

**CITY OF PINEY POINT VILLAGE
CITY COUNCIL**

Mark Kobelan, Mayor
Michael Herminghaus, Council Position 1
Dale Dodds, Council Position 2
Joel Bender, Council Position 3, Mayor Pro Tem
Aliza Dutt, Council Position 4
Jonathan C. Curth, Council Position 5



**COUNCIL CHAMBERS
7676 WOODWAY, SUITE 300
HOUSTON, TEXAS 77063**

Robert Pennington, City Administrator
David Olson, City Attorney

Phone (713) 782-0271
www.cityofpineypoint.com

**THE CITY OF PINEY POINT VILLAGE
REGULAR COUNCIL MEETING
MONDAY, MAY 22, 2023
6:00 PM**

NOTICE IS HEREBY GIVEN THAT THE CITY COUNCIL OF THE CITY OF PINEY POINT VILLAGE WILL HOLD A REGULAR COUNCIL MEETING ON MONDAY, MAY 22, 2023, AT 6:00 P.M. AT CITY HALL, 7676 WOODWAY DR., SUITE 300, HOUSTON, TEXAS TO DISCUSS THE AGENDA ITEMS LISTED BELOW.

DECLARATION OF QUORUM AND CALL TO ORDER

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.*

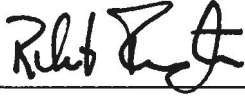
AGENDA

1. Consideration and possible action on the Memorial Villages Police Department Monthly Report.
2. Presentation on the Memorial Villages Police Department Annual Audited Report for FY 2022 and consider acceptance as presented.
3. Consideration and possible action on the Memorial Villages Police Department Fiscal Year 2024 Budget.
4. Consideration and possible action on the Village Fire Department Monthly Report.
5. Consideration and possible action on the Fire Department Fiscal Year 2024 Budget.
6. Consideration and possible action on a tax collection contract with the Spring Branch Independent School District.

7. Consideration and possible action on Ordinance 2023.05A for proposed qualified tax exemptions for Piney Point Village property tax owners.
8. Consideration and possible action on professional landscape architecture services by Kimley Horn on Greenbay Drive between Memorial Drive and 11131 Greenbay.
9. Consideration and possible action on the Mayor's Monthly Report.
 - a) Greenbay Landscape Beautification – (Update).
10. Consideration and possible action on the City Administrator's Monthly Report.
 - a) Financial Related Items:
 - i. Financial Report – April 2023.
 - ii. Refund - Temporary Certificate of Occupancy on 11325 Greenbay.
 - iii. Disbursement – Pathmark
 - iv. Disbursement – Blue Water Irrigation
 - v. Budget Planning Calendar for FY2024.
 - b) Specific Use Permit Projects – Update.
 - c) Short-Term Lease on Single-Family Dwellings – P&Z Status.
11. Consideration and possible action on inclusion of potential inclusion of storm sewer improvements on 11411 and 11414 Wendover into the Williamsburg Drainage Improvements Project a request to publicly advertise and bid the Williamsburg Drainage Improvements Project.
12. Consideration and possible action on a proposal for professional engineering services for the Williamsburg Drainage Improvements Project.
13. Consideration and possible action on quotes received from contractors to clean and televise the storm sewer on South Country Squire and the south side of Green Vale.
14. Consideration and possible action on the Engineer's Report.
15. Consideration and possible action on approval of minutes for the Regular Session Meeting held on April 24, 2023.
16. Consideration and possible action on approval of minutes for the Special Session Meeting held on May 15, 2023.
17. Consideration and possible action on any future agenda items, meeting dates, and similar matters.
18. 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 551.072 of the Texas Government Code (Real Property), specifically to deliberate on Piney Point Village City Hall office lease.
19. Consideration and possible action on items discussed in Executive Session.
20. Adjourn.

CERTIFICATION

I certify that a copy of the May 22, 2023, 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 19, 2023.



Robert Pennington
City Administrator / 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 Robert Pennington, at 713-230-8703. 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.

TO: Members of the City Council

FROM: R. Pennington, City Administrator

VIA: R. Schultz, Police Chief

MEETING DATE: May 22, 2023

SUBJECT: Discuss and take possible action on the Memorial Villages Police Department Monthly Report.

Agenda Item: 1

This agenda item is for MVPD monthly reporting, to hear and discuss activity of the Department including detail on call volume, traffic stops, citations, and other public safety related incidents. Attached is the monthly report from MVPD.



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

Raymond Schultz
Chief of Police

May 8, 2023

TO: MVPD Police Commissioners

FROM: R. Schultz, Chief of Police

REF: April 2023 Monthly Report

During the month of April MVPD responded/handled a total of 4,275 calls/incidents. 2,966 House Watch checks were conducted. 610 traffic stops were initiated with 636 citations being issued for 1121 violations. (Note: 18 Assists in Hedwig, 79 in Houston, 0 in Spring Valley and 0 in Hillshire)

Calls/Events by Village were:

Village	Calls/YTD	House Watches/YTD	Accidents	Citations	Response Time
Bunker Hill:	1574/6111	1198/4493	3	81/259/340	8@3:36
Piney Point:	966/4350	572/2671	1	101/377/478	6@3:18
Hunters Creek:	1590/6597	1195/4505	1	71/234/305	12@3:47
				Cites/Warn/Total	26@3:36

Type and frequency of calls for service/citations include:

Call Type	#	Call Type	#	Citations	#
False Alarms:	127	Ord. Violations:	21	Speeding:	159
Animal Calls:	22	Information:	21	Exp. Registration	202
ALPR Hits:	33	Suspicious Situations	98	No Ins	106
Assist Fire:	44	Loud Party	14	No License	109
Assist EMS:	21	Welfare Checks:	10	Stop Sign	41
				Fake Plate	33

*This month the department generated a total of 42 police reports.
 BH-12 PP-16 HC-14 HOU-0, HED-0, SV-0*

Crimes Against of Persons (2)

Assault	1
Terroristic Threat	1

Crimes Against Property (10)

Burglary of a Habitation	1	Fraud/ID	5
Theft	4		

Petty/Quality of Life Crimes/Events (30)

ALPR Hits (valid)	3	Warrants	4
Accidents	5	DWI	1
Information Reports	6	Misc	9
Possession of CS	1	Fail to ID	1

Arrest Summary: Individuals Arrested (8)

Warrants	4	Felony	1
Class 3 Arrests	2	DWI	1

<u>Budget YTD:</u>	<u>Expense</u>	<u>Budget</u>	<u>%</u>
• Personnel Expense:	1,700,786	5,698,141	29.8%
• Operating Expense:	429,104	1,096,092	39.1%
• Total M&O Expenditures:	2,129,890	6,794,233	31.3%
• Capital Expenses:	306,252	672,200	45.6%
• Net Expenses:	2,436,142	7,466,433	33%

Follow-up on Previous Month Items/Requests from Commission

- The Finance Committee met to finalize work on the 2024 budget and to make recommendations.
- Netsential has been able to work with several internet service providers and implement a solution which allows V-line messages to go through that were previously sent to spam accounts.

Personnel Changes/Issues/Updates

- The department remains fully staffed.

Major/Significant Events

- The ALPR system was successful by assisting in identifying suspects in multiple cases this month including, a theft case of a watch, theft of a kitten, burglary of a vehicle on Shadow Way, burglary of a vehicle on Memorial Drive, and the recovery of three stolen vehicles, one containing drugs, and two with wanted fugitives.
- Detectives conducted extensive investigative work and successfully identified a suspect in a fraud case involving a resident. The suspect had obtained a real Texas DL that contained false information giving her two identities. The housekeeper suspect had taken checks from the victim and was successfully cashing them. The suspect was arrested.
- On 4/28/23 officers stopped a stolen vehicle. Through investigation officers found narcotics and folders of washed checks ready to be cashed. Additionally, one of the suspects was found to be a wanted sex offender.

Status Update on Major Projects

- The radios were installed in the remodeled dispatch area and the final cutover is in progress.
- The walls and doors were repainted, and the floors were redone in the sallyport area of the building.

Community Projects

- The department participated in multiple community events this month throughout the villages. Events included, Freshman Parent Spring Coffee, National Telecommunicator Week, Memorial Exchange Club Officer of the Year Luncheon where Detective Chris Rodriguez was recognized, Memorial High School Crawfish Boil, the BHE Spring Fling Family Night, The Texas Special Olympics Torch Run, Ramadan Law Enforcement Appreciation Night, HCE Cruise with a Cop, the Lamar Special Education High School Prom, and a DARE graduation.

V-LINC new registrations in April +18

BH – 1566(+5)
PP – 1121 (+5)

HC – 1579 (+4)
Out of Area – 567 (+4)

April VFD Assists

Calls received directly by MVPD via 911/3700

Priority Events Average Response Times

Total – 10 3:39

Fire – 0 0:00

EMS – 10 3:39

By Village

BH Fire – 0 0:00

BH EMS – 3 2:24

PP Fire – 0 0:00

PP EMS – 2 4:30

HC Fire -0 0:00

HC EMS -5 4:01

Combined VFD Events (Priority + Radio)

Total – 52 3:53

Fire – 33 4:13

EMS – 19 3:31

Radio Call Events

Total – 42 3:59

Fire- 33 4:13

EMS- 9 3:24

Radio Call Events by Village

BH – 13 3:13

PP – 10 6:01*

HC – 19 3:35

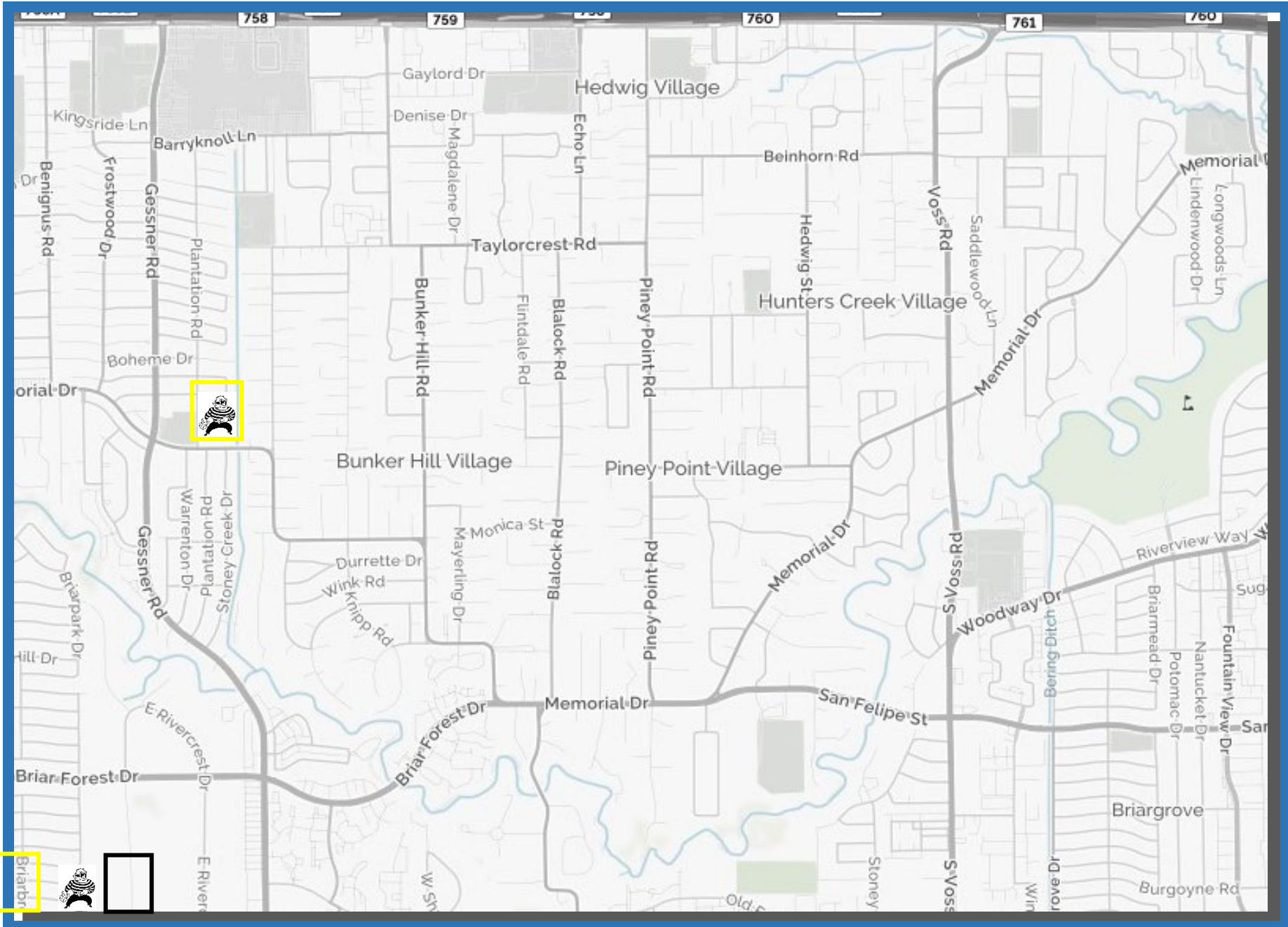
- Fire alarm event false

2022 Officer Committed Time to Service Report

Employee Name		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Reports	Cites
ALSALMANI, ALI		26:36:21	23:28:43	24:11:20	22:45:35									2	74
BAKER, BRIAN C	*	3:31:40	0:18:16	1:29:15	0:32:24										
BALDWIN, BRIAN		17:32:11	13:52:09	18:58:23	15:22:04										21
BIEHUNKO, JOHN		22:37:16	20:41:29	24:20:46	9:54:47										16
BOGGUS, LARRY	*	0:04:10	0:59:15	2:42:11	14:58:50										
BURLESON, Jason		13:12:02	10:25:15	13:11:53	22:52:41									3	21
CANALES, RALPH EDWARD		15:05:04	14:08:39	19:00:17	9:18:54									1	15
CERNY, BLAIR C.	*	22:20:53	13:00:34	4:12:21	5:52:34										
ECKERFIELD, Dillion		25:34:06	16:08:21	33:29:46	21:55:20									2	33
HARWOOD, NICHOLAS		18:58:46	19:16:48	12:51:44	9:07:09									3	11
JARVIS, RICHARD		17:03:26	15:40:05	15:27:29	13:10:22									1	28
JOHNSON, JOHN		15:48:16	16:53:09	14:28:58	17:03:42									4	25
JONES, ERIC	*	0:00:00	14:52:11	0:00:00	0:00:00										
KING, JEREMY		9:53:27	0:00:00	20:34:58	7:58:39										27
KUKOWSKI, Andy		21:46:17	23:48:00	14:19:24	14:13:17									1	22
LOWRIE, Andy		18:47:35	35:22:56	22:43:49	31:50:20									3	69
MCELVANY, ROBERT		13:28:51	9:01:39	3:53:11	9:48:34										21
ORTEGA, Yesenia		16:22:55	14:53:39	22:43:49	25:29:38									2	22
OWENS, LANE	*	7:19:25	1:06:57	0:03:44	0:00:00										
PAVLOCK, JAMES ADAM		1:16:57	0:41:05	1:32:18	0:19:29										
RODRIGUEZ, CHRISTOPHER	*	2:58:13	0:45:39	5:03:49	10:10:35										
RODRIGUEZ, REGGIE				2:13:47	30:19:25									9	59
SALAZAR, Efrain		21:58:39	20:02:08	19:37:20	14:39:42									2	25
SCHANMEIR, CHRISTIAN		20:44:52	12:50:34	15:00:40	16:57:42									2	25
SCHULTZ, RAYMOND	*	5:44:09	0:00:00	0:46:23	1:12:56										
SILLIMAN, ERIC		25:55:25	11:42:31	7:51:13	7:22:18										7
SPRINKLE, MICHAEL		9:05:01	6:38:58	13:45:12	12:40:15									1	13
TAYLOR, CRAIG		29:35:02	17:58:23	21:22:03	12:56:07										15
TORRES, PATRICK		14:23:40	17:57:00	12:04:56	16:42:07										56
VALDEZ, JUAN		20:27:22	8:01:45	16:38:45	16:10:38									3	12
VASQUEZ, MONICA	*	0:39:02	2:11:16	2:48:31	24:00:53									3	
WHITE, TERRY		26:58:37	19:19:14	6:53:51	14:02:23										19
WILLIFORD, Adam		17:44:28													
* = Admin													Total	42	636

Dispatch Committed Time														Totals
911 Phone Calls		385	377	460	UNV									1222
3700 Phone Calls		2469	2015	2558	UNV									7042
DP General Phone Calls*		53:12:01	71:35:35	56:39:49	UNV									

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



2023 Burglary Map


Address	Alarm	POE
12102 Rhett	No	Rear Door/Force
203 Heritage Oaks	No	Front Door/Force

2023 Robberies

Address	MO
---------	----

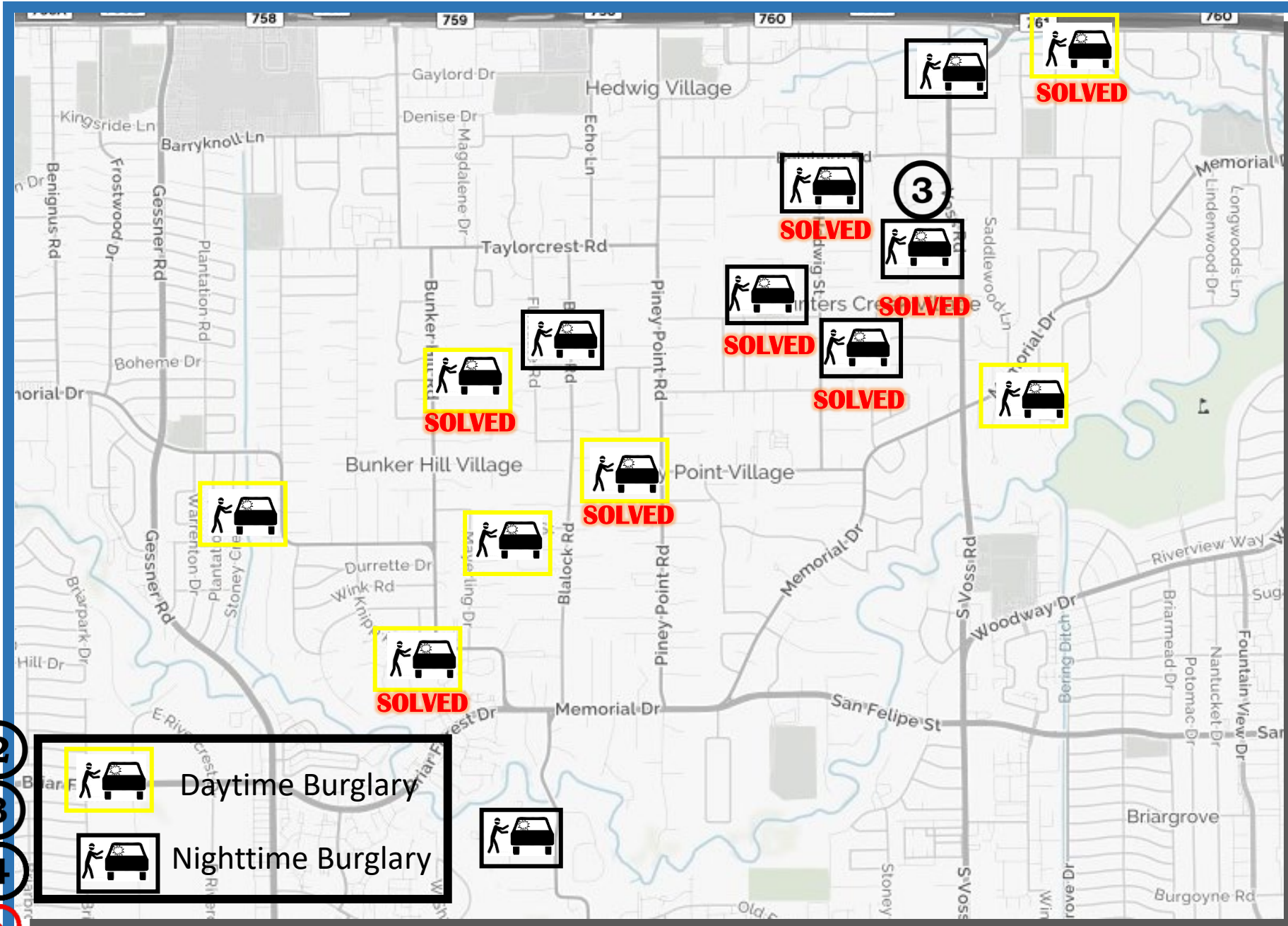
 Daytime Burglary

 Nighttime Burglary

 Robbery

 
4/30/23

2023 Auto Burglary Map



Address	POE
335 Piney Point Rd	UNL Win Open
10810 Briar Branch	UNL
11714 Winshire	Win/Smash
10709 Memorial	Lock Punch
10913 Long Shadow	UNL
10823 Smithdale	UNL
10918 Roaring Brook	UNL
10926 Long Shadows	UNL
525 Trails End	UNL
200 Stoney Creek	UNL/Contractor
10700 Marsha	Win/Smash
11722 Flintwood	UNL
1 Carsey Ln	UNL*
8435 Katy Fwy	Win/Smash*
11678 Arrowood	UNL
11750 Memorial	Window/Punch

② Daytime Burglary
③ Nighttime Burglary
④

* Jugging

SOLVED
 Blue Entry = Actual Location Unknown
 Underlined Contractor
 4/30/23



April 2023 ALPR REPORT



Total Plate Reads, Incl's multiple reads of same plate
Number of Unique Plates Read – Total without repeats
Number of Hits/Alerts - All 14 possible categories
Number of Hits/Alerts of the 6 monitored categories
Number of Sex Offender Hits (not monitored live)
Summary Report
Total Hits-Reads/total vehicles passed by each camera

2022 ALPR Data Report

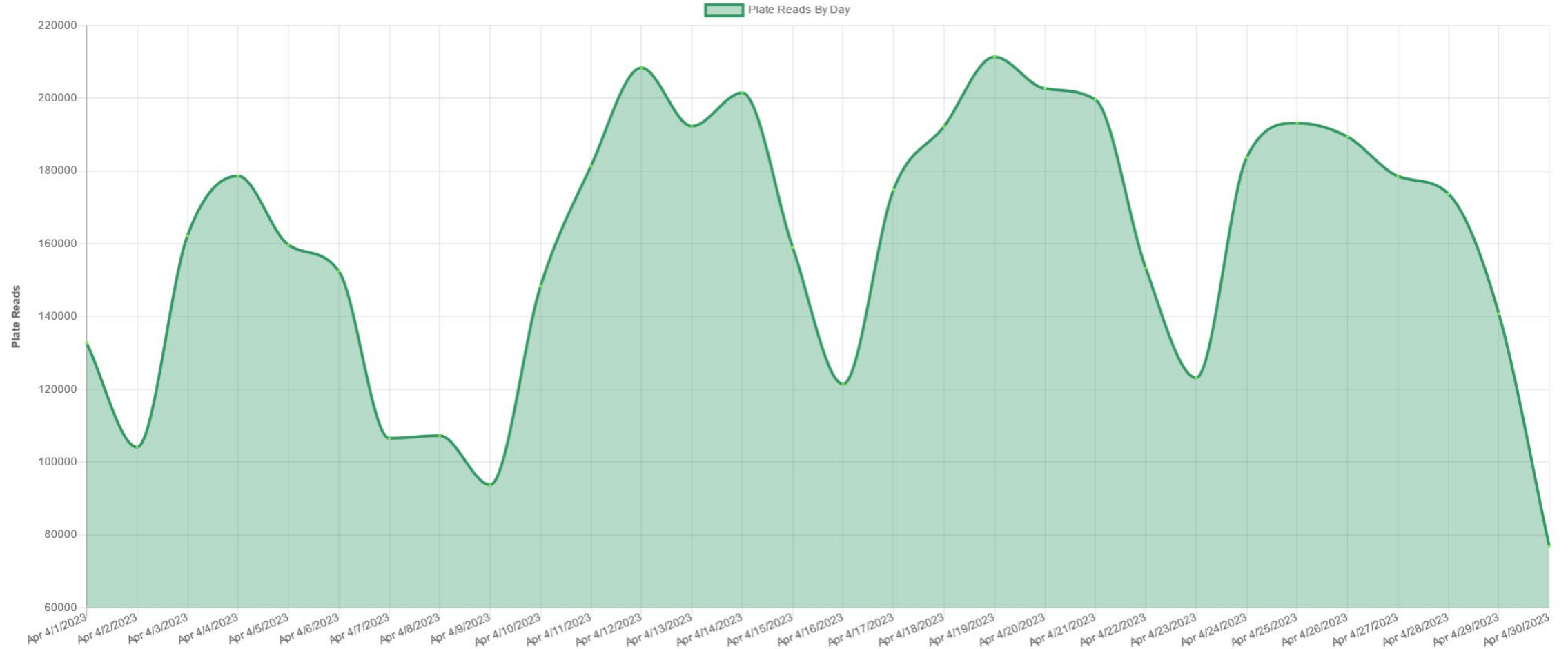
Plate Reads Summary

Total Plate Reads:
4,802,394

[DOWNLOAD CSV](#)

