rd. – Flags will be installed the week of May 3rd for the Senior Car Parade that will be held on May 8th.
 - Property Tax Revenue – the wire transfer information provided by Spring Branch Tax Office also includes delinquent tax, interest, and penalties.
- 14. Discuss and consider possible action on the City Administrator's Monthly Report, including but not limited to:**

 - March 2021 Financials – Financials are completed using INCODE. A template was provided by Louis Breedlove to simplify the financials.
 - Staff Development Meeting on April 29, 2021 – Employees were assigned to read the 5 Dysfunctions of a Team. Staff will interact at meeting to discuss.
- 15. Discuss and consider possible action on a change order to the Wilding Lane Drainage and Paving Improvements Project to provide protection to existing driveways in the project that will not be removed.**
This agenda item was moved after agenda item #3.
- 16. Discuss and consider possible action on a change order to the Wilding Lane Drainage and Paving Improvements Projects to address sanitary sewer residential service conflicts.**
This agenda item was moved after agenda item #3.
- 17. Discuss and consider possible action on quotes received to repair sinkhole in the drainage easement at 16 Farnham Park.**

The City requested HDR obtain quotes for an emergency repair of the sinkhole in the drainage easement at 16 Farnham Park. Council Member Dodds made a motion to accept the quote from T Construction for \$77,124 to repair the sinkhole in the drainage easement at 16 Farnham Park. Council Member Bender seconded the motion and it passed unanimously.

- 18. Discuss and consider possible action on the City Engineer's Monthly Report.**
Beinhorn Drainage & Sidewalk Improvements Project – The contractor reported that the illuminated crosswalk signal will be installed and operational by the end of this week.
Wilding Lane Drainage & Paving Improvements Project – Putting down the black base to complete Phase 1. They will transition to Phase 2 and will send notice to residents prior to start.
There was discussion regarding standing water on Green Oaks. HDR reported at the time there was no standing water but there was a low place where water can accumulate.
- 19. Discuss and consider possible action on Resolution No. 2021.04.26 adopting a new schedule of fees for Building and Construction Permits and Inspection Services.**
Annette Arriaga, Director of Planning and Development explained the new schedule of fees for Building and Construction Permits and Inspection Services. This fee schedule is for single family residence. The fee schedule has changed since they are set fees. There will be a fee schedule for non-residential. Council Member Herminghaus made a motion to adopt Resolution No. 2021.04.26 adopting the new schedule of fees for Building and Construction Permits and Inspection Services. Council Member Bender seconded the motion and it passed unanimously.
- 20. Discuss and consider possible action on the Minutes of the March 22, 2021 and April 13, 2021 Council Meetings.**
Council Member Herminghaus made a motion to approve the Minutes of the March 22, 2021 Regular Council Meeting and the Minutes of the April 13, 2021 Special Council Meeting. Council Member Bender seconded the motion and it passed unanimously.
- 21. Discuss and consider possible action on any future agenda items, meeting dates, etc.**

 - Accounts Payable Procedure
 - Proposed Personnel Policies and Procedures Manual
 - Proposed Purchasing Policy
- 22. EXECUTIVE SESSION: The City Council will adjourn into closed executive session pursuant to 551.071 of the Texas Government Code (Consultation with Attorney) and pursuant to Section 551.072 of the Texas Government Code (Personnel), specifically to deliberate the appointment, evaluation, reassignment duties, discipline, or dismissal of the City Administrator.**
Council adjourned into a closed session at 9:39 p.m.
Council reconvened into an open session at 9:57 p.m.

23. Consider and take possible action on the items discussed in Executive Session.

No formal action taken.

24. Adjourn

Council Member Bender made a motion to adjourn. Council Member Dodds seconded the motion and it passed unanimously. The meeting adjourned at 9:58 p.m.

PASSED AND APPROVED this 24th day of May 2021.

Mark Kobelan
Mayor

Karen Farris
City Secretary

TO: The Honorable Mayor and Members of the City Council

FROM: Karen Farris, City Secretary

MEETING DATE: May 24, 2021

SUBJECT: Discuss and consider possible action on the Interlocal Agreement between Harris County and the City of Piney Point Village regarding maintaining the portion of Memorial Drive from the light at Memorial and Briar Forest to the light at Memorial and San Felipe, and the portion of San Felipe from the light at Memorial and San Felipe to the eastern boundary of the City

Agenda Item: 19

INTERLOCAL AGREEMENT

This Interlocal Agreement (“Agreement”) is entered into by and between **Harris County** (“County”), a body corporate and politic under the laws of the State of Texas acting by and through its governing body the Harris County Commissioners Court, and the City of Piney Point Village (“City”), a municipal corporation acting by and through its governing body the City Council, pursuant to the Interlocal Cooperation Act, Tex. Gov’t Code Ch. 791.001, *et seq.* County and City may each be referred to herein individually as a “Party” or collectively as the “Parties.”