Apr 1 - Apr 30

Devices (34) ▾



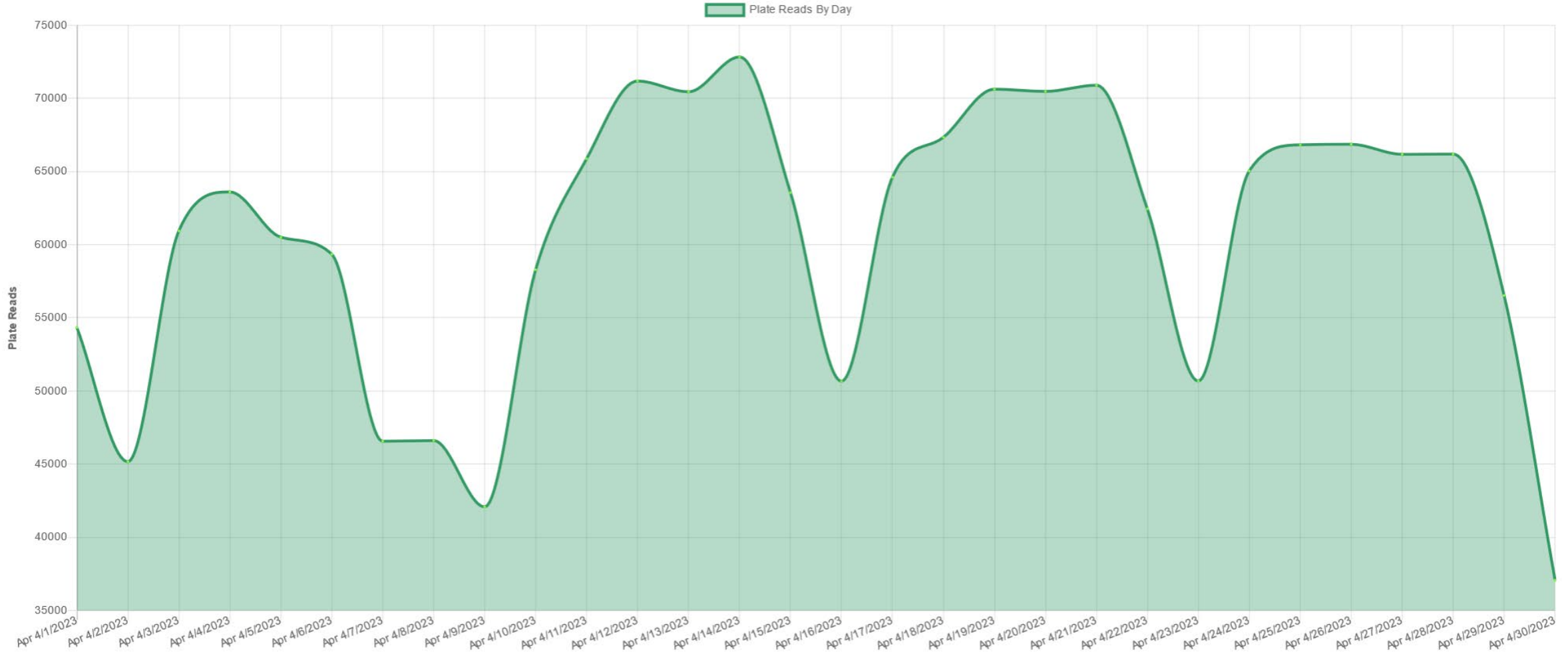
Unique Plate Reads Summary

Total Unique Plate Reads:
579,864

[DOWNLOAD CSV](#)

Apr 1 - Apr 30

Devices (34) ▾



All Categories

Hits Report

04/01/2023 → 04/30/2023



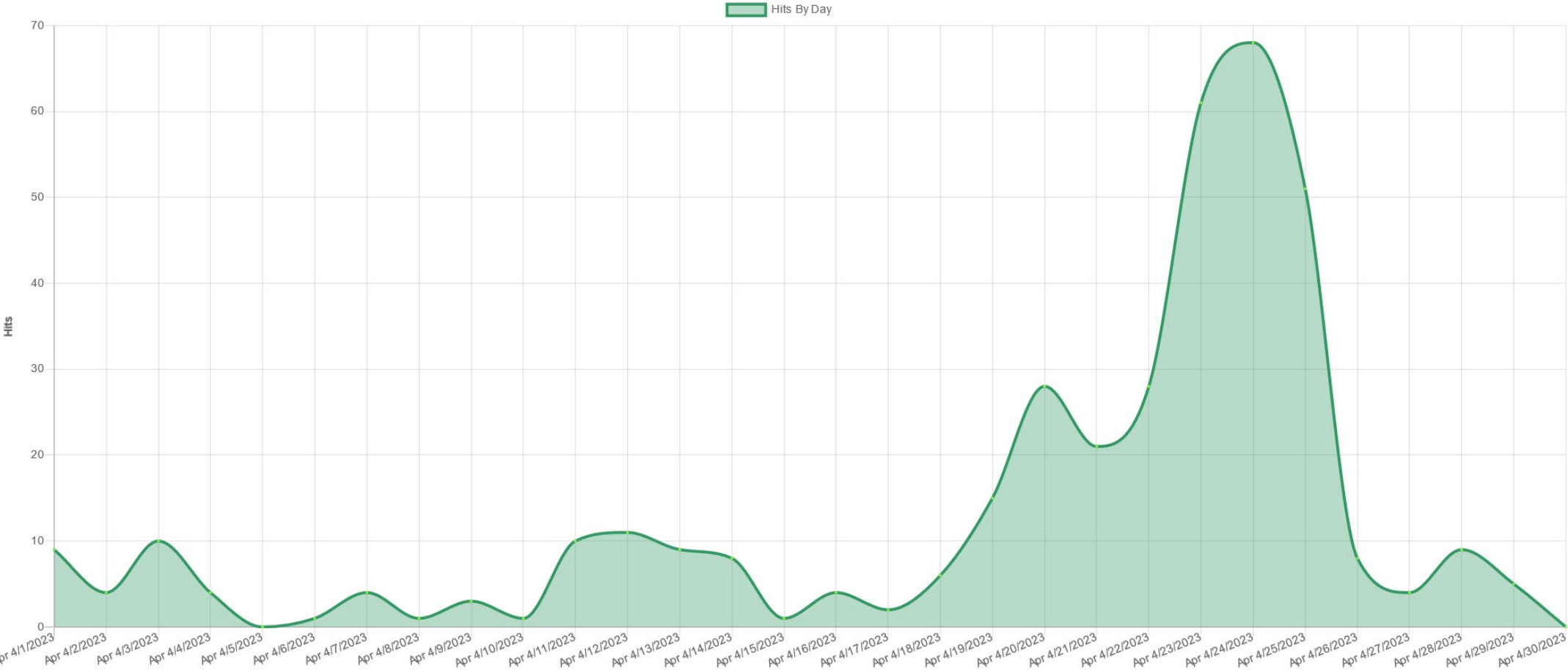
Search

[DOWNLOAD CSV](#)

Total Hits: 386

Topics (15) ▾

Devices (34) ▾



Top 7 Categories

Hits Report

04/01/2023 → 04/30/2023



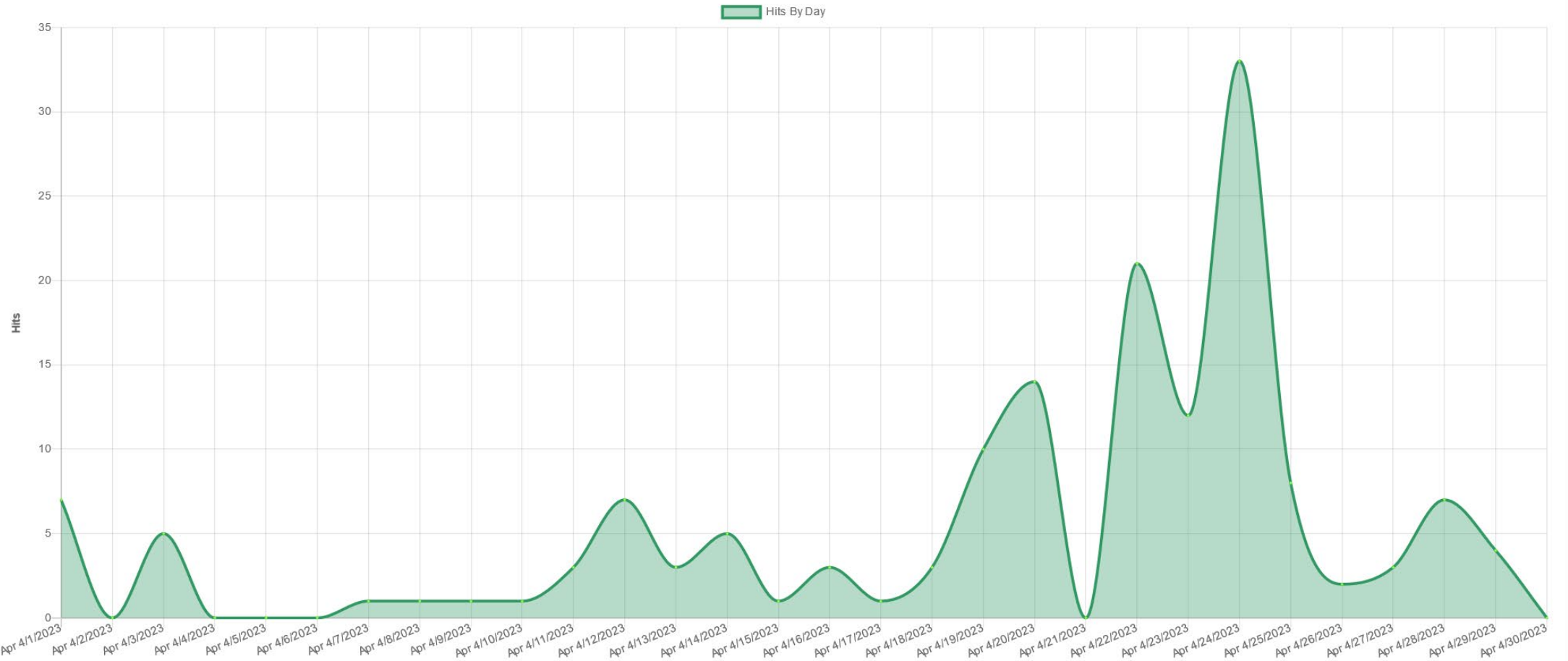
Search

[DOWNLOAD CSV](#)

Total Hits: 156

Topics (7) ▾

Devices (34) ▾



Sex Offenders

Hits Report

04/01/2023 → 04/30/2023

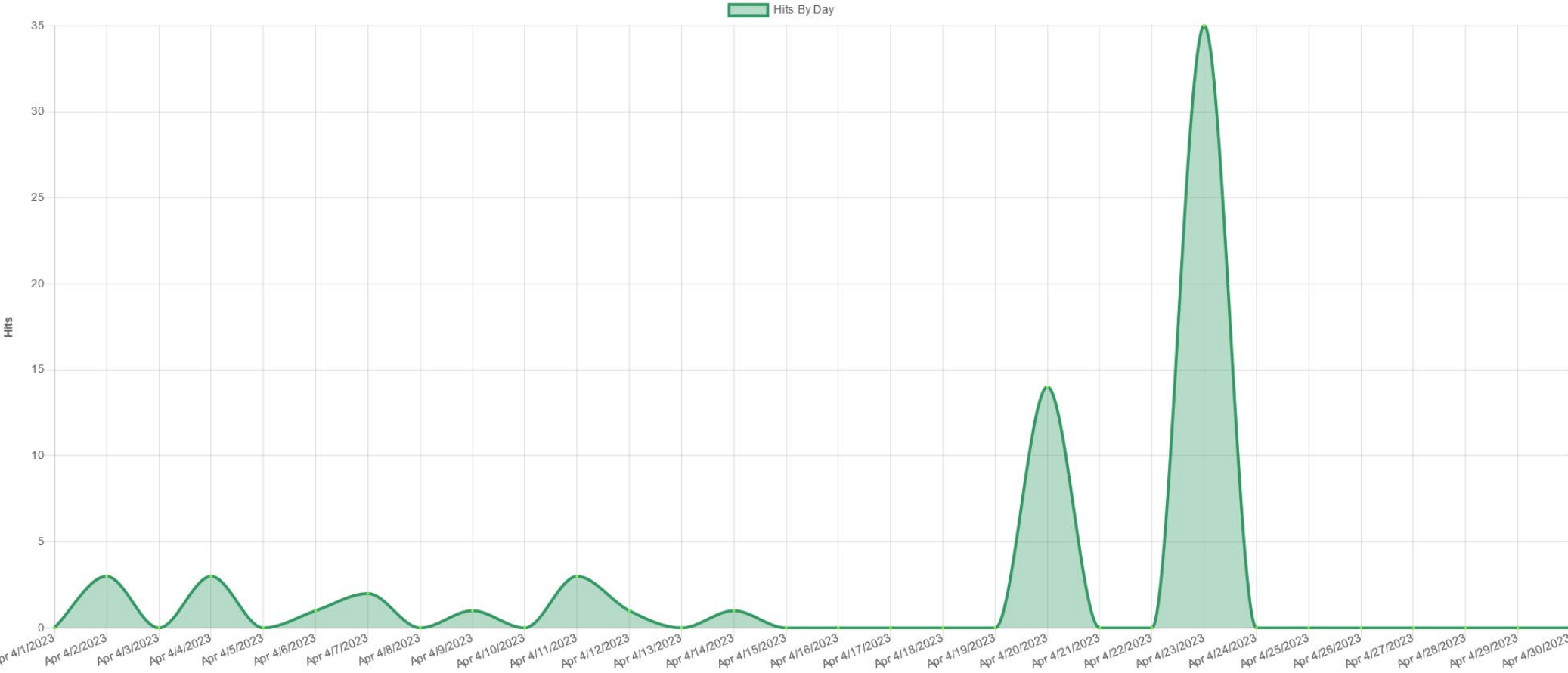
Search

DOWNLOAD CSV

Total Hits: 64

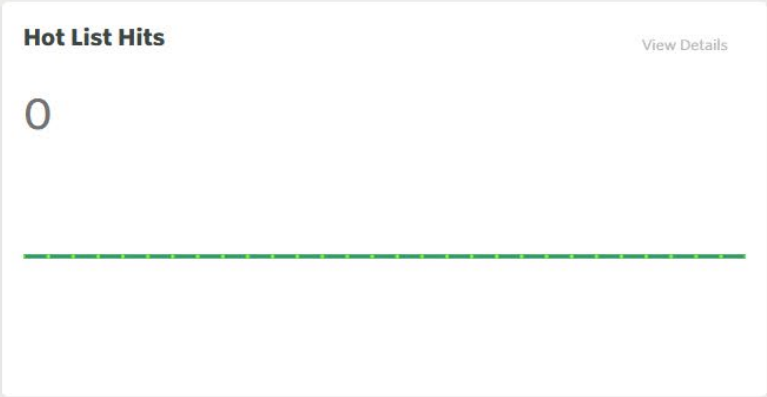
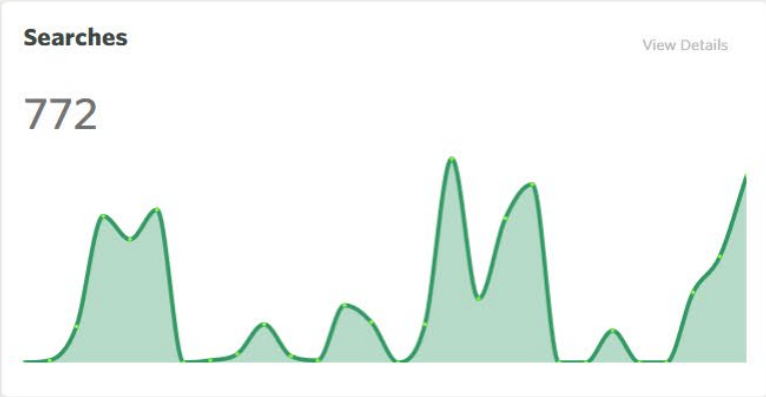
Topics (1)

Devices (34)



Summary Report

Insights Dashboard




Device Sharing

Shared with
Lewisville TX PD,
Phoenix AZ PD,
and 106 others

Access Levels
Search
Hotlist Tool Access

EDIT DEVICE SHARING

Device Status

34 / 34 
Devices Online

[← Previous Device](#)

Device Name	Battery	Latency
#01 Inbound, Riverview Way, EB	—	—

[Next Device >](#)

#1 Gessner S/B at Frostwood

#2 Memorial E/B at Gessner

#3 NO ALPR - Future Location

#4 Memorial N/B at Briar Forrest

#5 Bunker Hill S/B at Taylorcrest

#6 Taylorcrest W/B at Flintdale

#7 Memorial E/B at Briar Forrest

#8 2200 S. Piney Point N/B

#9 N. Piney Point N/B at Memorial

#10 Memorial E/B at San Felipe

#11 Greenbay E/B Piney Point

#12 Piney Point S/B at Gaylord

#13 Gessner N/B at Bayou

#14 Beinhorn W/B at Pipher

#15 Hunters Creek Drive S/B at I-10

#16 Memorial W/B at Creekside

#17 Memorial W/B at Voss

#18 Memorial E/B at Voss

#19 S/B Voss at Old Voss Ln 1

#20 S/B Voss at Old Voss Ln 2

#21 N/B Voss at Magnolia Bend Ln 1

#22 N/B Voss at Magnolia Bend Ln 2

#23 W/B San Felipe at Buffalo Bayou

#24 N/B Blalock at Memorial

#25 N/B Bunker Hill at Memorial

#26 S/B Hedwig at Beinhorn

#27 Mobile Unit #181

#28 Mobile Speed Trailer

#29 Riverbend Main Entrance

#30 Beinhorn E/B at Voss

#31 Memorial E/B at Tealwood (new)

#32 Greenbay W/B at Memorial

#33 Strey N/B at Memorial

Private Systems monitored by MVPD

US COINS - I-10 Frontage Road

Memorial Manor NA Lindenwood/Memorial

Greyton Lane NA

Calico NA

Windemere NA

Mott Lane

Kensington NA

Stillforest NA

Farnham Park

Riverbend NA

Pinewood NA

Hampton Court

Bridlewood West NA

N Kuhlman NA

Longwoods NA

Memorial City Mall - 22



Yellow = Bunker Hill

Green = Piney Point

Red = Hunters Creek

Blue = MVPD Mobile

Purple = Privately Owned Systems

Hits/Reads By Camera

1 21/310,425
2 0/178,611
3 See #31
4 3/223,780
5 7/77,962
6 2/91,117
7 9/230,368
8 4/248,143
9 1/230,368
10 0/137,196
11 1/48,092
12 7/259,987
13 12/269,536
14 2/102,906
15 0/7,028
16 20/93,009

17 0/83,382
18 4/109,851
19 4/335,541
20 7/244,273
21 10/221,769
22 7/407,090
23 15/269,327
24 11/173,096
25 0/53,882
26 3/56,161
27 6/153,688
28 0/26,024
29 0/5,770
30 0/51,156
31 0/159,513
32 0/45,812
33 0/23,760
34 0/2,373

Total Reads – 4,802,394

Unique Reads – 579,864

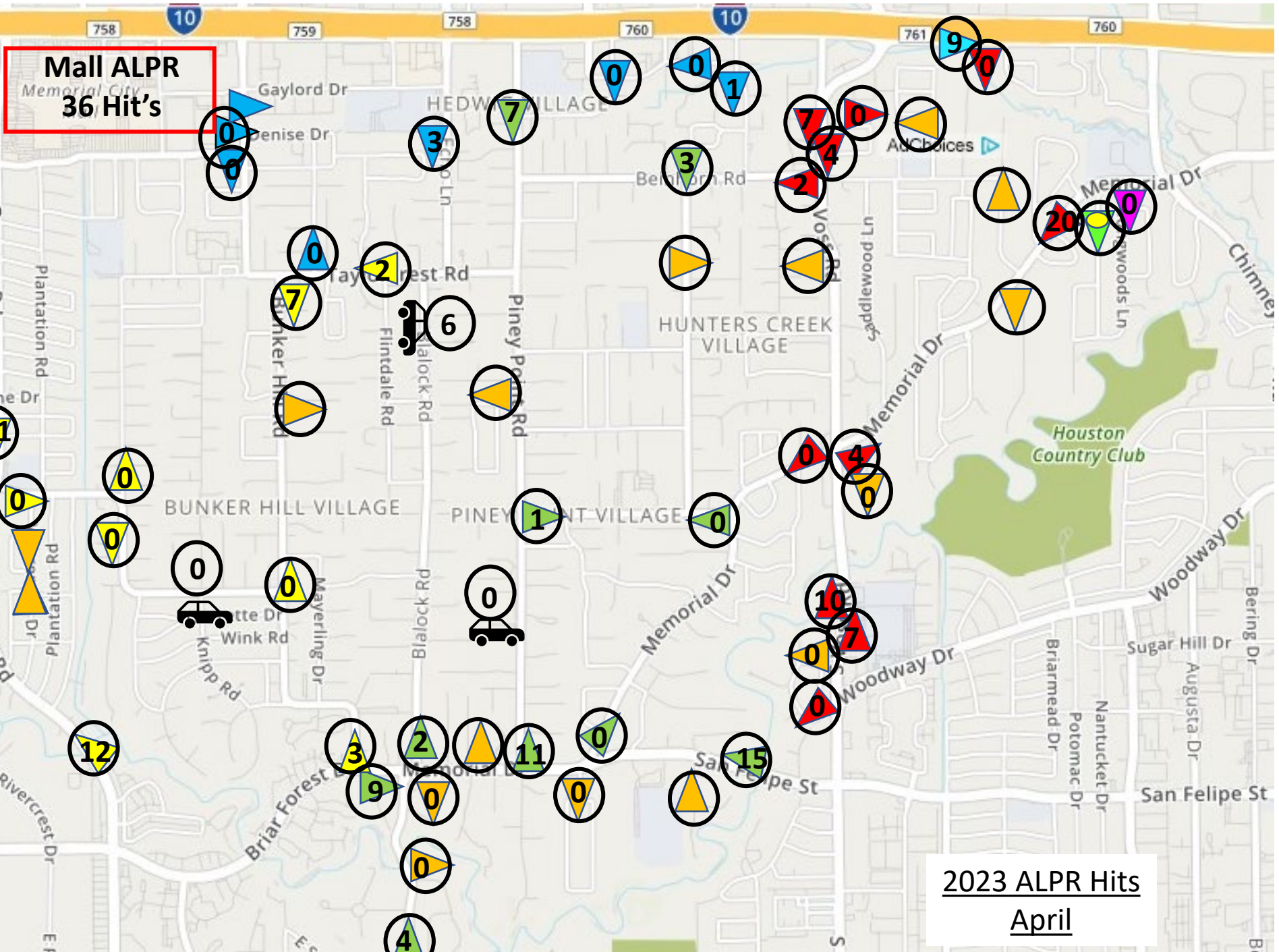
Hits- 386

7 Top Hit List-156

- Hotlist - 4
- Stolen Vehicle
- Stolen Plate
- Gang Member
- Missing
- Amber
- Priority Restraining Order

Recoveries - 3

April 2023



Mall ALPR
36 Hit's

2023 ALPR Hits
April

Hedwig
▼ (9)

Bunker Hill
▼

Piney Point
▼

Hunters Creek
▼

Frequent Mobile Locations
🚗

(131) Total Hits

Lindenwood HOA
▼

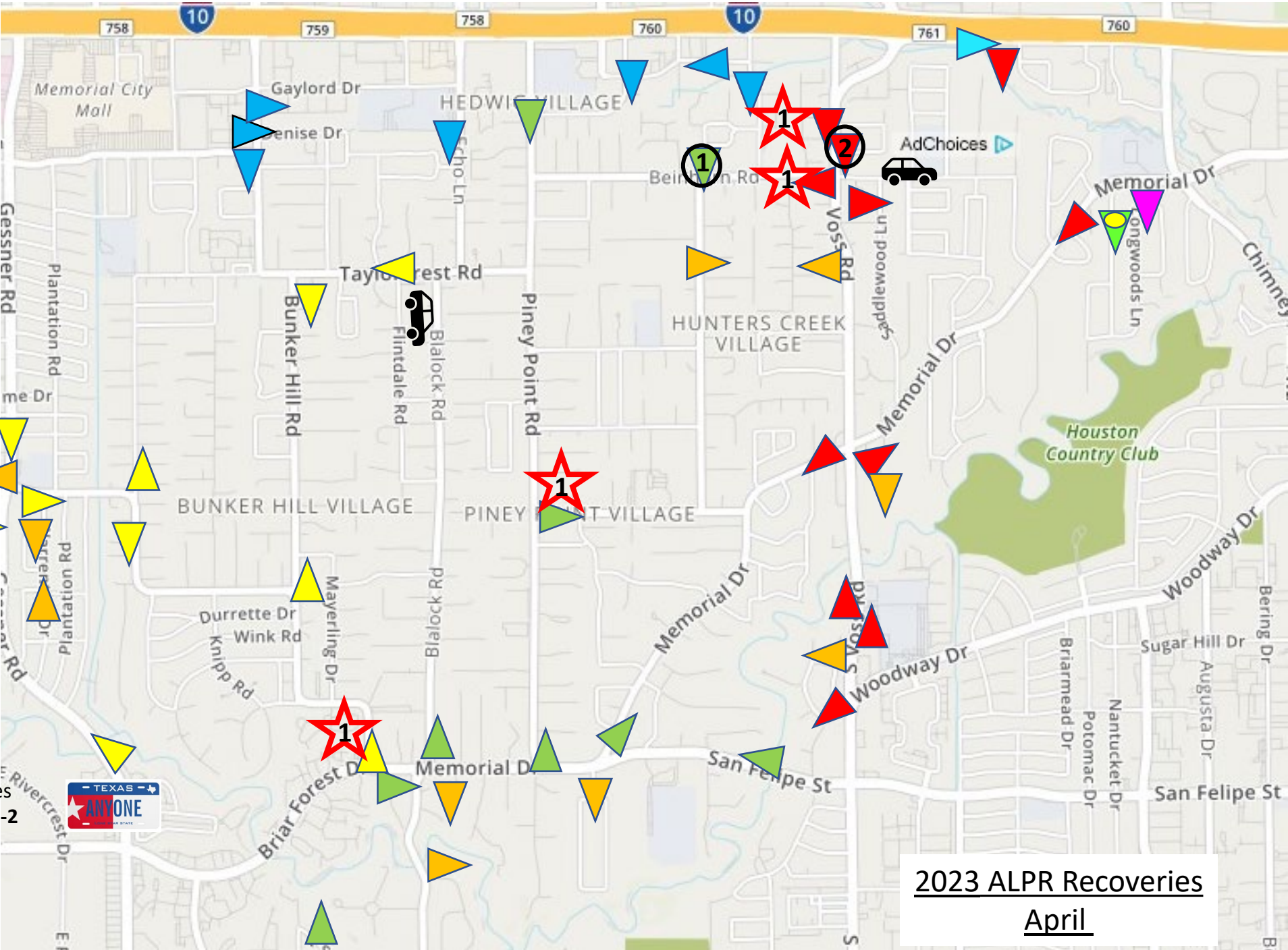
Longwoods HOA
▼

US Coins
▼

In Process
▼

HOA Systems
▼

4/30/23 ▼



Hedwig



Bunker Hill



Piney Point



Hunters Creek



Frequent Mobile Locations



3 Recovered Vehicles
Recovered Plates -2

4 Investigative Leads

Lindenwood HOA



Longwoods HOA



US Coins



In Process



HOA Systems



4/30/23

2023 ALPR Recoveries
April

ALPR Recoveries						
Num	Plate	Vehicle	Loc	Val	Links	Date
1	PMC0662	Tou/Pri	13	\$ 18,000.00	Stolen from Repair	19-Jan
2	SFG4671	BMW X5	7	\$ 32,000.00	Fugitive Previous	28-Jan
3	RRB9905	Ford/Van	19	\$ 16,000.00	On Tow Truck	1-Feb
4	PRP8014	Toy/High	21	\$ 24,000.00	Fraud	17-Feb
5	3539AY	Merz	1	\$ 24,000.00	HPD	22-Feb
6	NDD4115	BMW328	8	\$ 31,500.00	Fraud	6-Mar
7	DRM8516	NissAlt	19	\$ 21,000.00		7-Apr
8	SNT5450	GMC 1500	14	\$ 26,000.00		19-Apr
9	LYG558	Nissan	19	\$ 14,000.00	Fugitive/Drugs	28-Apr
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						
49						
50						
51						
52						
53						
54						
55						
56						
57						
58						
59						
60						
61						
62						
63						
64						
65						
66						
67						
68						
69						
70						
71						
72						
73						
74						
75						

Plate Recoveries					
Plate Recove	Date	Links	Plate Reco	Date	Links
SFG9342	1/12/2023	Owner			
RDM8571	1/18/2023	Cited			
KKV5316	1/18/2023	Owner			
NDD9473	2/17/2023	Cited			
RMW2202	2/23/2023	Owner			
RGB8499	2/24/2023	Owner			
RZX6901	3/8/2023	Arrested			
OB1159K	4/18/2023	Cited			
LLC9151	4/21/2023	Owner			

Firearm in vehicle
Temp Tag

Vehicle found to be Stolen

Located but Fled					
Date	Plate	Camera	Date	Plate	Camera
16-Jan	IN DI9211	21			
4-Feb	LJL2527	21			
23-Apr	PZY1260	Hed			
23-Apr	1BF9105	8			

Runaways
3/3/2023 RZY8999 21 Juvenile Runaway

6 of 9 involved in other crimes = 66%

HOT List Hits Other Agencies			
2/9/2023	98BGQN	9	Fugitives

ALPR Stops Located not Reported as Recovered			
Plate	ALPR	Agency	Date
SFG9342	19	HPD	11-Jan
KKP9539	1	HPD	26-Jan
PBB6385	13	HPD	30-Jan
RXN2712	21	Southside	9-Feb
RZY1469	8	HPD	6-Mar

Program Summary			
2023 Value	\$ 206,500.00	Recovered	9
2022 Value	\$ 1,733,000.00	Recovered	74
2021 Value	\$ 1,683,601.00	Recovered	75
2020 Value	\$ 1,147,500.00	Recovered	61
2019 Value	\$ 438,000.00	Recovered	22
Program Total	\$ 5,208,601.00		241

INVESTIGATIVE LEADS			
Crime	Plate	Date	ALPR
Package Theft	BLN9367	29-Jan	#29
Dumping of Concrete	261	7-Jan	#4
Hotlist	98BBGQN	9-Feb	#9
BMV's	LGD4601	10-Feb	#19
Missing Person	RZY8999	3-Mar	#8
Missing Person	MVC4443	5-Mar	#21
Theft	692227C3	7-Mar	#19
Missing person	BZ9Z064	28-Mar	#21
Jugging	PYT9426	3/21/2023	#14
BMV's	NDG7754	25-Mar	US Coins
Theft	RXR5074	7-Apr	#11
BMV's	HDN7572	17-Apr	#20
BMV	SLD2033	21-Apr	#7
Poss Abduction*	Multi	28-Apr	#14

* ALPR used to prove false report

TO: Members of the City Council

FROM: R. Pennington, City Administrator

VIA: R. Schultz, Police Chief

MEETING DATE: May 22, 2023

SUBJECT: Presentation on the Memorial Villages Police Department Annual Audited Report for FY 2022 and consider acceptance as presented.

Agenda Item: 2

Based on data provided in the MVPD Management, Discussion and Analysis (MDA) for fiscal year 2022, revenues from governmental activities totaled \$6,224,118. Operational costs increased by \$287,777 or 5%. All other revenues remained relatively stable when compared to the previous year. Expenses for governmental activities totaled \$6,118,495, an increase of \$184,398 or 3% from the prior year, primarily to support increased salary/benefit expenses. There was an overall increase in net position of \$105,623.

Attached Documents:

- ✓ Communication Letter (SAS 114)
- ✓ Audit Report
- ✓ Statements on Auditing Standards Letter (SAS 115)



May 3, 2023

To the Board of Commissioners and management
Memorial Villages Police Department

We have audited the financial statements of the Memorial Villages Police Department (the "Department"), as of and for the year ended December 31, 2022, and have issued our report thereon dated May 3, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated September 2, 2022, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Department solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting material weaknesses and material noncompliance, and other matters noted during our audit in a separate letter to you dated May 3, 2023.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, and as appropriate, our firm have complied with all relevant ethical requirements regarding independence.

Our firm and staff do not have any existing relationships, conflicts of interest, or other conditions or circumstances that would impair our independence with the Department under U.S. GAAS or [Government Auditing Standards](#)

For any nonattest service provided by our firm management maintained responsibility for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Department is included in Note I.F. to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are useful lives of capital assets.

Management's estimate of the useful lives of capital assets is based on industry standards relating to capital assets. We evaluated the key factors and assumptions used to develop the useful lives of capital assets in determining that they are reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Department's financial statements relate to capital assets and pension.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. We noted no such misstatements whose effects, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and each applicable opinion unit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. Exhibit 1 summarizes all misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Department's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated May 3, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with Memorial Villages Police Department, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Memorial Villages Police Department's auditors.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the Department's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the governing body and management of Memorial Villages Police Department and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

A handwritten signature in black ink that reads "Brooks Watson & Co." in a cursive, professional style.

Brooks Watson & Co.
14950 Heathrow Forest Pkwy | Ste 530
Houston, TX 77032

EXHIBIT 1

Corrected Audit Adjustments:

Adjusting Journal Entries JE # 1			
To roll beginning fund balance.			
01-14910	Miscellaneous Income:Misc Income	207.00	
01-3900	Retained Earnings		207.00
Total		<u>207.00</u>	<u>207.00</u>
Adjusting Journal Entries JE # 2			
To record prepaid capital assessment and interfund receivable due to surplus reclassification.			
04-1400	Due from General Fund	228,426.00	
04-11301	Prepaid Income PY Surplus		228,426.00
Total		<u>228,426.00</u>	<u>228,426.00</u>
Adjusting Journal Entries JE # 3			
To record 2022 budget surplus payable.			
01-13011	Surplus Refund to Cities	190,456.00	
01-11171	Due to Cities as Surplus		190,456.00
Total		<u>190,456.00</u>	<u>190,456.00</u>
	Total Adjusting Journal Entries	<u>419,089.00</u>	<u>419,089.00</u>

ANNUAL FINANCIAL REPORT

of the

Memorial Villages Police Department

**For the Year Ended
December 31, 2022**

(This page intentionally left blank.)

Memorial Villages Police Department

TABLE OF CONTENTS

December 31, 2022

FINANCIAL SECTION

Independent Auditor's Report	1
Management's Discussion and Analysis	7

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position	17
Statement of Activities	19

Fund Financial Statements

Governmental Funds:

Balance Sheet	20
Reconciliation of the Balance Sheet to the Statement of Net Position- Governmental Funds	23
Statement of Revenues, Expenditures, and Changes in Fund Balance- Governmental Funds	24
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	27

Proprietary Funds:

Statement of Net Position	28
Statement of Revenues, Expenses, and Changes in Fund Net Position	29
Statement of Cash Flows	30

Notes to Financial Statements	33
--------------------------------------	----

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balances- Budget and Actual - General Fund	63
Schedule of Changes in Net Pension Liability and Related Ratios – Texas Municipal Retirement System	64
Schedule of Employer Contributions to Pension Plan – Texas Municipal Retirement System	66
Schedule of Changes in OPEB Liability and Related Ratios – Texas Municipal Retirement System	68
Schedule of Changes in OPEB Liability and Related Ratios – Retiree Health Plan	70

(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

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Memorial Villages Police Department (the "Department"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Memorial Villages Police Department, as of December 31, 2022, 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.

Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Memorial Villages Police Department and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The Department's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Department's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Department's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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.

A handwritten signature in black ink that reads "Brooks Watson & Co." in a cursive, slightly slanted script.

Brooks Watson & Co., PLLC
Certified Public Accountants
Houston, Texas
May 3, 2023

(This page intentionally left blank.)

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

(This page intentionally left blank.)

Memorial Villages Police Department

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

December 31, 2022

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, 2022.

Financial Highlights

- The Department's total combined net position was a deficit \$(1,322,061) at December 31, 2022.
- At the close of the current fiscal year, the Department's governmental funds reported combined fund balances of \$240,899, a decrease of \$66,801.
- As of the end of the year, the unassigned fund balance of the general fund was \$60,000 and participant assessment refunds totaled \$190,456 for the year.
- The Department had an overall increase in net position of \$105,623.
- The Department closed the year with a net pension liability of \$1,104,780.

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, 2022

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, 2022

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 (\$1,322,061) as of December 31, 2022, in the primary government.

The largest portion of the Department's net position, \$652,273, 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, 2022

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		
	2022	2021	\$
	Governmental	Governmental	Variance
	Activities	Activities	
Current and other assets	\$ 1,032,809	\$ 741,170	\$ 291,639
Capital assets, net	652,273	706,192	(53,919)
Total Assets	1,685,082	1,447,362	237,720
Deferred Outflows of Resources	469,650	780,870	(311,220)
Other liabilities	1,002,632	612,950	389,682
Long-term liabilities	1,494,708	2,656,010	(1,161,302)
Total Liabilities	2,497,340	3,268,960	(771,620)
Deferred Inflows of Resources	979,453	386,956	592,497
Net Position:			
Net investment in capital assets	652,273	706,192	(53,919)
Unrestricted	(1,974,334)	(2,133,876)	159,542
Total Net Position	\$ (1,322,061)	\$ (1,427,684)	\$ 105,623

Current and other assets for governmental activities increased by \$291,639 when compared to the prior year. This increase is primarily attributed to the retention and application of the 2021 surplus which was applied to the 2023 assessments for the Special Capital Asset fund. These funds are reported as deferred revenue until recognized in the 2023 budget year. Capital assets decreased by \$53,919 from the prior year due to depreciation expense exceeding capital additions. Deferred outflows of resources for the Department decreased by \$311,220 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 \$389,682 primarily due to the aforementioned increase in deferred revenue resulting from the application of the 2021 budget surplus to the 2023 budget year. Total long-term liabilities decreased by \$1,161,302 primarily due to a decrease in the Department's net pension liability. Deferred inflows of resources for the Department increased by \$979,453 when compared to the prior year. This increase is attributable to an increase in deferred pension investment earnings.

Memorial Villages Police Department
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2022

Statement of Activities:

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

	Governmental Activities		
	2022	2021	\$
	Governmental	Governmental	Variance
	Activities	Activities	
Revenues			
Program revenues:			
Charges for services	\$ 6,168,794	\$ 5,881,017	\$ 287,777
General revenues:			
Investment income	9,159	5,193	3,966
Other revenues	46,165	165,187	(119,022)
Total Revenues	6,224,118	6,051,397	172,721
Expenses			
Public safety	6,118,495	5,934,097	184,398
Total Expenses	6,118,495	5,934,097	184,398
Change in Net Position	105,623	117,300	(11,677)
Beginning Net Position	(1,427,684)	(1,544,984)	117,300
Ending Net Position	\$ (1,322,061)	\$ (1,427,684)	\$ 105,623

Memorial Villages Police Department

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

December 31, 2022

For the year ended December 31, 2022, revenues from governmental activities totaled \$6,224,118. Charges for services increased by \$287,777 or 5% 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, 2022, expenses for governmental activities totaled \$6,118,495. This represents an increase of \$184,398 or 3% 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 increase in net position of \$105,623 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 \$67,307. Of this, \$7,307 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 \$10,230 from the prior year.

The vehicle replacement fund reflected a fund balance of \$23,876. This is a decrease of \$61,092 compared to the prior year, as current year capital outlay expenditures were greater than actual revenues.

There was an overall decrease in governmental fund balance of \$66,801 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 \$153,353 and a positive expenditure variance of \$143,123 for the year. This negative revenue variance was the result of participant refunds totaling \$190,456 for excess assessments received over final operating expenditures. There was a total positive expenditure

Memorial Villages Police Department

MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued

December 31, 2022

variance of \$143,123 due to less than anticipated expenditures for the personnel, building, and office and other expenditure categories. One supplemental budget amendment was made during the year.

CAPITAL ASSETS

As of the end of the year, the Department's governmental activities funds had invested \$652,273 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 four new Chevrolet Tahoes and equipment totaling for \$231,856.

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 Commissionaires 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, 2022

	Primary Government Governmental Activities
<u>Assets</u>	
Current assets:	
Cash and cash equivalents	\$ 1,014,310
Receivables, net	11,192
Prepays	7,307
Total Current Assets	1,032,809
Capital assets:	
Net depreciable capital assets	652,273
Total Noncurrent Assets	652,273
Total Assets	1,685,082
<u>Deferred Outflows of Resources</u>	
Deferred outflows-pensions	429,733
Deferred outflows-OPEB	39,917
Total Deferred Outflows of Resources	469,650
<u>Liabilities</u>	
Current liabilities:	
Accounts payable and accrued liabilities	240,818
Deferred revenue	323,017
Due to other governments	190,456
Compensated absences, current	248,341
Total Current Liabilities	1,002,632
Noncurrent liabilities:	
Net pension liability	1,104,780
OPEB liability-SDBF	271,778
OPEB liability-Health benefits	90,557
Compensated absences, noncurrent	27,593
Total Noncurrent Liabilities	1,494,708
Total Liabilities	2,497,340
<u>Deferred Inflows of Resources</u>	
Deferred inflows-pensions	966,682
Deferred inflows-OPEB	12,771
Total Deferred Inflows of Resources	979,453
<u>Net Position</u>	
Net investment in capital assets	652,273
Unrestricted	(1,974,334)
Total Net Position	\$ (1,322,061)

See Notes to Financial Statements.

(This page intentionally left blank.)

Memorial Villages Police Department

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2022

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	\$ 6,118,495	\$ 6,168,794	\$ -	\$ 50,299
Total Governmental Activities	6,118,495	6,168,794	-	50,299
		General Revenues:		
				9,159
				35,465
				10,700
			Total General Revenues	55,324
			Change in Net Position	105,623
			Beginning Net Position	(1,427,684)
			Ending Net Position	\$ (1,322,061)

See Notes to Financial Statements.

Memorial Villages Police Department

BALANCE SHEET GOVERNMENTAL FUNDS December 31, 2022

	General	Vehicle Replacement	Youth Services	Special Capital Assets
<u>Assets</u>				
Cash and cash equivalents	\$ 705,893	\$ 23,876	\$ 16,448	\$ 238,962
Receivables, net	880	-	-	-
Due from other funds	-	-	-	228,426
Prepays	7,307	-	-	-
Total Assets	\$ 714,080	\$ 23,876	\$ 16,448	\$ 467,388
<u>Liabilities</u>				
Accounts payable and accrued liabilities	\$ 227,891	\$ -	\$ 1,571	\$ 9,532
Deferred revenue	-	-	-	323,017
Due to other governments	190,456	-	-	-
Due to other funds	228,426	-	-	-
Total Liabilities	646,773	-	1,571	332,549
<u>Fund Balances</u>				
Nonspendable:				
Prepays	7,307	-	-	-
Assigned for:				
Vehicle replacement	-	23,876	-	-
Youth services	-	-	14,877	-
Capital projects	-	-	-	134,839
Unassigned reported in:				
General fund	60,000	-	-	-
Total Fund Balances	67,307	23,876	14,877	134,839
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 714,080	\$ 23,876	\$ 16,448	\$ 467,388

See Notes to Financial Statements.

**Total
Governmental
Funds**

\$ 985,179
880
228,426
7,307

\$ 1,221,792

\$ 238,994
323,017
190,456
228,426

980,893

7,307

23,876
14,877
134,839

60,000

240,899

\$ 1,221,792

(This page intentionally left blank.)

Memorial Villages Police Department

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

December 31, 2022

Fund Balances - Total Governmental Funds	\$	240,899
 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		652,273
 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 outflows		429,733
OPEB outflows-SDBF		39,917
 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		37,619
 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 inflows		(966,682)
OPEB inflows-SDBF		(12,771)
 Some liabilities, including bonds payable and capital leases, are not reported as liabilities in the governmental funds.		
Compensated absences		(275,934)
Net pension liability		(1,104,780)
OPEB liability-SDBF		(271,778)
OPEB liability-Health benefits		(90,557)
Net Position of Governmental Activities	\$	(1,322,061)

See Notes to Financial Statements.

Memorial Villages Police Department

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

For the Year Ended December 31, 2022

	<u>General</u>	<u>Vehicle Replacement</u>	<u>Youth Services</u>	<u>Special Capital Assets</u>
<u>Revenues</u>				
Participant assessments, net	\$ 5,990,795	\$ 159,999	\$ -	\$ 18,000
Investment income	7,749	273	89	1,048
Other revenue	29,351	-	6,114	-
Total Revenues	<u>6,027,895</u>	<u>160,272</u>	<u>6,203</u>	<u>19,048</u>
<u>Expenditures</u>				
Current:				
Public safety	6,038,125	153	4,547	16,183
Capital outlay	-	231,911	-	-
Total Expenditures	<u>6,038,125</u>	<u>232,064</u>	<u>4,547</u>	<u>16,183</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,230)	(71,792)	1,656	2,865
<u>Other Financing Sources (Uses)</u>				
Proceeds from sale of capital assets	-	10,700	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>10,700</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(10,230)	(61,092)	1,656	2,865
Beginning fund balances	77,537	84,968	13,221	131,974
Ending Fund Balances	<u>\$ 67,307</u>	<u>\$ 23,876</u>	<u>\$ 14,877</u>	<u>\$ 134,839</u>

See Notes to Financial Statements.

**Total
Governmental
Funds**

\$ 6,168,794
9,159
35,465

6,213,418

6,059,008
231,911

6,290,919

(77,501)

10,700

10,700

(66,801)

307,700

\$ 240,899

(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, 2022

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

Net changes in fund balances - total governmental funds	\$ (66,801)
---	-------------

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	231,856
Depreciation expense	(285,775)

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	(32,633)
Pension expense	274,582
OPEB expense-SDBF	(18,859)
OPEB expense-Health benefits	5,125

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.

	(1,872)
--	---------

Change in Net Position of Governmental Activities	\$ 105,623
--	-------------------

See Notes to Financial Statements.

Memorial Villages Police Department

STATEMENT OF NET POSITION

PROPRIETARY FUND

December 31, 2022

	<u>Governmental Activities Internal Service Fund Health Benefits</u>
<u>Assets</u>	
<u>Current Assets</u>	
Cash and cash equivalents	\$ 29,131
Receivables, net	10,312
Total Current Assets	<u>39,443</u>
<u>Liabilities</u>	
<u>Current Liabilities</u>	
Accounts payable and accrued liabilities	1,824
Total Current Liabilities	<u>1,824</u>
<u>Net Position</u>	
Unrestricted	37,619
Total Net Position	<u>\$ 37,619</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, 2022

		<u>Governmental</u> <u>Activities</u> <u>Internal</u> <u>Service Fund</u> <u>Health Benefits</u>
<u>Operating Revenues</u>		
Charges for services		\$ 887,553
	Total Operating Revenues	<u>887,553</u>
<u>Operating Expenses</u>		
Cost of services		889,425
	Total Operating Expenses	<u>889,425</u>
	Change in Net Position	(1,872)
Beginning net position		39,491
	Ending Net Position	<u><u>\$ 37,619</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, 2022

	<u>Governmental Activities</u>
	<u>Internal Service Fund</u>
	<u>Health Benefits</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from customers	\$ 877,241
Payments to suppliers	(888,477)
Net Cash Provided by Operating Activities	<u>(11,236)</u>
Increase (Decrease) in Cash and Cash Equivalents	(11,236)
Beginning cash and cash equivalents	40,367
Ending Cash and Cash Equivalents	<u><u>\$ 29,131</u></u>

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, 2022

	<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)	\$ (1,872)
Changes in Operating Assets and Liabilities:	
(Increase) Decrease in:	
Accounts receivable	(10,312)
Increase (Decrease) in:	
Accounts payable and accrued liabilities	948
Net Cash Provided by Operating Activities	<u><u>\$ (11,236)</u></u>

See Notes to Financial Statements.

(This page intentionally left blank.)

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

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 two police commissioners 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 off 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, 2022

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, 2022

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, 2022

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, 2022

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, 2022

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, 2022

<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, 2022

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, 2022

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, 2022

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, 2022

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. Intra-budget 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, 2022

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, 2022, 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, 2022

C. Capital Assets

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

	Beginning Balances	Increases	Decreases/ Reclassifications	Ending Balances
Capital assets, being depreciated:				
Buildings and improvements	\$ 2,143,102	\$ -	\$ -	\$ 2,143,102
Furniture and equipment	727,644	-	-	727,644
Vehicles	701,948	231,856	(25,673)	908,131
Total capital assets being depreciated	3,572,694	231,856	(25,673)	3,778,877
Less accumulated depreciation				
Buildings and improvements	(1,932,378)	(107,155)	-	(2,039,533)
Furniture and equipment	(625,855)	(40,385)	-	(666,240)
Vehicles	(308,269)	(138,235)	25,673	(420,831)
Total accumulated depreciation	(2,866,502)	(285,775)	25,673	(3,126,604)
Net capital assets being depreciated	706,192	(53,919)	-	652,273
Total Net Capital Assets	\$ 706,192	\$ (53,919)	\$ -	\$ 652,273

All depreciation was charged to the public safety function.