RECITALS

WHEREAS, the City owns the portion of Memorial Drive from the light at Memorial and Briar Forest to the light at Memorial and San Felipe; and the portion of San Felipe from the light at Memorial and San Felipe to the eastern boundary of the City (approximately 400’ east of the light at San Felipe and Woods Edge) (the “Road”), located in Harris County Precinct 3, as depicted on Exhibit A attached hereto and incorporated herein by reference;

WHEREAS, the County is willing to provide assistance with public projects to maintain, improve, and repair the road; and

WHEREAS, the City will maintain, improve, and repair the esplanades, sidewalks, traffic signals, and all landscaping around the road; and

WHEREAS, Harris County Commissioners Court finds that the projects serve a public purpose; and

WHEREAS, the Parties desire to cooperate in accordance with the terms of this Agreement.

NOW THEREFORE, in consideration of the mutual promises, obligations, and benefits herein set forth, the Parties agree as follows:

TERMS

Section 1. Responsibilities of the Parties

A. City’s Responsibilities:

- (i) City will maintain, improve, and repair the esplanades, sidewalks, traffic signals, and all landscaping around the road and within the City’s public right-of-way in the form of mowing, re-positioning or replacement of damaged traffic control devices, and debris removal (“City Road Projects”).
- (ii) The City is responsible for payment of all costs, fees, and/or expenses for the completion of the City Road Projects.
- (iii) Assume full responsibility for ownership of the Road.

B. County’s Responsibilities

- (i) County will provide assistance with public projects to maintain, improve, and repair the road and provide routine maintenance in the form of pothole patching, application of road surface markings and debris removal (“County Road Projects”). The County Road Projects will be undertaken and made whenever necessary to maintain the Road in good operating condition at all times and to insure the provision of safe access by emergency vehicles.
- (ii) County will adopt and complete the County Road Projects in accordance with the Harris County Road Log.
- (iii) The County is responsible for payment of all costs, fees, and/or expenses for the completion of the County Road Projects.

Section 2. Ownership of the Road

County understands and agrees, said understanding and agreement also being of the absolute essence of this Agreement, that the City is the owner of the Road.

Section 3. Limitation of Appropriation

The Parties understand and agree, said understanding and agreement also being of the absolute essence of this Agreement, that the responsibilities of each Party are subject to appropriations set forth in the Party’s annual budget. Each Party will make best efforts to fund their responsibilities under this Agreement.

Section 4. Party’s Request for Records, Right to Review and Audit

Each Party, acting through its authorized representative, shall have the right to review and audit all books, records, vouchers, and documents of whatever nature related to the other Party’s performance under this Agreement during the period of performance of the Agreement and for six (6) years thereafter, or for so long as there exists any dispute or litigation arising from this Agreement. The requesting Party is responsible for the cost of duplication.

Section 5. Term and Termination

- A. This Agreement is effective as of the date that it has been approved and executed by all Parties (the “Effective Date”) and shall remain in full force and effect until one Party terminates the Agreement (“Term”).
- B. This Agreement may be terminated at any time by mutual written consent of the Parties, or as otherwise provided under this Agreement.

Section 6. Liability of the Parties

To the extent allowed by law, each Party shall be responsible for all claims and liability due to the activities of the Party’s employees, officials, agent or subcontractors arising out of or under this Agreement and which result from any act, error, or omission, intentional tort, intellectual property infringement, or failure to pay a vendor, committed by the Party or its employees, officials, agents, consultants under contract, or any other entity over which it exercises control, to the extent permitted by law.

Section 7. Insurance Requirements

Each Party shall require any contractor engaged in construction work, to provide and maintain liability insurance with a responsible insurance company or companies, insuring against liability for bodily or personal injury or death or damage to property.

Section 8. Miscellaneous

- A. **Non-Assignability.** The Parties shall not make, in whole or in part, any assignment of this Agreement or any obligation hereunder without the prior written consent of the other Party
- B. **Notice.** Any notice required to be given under this Agreement (“Notice”) shall be in writing and shall be duly served when it shall have been personally delivered to the address below, deposited, enclosed in a wrapper with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, in a United States Post Office, addressed to County or City at the following addresses:

City: City of Piney Point Village
7676 Woodway, Suite 300
Houston, Texas 77063
Attention: Mayor

County: Harris County Engineering Department
1001 Preston Avenue, 7th Floor
Houston, Texas 77002-1893
Attention: Interagency Agreement Coordinator

Any Notice given hereunder is deemed given upon hand delivery or three (3) days after the date of deposit in the United States Mail.

Each Party shall have the right to change its respective address by giving at least fifteen (15) days’ written notice of such change to the other Party.

Other communications, except for Notices required under this Agreement, may be sent by electronic means or in the same manner as Notices described herein.

- C. **Independent Parties.** It is expressly understood and agreed by the Parties that nothing contained in this Agreement shall be construed to constitute or create a joint venture, partnership, association or other affiliation or like relationship between the Parties, it being specifically agreed that their relationship is and shall remain that of independent parties to a contractual relationship as set forth in this Agreement. The County is an independent contractor and neither it, nor its employees or agents shall be considered to be an employee, agent, partner, or representative of the City for any purpose. The City, nor its employees, officers, or agents shall be considered to be employees, agents, partners or representatives of the County for any purposes. Neither Party has the authority to bind the other Party.
- D. **No Third Party Beneficiaries.** The County is not obligated or liable to any party other than the City for the performance of this Agreement. Nothing in the Agreement is intended or shall be deemed or construed to create any additional rights or remedies upon any third party. Further, nothing contained in the Agreement shall be construed to or operate in any manner whatsoever to increase

the rights of any third party, or the duties or responsibilities of County with respect to any third party.