D. Receivables

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

	General	Internal Service Fund	Total
Accounts	\$ 880	\$ -	\$ 880
Due from other governments	-	10,312	10,312
	\$ 880	\$ 10,312	\$ 11,192

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2022

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:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 243,301	\$ 275,934	\$ (243,301)	\$ 275,934	\$ 248,341
Total Governmental Activities	\$ 243,301	\$ 275,934	\$ (243,301)	\$ 275,934	\$ 248,341
Compensated Absences Due in More than One Year				\$ 27,593	

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

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2022

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.

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 (ACFR) 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.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2022

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.

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 2020</u>	<u>Plan Year 2021</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, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	43
Inactive employees entitled to but not yet receiving benefits	24
Active employees	<u>42</u>
Total	<u>109</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

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2022

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 11.31% and 11.12% in calendar years 2021 and 2022, respectively. The Department's contributions to TMRS for the year ended December 31, 2022, were \$428,903, and were equal to the required contributions.

4. Net Pension Liability

The Department's Net Pension Liability (NPL) was measured as of December 31, 2021, 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, 2021 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

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2022

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 (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.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2022

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%
\$ 2,930,765	\$ 1,104,780	\$ (432,442)

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance at 12/31/20	\$ 16,241,574	\$ 13,964,249	\$ 2,277,325
Changes for the year:			
Service cost	496,992	-	496,992
Interest	1,069,654	-	1,069,654
Difference between expected and actual experience	(241,390)	-	(241,390)
Contributions – employer	-	425,509	(425,509)
Contributions – employee	-	263,357	(263,357)
Net investment income	-	1,817,300	(1,817,300)
Change of assumptions	-	-	-
Benefit payments, including refunds of emp. contributions	(1,286,687)	(1,286,687)	-
Administrative expense	-	(8,423)	8,423
Other changes	-	58	(58)
Net changes	38,569	1,211,114	(1,172,545)
Balance at 12/31/21	\$ 16,280,143	\$ 15,175,363	\$ 1,104,780

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, 2022, the Department recognized pension expense of \$154,320.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2022

At December 31, 2022, 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	\$ -	\$ 929,294
Differences between expected and actual economic experience	-	37,388
Differences in assumptions changes	830	-
Contributions subsequent to the measurement date	428,903	-
Total	\$ 429,733	\$ 966,682

The Department reported \$423,903 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, 2022. 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:

2022	\$ (89,498)
2023	(453,204)
2024	(248,210)
2025	(174,940)
2026	-
Thereafter	-
	\$ (965,852)

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, 2022

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, 2021 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	42
Total	86

The Department’s contributions to the TMRS SDBF for the fiscal years ended 2022, 2021 and 2020 were \$5,785, \$5,643 and \$2,034, 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
2020	0.06%	0.06%	100.00%
2021	0.15%	0.15%	100.00%
2022	0.15%	0.15%	100.00%

Total OPEB Liability

The Department’s Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2021, 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, 2022

Actuarial assumptions:

The Total OPEB Liability in the December 31, 2021 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	1.84%
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 1.84%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2021.

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 1.84%, 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 (0.84%) or 1-percentage-point higher (2.84%) than the current rate:

1% Decrease 0.84%	Current Single Rate Assumption 1.84%	1% Increase 2.84%
<u>\$ 327,927</u>	<u>\$ 271,778</u>	<u>\$ 22,821</u>

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2022

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/20	\$ 258,673
Changes for the year:	
Service Cost	10,158
Interest	5,219
Difference between expected and actual experience	(4,394)
Changes of assumptions	7,765
Benefit payments	(5,643)
Net changes	13,105
Balance at 12/31/21	\$ 271,778

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

For the year ended December 31, 2021, the Department recognized OPEB expense of \$24,645.

At December 31, 2022, 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	\$ -	12,771
Change in assumptions	34,132	-
Contributions subsequent to measurement date	5,785	-
Total	\$ 39,917	\$ 12,771

The Department reported \$5,785 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, 2022.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2022

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

Year ended December 31:	
2022	\$ 8,186
2023	8,836
2024	3,841
2025	498
2026	-
Thereafter	-
	<u>\$ 21,361</u>

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, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	3
Inactive employees entitled to but not yet receiving benefits	0
Active employees	44
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, 2022

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, 2023 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: 3.72%

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 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 3.72%. The discount rate was based on the Bond Buyer 20-year Bond GO Index rate as of December 29, 2022.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2022

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 3.72%, 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 (2.72%) or 1-percentage-point higher (4.72%) than the current rate:

1% Decrease (2.72%)	Current Discount Rate (3.72%)	1% Increase (4.72%)
\$ 92,340	\$ 90,557	\$ 88,847

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		
Current Rate		
1% Decrease	(varies)	1% Increase
\$ 89,647	\$ 90,557	\$ 91,487

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/21	\$ 95,682
Changes for the year:	
Interest	1,643
Change in benefit terms	30,539
Difference between expected and actual experience	(3,346)
Changes of assumptions	(2,115)
Plan changes	-
Benefit payments	(31,846)
Net changes	(5,125)
Balance at 12/31/22	\$ 90,557

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

For the year ended December 31, 2021, the Department recognized OPEB expense(gain) of \$26,721.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, Continued

December 31, 2022

At December 31, 2022, 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 unforeseeable emergency. For the year ended December 31, 2022, the employees contributed \$166,300 and the Department contributed \$65,428 to the Plan.

F. Subsequent Events

There were no material subsequent events through May 3, 2023, 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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Participant assessments	\$ 6,121,248	\$ 6,181,248	\$ 6,181,251	\$ 3
Participant assessments refund (1)	-	-	(190,456)	(190,456)
Investment income	-	-	7,749	7,749
Other revenue	-	-	29,351	29,351
Total Revenues	6,121,248	6,181,248	6,027,895	(153,353)
Expenditures				
Current:				
Personnel	5,162,096	5,222,096	5,113,992	108,104
Insurance	59,400	59,400	73,054	(13,654)
Automotive	138,000	138,000	187,215	(49,215)
Building	67,000	67,000	43,062	23,938
Office and other expenditures	694,752	694,752	620,802	73,950
Total Expenditures	6,121,248	6,181,248	6,038,125	143,123
Net Change in Fund Balance	\$ -	\$ -	(10,230)	\$ (10,230)
Beginning fund balance			77,537	
Ending Fund Balance			\$ 67,307	
(1) Participant Assessment Refunds				
Unassigned fund balance prior to participant assessment refunds			\$ 250,456	
Amount held for Department operations			(60,000)	
Participant assessment refunds			\$ 190,456	
Net Change in Individual City Assessments (1/3) (refund)			\$ 63,485	

Notes to Required Supplementary Information

- 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,

	2014	2015	2016
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	(292,430)	814,277	355,113
Total pension liability - beginning	13,345,620	13,053,190	13,867,467
Total pension liability - ending (a)	13,053,190	13,867,467	14,222,580
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	(314,866)	(341,255)	202,270
Plan fiduciary net position - beginning	11,958,421	11,643,555	11,302,300
Plan fiduciary net position - ending (b)	\$ 11,643,555	\$ 11,302,300	\$ 11,504,570
Fund's net pension liability (asset) - ending (a) - (b)	\$ 1,409,635	\$ 2,565,167	\$ 2,718,010
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	2020	2021 ¹
\$	437,089	\$ 419,425	\$ -	\$ 481,230	\$ 496,992
	942,429	973,033	988,536	1,038,710	1,069,654
	81,319	64,280	499,650	65,256	(241,390)
	-	-	3,760	-	-
	(958,428)	(1,038,784)	(995,917)	(982,594)	(1,286,687)
	502,409	417,954	496,029	602,602	38,569
	14,222,580	14,724,989	15,142,943	15,638,972	16,241,574
	14,724,989	15,142,943	15,638,972	16,241,574	16,280,143
\$	347,619	\$ 343,838	\$ 373,906	\$ 423,905	\$ 425,509
	224,477	217,319	237,293	255,585	263,357
	1,593,018	(380,031)	1,826,935	1,005,380	1,817,300
	(958,428)	(1,038,784)	(995,917)	(982,594)	(1,286,687)
	(8,263)	(7,354)	(10,340)	(6,517)	(8,423)
	(419)	(384)	(311)	(254)	58
	1,198,004	(865,396)	1,431,566	695,505	1,211,114
	11,504,570	12,702,574	11,837,178	13,268,744	13,964,249
\$	12,702,574	\$ 11,837,178	\$ 13,268,744	\$ 13,964,249	\$ 15,175,363
\$	2,022,415	\$ 3,305,765	\$ 2,370,228	\$ 2,277,325	\$ 1,104,780
	86%	78%	85%	86%	93%
\$	3,206,816	\$ 3,104,553	\$ 3,389,894	\$ 3,651,214	\$ 3,762,242
	63%	106%	70%	62%	29%

Memorial Villages Police Department

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Years Ended:

	12/31/2015	12/31/2016	12/31/2017	12/31/2018
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	25 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>	<u>12/31/2021</u>	<u>12/31/2022</u> ¹
\$ 373,906	\$ 423,905	\$ 425,509	\$ 428,903
<u>\$ 373,906</u>	<u>\$ 423,905</u>	<u>\$ 425,509</u>	<u>\$ 428,903</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,389,898	\$ 3,651,205	\$ 3,762,240	\$ 3,857,040
11.03%	11.61%	11.31%	11.12%

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>	<u>2020</u>
Total OPEB liability				
Service cost	\$ 5,131	\$ 5,899	\$ 5,424	\$ 7,668
Interest	6,520	6,557	7,164	6,236
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	-	(2,179)	(11,474)	(8,620)
Changes of assumptions	15,159	(13,253)	33,552	31,551
Benefit payments, including refunds of participant contributions	(1,603)	(1,552)	(2,034)	(2,191)
Net change in total OPEB liability	<u>25,207</u>	<u>(4,528)</u>	<u>32,632</u>	<u>34,644</u>
Total OPEB liability - beginning	<u>170,718</u>	<u>195,925</u>	<u>191,397</u>	<u>224,029</u>
Total OPEB liability - ending (a)	<u>\$ 195,925</u>	<u>\$ 191,397</u>	<u>\$ 224,029</u>	<u>\$ 258,673</u>
Covered payroll	\$ 3,206,816	\$ 3,104,553	\$ 3,389,894	\$ 3,651,214
Total OPEB liability as a percentage	6.11%	6.17%	6.61%	7.08%

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.

	2021	¹
	<hr/>	
\$	10,158	
	5,219	
	-	
	(4,394)	
	7,765	
	(5,643)	
	<hr/>	
	13,105	
	<hr/>	
	258,673	
	<hr/>	
\$	271,778	²
	<hr/> <hr/>	
\$	3,762,242	
	7.22%	

Memorial Villages Police Department

SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) LIABILITY AND RELATED RATIOS RETIREE HEALTH PLAN

December 31,

	2018	2019	2020	2021
Total OPEB liability				
Service cost	\$ -	\$ -	\$ -	\$ -
Interest	5,425	4,883	1,774	2,303
Changes in benefit terms	-	(21,950)	-	-
Differences between expected and actual experience	-	-	71,622	-
Changes of assumptions	(808)	429	2,245	123
Benefit payments, including refunds of participant contributions	(42,923)	(42,884)	(32,799)	(30,747)
Net change in total OPEB liability	(38,306)	(59,522)	42,842	(28,321)
Total OPEB liability - beginning	178,989	140,683	81,161	124,003
Total OPEB liability - ending (a)	\$ 140,683	\$ 81,161	\$ 124,003	\$ 95,682
Covered payroll	\$ 3,109,137	\$ 3,401,015	\$ 3,615,969	\$ 3,792,926
Total OPEB liability as a percentage	4.52%	2.39%	3.43%	2.52%

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.

<u>2022</u>	¹
\$ -	
1,643	
30,539	
(3,346)	
(2,115)	
(31,846)	
<u>(5,125)</u>	
<u>95,682</u>	
<u>\$ 90,557</u>	²
\$ 3,582,595	
2.53%	

(This page intentionally left blank.)



May 3, 2023

To the Board of Commissioners and Management
Memorial Villages Police Department

In planning and performing our audit of the financial statements of the Memorial Villages Police Department (the “Department”), as of and for the year ended December 31, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the Department’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Department’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore there can be no assurance that all such deficiencies have been identified. However, as discussed below, we identified a deficiency in internal controls that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in the Department’s internal control that we consider to be a material weakness:

Other matters are any additional noteworthy items that may or may not relate to internal controls, compliance with laws and regulations, or operational matters. In addition, we noted the following other matters:

1. GASB STATEMENT NO. 96 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (“SBITA”)

Comment

In May 2020, the Government Accounting Standards Board (GASB) issued Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). GASB Statement No. 96 (GASB 96) establishes uniform accounting and financial reporting requirements for SBITAs. A SBITA is a contract that conveys control of the right to use another party’s (a SBITA vendor’s) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.” This statement is effective for fiscal periods beginning after June 30, 2022.

For SBITAs qualifying for treatment under this statement, the Department will need to record a right-to-use asset and a subscription liability.

The subscription asset would be recognized and initially measured as the sum of the initial subscription liability amount, payments made to the SBITA vendor before the subscription term’s commencement, and capitalizable implementation costs. A government would recognize amortization of the subscription asset as an outflow of resources over the subscription term.

The subscription liability would be measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments would be discounted using the interest rate the SBITA vendor charges the government or the government’s incremental borrowing rate if the interest rate is not readily determinable.

The subscription term includes the period during which a government has a noncancelable right to use the underlying IT assets and includes periods covered by an option to extend (if it is reasonably certain that either party—the government or the SBITA vendor—will exercise that option) or to terminate (if it is reasonably certain either party will not exercise that option).

The initial application of this accounting standard will require substantial evaluation and will result in additional accounting and reporting requirements.

Recommendation

The Department should begin planning for the implementation of this accounting standard by establishing a policy to 1) establish a capitalization threshold for leases, 2) define “reasonably certain” as it relates to the likelihood of a subscription term to extend beyond 12 months, 3) establish a system to capture the required subscription information in order to determine the applicability of the standard.

This communication is intended solely for the information and use of the Board of Commissioners and management, and others within the Department, and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

A handwritten signature in black ink that reads "Brooks Watson & Co." in a cursive, slightly stylized font.

BrooksWatson & Co., PLLC

TO: Members of the City Council

FROM: R. Pennington, City Administrator

VIA: M. Yi, Finance Director

VIA: R. Schultz, Police Chief

MEETING DATE: May 22, 2023

SUBJECT: Consideration and possible action on the Memorial Villages Police Department Budget for FY 2024.

Agenda Item: 3

This agenda item is for MVPD annual budget for FY 2024. The MVPD Commission has recommended adoption of the FY 2024 Budget Proposal and is submitting that for approval by member cities. The Chief is requesting an overall budget of \$7,866,800 which is an additional \$400,367 or 5.36% increase over the FY 2023 budget. This budget is included modifying the current TMRS plan, by reinstating the updated service credit and cost of living adjustments that were eliminated in 2009. The estimated rate of reinstating these benefits is 26% of gross annual wages.

The main objective of this budget is to invest in personnel by maintaining staffing standards through improvements in retirement (TMRS) benefits. The department is requesting additions to Updated Service Credits (USC) and COLA (Cost of Living Adjustment) within the current TMRS Plan.

Attached is the proposed budget from MVPD.



Hunters Creek



Village

FY24 Budget

Bunker Hill Village - Piney Point Village - Hunters Creek Village





Hunters Creek



Village

FY24 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

FY24 Budget

Results from Previous Budgets



- Maintain Full Staffing ✓
- Build the Brand ✓
- Address Crime ✓
- Maximize Technology ✓
- Enrich MVPD Community Partnerships ✓



Hunters Creek



Village

FY24 Budget Proposal

Proposed Total Budget Package for 2024

Personnel and Benefits \$6,466,610 (+13%)

Total Operations \$1,110,489 (+1.3%)

Total M&O \$7,577,101 (+11.52%)

Auto – \$140,000 (-13%)

(Vehicles)

Proposed General Fund 2024 Budget – \$7,577,100 (+12%)

Total Budget GF + Capital = \$7,866,800 (+5.36%)

Cost per Village \$2,622,267

Increase of \$209,598 per village over FY23

FY24 Budget Proposal

FY24 Budget Adjustments

Vehicle Maintenance Adjustment

Fuel costs based on new Fuel Contract w/tax exemption

General Maintenance Contracts

- IOSO – New I.T. Vendor
- Azure License
- Office 365 Licenses
- Sentinel Anti-Virus Software
- POE Switch Replacement

Equipment

- Uniforms/Vests
- Prisoner Restraint System (x2)
- Drone Software License



Hunters Creek



Village



Hunters Creek



Village

FY24 Budget

Investment in Our Personnel Maintain Staffing and Standards

Increase in Salary and Benefit Budget

- Base Salary Adjustment – 3%
(1% STEP + 2% Salary Increase)
- TMRS Add USC and COLA to existing plan

2024 Average Salary
w/pay incentives:

Sergeant	\$114,600
Patrol Officer	\$93,9600
Dispatcher	\$62,700



Hunters Creek



Village

FY24 Budget Proposal

TMRS Plan Modification

Updated Service Credit (USC) is an optional benefit feature of the TMRS retirement plan. The USC calculation, performed on a TMRS member's account, may grant supplemental dollar credits that can increase a member's benefit at retirement in certain situations. A city may adopt or rescind the USC provision by ordinance. USC is designed to help a member's benefit maintain its value over the duration of the member's career. In calculating USC, TMRS looks at increases in the member's salary and at any changes the city has made to its TMRS plan, such as the deposit rate or the city's matching ratio.

COLA (Cost of Living Adjustment) is an optional benefit a TMRS city may choose to provide its retirees. COLAs help protect your benefit from the effects of inflation. After you retire, if you receive a COLA, your annuity benefit may increase based on changes in the Consumer Price Index (CPI; see description below). A COLA is permanently applied to your monthly annuity on January 1 of each year that the city has adopted the option. A city may choose one of three COLA amounts: 30%, 50%, or 70% of the CPI change. A city may choose to change, adopt, or rescind COLAs at any time by city ordinance. Any change a city makes to its COLA option (whether adopting, rescinding, changing the percentage of CPI, changing to annually repeating, or changing to ad hoc) goes into effect on the January 1 after adoption. A city may choose to discontinue COLAs at any time; future year COLAs are not guaranteed. If you worked for more than one city that offers a COLA, your increase (if any) will be calculated using the amounts each city grants, added to your benefit from that city.



Hunters Creek



Village

Capital Projects 2023-2025

The Memorial Villages Police Department administration has identified several capital projects that will need funding from participating cities over the next 1-3 years.

These projects include:

- **Radio System Upgrade/Replacement \$622,839 - 2023 Project (Project is Under Cost Estimates)**
- Roof Replacement \$234,394+
- HVAC Replacement \$174,800 2024 Project
- **CAD/RMS/ARS Replacement \$287,500 - 2025 Project**

Revised 2024 Project Estimates

Roof: \$82,225

HVAC: \$67,354

Total: \$149,579



Hunters Creek



Village

FY24 Capital Project Expenditure

Applying existing fund balances

ROOF/HVAC Replacement

Estimated Cost of Project

\$169,579

MVPD 2023 Capital Radio Project Surplus *un-audited*

(\$175,000)



Proposed General Fund 2024 Budget – \$7,866,800

Cost per Village \$ 2,622,267



Hunters Creek



Village

Investing in the Future of MVPD



1. Memorial Villages



Near Houston

- **Population:** 44,413
- **Average cost of living:** \$3,109

Memorial Villages is a dense urban cluster of six independent cities (Spring Valley, Hillshire, Hedwig, Bunker Hill, Hunters Creek, and Piney Point). In some cases, memorial Villages can be considered the safest community in Texas due to their structure and total population. Residents in the Memorial Villages still enjoy its small, forested areas and take advantage of the high-end shops and critics-pick restaurants surrounding the neighborhood. Memorial Villages is also known to be safest and registers a violent crime rate of .08 per 1,000 people which is **99.66% less lower than the Texas average.**

(*FBI Uniform Crime Reporting, Census.gov & Best Places)

2024 Proposed Budget



Total Budget requested \$7,866,800 an increase of 8.69% over 2023.

- M&O \$7,577,101 an increase of \$782,686 (5.36%)
- Capital \$149,700 a decrease of \$487,900
- Vehicles \$140,000 a decrease of \$20,000

Personnel Costs \$6,466,610 (13%)

Reinstate USC and COLA to benefits package*

2% Salary increase, 1% Merit/Step increase

Operations (6%)

IT Hardware/Software/Services

Equipment (11%)

POE Switch

Capital (-71%)

Roof/HVAC

Refunds

General Fund @\$190,456

Special Capital Assets Fund @\$175,000

@ \$121,818 to each Village



Memorial Villages Police Department Summary

FY2024 Budget Proposal

FY24 Proposed Budget Summary

The Memorial Villages Police Commission has recommended adoption of the FY24 Budget Proposal and is submitting that for approval by member cities. The MVPD Chief is requesting an overall budget of \$7,866,800 which is an additional \$400,367 or 5.36 % increase over the FY23 budget.

A comparative view and breakdown of the proposed budget is as follows:

Category	2023 Budget 44.5 FTE's	2024 Requested Budget 44.5 FTE's	Variance	% Change
MAINTENANCE AND OPERATIONS (M&O)	6,794,233	7,577,100	782,867	12%
VEHICLE REPLACEMENT	160,000	140,000	(20,000)	-13%
CAPITAL PROJECTS	512,200	149,700	(362,500)	-71%
TOTAL BUDGET REQUEST	7,466,433	7,866,800	400,367	5.36%

The total cost to each city would equate to \$2,622,266.67.

- M&O \$2,525,700
- Vehicles \$46,666.67
- Capital \$49,900.00

The Department is requesting the following assessments from each city in January 2024:

- Maintenance & Operations **\$420,950.00**
- Vehicle Replacement **\$46,666.67**
- Capital **\$49,900**

February 2024 thru November 2024 assessment for each city will be invoiced as follows:

- Maintenance & Operations **\$210,475**

No invoicing will occur in December 2024.

FY24 Budget Highlights

Category		2022 Amended	2023 Adopted	2024 Requested	Variance	% Change
100	PERSONNEL/BENEFITS	5,222,096	5,698,142	6,466,610	768,468	13%

100 PERSONNEL/BENEFITS:

MVPD currently has forty-four fulltime employees (FTEs) and 1-part time employee. There are thirty-two sworn personnel, ten full-time and one part-time communications staff members, one administrative/human resource manager, and one finance manager.

This category includes salary, overtime, court/bailiff costs, TMRS participation, 2.5% employer contributions to 457b accounts for full time employees, and the health benefits costs. The proposed budget continues to support the salary and retention plan specifically created to attract, hire, and retain the best and most qualified employees. **The salary line item includes estimated paid time off/yearend payouts and holiday/overtime requirements.*

SALARIES & WAGES - \$3,822,135

This category includes the base annual pay for the department's 44 full-time, one part-time employee, and seasonal college intern. It also reflects the 2% base salary adjustment and 1% step increase. The Administrative/Human Resource Manager and Finance Manager will also receive a 3% base hourly rate increase.

TCLEOSE CERTIFICATION - \$198,172

Based on the current compensation policy sworn officers and dispatchers earn additional compensation for state certification recognized by the Texas Commission on Law Enforcement Officer Standards and Education. Employees who have achieved Intermediate certification receive an additional 2.5% percent of their base pay. Advanced certification is an additional 5% of base pay and Master certification is an additional 7.5% of employee base pay. At the time of this budget proposal 36 FTEs are eligible for this incentive. Any increase in base salary will necessitate increases to certification pay.

BILINGUAL INCENTIVE - \$12,536

Sworn personnel and dispatchers who have foreign language bilingual proficiency receive 2.5% in additional pay. Currently there are six employees who are eligible for this incentive. Any increase in base salary will prompt increases to bilingual incentive payments awarded to employees.

COLLEGE INCENTIVE - \$31,200

Employees who have obtained advanced degrees from accredited colleges and universities earn additional compensation based on the following updated schedule: Associates Degree - \$100 per month, Bachelor's Degree - \$200 per month and Master's Degree - \$250 per month. At the time of this proposal sixteen employees have obtained advanced degrees.

CLOTHING ALLOWANCE - \$1,200

Detectives receive \$50 per month.

RAD - \$1,800

Employees who teach the Rape Aggression Defensive program training receive \$25 per month.

LONGEVITY - \$66,480

Two through five-year employees will receive a single \$1200 payment each year in association with an annual employee contract. Employees with 6 years or more of service will be paid on a bi-monthly basis starting at \$1,440 annually. The maximum annual earning is reached after 10 years of service and equates to \$2,400 annually.

SHIFT DIFFERENTIAL - \$54,015

Employees assigned to nightshift are eligible for \$138.50 in additional pay per pay-period. Employees working a split shift will earn \$69.25 per pay period.

EMERGENCY CARE ATTENDANT (ECA) - \$39,000

All sworn personnel are required to earn and maintain advanced first aid training and proficiency at the ECA level within 18 months. Upon attainment sworn personnel will receive \$50 bi-monthly certification pay.

OVERTIME – \$160,000

The requested overtime takes into consideration the historical costs of operating the department.

Court Bailiff – \$2,500

Requested line item is used to support the costs to staff the court with bailiffs during each session.

EMPLOYER 457B CONTRIBUTION - \$94,832

2.5% employer contribution of full-time employees' base salary.

RETIREMENT CONTRIBUTION - \$1,135,233

The Chief along with the Board of Police Commissioners is recommending modifying the current Texas Municipal Retirement System (TMRS) plan, by reinstating the updated service credits (USC) and cost of living adjustments (COLA) that were eliminated in 2009. USCs are designed to help members' benefit maintain its value over the duration of their career and COLA's help protect retirees benefit from the effects of inflation. It is important to note that of the 26 policing agencies in the Greater Houston area (including MHPD) three do not provide these benefits to employees. The other two agencies are Spring Valley and Hedwig Village. The estimated rate of reinstating these benefits is 26% of gross annual wages.

GROUP-HEALTH/DENTAL/VISION/HSA CONTRIBUTIONS - \$647,236

Health/Dental/Vision Insurance estimate: \$507,766 employer contribution. Estimate is based on a 18% increase over current elections.

Employer HSA contribution estimate: \$129,400 (\$3,700 for family, \$2,350 single)

Wellness Exam contribution estimate: \$44,000 (\$1,000 per fulltime employee)

Physical Fitness assessment estimate: \$22,000 (\$500 per fulltime employee)

WORKERS COMPENSATION - \$82,000

The employer’s contribution rates for workers compensation are determined by the Texas Municipal League (TML).

LIFE/LTD - \$25,400

The department provides employee term life, AD&D, and long-term disability coverage to its employees. Cost estimate is based on 18% increase of current rates.

MEDICARE TAX EMPLOYER - \$63,311

The current Medicare tax rate is 1.45% applied to the total compensation package including the overtime budget.

Social Security - \$1,788

Estimate of social security tax for part time employee and seasonal videographer

Category		2022 Amended	2023 Adopted	2024 Requested	Variance	% Change
200	INSURANCE	59,400	80,680	80,510	(170)	0%

200 INSURANCES:

The insurance category represents our auto, general, public official bond, professional, and real property insurance coverage through the Texas Municipal League. Rates are determined by TML. The amount requested reflects anticipated rate increases based on current billing.

AUTO LIABILITY – \$40,000

Automatic coverage for any vehicles purchased throughout the year.

GENERAL LIABILITY –\$550

This coverage protects the department from general liability claims for injuries and wrongful acts.

PUBLIC OFFICIAL BOND – \$960

Coverage for the Police Commission and protection against forgery

PROFESSIONAL LIABILITY – \$29,000

Protection from liability claims associated with law enforcement functions.

REAL & PERSONAL PROPERTY – \$10,000

Coverage for damage or destruction of departmental property.

Category		2022 Amended	2023 Adopted	2024 Requested	Variance	% Change
300	FLEET MAINTENANCE	138,000	207,000	182,000	(25,000)	-12%

300 FLEET MAINTENANCES:

The fleet maintenance category includes the annual fuel costs as billed by Villages Fire Department. This category also includes vehicle maintenance, damage repair, and tire replacement costs.

GAS & OIL – \$120,000

FLEET MAINTENANCE – \$45,000

TIRE REPLACEMENT – \$7,000

DAMAGE REPAIR – \$10,000

Category		2022 Amended	2023 Adopted	2024 Requested	Variance	% Change
400	BUILDING MAINTENANCE	67,000	94,300	73,800	(20,500)	-22%

400 BUILDING

The building maintenance category includes the annual janitorial services contract, building refresh i.e., filing cabinets, lockers, and chairs. This category covers any repair costs associated with the upkeep of the building.

GENERAL MAINTENANCE – \$40,000

Expenditures include building, equipment, landscaping, and supplies that support the upkeep of the facility. The proposed budget includes one-time costs for jail locks, overhead garage doors, evidence room ventilation, and exterior camera system upgrade.

JANITORIAL SERVICES – \$22,800

Services are provided by an outside cleaning agency.

JAIL – \$1,000

Purchases in this line-item support supplying detainees with blankets and food.

BUILDING FURNISHINGS – \$10,000

Purchases support the upkeep of the office (chairs, filing cabinets, lockers etc....)

Category		2022 Amended	2023 Adopted	2024 Requested	Variance	% Change
500	OFFICE	47,750	61,900	70,400	8,500	14%

500 OFFICE

The office category includes funding requests for computer purchases & replacement, postage machine & supplies, office supplies, bank service charges, and payroll contract expenditures.

COMPUTERS – \$16,000

Purchase of computers and needed accessories per the replacement schedule.

POSTAGE/POSTAGE MACHINE – \$1,300

The expenditures in this category will cover the postage machine rental fee from Pitney Bowes as well as postage and ink refill requirements for the fiscal year.

OFFICE SUPPLIES /SUPPLIES /STATIONERY/EXPENDIBLES – \$30,500

The expenditures in this category include office supplies, meeting expenses, and employee relations.

BANK/FINANCE CHARGES – \$600

Banking and credit card fees

PAYROLL –\$22,000

Payroll and Human Resource expenditures

Category		2022 Amended	2023 Adopted	2024 Requested	Variance	% Change
600	UTILITES	66,706	70,305	69,575	(730)	-1%

600 UTILITIES

The utilities category includes expenditures related to monthly telephone, electric, water & sewer, and natural gas services.

COMMUNICATIONS/TELEPHONE – \$42,775

Expenditures for this category will cover the department’s equipment maintenance for business lines, internet, cable television, secure communication, and employee phone allowance.

ELECTRIC SERVICE – \$20,000

The department’s electrical service provider is Cavallo Energy.

WATER & SEWER – \$6,000

Water & sewer services are provided by the City of Bunker Hill Village

NATURAL GAS – \$800

The departments natural gas provider is Center Point Energy

Category		2022 Amended	2023 Adopted	2024 Requested	Variance	% Change
700	CONTRACT/SERVICES	381,460	385,710	408,408	22,698	6%

700 CONTRACT/SERVICES

The contract/services category includes MVPD’s equipment maintenance contracts, annual SETCIC fees, legal & professional service fees (legal and audit), IT contracts, and software maintenance contracts (ex. CAPERS, Power DMS).

EQUIPMENT MAINTENANCE CONTRACT – \$130,530

Increase requested to cover maintenance charges for the body worn camera and ALPR’s.

SETCIC FEES – \$3,600

This line-item request covers the fees paid to the Harris County Treasurer for inclusion of misdemeanor warrants in the county-wide network.

LEGAL FEES – \$57,850

This line-item request covers fees associated with Attorney duties, legal research and interpretation, annual audit, RFP advertising, and TML claim deductibles.

IT SERVICES – \$115,628

This line-item request supports the department’s IT service provider contract, a/p, and finance cloud support software.

SOFTWARE MAINTENANCE CONTRACTS – \$100,800

This line-item request supports the various software maintenance contracts needed to effectively run the department. Annual charges include but are not limited to: Capers, Microsoft Office 365, Azure, Sentinel One, Revcard, PowerDMS, QuickBooks, Tyler Technologies, Skyfire, LeadsOnline, and Alltraffic Solutions.

Category		2022 Amended	2023 Adopted	2024 Requested	Variance	% Change
800	OPERATIONS	198,836	196,196	225,797	29,601	15%

800 OPERATIONS

The operations category includes the line items that support accreditation, uniforms, training, travel, recruiting costs, criminal investigations, small equipment, and contingency funding requests.

ACCREDITATION – \$1,440

The Department successfully obtained recognition status for compliance with the Texas Law Enforcement Agency Best Practices Recognition Program. This request is for accreditation fees only.

UNIFORMS/OFFICER CLOTHING – \$40,000

This line item supports the replacement of uniforms, vests, and outfitting costs associated with sworn personnel and dispatchers.

RADIO PARTS & LABOR – \$31,037

On 2-1-2012 the Department signed a contract for radio services with the City of Houston. The contract automatically renews each year for a period of 30 years. The Department can terminate the agreement if it is before 60 days of the contract renewal date.

There is a set fee schedule for repairs and airtime. Each radio is assessed a \$41 monthly fee according to the schedule implemented by the City of Houston in March 2015. Each licensed Officer is issued a radio.

FIREARMS TRAINING & AMMO – \$7,000

This line-item request supports ammunition and training expenditures for State mandated firearms qualifications for sworn personnel.

TASERS – \$15,000

This line-item request supports the taser replacement schedule.

TRAINING & PROFESSIONAL DUES – \$67,000

This line-item request supports costs associated with job related training, professional dues, and the R.A.D self-defense program.

TRAVEL – \$7,000

This line-item support travel and lodging costs for employees.

RECRUITING COSTS – \$7,000

This line item supports tuition reimbursement and recruitment and selection services such as: background, drug testing, finger printing, and psychiatric examinations.

CRIMINAL INVESTIGATIONS – \$3,320

This line item supports costs associated with criminal investigations such as fingerprinting supplies, drug testing, sketching services, public data information searches, and other investigative supplies and services.

CONTINGENCY – \$25,000

This line item is requested for unplanned emergency expenditures.

SMALL EQUIPMENT – \$22,000

Funding is requested to capture needed small equipment items that do not fit into specific categories such as computers and building furnishings. This year’s request will fund the purchase of 2 wrap piece restraints and power over ethernet switches.

Category		2022 Amended	2023 Adopted Budget	2024 Requested	Variance	% Change
1000	AUTO REPLACEMENT	160,000	160,000	140,000	(20,000)	-13%

1000 –AUTO REPLACEMENT

Line item in this category supports our vehicle replacement plan. Historically the Department purchases three new vehicles each fiscal year.

NOTE: All vehicles purchased must be approved by the Police Commission prior to ordering.

FY 2024 CAPITAL PLAN

Category		2022 Amended	2023 Adopted	2024 Requested	Variance	% Change
2000	CAPITAL ITEMS	18,000	512,200	149,700	(362,500)	-71%

2000 CAPITAL OUTLAY

This category includes purchase of individual items with a cost over \$5,000 with an estimated useful life greater than one year. The Department is requesting support to cover Roof/HVAC replacement. In FY23 the capital plan supported the purchase of a storage container and the estimated cost of the radio system of \$625,000. To help offset the cost of the radio system upgrade and storage container, the Department proposed using \$125,000 held in the MVPD Special Assets Capital Fund, the retention of the FY21 budget surplus \$228,426 (\$76,142 for each city, transferred into the Capital Fund), and the receipt of \$94,591.33 by each of the three cities to MVPD in January 2023.

SUPPLEMENTAL DOCUMENT FROM
COMMISSIONER HUGUENARD

Michelle Yi

From: [REDACTED]
Sent: Friday, May 19, 2023 10:10 AM
To: [REDACTED]
Cc: [REDACTED]
Attachments: MVPD Budget for FY2024
Final Recommendation.pdf

Dear Council Members:

The MVPD Commissioner has unanimously approved a budget for FY2024 which incorporates the proposed modifications to the MVPD Retirement Plan involving updated service credits and cost of living adjustments. You should receive the proposed budget today in your packet for the meeting next Monday. We are requesting that the Council take action and approve this budget as presented at this meeting. I understand that the proposed budget has already been approved by the City of Bunker Hill Village.

I have attached the written recommendation concerning the retirement plan modifications for your review prior to the Council meeting. I strongly encourage you to read this recommendation prior to the meeting and contact me with any questions you may have relative to the proposed FY2024 budget.

Thank you for your attention to this matter.

Jim Huguenard
[REDACTED]

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=1684509030-7AU0j-XzgMGf&r_address=myi%40pineypt.org&report=1

RECOMMENDATION CONCERNING MODIFICATION OF MEMORIAL VILLAGES POLICE DEPARTMENT BENEFITS PLAN

The effective results achieved in all aspects of policing by the highly qualified law enforcement professionals of MVPD have not been by accident. These results have been achieved, in large part, by reason that the administration of the Memorial Villages Police Department (“MVPD” or “Department”) has been able to hire, develop and retain the best qualified and experienced employees possible to serve as MVPD police officers, dispatchers and professional support staff. The Department is presently comprised of capable employees with the skills required for policing today (i.e., competent and well-trained individuals who, among other things, can effectively engage with the community, are proficient in the use of technology, and are capable of dealing with current social issues). Due to a myriad of current social, economic and other factors that impact law enforcement agencies today, it will be necessary for the Department to remain diligent in its efforts to maintain a quality force with personnel who possess the skills necessary for policing.

The Law Enforcement Workforce Crisis. The law enforcement profession is facing a significant workforce crisis according to many experts in the profession. In the State of Texas, over half of all agencies currently report vacancies within their ranks. Locally, Fort Bend County is reporting a current deficit of approximately 180 in its ranks of police professionals and the City of Houston is reporting an even larger deficit of nearly 400. A survey published in 2019 by the Police Executive Research Forum (“PERF”) identified three separate problems encountered by law enforcement agencies related to staffing: (i) fewer people are applying to serve as police officers; (ii) many officers are leaving their current departments or exiting from the policing profession before retirement; and (iii) many are older and nearing retirement age. The results of this survey remain true today. ***What also remains accurate today is that agencies with the most competitive wage and benefit packages are better enabled to hire and retain professionals with the skillsets required to appropriately perform policing duties today and also avoid turnover in the ranks.***

MVPD Efforts to Remain Competitive. In recent years, the leadership of the MVPD and the participating cities have been responsive in their collective efforts to ensure that the Department is competitive when it comes to compensation and other benefits afforded to MVPD employees. A three-part plan, based on a strategy proposed by Chief Schultz, was implemented with the departmental budgets for FY2018 through FY2020. This plan resulted in significant salary increases and other improved benefits for Department employees, including referral incentives to attract and retain employees and other incentives, including the enhancement of the 457b plan.

Although the efforts by MVPD to remain competitive in attracting and retaining quality personnel over the past years have been largely successful, the Department continues to experience turnover of experienced employees, in the ranks of the uniformed officers

as well as dispatch personnel. The Department has needed to replace two dispatchers and two uniformed officers over the past five months.

Recent Study and Analysis of MVPD Employee Wages and Benefits. In order to ensure that the Department continues to remain capable of hiring and retaining quality officers and dispatchers with the skillsets desired for MVPD police professionals, it has been important for the Department to continue to monitor and assess the efficacy and structure of its employee compensation and benefit provisions. In this regard, in 2022 the Board of Commissioners authorized an outside firm, Public Sector Consultants, to perform a salary and benefits survey. This survey generated data which allows a comparison of MVPD wages and benefits with those of other policing agencies in the area. *See Attachment 1.* The Chief and the Board of Commissioners believe that the data generated from Public Sector Consultants Survey, along with other information gathered informally by the Department, provide an accurate *current* assessment of the adequacy of compensation and benefits structure for MVPD employees. The data generated demonstrate: (i) that the pay and salary structure for MVPD employees exceeds or is equivalent to other agencies in the area; (ii) benefits, other than retirement benefits, are consistent with those offered by other area law enforcement agencies; and (iii) retirement benefits provided to MVPD employees are deficient when compared to other area law enforcement agencies.

Deficiencies in Current TRMS Plan for MVPD. The specific deficiencies of the MVPD retirement plan are demonstrated by a comparison of certain plan features of multiple area municipalities as listed in Table 1 below, which table includes a description of following described features of TRMS retirement plans that significantly impact the benefits paid to an employee after retiring:

- The **Contribution Percentage** is a percentage selected by the employer (5%, 6% or 7%) that is contributed by the employee.
- The **Contribution Rate** is the employer's matching contribution ratio (1:1, 1.5:1 or 2:1).
- The **Updated Service Credit ("USC")** is a financial credit that can increase the retirement benefit amount if this feature is provided by the participant's employer. The USC is calculated by TMRS each year by comparing the participant's cash balance with a hypothetical balance based on an average of earning from the prior three years. If the hypothetical balance exceeds the participant's cash balance, benefits are increased with the use of a multiplier of either 50%, 70% or 100% of the difference between the cash balance and hypothetical balance. To receive the USC, the employer must provide for it in the plan for its agency.
- The **Cost-of-Living Adjustment ("COLA")** also serves to increase the amount of the retirement benefit. TMRS makes an annual COLA adjustment each year by using the Consumer Price Index ("CPI") and a percentage selected by the

employer, which may be 30%, 50% or 70% of the change in the CPI. COLA adjustments are made only if a plan provides for this type of adjustment.

As reflected in Table 1 below, the TMRS retirement Plan for MVPD is inferior to the plans of most all other policing agencies in the Greater Houston area by reason that the MVPD plan fails to include Updated Service Credits and Cost-of-Living Adjustments in its plan provisions for employees of the Department and its retirees. The vast majority of local agencies have plan provisions for these important benefits. Note that most of the agencies highlighted in red are affiliated with the Village Fire Department.

**TABLE 1 - COMPARISON OF TMRS PLANS
FOR HOUSTON AREA LAW ENFORCEMENT AGENCIES**

AGENCY	PERCENTAGE	YEARS	USC	COLA
MVPD	7%	20	NO	0%
Rosenberg	7%	20	100%	70%
Fulshear	7%	20	NO	0%
Deer Park	7%	20	100%	50%
Baytown	7%	20	100%	70%
Meadows Place	7%	20	100%	70%
Sugarland	7%	20	100%	70%
Conroe	7%	20	100%	70%
West University	7%	20	100%	0%
Humble	7%	20	50%	70%
South Houston	5%	20	100%	70%
Southside Place	7%	20	100%	0%
Shenandoah	7%	20	100%	70%
Spring Valley	7%	25	NO	0%
Brookshire	6%	20	100%	30%
Katy	7%	20	100%	70%
Pearland	7%	20	100%	70%
Jersey Village	7%	25	100%	70%
LaPorte	7%	20	100%	70%
League City	7%	20	100%	70%
Santa Fe	7%	20	100%	70%
Friendswood	7%	20	100%	50%
Iowa Colony	7%	20	100%	0%
Hedwig Village	7%	20	NO	0%
Stafford	7%	20	100%	70%
Tomball	7%	20	100%	70%

As demonstrated by Table 1, Updated Service Credit and the Cost-of-Living Adjustment provisions are integral features of TMRS retirement plans for a vast majority of law enforcement agencies in the area.

The absence of provisions for Updated Service Credit and Cost of Living Adjustments is problematic for employees of MVPD. Under the present scenario, MVPD retirees and employees receive, or will receive, a lower monthly benefit amount, with no COLA increases, while also being subject to the Social Security Windfall Act provisions.

MVPD Eliminated Funding for Updated Service Credits and Cost of Living Adjustments in 2009. The original TMRS retirement plan for MVPD included an Updated Service Credit option in addition to a COLA at 70%. In 1983, the Department leadership opted out of participating in the Social Security system and instead determined that it would rely entirely on the TMRS plan as the source of retirement income for its employees. The existence of the Cost-of-Living Adjustment in the TMRS plan for MVPD appears to have been part of the reason for this decision according to records of the Department. Nevertheless, in 2009, the MVPD Board of Commissioners eliminated funding for the Updated Service Credit and COLA features of the plan, citing concerns over investment losses at the time, the investment strategy of TMRS and concerns over the unfunded pension liability. This decision was made at the heels of the financial crisis of 2007-2008 when TMRS modified its investment strategy by converting its investment portfolio concentrated in bond investments to a more diversified portfolio inclusive of bonds, equities, real estate and other investments.

Fourteen years later, TMRS appears to have a robust retirement plan with a net fiduciary position of over \$38.5 Billion. It purports to be one of the best funded public pension plans in the U.S., well positioned to meet its commitments to current and future retirees. In addition, TMRS appears to have a well-defined actuarial funding policy that takes into account, among other factors, gains and losses over an extended period of time so as to avoid the effects of market volatility.

As demonstrated by Table 1, most area municipalities have prudently decided to stay the course and maintain the important Updated Service Credit and COLA provisions for their present and future retirees. For this reason, these municipalities will continue to provide a better plan for their respective employees than MVPD unless the MVPD plan is modified to include such provisions.

Recommendation by the Chief and MVPD Commission to Modify the TMRS Plan. The Chief of Police and MVPD Board of Commissioners have conducted a detailed study of this matter. These efforts include, among other activities, initiating and considering the recent compensation study; reviewing the terms of the current MVPD and competing TMRS administered retirement plans; consulting with representatives of TMRS;

analyzing projections related to the modification of the existing MVPD plan including alternative benefit designs; considering the impact of such modifications on an individual case level; analyzing the amount and adequacy of monthly benefits to retirees and potential retirees; considering the hiring needs of the Department, and researching the current status of staffing and employment in the policing profession.

After conducting this study, it is the consensus of the Chief of Police and the Board of Commissioners that the existing TMRS plan for MVPD should be modified. The suggested modification is to add recurring Updated Service Credits and Cost-of-Living-Adjustments to the Plan resulting in a new contribution rate of 23% (based on a TMRS estimate using the latest data available of June 2021).

With the addition of the proposed USC and COLA provisions, the projected total annual payroll cost for the plan would be \$943,156 based on the 2023 payroll level, or \$444,343 greater than the current annual contribution.

The cost to add the USC and COLA provisions as proposed is considerable due to the cessation of these plan features in 2009. Reestablishing these provisions will require that the current retirees be made whole. TMRS data demonstrates that other cities which maintained the USC and COLA provisions at the highest levels have contribution rates near 16% or lower. The contribution rate for MVPD would likely be near the same if MVPD had not previously elected to forgo the USC and COLA provisions. Reestablishing the USC and COLA provisions will result in higher premiums in order to amortize or reduce the unfunded liability over the next 20 years.

Significant Benefits Will be Received by Employees and Retirees Resulting From the Proposed Plan Modification. Reinstating the *Updated Service Credit* option at 100% on a repeating or recurring basis (without transfer credit) would significantly change the initial retirement monthly benefit for most MVPD present and future retirees. This plan modification would result in utilizing an average of wages paid to an employee during his or her last three (3) years of service as opposed to the existing method of averaging his or her entire years of service with MVPD. The latter and less satisfactory method for the current MVPD plan uses lower wages from earlier in a career in the calculation of the monthly benefit amount.

Reinstating the **COLA option** to the MVPD plan is also necessary. Without this plan feature, the monthly retirement benefit amount will never change, thus resulting in a reduction of purchasing power over time due to inflation. Adding the COLA at the 50% level would result in an increase in retirement benefits of one-half of the annual CPI.

Funding the Proposed TMRS Plan Modifications is the Proper Course of Action for MVPD Employees and the Participating Cities Alike.

- A primary goal of the Department is to employ highly qualified and dedicated employees whose services will ensure that the participating cities will continue to be among the safest cities in Texas.
- This goal necessitates that the Department provide highly competitive compensation and benefits, including retirement benefits, to ensure proper staffing of the Department.
- As demonstrated by the results of the Public Sector Consultants survey, the MVPD retirement plan is “below market” with respect to the lack of Updated Service Credit and Cost-of Living-Adjustment provisions in the plan. This has a direct impact on employment decisions by current and potential employees.
- Projected monthly benefits under the current plan are less than a MVPD retiree may expect to receive based upon his or her service to the community.
- It is good public policy to ensure that MVPD employees are treated fairly after retiring from service.
- The proposed MVPD plan modifications would bring the Memorial Villages and the Village Fire Department in parity with respect to the level of employee benefits, as well as the relative cost of such benefits, as demonstrated in Table 2 below:

TABLE 2 – COMPARISON OF MVPD AND VFD EMPLOYEE BENEFITS

BENEFIT DESCRIPTION	MVPD	VFD
TMRS CONTRIBUTION	\$498,813	\$361,546
457b PLAN	\$91,873	\$95,727
SOCIAL SECURITY/FICA	\$1,002	\$412,810
HEALTH CARE	\$692,808	\$1,120,284
LIFE/LTD INSURANCE	\$23,257	\$26,432
MEDICARE	\$61,713	\$0
TOTAL	\$1,369,466	\$2,016,799
DIFFERENCE		\$647,333

The data set forth in Table 2 was derived from the 2023 budgets for the MVPD and VFD entities. The VFD spends over \$600,000 more than MVPD annually on employee benefits. (This differential may even greater as VFD is apparently attempting to increase its budget for 2023). Increasing the MVPD budget by \$550,000 for expenditures on employee benefits will allow the employees of both entities to be treated equally relative to such benefits. This increase in the MVPD budget would more than offset the additional cost associated with the

addition of Updated Service Credit and Cost-of-Living-Adjustment provisions to the retirement plan. It should be noted that VFD employees have a 7%, 2:1 contribution TMRS plan with 20-year service requirement *in addition to* Social Security benefits. MVPD employees, in such capacity, are not eligible to participate in the Social Security system. It should be noted that since the Updated Service Credit and Cost of Living provisions were removed from the MVPD plan in 2009, the MVPD has saved the cities the approximate sum of \$2,520,474 in avoided Social Security costs.