E. Waiver of Breach. A waiver by either Party of a breach or violation of any provision of the Agreement shall not be deemed or construed to be a waiver of any subsequent breach.

F. No Personal Liability; No Waiver of Immunity.

(1) Nothing in the Agreement is construed as creating any personal liability on the part of any officer, director, employee, or agent of any public body that may be a Party to the Agreement, and the Parties expressly agree that the execution of the Agreement does not create any personal liability on the part of any officer, director, employee, or agent of the County.

(2) The Parties agree that no provision of this Agreement extends the County's liability beyond the liability provided in the Texas Constitution and the laws of the State of Texas.

(3) Neither the execution of this Agreement nor any other conduct of either Party relating to this Agreement shall be considered a waiver by the County of any right, defense, or immunity on behalf of itself, its employees or agents under the Texas Constitution or the laws of the State of Texas.

G. Applicable Law and Venue. This Agreement shall be governed by the laws of the State of Texas and the forum for any action under or related to the Agreement is exclusively in a state or federal court of competent jurisdiction in Texas. The exclusive venue for any action under or related to the Agreement is in a state or federal court of competent jurisdiction in Houston, Harris County, Texas.

H. No Binding Arbitration; Right to Jury Trial. The County does not agree to binding arbitration, nor does the County waive its right to a jury trial.

I. Contract Construction.

(1) This Agreement shall not be construed against or in favor of any Party hereto based upon the fact that the Party did or did not authorize this Agreement.

(2) The headings in this Agreement are for convenience or reference only and shall not control or affect the meaning or construction of this Agreement.

(3) When terms are used in the singular or plural, the meaning shall apply to both.

(4) When either the male or female gender is used, the meaning shall apply to both.

J. Recitals. The recitals set forth in this Agreement are, by this reference, incorporated into and deemed a part of this Agreement.

K. Entire Agreement; Modifications. This Agreement contains the entire agreement between the Parties relating to the rights herein granted and the obligations herein assumed. This Agreement supersedes and replaces any prior agreement between the Parties pertaining to the rights granted and the obligations assumed herein. This Agreement shall be subject to change or modification only by a subsequent written modification approved and signed by the governing bodies of each Party.

- L. Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application thereof to any person, entity, or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons, entities, or circumstances shall not be affected thereby.
- M. Survival of Terms. Any provision of this Agreement that, by its plain meaning, is intended to survive the expiration or earlier termination of this Agreement including, but not limited to the indemnification provision, shall survive such expiration or earlier termination. If an ambiguity exists as to survival, the provision shall be deemed to survive.
- N. Multiple Counterparts/Execution. This Agreement may be executed in several counterparts. Each counterpart is deemed an original and all counterparts together constitute one and the same instrument. In addition, each Party warrants that the undersigned is a duly authorized representative with the power to execute the Agreement.
- O. Warranty. By execution of this Agreement, the City warrants that the duties accorded to the City in this Agreement are within the powers and authority of the City.

[EXECUTION PAGE FOLLOWS]

HARRIS COUNTY, TEXAS

CITY OF PINEY POINT VILLAGE

By: _____
LINA HIDALGO, County Judge
Date: _____

By: _____
Mark Kobelan, Mayor
Date: _____

APPROVED AS TO FORM:

ATTEST:

VINCE RYAN
County Attorney

By: _____
Karen Farris, City Secretary

By: _____
Assistant County Attorney
C.A.O. File No.:

Exhibit A

Depiction of Road

ORDER OF COMMISSIONERS COURT

The Commissioners Court of Harris County, Texas, met in regular session at its regular term at the Harris County Administration Building in the City of Houston, Texas, on _____, with all members present except _____.

A quorum was present. Among other business, the following was transacted.

ORDER AUTHORIZING AN INTERLOCAL AGREEMENT BETWEEN HARRIS COUNTY AND THE CITY OF PINEY POINT VILLAGE FOR MAINTENANCE OF A PORTION OF ROAD LOCATED IN HARRIS COUNTY PRECINCT 3.

Commissioner _____ introduced an order and moved that Commissioners Court adopt the order. Commissioner _____ seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order prevailed by the following vote:

	Yes	No	Abstain
Judge Lina Hidalgo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Rodney Ellis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Adrian Garcia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Tom Ramsey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. R. Jack Cagle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The order adopted follows:

IT IS ORDERED that:

1. The Harris County Judge is authorized to execute on behalf of Harris County the attached Interlocal Agreement between Harris County and the City of Piney Point Village for maintenance of a portion of road located in Harris County Precinct 3.
2. All Harris County officials and employees are authorized to do any and all things necessary or convenient to accomplish the purposes of this order.