For the reasons stated above, the MVPD Board of Commissioners request that the participating cities approve the modification of the Department's TMRS plan to include the proposed Updated Service Credit and COLA provisions. Above all things, it is the right thing to do for our police professionals and the cities they serve.

TO: Members of the City Council

FROM: R. Pennington, City Administrator

VIA: H. Miller, Interim Fire Chief

MEETING DATE: May 22, 2023

SUBJECT: Discuss and take possible action on the Village Fire Department Monthly Report.

Agenda Item: 4

This agenda item is for VFD monthly reporting, to hear and discuss activity of the Department including detail on call volume, VFD Strategic Plan Performance Report and other public safety related incidents. Any supplemental information will be provided at the meeting.

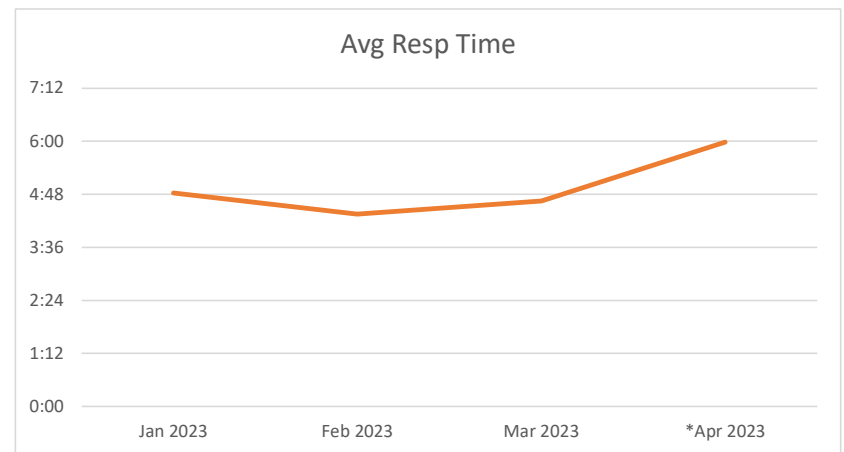
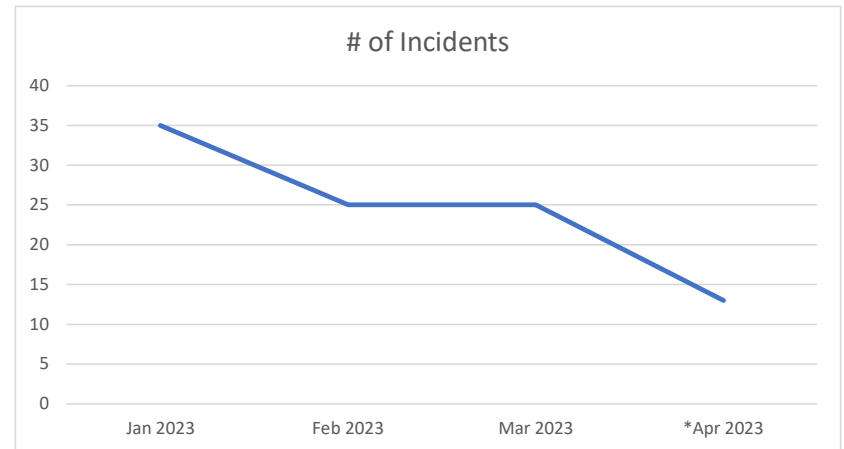


Village Fire Department
 901 Corbindale Rd
 Houston, TX, 77024
 Phone# (713) 468-7941 Fax# (713) 468-5039

April 2023 Summary - Piney Point

Call/Incident Type/Detail	Jan 2023	Feb 2023	Mar 2023	Apr 2023	Total YTD
TOTAL	35	25	25	20	105
Animal Bite	1	0	0	0	1
Carbon Monoxide Detector No Symptoms	0	1	1	0	2
Cardiac/Respiratory Arrest	0	1	1	0	2
Check for the Smell of Natural Gas	3	0	0	0	3
Check for the Smell of Smoke	1	1	0	0	2
Chest Pain	1	1	1	0	3
Diabetic Emergency	0	0	0	1	1
Difficulty Breathing	2	0	0	1	3
Fall Victim	4	0	3	0	7
Fire Alarm Church or School	2	1	1	0	4
Fire Alarm Residence	9	7	7	10	33
Gas Leak	1	1	0	0	2
Heart Problems	0	0	1	0	1
Hemorrhage/Laceration	1	0	0	0	1
House Fire	1	0	1	0	2
Motor Vehicle Collision	3	2	2	1	8
Object Down in Roadway	0	0	1	0	1
Overdose/Poisoning	0	1	0	0	1
Powerlines Down Arcing/Burning	0	0	0	1	1
Psychiatric Emergency	0	3	1	0	4
Seizures	1	1	0	1	3
Service Call Non-emergency	4	3	2	0	9
Sick Call	0	2	0	3	5
Transformer Fire	0	0	1	1	2
Trash Fire	0	0	1	0	1
Unconscious Party/Syncope	1	0	0	0	1
Unknown Medical Emergency	0	0	1	0	1
Vehicle Fire	0	0	0	1	1

Month	# of Incidents	Avg Resp Time
Jan 2023	35	4:50
Feb 2023	25	4:21
Mar 2023	25	4:39
*Apr 2023	13	5:59



* Note: Excludes cancelled calls.

Village Fire Department
2023 Strategic Plan Performance 2nd Quarter Report- 5-19-2023

2023 BUDGET	Quarter Budget	April	May	June	Qtr Total
Quarterly Budget	\$ 2,172,461.75	\$ 757,507.53	\$ -	\$ -	\$ 757,507.53
Total % of Annual Budget Spent		34.9%			34.9%
Personnel Expenditure	\$ 1,854,265.63	\$ 616,875.03	\$ -	\$ -	\$ 616,875.03
Personnel %		33.27%			33.27%
Overtime Expenditure	\$ 104,524.50	\$ 24,341.87	\$ -	\$ -	\$ 24,341.87
Overtime %		23.29%			23.29%
Capital Expenditure	\$ 37,750.00	\$ 1,023.00	\$ -	\$ -	\$ 1,023.00
Capital %		2.71%			2.71%
Operational Expenditure	\$ 216,485.28	\$ 139,609.50	\$ -	\$ -	\$ 139,609.50
Operational %		64.5%			64.49%
EMERGENCY OPERATIONS		April	May	June	Qtr Total
Incidents		174			174
Apparatuses Responses		294			294
Avg. Emerg Resp. Time		4:44			4:44
Avg. Emerg. Fire Resp. Time (Nat'l Std 6:50)		5:45			5:45
Avg. Emerg. EMS Resp. Time (Nat'l Std 6:30)		4:25			4:25
Patients		68			68
Patients Transported		40			40
EMS REVENUE					
EMS Revenue Fund Balance		\$ 31,400.82	\$ -	\$ -	\$ 31,400.82
Amount Charged		\$ 79,822.42	\$ -	\$ -	\$ 79,822.42
Total Revenue Received		\$ -	\$ -	\$ -	\$ -
FIRE MARSHAL					
General Plans Reviewed		5			5
Sprinkler Systems Reviewed		21			21
Fire Prevention Permits		0			0
Total Inspection Activities This Month		64			64
Fires Investigated		0			0
Community Education Events		7			7
Total # of Houses	6708				
Houses w/Sprinklers		2307			
Houses w/ Sprinkler Systems %		34.39%	0.00%	0.00%	0.00%

City of Piney Point Village
City Council Meeting, May 22, 2023

1. Staffing: Captain Swinner still off.
Two firefighters minor hand burns from HFD apartment fire. (Adam Ekblaw, Steve Espinosa)

2. Apparatus:

New Ambulances: Preparing to be placed in service by installing equipment and stocking supplies.

3. April 2023 Incidents:

Fire Incidents: 14

EMS type Incidents: 6

Service Calls Non-Emergency: 0

Total incidents: 20

Average Response Time: 5 Minutes 59 Seconds

EMS 1st response time: (Natl Standard is 6:30)

ALS response time: (Natl Standard is 10:30)

Fire: (Natl Standard is 6:50)

4. Other Projects and Activities:

ISO Survey.

Hydrant Testing.

Roof projects. Main roof very close to starting.

MVPD/FD Dispatch: Motorola facility walkthrough. Should have their quote in a couple of weeks.

5. Budget:

2023 budget amendment.

Working on the 2024 budget. Planning on the budget being finalized and approved tomorrow at fire commission meeting. (5/24)

7. Next Fire Commission meeting is May 24, 2023.

TO: Members of the City Council

FROM: R. Pennington, City Administrator
VIA: H. Miller, Fire Chief

MEETING DATE: May 22, 2023

SUBJECT: Discuss and take possible action on the Village Fire Department Budget for FY 2024.

Agenda Item: 5

This agenda item is for VFD proposed annual budget for FY 2024. VFD will present this agenda item to the Council with related documents to be handed out during the meeting.

TO: The Honorable Mayor and Members of the City Council

FROM: R. Pennington, City Administrator

VIA: M. Yi, Finance Director

MEETING DATE: May 22, 2023

SUBJECT: Discuss and take possible action on a tax collection contract with the Spring Branch Independent School District.

Agenda Item: 6

Summary:

This agenda item calls for the City Council to consider a contract with SBISD for tax collection services. The SBISD is the City's current provider of tax collection services. The proposed contract is to continue these services for a period of two years beginning September 1, 2023, and ending August 31, 2025.

The district is to deposit to the city depository all taxes collected on behalf of the city at least once each week during the months of October through February and at least twice a month during the months of March through September. The SBISD Tax Assessor-Collector will prepare a monthly statement of all amounts collected for the city.

The city is to annually compensate \$5 per tax account for this service, plus any postage expenses incurred by the district.

Recommendation:

Staff recommends approving the Tax Collection Contract with the Spring Branch Independent School District as presented.

Attached Documents:

- ✓ SBISD Letter
- ✓ SBISD Tax Collection Contract



Spring Branch ISD Tax Office

8880 Westview Road, Houston, Texas 77055

713-251-7968

Elizabeth.Ruiz@springbranchisd.com

Elizabeth Ruiz, Tax Assessor/Collector

May 12, 2023

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 the above-referenced contract for consideration. Upon execution by the City Council, please print three copies and return all three signed contracts by August 11, 2023. An original will be returned to the City after SBISD Board Meeting on August 21, 2023.

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

Sincerely,

Elizabeth Ruiz
Tax Assessor/Collector

Spring Branch Independent School District

Jennifer Blaine, Ed.D., Superintendent of Schools

Inspiring minds. Shaping lives.

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF HARRIS

This memorandum of contract is made and executed 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 2023, and ending on the 31st day of August 2025.

3. District agrees to make deposits to the Depository of City of all taxes collected on behalf of City at least once each week during the months of October through February and at least twice a month during the months of March through September.

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 based on February appraisal rolls for the services so rendered and payment for said services will be made to District on or before April 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.

Signatures on following page.

Approved by entity on _____, 2023

ATTEST:

CITY OF PINEY POINT VILLAGE, TEXAS

Robert Pennington
City Administrator / City Secretary

Mark Kobelan
Mayor

Approved by Spring Branch ISD Board on _____, 2023

ATTEST:

SPRING BRANCH INDEPENDENT
SCHOOL DISTRICT

Secretary
Board of Trustees

President
Board of Trustees

TO: Mayor and Members of the City Council

FROM: Bobby Pennington; City Administrator

MEETING DATE: May 22, 2023

SUBJECT: Consideration and possible action on proposed tax exemptions for property tax owners.

Agenda Item: 7

At the request of the mayor, we are looking at the possibility of increasing property tax exemptions for over 65, depending on projected increases in the tax levy. Any taxing unit, including a city, has the option of deciding locally to offer a residence homestead exemption for persons aged 65 or older or disabled in an amount not less than \$3,000.

Last year, while determining the truth in taxation (TNT) calculation we determined that the city was very close to the voter approval tax rate (VAT), the maximum rate allowed by law without voter approval. The maximum for a city our size is typically \$500,000 in additional levy.

A rough calculation based on the preliminary HCAD data suggests PPV will receive \$450,000 in additional tax levy for FY24, before any change to the exemption. This is close to the VAT but we will not receive certified values until July, beyond the 7/1 deadline for submitting the exemption change to HCAD. There are 502 accounts currently qualifying for this exemption at \$21,000. If the Council agrees to increase the exemption amount, then it is recommended that the total deduction be increased to no more than \$100,000.

Option:

Consider Ordinance No. 2023.22A, modifying the Residential Over-65 Exemption for the City of Piney Point Village; amending the Code of Ordinances of the City of Piney Point, Chapter 54, taxation, by amending section 54-32, In General; providing a severability clause; and providing an effective date.

Attached Documents:

Memo on proposed increase to the exemption.

HCAD preliminary property tax calculations.

Ordinance No. 2023.05A

TO: City Administration

FROM: M. Yi, Finance Director

DATE: May 18, 2023

SUBJECT: Over-65 property tax exemption.

Below is a breakdown of how changes to each exemption would impact on the city and property owners going forward.

Increasing the Over 65 Exemption			
Over 65 Amount	Additional Amount to be Exempted	Average Property Tax Savings for Over 65 Homeowner	Total Loss of City Revenue
\$ 21,000	\$ -	\$ -	\$ -
\$ 50,000	\$ 14,558,000	\$ 73.99	\$ 37,143.28
\$ 60,000	\$ 19,578,000	\$ 99.50	\$ 49,951.31
\$ 70,000	\$ 24,598,000	\$ 125.02	\$ 62,759.34
\$ 80,000	\$ 29,618,000	\$ 150.53	\$ 75,567.37
\$ 90,000	\$ 34,638,000	\$ 176.05	\$ 88,375.39
\$ 100,000	\$ 39,658,000	\$ 201.56	\$ 101,183.42

Current Tax Rate		0.25514
Number of Over 65 Exemptions		473
Number of Surviving Spouse over 65 Exemptions		29
Total		502
Updated 04/14/2023 with latest available valuations from HCAD		

The Ordinance, as drafted, is based upon the to increase the exemption amount from current exemption \$21,000 to \$100,000, which is additional \$79,000. Based on the information provided by HCAD on April 14, 2023, the City has a total of 502 accounts qualified for over-65 exemption.

If the Council approved the ordinance, the impact will be \$101,183 on the City's property tax revenue.

The Council could choose to increase the Over 65 Homestead Exemption if they want. Above is a breakdown of the impact of raising that would be.

We need to notify HCAD of any changes by June 30th so they can get the information into their calculations for our taxable properties.



Harris Central Appraisal District

13013 Northwest Freeway
Houston TX 77040
Telephone: (713) 812-5800

P.O. Box 920975
Houston TX 77292-0975
Information Center: (713) 957-7800



Office of Chief Appraiser

Honorable Mark Kobelan
Mayor
City of Piney Point Village
7676 Woodway, Suite 300
Houston, TX 77063-1629

April 28, 2023

Re: 2023 Certified Estimates

Board of Directors

Mike Sullivan, Chairman
Martina Lemond Dixon, Secretary
Al Odom, Assistant Secretary
Ann Harris Bennett, Director
Tax Assessor-Collector, Ex-Officio Director
Jim Robinson, Director
Jonathan Cowen, Director
Kathy Blueford-Daniels, Director

Chief Appraiser

Roland Altinger
Deputy Chief Appraiser
Jason Cunningham
Taxpayer Liaison Officer
Teresa S. Terry

Dear Mayor Kobelan:

As required by Texas Tax Code Sec. 26.01(e), we have prepared an estimate of taxable value for the above taxing jurisdiction for 2023. While this estimate is based on information currently available to us, some of the data needed for accuracy is not yet available. For example, in the area of business and industrial personal property, the extended date for property owners to file their annual renditions is May 15, and some will delay their filing an additional 15 days for good cause.

While we have taken our best estimate of potential hearing loss into account, protests for 2023 are in the process of being received and reductions made in the ARB protest hearing process during the next several months could cause a further reduction in value. Also, if fewer protests are filed, your value could possibly be higher.

Your final taxable value will also be impacted by late-filed exemption applications, late applications for productivity valuation, correction motions under Tax Code Sec. 25.25, and possible post-ARB appeals through binding arbitration, appeals to district court, or appeals to the State Office of Administrative Hearings.

Given these limitations, the estimated 2023 taxable value for the taxing unit identified above is:

\$3,119,435,602

The enclosed summary report gives a breakdown of this estimate by property category.

Please do not hesitate to contact your HCAD jurisdiction coordinator or my office if you have questions regarding this estimate or other matters affecting appraisal district operations.

Sincerely,

Roland Altinger
Chief Appraiser

Piney Point Village
2023 Certified Estimate of Taxable Value



Major Property Category	2022 Taxable Value	Percent Change	Projected 2023 Taxable Value
Residential & Rural Improved	2,851,534,973	6.93%	3,049,053,672
Apartments	0	0.00%	0
Commercial	0	0.00%	0
Vacant Land	69,070,511	-6.05%	64,892,162
Industrial	0	0.00%	0
Utility	3,717,920	2.00%	3,792,278
Commercial Personal	1,354,795	3.35%	1,400,201
Industrial Personal	309,651	-3.99%	297,289
All Other Property	0	0.00%	0

Projected 2023 Taxable Value	2,925,987,850	6.61%	3,119,435,602
-------------------------------------	----------------------	--------------	----------------------

Projected 2023 Taxable Value Range

Accuracy +/- 5%	2,963,463,822	To	3,275,407,382
------------------------	----------------------	-----------	----------------------

ORDINANCE NO. 2023.05A

**AN ORDINANCE MODIFYING THE OVER-65 EXEMPTION FOR THE CITY OF PINEY POINT VILLAGE;
AMENDING THE CODE OF ORDINANCES OF THE CITY OF PINEY POINT VILLAGE, CHAPTER 54,
TAXATION, BY AMENDING SECTION 54-32, IN GENERAL; PROVIDING A SERVABILITY CLAUSE; AND
PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the City Council of the City of Piney Point Village requests to increase the property tax exemptions under its control:

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PINEY POINT VILLAGE, TEXAS THAT:

Section 1. THAT the City Council of the City of Piney Point Village, Texas, finds it in the best interests of the City of Piney Point Village, Texas, to incorporate into one document and ratify all of the property tax exemptions previously authorized and adopted by the City Council of the City of Piney Point Village, Texas, pursuant to the authority granted to the City Council of the City of Piney Point Village, Texas, by the Constitution of the State of Texas and/or the Texas Property Tax Code.

Section 2. THAT each of the property tax exemptions granted by the City Council of the City of Piney Point Village, Texas, will be codified in Chapter 54, Taxation, Section 54-32, Tax Exemption on Homestead, Sections (a) and (b) the Code of Ordinances of the City of Piney Point Village, Texas.

Section 3. THAT the following property tax exemptions have been granted, approved, and authorized by the City Council of City of Piney Point Village, Texas:

Sec. 54-32 Ad Valorem Property Tax Exemptions

- (a) \$100,000 of the assessed value of resident homesteads of married or unmarried persons, sixty-five (65) years of age or older, is exempted from ad valorem taxes levied upon property in the City of Piney Point Village, Texas, effective for the taxable year 2023 and thereafter unless revised by the City Council of the City of Piney Point Village, Texas (granted pursuant to Article 8, Section 1-b, of the Constitution of the State of Texas and Section 11.13 of the Texas Property Tax Code on May 2022);

Section 4. THAT the City Administration of the City of Piney Point Village, Texas, shall provide a certified copy of this ordinance to the designated Tax Assessor-Collector to aid in the billing and collection of ad valorem taxes for the City of Piney Point Village, Texas.

Section 5. Severability. In the event any section, paragraph, subdivision, clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjusted invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Piney Point Village, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

Section 3. Effective Date. This ordinance shall be in full force and effect from and after its passage.

PASSED, APPROVED, AND ADOPTED this 22ND day of May 2023.

Mark Kobelan, Mayor

ATTEST:

Robert Pennington, City Administrator/City Secretary

TO: City Council

FROM: R. Pennington, City Administrator

MEETING DATE: May 22, 2023

SUBJECT: Consideration and possible action on professional landscape architecture services by Kimley Horn on Greenbay Drive between Memorial Drive and 11131 Greenbay.

Agenda Item: 8

Summary:

Kimley-Horn and Associates, Inc. submitted a proposal for providing professional landscape architecture services for Greenbay. The project is landscape area behind the curb on the south side of Greenbay Drive, extending from Memorial Drive roughly 1,500 feet to the east side of 11131 Greenbay. Consultant will provide base drawings from Cad files, a site review to observe and document conditions, prepare basic design concepts for configuring plantings, and conduct a presentation to review the materials. Further tasks include refining the design and preparing construction documents, assisting with administration of bidding construction, and provide on-site construction observation services during the construction phase.

See attached documentation.



May 18, 2023

Mr. Bobby Pennington, City Administrator
City of Piney Point Village
7676 Woodway, Ste. 300
Houston, TX 77063 Via email: bpennington@pineypt.org

**RE: *Proposal for Professional Services
Greenbay Drive Landscape***

Dear Mr. Pennington:

Kimley-Horn and Associates, Inc. (“Kimley-Horn” or “Consultant”) is pleased to submit this Letter Agreement (the “Agreement”) to the City of Piney Point Village (“Client”) for providing professional landscape architecture services.

PROJECT UNDERSTANDING

- The Consultant understands the Client wants to develop a landscape beautification project along the south side of Greenbay Drive within public right-of-way, including planting and irrigation. No sidewalks or other site amenities are included.

- We understand your intended construction budget for the improvements includes a FY23 allocation of \$440,260.

PROJECT AREA

The project is located in the landscape area behind the curb on the south side of Greenbay Drive as shown below, extending from Memorial Drive about 1,500 feet to the east side of 11131 Greenbay.



CONSULTANT TEAM

Consultant will retain James Pole Irrigation Consultants to provide irrigation design and documentation. Consultant will self-perform all other services outlined below.

The term 'Consultant' in this proposal refers to the Consultant Team.

SCOPE OF SERVICES

The Consultant will provide the services specifically set forth below.

TASK 1 – ANALYSIS AND CONCEPT DESIGN

1. Prepare base drawing from Cad files provided by Client.
2. Conduct one (1) site review to observe and document conditions for Consultant's use.
3. Prepare concept option indicating basic design concept for configuration of planting areas/ lawn and plant massing. Prepare initial list of plants, two (2) illustrative sketches and a preliminary opinion of probable construction costs (OPCC).
4. Conduct one (1) presentation to the Client to review the materials and receive Client direction.
5. Comments received during this presentation will be addressed in Task 2; Consultant will not prepare revised Concept materials within this scope.

Note regarding Opinions of Probable Construction Cost (OPCC): Because the Consultant does not control the schedule of development, cost of labor, materials, equipment or services furnished by others, methods of determining prices, or competitive bidding or market conditions, any opinions rendered as to costs, including but not limited to opinions as to the costs of construction and materials, shall be made on the basis of its experience and represent its judgment as an experienced and qualified professional, familiar with the industry. The Consultant cannot and does not guarantee that proposals, bids or actual costs will not vary from its opinions of cost.

Meetings:

- A. One in-person presentation.

Deliverables:

- A. Concept Design materials including rough hand-drawn plans, two rough hand-drawn illustrative sketches, one preliminary OPCC and preliminary list of possible plants.

TASK 2 – REFINE DESIGN & PREPARE CONSTRUCTION DOCUMENTS

1. Refine planting design based on Client direction.
2. Prepare planting and irrigation plans, details and specifications suitable for bidding and construction.
3. Irrigation design will provide for new meter if required, and backflow device. It will not provide for electrical engineering to provide power drop or distribution to the controller location(s). It will not provide for site engineering to extend water supply to the system.
4. Prepare bid-form.
5. Submit completed documents for Client approval prior to Client issuing for bidding.

6. Client will compile bid documents.
7. Client will coordinate any permitting or required regulatory approvals.

Meetings:

- A. None

Deliverables:

- A. One submittal of bid-ready construction documents (plans, details, specifications, bid form). Additional submittals may be provided as an additional service.

TASK 3 – BID PHASE SERVICES

1. Assist Client with administration of bidding, including:
 - Conduct one (1) pre-bid meeting;
 - Answer bidders' questions and prepare addenda as required;
 - Compile Bid Tabulation, evaluate bids and recommend action. Detailed research into bidders qualifications and past experience is not included, but is available as an additional service.
2. This Task assumes 15 hours of effort. If work beyond that effort is required, Consultant will advise Client. Additional effort is available as an additional service.

Meetings:

- A. One (1) pre-bid meeting

Deliverables:

- A. One (1) pdf Bid Tabulation

TASK 4 – CONSTRUCTION PHASE SERVICES

1. Kimley-Horn will provide professional construction phase services as specifically stated below:
 - a. Pre-Construction Conference: Consultant will attend a Pre-Construction Conference prior to commencement of Work at the Site. City will prepare the agenda and moderate the meeting.
 - b. Visits to Site and Observation of Construction: Consultant will provide on-site construction observation services during the construction phase. Consultant will make visits at intervals as directed by Client to observe the progress of the Work. Such visits and observations by Consultant are not intended to be exhaustive or to extend to every aspect of Contractor's work in progress. Observations are to be limited to spot checking, selective measurement, and similar methods of general observation of the Work based on Consultant's exercise of professional judgment. Based on information obtained during such visits and such observations, Consultant will evaluate whether Contractor's work is generally proceeding in accordance with the Contract Documents, and Consultant will keep Client informed of the general progress of the Work. This proposal includes six (6) interim site visits prior to the punch list review.

- i. The purpose of Consultant's site visits will be to enable Consultant to better carry out the duties and responsibilities specifically assigned in this Agreement to Consultant, and to provide Client a greater degree of confidence that the completed Work will conform in general to the Contract Documents. Consultant shall not, during such visits or as a result of such observations of Contractor's work in progress, supervise, direct, or have control over Contractor's work, nor shall Consultant have authority over or responsibility for the means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction selected by Contractor, for safety precautions and programs incident to Contractor's work, nor for any failure of Contractor to comply with laws and regulations applicable to Contractor's furnishing and performing the Work. Accordingly, Consultant neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform its work in accordance with the Contract Documents.
- c. Construction Meetings: construction meetings other than the site visits noted above, are not included. Other construction meetings can be added for an additional fee.
- d. Recommendations with Respect to Defective Work: Consultant will recommend to Client that Contractor's work be disapproved and rejected while it is in progress if, based on such observations, Consultant believes that such work will not produce a completed Project that conforms generally to Contract Documents.
- e. Clarifications and Interpretations: Consultant will respond to reasonable and appropriate Contractor requests for information and issue necessary clarifications and interpretations of the Contract Documents to Client as appropriate to the orderly completion of Contractor's work. Any orders authorizing variations from the Contract Documents will be made by Client. *Note: Task assumes 12 hours of effort. If work beyond that effort is required, Consultant will advise Client. Additional effort is available as an additional service.*
- f. Change Orders: Consultant may recommend Change Orders to Client and will review and make recommendations related to Change Orders submitted or proposed by the Contractor.
- g. Shop Drawings and Samples: Consultant will review and approve or take other appropriate action in respect to Shop Drawings and Samples and other data which Contractor is required to submit, but only for conformance with the information given in the Contract Documents. Such review and approvals or other action will not extend to means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction or to related safety precautions and programs.
- h. Substitutions: Consultant will evaluate and determine the acceptability of substitution or "or-equal" materials and equipment proposed by Contractor in accordance with the Contract Documents, but subject to the provisions of

applicable standards of state or local government entities.

- i. Substantial Completion. Consultant will, promptly after notice from Contractor that it considers the entire Work ready for its intended use, in company with Client and Contractor, conduct one site visit to determine if the Work is substantially complete. Work will be considered substantially complete following satisfactory completion of all items with the exception of those identified on a final punch list. If after considering any objections of Client, Consultant considers the Work substantially complete, Consultant will notify Client and Contractor.
- j. Final Notice of Acceptability of the Work. Consultant will conduct one final site visit to determine if the completed Work of Contractor is generally in accordance with the Contract Documents and the final punch list to the best of Consultant's knowledge, information, and belief based on the extent of its services and based upon information provided to Consultant upon which it is entitled to rely.
- k. TDLR Accessibility Compliance: Since this project does not include public access into the project area, it is our opinion that it does not required compliance review by the Texas Department of Licensing and Regulation ("TDLR").
- l. Because the extent of our effort for this task is unknown at this time, we have projected our effort to include a period of active construction phase involvement of no more than 6 weeks.
- m. As-built drawings: Consultant will require as-built irrigation drawings to be provided by the contractor. Consultant will review and comment on one submittal of as-built drawings prepared by the contractor. Consultant will not prepare as-built drawings.

Meetings / Site Visits:

- A. One (1) Pre-construction meeting.
- B. Up to six (6) site visits prior to Substantial Completion.
- C. One (1) Tree selection trip (Houston area)
- D. One (1) Substantial Completion site visit.
- E. One (1) Final Acceptance site visit.

Deliverables:

- A. Site reports for each site visit
- B. Submittal response (including 2 iterations of plant material and irrigation submittals)
- C. RFI Review: (up to 12 hours of effort)
- D. Punch List
- E. Final Acceptance Report

TASK 5 – IRRIGATION DESIGN & DOCUMENTATION

1. Kimley-Horn will provide and coordinate the services of an irrigation consultant to prepare irrigation plans, details and specification notes, suitable for bidding and construction.

Meetings / Site Visits:

- A. None

Deliverables:

- A. Complete irrigation plans, details and notes

ADDITIONAL SERVICES

Any services not specifically provided for in the above scope will be billed as additional services and performed at our then current hourly rates. Additional services we can provide include, but are not limited to, the following:

- Work outside of the Project Area
- Illustrations or drawings beyond those specifically listed above
- Electrical engineering for electrical power drops or distribution to irrigation controllers.
- Site engineering for water supply to irrigation systems.
- Meetings or presentations beyond those specifically listed above
- Public Engagement
- Coordination with individuals, groups or agencies not specifically noted above.
- Design for improvements other than planting and irrigation.

CLIENT RESPONSIBILITIES

The Consultant shall be entitled to rely on the completeness and accuracy of all information provided by the Client, their consultants or representatives. Specific responsibilities of the Client include:

- AutoCad drawings showing plan and profile information for the project area, similar to the 2022 Greenbay Drive drawings prepared by HDR Engineering. The drawings shall include all surface conditions, subsurface and overhead utilities, easements and other limitations to development.
- Constraints to landscape and irrigation improvements such as setbacks from underground and overhead utilities, and any other Client requirements.
- The Client shall conduct any necessary coordination with public or private utilities.
- Provide timely response to Consultant submittals and clear direction for Consultant.
- Client will coordinate any required permitting for water and power connections, planting, irrigation, concrete edges for planting beds or other related improvements.

SCHEDULE

The Consultant will work to prepare a mutually agreed upon schedule with the Client.

FEE AND EXPENSES

The Consultant will perform the services in Tasks 1-5 above for the total lump sum labor fee below. Individual task amounts below are informational only. All permitting, application, and similar project fees will be paid directly by the Client.

<u>Fees</u>		
Task 1	Analysis & Assessment	\$10,500
Task 2	Refine Design & Prepare Construction Documents	\$10,500
Task 3	Bid Phase Services	\$2,500
Task 4	Construction Phase Services	\$15,000
Task 5	Irrigation Design & Documentation	\$1,500
Total Lump Sum Labor Fee		\$40,000
Estimated Expenses (incl travel)		\$400

In addition to the lump sum labor fee, direct reimbursable expenses such as express delivery services, fees, air travel, and other direct expenses will be billed to the Client at 1.15 times cost.

Lump sum fees and expenses will be invoiced monthly based upon the overall percentage of services performed. Payment will be due within 25 days of your receipt of the invoice and should include the invoice number and Kimley-Horn project number.

CLOSURE

In addition to the matters set forth herein, our Agreement shall include and be subject to, and only to, the attached Standard Provisions, which are incorporated by reference. As used in the Standard Provisions, "Kimley-Horn" shall refer to Kimley-Horn and Associates, Inc., and "Client" shall refer to the **City of Piney Point Village**.

Kimley-Horn, to expedite invoices and reduce paper waste, submits invoices via email in a PDF. We can also provide a paper copy via regular mail if requested. Please include the invoice number and Kimley-Horn project number with all payments. Please provide the following information:

_____ Please email all invoices to _____

_____ Please copy _____

To proceed with the services, please have an authorized person sign this Agreement below and return to us. We will commence services only after we have received a fully-executed agreement. Fees and times stated in this Agreement are valid for sixty (60) days after the date of this letter.

To ensure proper set up of your projects so that we can get started, please complete and return with the signed copy of this Agreement the attached Request for Information. Failure to supply this information could result in delay in starting work on this project.

We appreciate the opportunity to provide these services. Please contact me if you have any questions.

Sincerely,
KIMLEY-HORN AND ASSOCIATES, INC.



Jim Patterson, RLA LEED AP
Project Manager



Mark Kirkland
Senior Associate

APPROVED & ACCEPTED
City of Piney Point Village

SIGNED: _____

PRINTED NAME: _____

TITLE: _____

DATE: _____

Client's Federal Tax ID: _____

Client's Business License No.: _____

Client's Street Address: _____

Attachment – Request for Information
Attachment – Standard Provisions

Request for Information

Please return this information with your signed contract; failure to provide this information could result in delay in starting your project

Client Identification

Full, Legal Name of Client					
Mailing Address for Invoices					
Contact for Billing Inquiries					
Contact's Phone and e-mail					
Client is (check one)	Owner	<input type="checkbox"/>	Agent for Owner	<input type="checkbox"/>	Unrelated to Owner

Property Identification

	Parcel 1	Parcel 2	Parcel 3	Parcel 4
Street Address				
County in which Property is Located				
Tax Assessor's Number(s)				

Property Owner Identification

	Owner 1	Owner 2	Owner 3	Owner 4
Owner(s) Name				
Owner(s) Mailing Address				
Owner's Phone No.				
Owner of Which Parcel #?				

Project Funding Identification – List Funding Sources for the Project

Attach additional sheets if there are more than 4 parcels or more than 4 owners

KIMLEY-HORN AND ASSOCIATES, INC.

STANDARD PROVISIONS

- 1) **Kimley-Horn's Scope of Services and Additional Services.** Kimley-Horn will perform only the services specifically described in this Agreement. If requested by the Client and agreed to by Kimley-Horn, Kimley-Horn will perform Additional Services, which shall be governed by these provisions. Unless otherwise agreed to in writing, the Client shall pay Kimley-Horn for any Additional Services an amount based upon Kimley-Horn's then-current hourly rates plus an amount to cover certain direct expenses including telecommunications, in-house reproduction, postage, supplies, project related computer time, and local mileage. Other direct expenses will be billed at 1.15 times cost.
- 2) **Client's Responsibilities.** In addition to other responsibilities herein or imposed by law, the Client shall:
 - a. Designate in writing a person to act as its representative, such person having complete authority to transmit instructions, receive information, and make or interpret the Client's decisions.
 - b. Provide all information and criteria as to the Client's requirements, objectives, and expectations for the project and all standards of development, design, or construction.
 - c. Provide Kimley-Horn all available studies, plans, or other documents pertaining to the project, such as surveys, engineering data, environmental information, etc., all of which Kimley-Horn may rely upon.
 - d. Arrange for access to the site and other property as required for Kimley-Horn to provide its services.
 - e. Review all documents or reports presented by Kimley-Horn and communicate decisions pertaining thereto within a reasonable time so as not to delay Kimley-Horn.
 - f. Furnish approvals and permits from governmental authorities having jurisdiction over the project and approvals and consents from other parties as may be necessary.
 - g. Obtain any independent accounting, legal, insurance, cost estimating, and feasibility services required by Client.
 - h. Give prompt written notice to Kimley-Horn whenever the Client becomes aware of any development that affects Kimley-Horn's services or any defect or noncompliance in any aspect of the project.
- 3) **Period of Services.** Unless otherwise stated herein, Kimley-Horn will begin work after receipt of a properly executed copy of this Agreement. This Agreement assumes conditions permitting continuous and orderly progress through completion of the services. Times for performance shall be extended as necessary for delays or suspensions due to circumstances that Kimley-Horn does not control. If such delay or suspension extends for more than six months, Kimley-Horn's compensation shall be renegotiated.
- 4) **Method of Payment.** Client shall pay Kimley-Horn as follows:
 - a. Invoices will be submitted periodically for services performed and expenses incurred. Payment of each invoice will be due within 30 days of receipt. The Client shall also pay any applicable sales tax. All retainers will be held by Kimley-Horn and applied against the final invoice. Interest will be added to accounts not paid within 25 days at the maximum rate allowed by law. If the Client fails to make any payment due under this or any other agreement within 30 days after Kimley-Horn's transmittal of its invoice, Kimley-Horn may, after giving notice to the Client, suspend services and withhold deliverables until all amounts due are paid.
 - b. If the Client relies on payment or proceeds from a third party to pay Kimley-Horn and Client does not pay Kimley-Horn's invoice within 60 days of receipt, Kimley-Horn may communicate directly with such third party to secure payment.
 - c. If the Client objects to an invoice, it must advise Kimley-Horn in writing giving its reasons within 14 days of receipt of the invoice or the Client's objections will be waived, and the invoice shall conclusively be deemed due and owing. If the Client objects to only a portion of the invoice, payment for all other portions remains due.
 - d. If Kimley-Horn initiates legal proceedings to collect payment, it may recover, in addition to all amounts due, its reasonable attorneys' fees, reasonable experts' fees, and other expenses related to the proceedings. Such expenses shall include the cost, at Kimley-Horn's normal hourly billing rates, of the time devoted to such proceedings by its employees.
 - e. The Client agrees that the payment to Kimley-Horn is not subject to any contingency or condition. Kimley-Horn may negotiate payment of any check tendered by the Client, even if the words "in full satisfaction" or words intended to have similar effect appear on the check without such negotiation being an accord and satisfaction of any disputed debt and without prejudicing any right of Kimley-Horn to collect additional amounts from the Client.
- 5) **Use of Documents.** All documents and data prepared by Kimley-Horn are related exclusively to the services described in this Agreement and may be used only if the Client has satisfied all of its obligations under this Agreement. They are not intended or represented to be suitable for use or reuse by the Client or others on extensions of this project or on any other project. Any modifications by the Client to any of Kimley-Horn's documents, or any reuse of the documents without written authorization by Kimley-Horn will be at the Client's sole risk and without liability to Kimley-Horn, and the Client shall indemnify, defend and hold Kimley-Horn harmless from all claims, damages, losses and expenses, including but not limited to attorneys' fees, resulting therefrom.

Kimley-Horn's electronic files and source code remain the property of Kimley-Horn and shall be provided to the Client only if expressly provided for in this Agreement. Any electronic files not containing an electronic seal are provided only for the convenience of the Client and use of them is at the Client's sole risk. In the case of any defects in the electronic files or any discrepancies between them and the hardcopy of the documents prepared by Kimley-Horn, the hardcopy shall govern.

- 6) **Intellectual Property.** Kimley-Horn may use or develop its proprietary software, patents, copyrights, trademarks, trade secrets, and other intellectual property owned by Kimley-Horn or its affiliates ("Intellectual Property") in the performance of this Agreement. Unless explicitly agreed to in writing by both parties to the contrary, Kimley-Horn maintains all interest in and ownership of its Intellectual Property and conveys no interest, ownership, license to use, or any other rights in the Intellectual Property to Client. Any enhancements of Intellectual Property made during the performance of this Agreement are solely owned by Kimley-Horn and its affiliates. If Kimley-Horn's services include providing Client with access to or a license for Kimley-Horn's (or its affiliates') proprietary software or technology, Client agrees to the terms of the Software License Agreement set forth at <https://www.kimley-horn.com/khts-software-license-agreement> ("the License Agreement") which terms are incorporated herein by reference.
- 7) **Opinions of Cost.** Because Kimley-Horn does not control the cost of labor, materials, equipment or services furnished by others, methods of determining prices, or competitive bidding or market conditions, any opinions rendered as to costs, including but not limited to the costs of construction and materials, are made solely based on its judgment as a professional familiar with the industry. Kimley-Horn cannot and does not guarantee that proposals, bids or actual costs will not vary from its opinions of cost. If the Client wishes greater assurance as to the amount of any cost, it shall employ an independent cost estimator. Kimley-Horn's services required to bring costs within any limitation established by the Client will be paid for as Additional Services.
- 8) **Termination.** The obligation to provide further services under this Agreement may be terminated by either party upon seven days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof, or upon thirty days' written notice for the convenience of the terminating party. Kimley-Horn shall be paid for all services rendered and expenses incurred to the effective date of termination, and other reasonable expenses incurred by Kimley-Horn as a result of such termination.
- 9) **Standard of Care.** The standard of care applicable to Kimley-Horn's services will be the degree of care and skill ordinarily exercised by consultants performing the same or similar services in the same locality at the time the services are provided. No warranty, express or implied, is made or intended by Kimley-Horn's performance of services, and it is agreed that Kimley-Horn is not a fiduciary with respect to the Client.
- 10) **LIMITATION OF LIABILITY.** IN RECOGNITION OF THE RELATIVE RISKS AND BENEFITS OF THE PROJECT TO THE CLIENT AND KIMLEY-HORN, THE RISKS ARE ALLOCATED SUCH THAT, TO THE FULLEST EXTENT ALLOWED BY LAW, AND NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS AGREEMENT OR THE EXISTENCE OF APPLICABLE INSURANCE COVERAGE, THAT THE TOTAL LIABILITY, IN THE AGGREGATE, OF KIMLEY-HORN AND KIMLEY-HORN'S OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AND SUBCONSULTANTS TO THE CLIENT OR TO ANYONE CLAIMING BY, THROUGH OR UNDER THE CLIENT, FOR ANY AND ALL CLAIMS, LOSSES, COSTS OR DAMAGES WHATSOEVER ARISING OUT OF OR IN ANY WAY RELATED TO THE SERVICES UNDER THIS AGREEMENT FROM ANY CAUSES, INCLUDING BUT NOT LIMITED TO, THE NEGLIGENCE, PROFESSIONAL ERRORS OR OMISSIONS, STRICT LIABILITY OR BREACH OF CONTRACT OR ANY WARRANTY, EXPRESS OR IMPLIED, OF KIMLEY-HORN OR KIMLEY-HORN'S OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AND SUBCONSULTANTS, SHALL NOT EXCEED TWICE THE TOTAL COMPENSATION RECEIVED BY KIMLEY-HORN UNDER THIS AGREEMENT OR \$50,000, WHICHEVER IS GREATER. HIGHER LIMITS OF LIABILITY MAY BE NEGOTIATED FOR ADDITIONAL FEE. THIS SECTION IS INTENDED SOLELY TO LIMIT THE REMEDIES AVAILABLE TO THE CLIENT OR THOSE CLAIMING BY OR THROUGH THE CLIENT, AND NOTHING IN THIS SECTION SHALL REQUIRE THE CLIENT TO INDEMNIFY KIMLEY-HORN.
- 11) **Mutual Waiver of Consequential Damages.** In no event shall either party be liable to the other for any consequential, incidental, punitive, or indirect damages including but not limited to loss of income or loss of profits.
- 12) **Construction Costs.** Under no circumstances shall Kimley-Horn be liable for extra costs or other consequences due to unknown conditions or related to the failure of contractors to perform work in accordance with the plans and specifications. Kimley-Horn shall have no liability whatsoever for any costs arising out of the Client's decision to obtain bids or proceed with construction before Kimley-Horn has issued final, fully approved plans and specifications. The Client acknowledges that all preliminary plans are subject to substantial revision until plans are fully approved and all permits obtained.

- 13) **Certifications.** All requests for Kimley-Horn to execute certificates, lender consents, or other third-party reliance letters must be submitted to Kimley-Horn at least 14 days prior to the requested date of execution. Kimley-Horn shall not be required to execute certificates, consents, or third-party reliance letters that are inaccurate, that relate to facts of which Kimley-Horn does not have actual knowledge, or that would cause Kimley-Horn to violate applicable rules of professional responsibility.
- 14) **Dispute Resolution.** All claims arising out of this Agreement or its breach shall be submitted first to mediation in accordance with the American Arbitration Association as a condition precedent to litigation. Any mediation or civil action by Client must be commenced within one year of the accrual of the cause of action asserted but in no event later than allowed by applicable statutes.
- 15) **Hazardous Substances and Conditions.** Kimley-Horn shall not be a custodian, transporter, handler, arranger, contractor, or remediator with respect to hazardous substances and conditions. Kimley-Horn's services will be limited to analysis, recommendations, and reporting, including, when agreed to, plans and specifications for isolation, removal, or remediation. Kimley-Horn will notify the Client of unanticipated hazardous substances or conditions of which Kimley-Horn actually becomes aware. Kimley-Horn may stop affected portions of its services until the hazardous substance or condition is eliminated.
- 16) **Construction Phase Services.**
 - a. If Kimley-Horn prepares construction documents and Kimley-Horn is not retained to make periodic site visits, the Client assumes all responsibility for interpretation of the documents and for construction observation, and the Client waives any claims against Kimley-Horn in any way connected thereto.
 - b. Kimley-Horn shall have no responsibility for any contractor's means, methods, techniques, equipment choice and usage, sequence, schedule, safety programs, or safety practices, nor shall Kimley-Horn have any authority or responsibility to stop or direct the work of any contractor. Kimley-Horn's visits will be for the purpose of endeavoring to provide the Client a greater degree of confidence that the completed work of its contractors will generally conform to the construction documents prepared by Kimley-Horn. Kimley-Horn neither guarantees the performance of contractors, nor assumes responsibility for any contractor's failure to perform its work in accordance with the contract documents.
 - c. Kimley-Horn is not responsible for any duties assigned to it in the construction contract that are not expressly provided for in this Agreement. The Client agrees that each contract with any contractor shall state that the contractor shall be solely responsible for job site safety and its means and methods; that the contractor shall indemnify the Client and Kimley-Horn for all claims and liability arising out of job site accidents; and that the Client and Kimley-Horn shall be made additional insureds under the contractor's general liability insurance policy.
- 17) **No Third-Party Beneficiaries; Assignment and Subcontracting.** This Agreement gives no rights or benefits to anyone other than the Client and Kimley-Horn, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole benefit of the Client and Kimley-Horn. The Client shall not assign or transfer any rights under or interest in this Agreement, or any claim arising out of the performance of services by Kimley-Horn, without the written consent of Kimley-Horn. Kimley-Horn reserves the right to augment its staff with subconsultants as it deems appropriate due to project logistics, schedules, or market conditions. If Kimley-Horn exercises this right, Kimley-Horn will maintain the agreed-upon billing rates for services identified in the contract, regardless of whether the services are provided by in-house employees, contract employees, or independent subconsultants.
- 18) **Confidentiality.** The Client consents to the use and dissemination by Kimley-Horn of photographs of the project and to the use by Kimley-Horn of facts, data and information obtained by Kimley-Horn in the performance of its services. If, however, any facts, data or information are specifically identified in writing by the Client as confidential, Kimley-Horn shall use reasonable care to maintain the confidentiality of that material.
- 19) **Miscellaneous Provisions.** This Agreement is to be governed by the law of the State of Texas. This Agreement contains the entire and fully integrated agreement between the parties and supersedes all prior and contemporaneous negotiations, representations, agreements, or understandings, whether written or oral. Except as provided in Section 1, this Agreement can be supplemented or amended only by a written document executed by both parties. Any conflicting or additional terms on any purchase order issued by the Client shall be void and are hereby expressly rejected by Kimley-Horn. If Client requires Kimley-Horn to register with or use an online vendor portal for payment or any other purpose, any terms included in the registration or use of the online vendor portal that are inconsistent or in addition to these terms shall be void and shall have no effect on Kimley-Horn or this Agreement. Any provision in this Agreement that is unenforceable shall be ineffective to the extent of such unenforceability without invalidating the remaining provisions. The non-enforcement of any provision by either party shall not constitute a waiver of that provision nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

TO: City Council

FROM: Mark Kobelan, Mayor

MEETING DATE: May 22, 2023

SUBJECT: Consideration and possible action on the Mayor's Monthly Report, including but not limited to an update on Greenbay Landscape.

Agenda Item: 9

Summary:

The purpose of this item is for updating council on the following:

- a) Greenbay Landscape Beautification at Robbins Drive: This item is to provide an update on the landscaping improvement project on Greenbay near the Robbins Drive intersection and the Tynebridge intersection. Both projects are currently in progress with Bright Landscape Designs.

TO: Mayor and Members of the City Council

FROM: Bobby Pennington; City Administrator

MEETING DATE: May 22, 2023

SUBJECT: Discuss and take possible action on the City Administrator's Monthly Report, including, but not limited to selected items.

Agenda Item: 10

The City Administrator will provide information for Council and the community that contains updates on important city initiatives that are not generally included on a city council agenda for action. Some items listed may call for Council approval and/or delegate authorization under the direction of Council. Note the following items:

A. Financial Related Items:

- i. Financial Report: This report represents a general overview of financial activity through April 2023. Attached is the latest report. Staff recommends approving the report as presented.
- ii. Refund - Temporary Certificate of Occupancy on 11325 Greenbay: The builder, Thompson Custom Homes, paid by check (\$25,000) for the temporary certificate of occupancy. The temporary extension deadline was 02/13/2023. HDR approved the final "as built" on 05/10/2023. The request is brought to Council due to exceeding the allowable time of extensions per ordinance. All obligations and requirements were met on 05/10/23.
- iii. Disbursement – Pathmark Traffic Equipment: Council authorized the city administrator to purchase a street striper machine for proper markings on our streets such as stop bars and pedestrian crossings. The disbursement is \$10,750.
- iv. Disbursement – Blue Water Irrigation: This is for additional irrigation needs related to the Greenbay/Robbins landscape. Additions include the installation and labor of a hose bib for \$350.
- v. Budget Planning Calendar: Administration is recommending Council consider approval of a budget calendar for fiscal year 2024. The development of the annual budget is an important process that helps to ensure fiscal solvency and the achievement of the City's goals. The process requires scheduling so that timely decisions can be made to adjust existing programs and to evaluate new expenditure proposals for possible inclusion in the adopted budget. The Texas Property Tax Reform and Transparency Act passed by the Texas Legislature establishes complex challenges to the property tax rate setting process. It is recommended that the Council approve the attached 2024 budget planning calendar.

- B. Update on Specific Use Permit Projects: The purpose of this listing is to share any current information or progress on these major construction programs.
- i. Memorial Drive Elementary School Update.
 - ii. St. Francis Episcopal Church Specific Use Permit Update.
 - iii. The Kinkaid School Specific Use Permit Update.
- C. Short-Term Lease on Single-Family Dwellings – Status: The city is proposing to amend the zoning chapter of the code of ordinances to prohibit the use of single-family dwellings for short term leases or rentals (Airbnb). This is scheduled for Planning and Zoning consideration at their May 25th meeting.

ITEM A (i.)
FINANCIAL REPORT – APRIL 2023



CITY OF PINEY POINT VILLAGE FINANCIAL REPORT

APRIL 2023 FINANCIALS (PRELIMINARY)

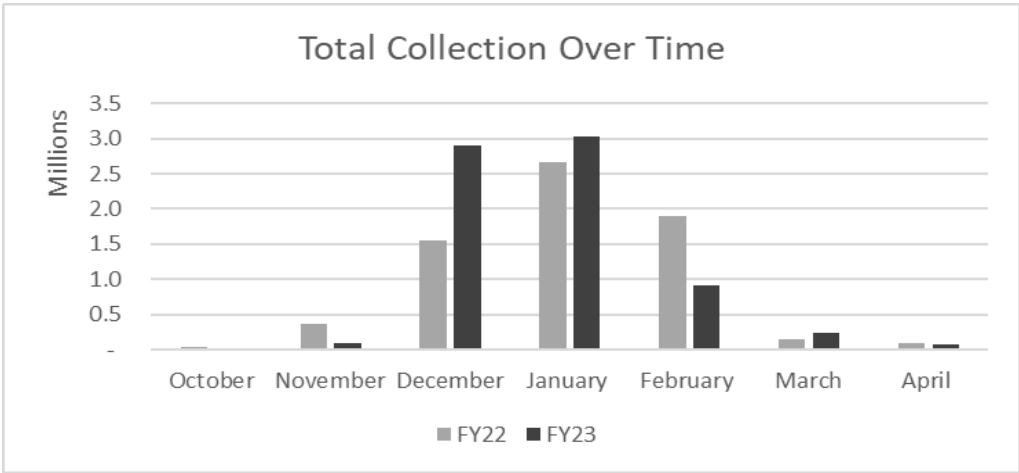
This report represents a general overview of the city's financial operations through April 2023, which is the fourth month of the fiscal year 2023. Beginning balances are audited. Budgeted numbers in this report represent the amended budget through April.

General Fund

	Prior YTD	Budget	Month	YTD
Total Revenues	\$5,965,524	\$8,318,980	\$376,439	\$7,431,869
Total Expenditures	\$2,542,267	\$10,027,115	\$570,475	\$2,852,436
Over/(Under)	\$3,423,256	(\$1,708,135)	(\$194,036)	\$4,579,433
	Prior YTD	Budget	Month	YTD
Operating Revenues	\$5,962,066	\$8,317,980	\$376,275	\$7,352,764
Operating Expenditures	\$2,305,364	\$6,917,939	\$493,994	\$2,473,082
Over/(Under)	\$3,656,702	\$1,400,041	(\$117,719)	\$4,879,681

1. Total revenues are \$7,431,869 or 89.3% of budget and 24.6% above last YTD, mainly due to tax collection, building permit issued, and interest earned.
 - a. Property tax is reported at \$6,457,049 for the M&O or 99.7% of the budget. The current YTD amount collected represents 86.9% of the total general fund revenue. General fund Property Tax is \$1,017,474 more than the last YTD due to the percentage allocation of M&O and timing of tax posting. The city anticipates collecting an additional \$18,040 for maintenance and operating. The adopted rate is \$0.255140 with \$0.224025 designated as M&O and the remaining \$0.031115 as the I&S requirement to finance the annual bond debt. Payments of property taxes are due by January 31, 2023, and is delinquent as of February 1, 2023. The City currently contracts with Spring Branch ISD as the tax assessor collector. The budget incorporates a 99% collection rate on the total property tax

revenue. Please note that SBISD monthly collection report is \$7,275,774.85, versus the amount deposited to our accounts, totaling \$7,361,109.01 (M&O and I&S). The difference is \$85,334.16, with \$94,238.87 as delinquent collected from October thru December 2022, and the tax office recognized as 2022 collection. This amount is then offset by (\$8,904.71) for attorney’s fees - not recorded as actual city collections. Please review monthly tax office report for additional details on adjusted taxable values. Also, collections can vary depending on the deposit date with Spring Branch ISD and the tax rate portion needing to support the fund. Below is a graph illustrating the monthly collection activity comparison on FY22 vs. FY23:



- b. Sales Tax collection through April total \$180,051 or 47.1% of the total annual \$382,000 projection. Beyond April reporting, the Texas Comptroller posted sales tax collections through May showing \$226,361.02 (cumulative) or \$67,073.87 greater than last year. The budget projection on sales tax collection represents 4.59% of all general fund revenue. The following chart provides details:

	(\$) Last Fiscal	(\$) Budgeted Projection	(\$) Current Fiscal	(\$) Actual Variance	(%) Actual Variance	(\$) Budget Variance	(%) Budget Variance
January	\$31,043.38	\$33,537.58	\$47,825.22	\$16,781.84	35.09%	\$14,287.64	42.60%
February	\$45,868.05	\$44,395.18	\$67,987.79	\$22,119.74	32.53%	\$23,592.61	53.14%
March	\$20,888.33	\$29,393.37	\$31,502.65	\$10,614.32	33.69%	\$2,109.28	7.18%
April	\$24,894.95	\$24,865.03	\$32,735.34	\$7,840.39	23.95%	\$7,870.31	31.65%
May	\$36,592.44	\$30,103.23	\$46,310.02	\$9,717.58	20.98%	\$16,206.79	53.84%
TYD	\$122,695	\$132,191	\$180,051	\$57,356	46.75%	\$47,859.83	36.2%

- c. Franchise tax collections booked through April total \$114,052. The amount collected included \$21,505 for cable franchise, \$90,806 for electric franchise and \$1,741 for telephone/wireless franchise. The city anticipates collecting over \$318K in franchise tax.
 - d. Court revenue is \$41,368, 46.9% of the budget and \$10,045 more than last year. Court fines total \$37,702 and the remaining \$3,666 is primarily restricted for special use such as court security and technology. The court operates both in-person and virtual by zoom. The city collected \$111K in court revenue for 2022. Current trends show a 32% improvement in fine/fee collections for 2023.
 - e. Permits and Licenses total \$356,822, 66.3% of the budget projection. Permits and inspection fees total \$324,222 and the remaining \$32,600 is for plat reviews, contractor registration, drainage review and BOA fees. Drainage reviews are currently at \$26,350.
 - f. Alarm registrations are \$23,850, 103.7% of annual budget projection. This represents \$100 less than the last YTD. Annual alarm registrations prove to be beneficial in maintaining up-to-date emergency information for individual properties.
 - g. Interest revenue continues to outperform at \$114,071, 190.1% of the budget and at a significant increase of \$112,132 more than last year. We expect that interest revenue will continue to improve; the exponential growth will ease toward year-end. The current trend projects approximately \$400K by the end of the fiscal year.
 - h. Other revenue collections include \$65,500 for scheduled contribution from The Kinkaid School and \$79,105, recorded as non-operational, mainly from forfeiture of temporary occupancy certificates (\$50K) and storm sewer cost share (\$24K).
2. The city's amended budget allocation is \$10,027,115; operations allocated at \$6,917,939 with \$3,109,176 as capital programming. Total expenditures to date are \$2,852,436, 28.4% of budget and 12.2% more than last YTD. Operating expenditures are \$2,473,082, 35.7% of budget, \$167,719 more than last YTD.
3. Divisions and categories that are currently trending higher in expenditures are as follows:
- a. Police Services at \$1,091,574 or 45.2% due to the practice of providing an additional service payment at the beginning of the year as agreed for adequate MVPD operational cash flow; in addition is the annual capital expenditure of \$94,591 and auto replacement of 53,333, both annual obligations disbursed in full to the department. This represents a 24.3% increase from last year to date. Police Operations are reported at \$943,649, a 10.2% increase over last year to date.
 - b. Fire Services original budget was \$1,824,868. An approved amendment in March increased the department allocation by \$10,492 to \$1,835,360. The Council approved VFD's second amendment in April for fire station annex roof repair, increasing PPV allocation by \$38,640 to \$1,874,000. Additional amendment(s) are likely as salaries are understated and the department is evaluating an increase in the workforce, primarily in

dispatching operations. Expenditures are currently at \$684,513 or 36.5%. This is a 16.6% increase from last year.

	<u>Original</u>	<u>Amended</u>	<u>Change</u>
Computer/Radios Equipment	\$29,000	\$100,000	\$71,000
Protective Gear	\$55,000	\$125,000	\$70,000
Contingency Facility (Annex Roof)	\$16,000	\$200,000	\$184,000
Surplus / Carryover from FY22			(\$91,042)
			<u>\$233,958</u>
Piney Point Share (%)			21%
Piney Point Share (\$)			\$49,132

4. Remaining operations are within expectations (33.3%) and trending lower than last year to date are as follows:
 - a. Total Contract Services at 20.9% of budget and \$79,253 lower than last YTD mainly due to engineering and legal service expenses billing or activity.
 - b. The Building Services Division at \$78,840 or 27.9%, a similar trend to last year to date. Although building services are lower, credit card fees associated with the permits are currently at \$9,011, or at 90.1% of the line-item allocation and \$5,772 higher than last year due to activity and cost of merchant services.
 - c. The General Government Division at 30.8% is below target with expectations. Gross wages and benefits line items are at 28.6%, apart from employee insurance trending higher, at \$4,593 from last YTD, due to changes in employee elected dependent coverage. Administrative expenses are at 29.9% and merchant service are \$1,199 higher due to reallocating fire registration merchant fees to general government division.
 - d. The Municipal Court Division at 25.2% is reporting efficiency in handling higher volume on the docket while maintaining expenditures below budget target Division expenditures are \$486 less than last year to date.
 - e. Public Works at 22.2% lower than last year to date by \$15,332, mainly in road repair at 5.2% of budget. Staff will recommend repair and maintenance for road and street signs before year-end.

5. Capital expenditures at 12.2% in the amount of \$379,354 with \$2,729,822 remaining at the time of this report. Following capital projects are scheduled for the current year.
 - a. 96" Stormwater Replacement CIP – (\$89,224): Council awarded the bid to AR Turnkey Construction Co. Inc. at low bid of \$1,608,975.00 during the special meeting on April 11, 2023. A major source of project funding is ARPA.
 - b. Tokeneke – Country Squire CIP – (\$274,650): This project is under construction in progress and is substantially complete.

- c. Other projects include Williamsburg (\$15,480), Bothwell Way, Windermere Outfall Project, Smithdale Landscape/Sidewalk, Greenbay Beautification, and traffic signals.
6. The amended budget provides a use of \$1,708,135 in reserved cash and supports a portion of the \$3,109,176 in capital programs. In 2021, the audited ending balance for the general fund was reported at \$3,679,808. In 2022, the audited revenue over expenditures by \$908,956, increasing fund balance to \$4,588,764.

Debt Service Fund

	Prior YTD	Budget	Month	YTD
Total Revenues	\$1,294,962	\$909,330	\$12,682	\$934,137
Total Expenditures	\$825,375	\$877,950	\$0	\$839,075
Over/(Under)	\$469,587	\$31,380	\$12,682	\$95,062

7. Revenues are \$934,137; 102.7% of budget with \$896,820 from property tax collections. The adopted rate designated for interest and sinking is \$0.031115 as the requirement to finance the annual bond debt. The budget incorporates a 99% collection rate based on trends from past collection years.
- a. Interest revenue has exceeded annual expectations by \$27,317 directly due to the current hike in interest rates.
8. Expenditures are \$839,075, 95.6% of budget, as debt service principal payments were fully disbursed.
- a. Two Principal payments were disbursed, \$410,000 for GO Series 2015 and \$380,000 for GO Series 2017.
 - b. In addition, payments of interest due includes \$13,675 for GO Series 2015 and \$34,650 for GO Series 2017. The city is obligated to pay the remaining \$36,625 in interest by August. Current debt obligations are scheduled through 2027.
 - c. Agent fees total \$750.
9. Revenues are over expenditures by \$95,062, debt service restricts a portion of cash to support fund balance. The budget projects an end the year reserve estimated at \$31K with a for the debt service fund. The current trend supports higher expectations for the fund due to interest revenue income.

FOR MORE INFORMATION: This summary report is based on detailed information generated by the City's Administration. If you have any questions or would like additional information on this report, please contact city administration at 713-230-8703.



Piney Point Village TEXAS

Statement of Revenue & Expenditures For Month Ended: April 30, 2023

GENERAL FUND SUMMARY

	PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE
REVENUES						
PROPERTY TAXES	5,439,575	6,475,089	65,298	6,457,049	99.7%	18,040
SALES TAXES	125,144	382,000	32,735	180,051	47.1%	201,949
FRANCHISE TAXES	139,804	432,000	23,428	114,052	26.4%	317,948
COURT REVENUE	31,323	88,241	9,111	41,368	46.9%	46,873
PERMITS & INSPECTIONS	200,331	538,150	209,876	356,822	66.3%	181,328
ALARM REGISTRATIONS	23,950	23,000	550	23,850	103.7%	(850)
GOVERNMENTAL CONT. (METRO)	0	136,500	0	0	0.0%	136,500
MISC AND IN LIEN(KINKAID)	0	183,000	0	65,500	35.8%	117,500
INTEREST	1,939	60,000	35,276	114,071	190.1%	(54,071)
TOTAL OPERATING	5,962,066	8,317,980	376,275	7,352,764	88.4%	965,216
OTHER NON-OPERATING PROCEEDS	3,457	1,000	165	79,105	7910.5%	(77,605)
TOTAL NON-OPERATING	3,457	1,000	165	79,105	7910.5%	(77,605)
TOTAL REVENUES	\$5,965,524	\$8,318,980	\$376,439	\$7,431,869	89.3%	\$887,611
EXPENDITURES						
PUBLIC SERVICE DIVISION						
POLICE SERVICES	878,401	2,412,669	188,728	1,091,574	45.2%	1,321,095
FIRE SERVICES	586,959	1,874,000	152,072	684,513	36.5%	1,189,487
SANITATION COLLECTION	176,480	550,105	45,810	137,431	25.0%	412,675
OTHER PUBLIC SERVICES	4,892	20,900	1,269	4,978	23.8%	15,922
PUBLIC SERVICE DIVISION	1,646,731	4,857,674	387,880	1,918,495	39.5%	2,939,179
OPERATIONS						
CONTRACT SERVICES	172,873	447,382	18,599	93,621	20.9%	353,761
BUILDING SERVICES	90,392	282,500	3,258	78,840	27.9%	203,660
GENERAL GOVERNMENT	316,159	1,035,882	72,475	318,736	30.8%	717,146
MUNICIPAL COURT	10,130	38,250	2,062	9,644	25.2%	28,606
PUBLIC WORKS	69,077	256,250	9,718	53,746	21.0%	202,504
OPERATION DIVISIONS	658,633	2,060,264	106,114	554,587	26.9%	1,505,677
TOTAL PUBLIC & OPERATING	\$2,305,364	\$6,917,939	\$493,994	\$2,473,082	35.7%	\$4,444,856
NON-OPERATING						
CAPITAL PROGRAMS	236,904	3,109,176	76,481	379,354	12.2%	2,729,822
TOTAL NON-OPERATING	236,904	3,109,176	76,481	379,354	12.2%	2,729,822
TOTAL EXPENDITURES	\$2,542,267	\$10,027,115	\$570,475	\$2,852,436	28.4%	\$7,174,679
REVENUE OVER/(UNDER) EXPENDITURES	3,423,256	(1,708,135)	(194,036)	4,579,433		



Piney Point Village TEXAS

Statement of Revenue & Expenditures For Month Ended: April 30, 2023

GENERAL FUND REVENUES

	PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE
<u>Tax Collection</u>						
10-4101 Property Tax (M&O)	5,439,575	6,475,089	65,298	6,457,049	99.7%	18,040
Total Property Tax :	5,439,575	6,475,089	65,298	6,457,049	99.7%	18,040
10-4150 Sales Tax	125,144	382,000	32,735	180,051	47.1%	201,949
Total Tax Collection:	5,564,719	6,857,089	98,033	6,637,100	96.8%	219,989
<u>Permits & Inspections</u>						
10-4203 Plat Reviews	6,450	9,750	0	1,750	17.9%	8,000
10-4205 Contractor Registration	5,790	10,650	570	3,750	35.2%	6,900
10-4206 Drainage Reviews	8,250	45,000	6,900	26,350	58.6%	18,650
10-4207 Permits & Inspection Fees	179,591	471,000	202,406	324,222	68.8%	146,778
10-4208 Board of Adjustment Fees	250	1,750		750	42.9%	1,000
Total Permits & Inspections:	200,331	538,150	209,876	356,822	66.3%	181,328
<u>Municipal Court</u>						
10-4300 Court Fines	29,371	85,000	8,238	37,702	44.4%	47,298
10-4301 Building Security Fund	683	1,100	306	1,283	116.6%	(183)
10-4302 Truancy Prevention	697	1,116	312	1,309	117.3%	(193)
10-4303 Local Municipal Tech Fund	558	1,000	249	1,047	104.7%	(47)
10-4304 Local Municipal Jury Fund	14	25	6	26	104.8%	(1)
Total Municipal Court:	31,323	88,241	9,111	41,368	46.9%	46,873
<u>Investment Income</u>						
10-4400 Interest Revenue	1,939	60,000	35,276	114,071	190.1%	(54,071)
Total Investment Income:	1,939	60,000	35,276	114,071	190.1%	(54,071)
<u>Agencies & Alarms</u>						
10-4508 SEC-Registration	23,950	23,000	550	23,850	103.7%	(850)
Total Agencies & Alarms:	23,950	23,000	550	23,850	103.7%	(850)
<u>Franchise Revenue</u>						
10-4602 Cable Franchise	20,808	102,000	697	21,505	21.1%	80,495
10-4605 Power/Electric Franchise	90,803	296,000	22,702	90,806	30.7%	205,194
10-4606 Gas Franchise	25,391	25,000	0	0	0.0%	25,000
10-4607 Telephone Franchise	990	7,000	29	890	0.0%	6,110
10-4608 Wireless Franchise	1,812	2,000	0	850	42.5%	1,150
Total Franchise Revenue:	139,804	432,000	23,428	114,052	26.4%	317,948
<u>Donations & In Lieu</u>						
10-4702 Kinkaid School Contribution	0	183,000	0	65,500	35.8%	117,500
10-4703 Metro Congested Mitigation	0	136,000	0	0	0.0%	136,000
10-4704 Intergovernmental Revenues	0	500	0	0	0.0%	500
10-4800 Misc. Income	521	500	165	55,105	11021.0%	(54,605)
10-4801 Donations	907	500	0	0	0.0%	500
10-4802 Reimbursement Proceeds	2,029	0	0	0	n/a	0
10-4803 CIP Cost Share		0	0	24,000		(24,000)
Total Donations & In Lieu:	3,457	320,500	165	144,605	45.1%	175,895
TOTAL REVENUES:	\$5,965,524	\$8,318,980	376,439	7,431,869	89.3%	\$887,111



Piney Point Village TEXAS

Statement of Revenue & Expenditures For Month Ended: April 30, 2023

GENERAL FUND EXPENDITURES

	PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE
<u>PUBLIC SERVICE DIVISION</u>						
<u>Community Events</u>						
10-510-5001 Community Celebrations	0	5,000	0	0	0.0%	5,000
Community Events:	0	5,000	0	0	0.0%	5,000
<u>Police Services</u>						
10-510-5010 MVPD Operations	856,179	2,264,745	188,728	943,649	41.7%	1,321,096
10-510-5011 MVPD Auto Replacement	22,222	53,333	0	53,333	100.0%	0
10-510-5012 MVPD Capital Expenditure	0	94,591	0	94,591	100.0%	(0)
Police Services:	878,401	2,412,669	188,728	1,091,574	45.2%	1,321,095
<u>Sanitation Collection</u>						
10-510-5030 Sanitation Collection	173,019	539,319	44,912	135,634	25.1%	403,685
10-510-5031 Sanitation Fuel Charge	3,460	10,786	898	1,796	16.7%	8,990
Sanitation Collection:	176,480	550,105	45,810	137,431	25.0%	412,675
<u>Library Services</u>						
10-510-5040 Spring Branch Library	0	1,500	0	0	0.0%	1,500
Library Services:	0	1,500	0	0	0.0%	1,500
<u>Street Lighting Services</u>						
10-510-5050 Street Lighting	4,892	14,400	1,269	4,978	34.6%	9,422
Street Lighting Services:	4,892	14,400	1,269	4,978	34.6%	9,422
<u>Fire Services</u>						
10-510-5060 Villages Fire Department	586,959	1,874,000	152,072	684,513	36.5%	1,189,487
Fire Services:	586,959	1,874,000	152,072	684,513	36.5%	1,189,487
TOTAL PUBLIC SERVICE:	\$1,646,731	\$4,857,674	\$387,880	\$1,918,495	39.5%	\$2,939,179

		PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE
<u>CONTRACT SERVICE DIVISION</u>							
10-520-5102	Accounting/Audit	10,380	25,000	14,399	19,399	77.6%	5,601
10-520-5103	Engineering	66,658	210,000	0	25,891	12.3%	184,109
10-520-5104	Legal	50,980	90,000	0	16,113	17.9%	73,888
10-520-5105	Tax Appraisal-HCAD	19,034	58,882	0	20,159	34.2%	38,723
10-520-5107	Animal Control	589	1,500	0	240	16.0%	1,260
10-520-5108	IT Hardware/Software & Support	2,509	40,000	1,805	7,624	19.1%	32,376
10-520-5109	Urban Forester	13,840	0	0	0	n/a	0
10-520-5110	Mosquito Control	8,883	22,000	2,395	4,195	19.1%	17,805
TOTAL CONTRACT SERVICE DIVISION:		\$172,873	\$447,382	\$18,599	\$93,621	20.9%	\$353,761
<u>BUILDING SERVICE DIVISION</u>							
<u>Building & Inspection Services</u>							
10-530-5152	Drainage Reviews	29,769	103,000	0	23,668	23.0%	79,332
10-530-5153	Electrical Inspections	5,805	15,000	0	4,725	31.5%	10,275
10-530-5154	Plat Reviews	0	500	0	0	0.0%	500
10-530-5155	Plan Reviews	16,000	50,000	0	12,000	24.0%	38,000
10-530-5156	Plumbing Inspections	6,300	18,000	0	5,580	31.0%	12,420
10-530-5157	Structural Inspections	13,275	30,000	0	9,540	31.8%	20,460
10-530-5158	Urban Forester		45,000	0	12,120	26.9%	
10-530-5160	Mechanical Inspections	2,475	8,500	0	2,115	24.9%	6,385
Building and Inspection Services:		73,624	270,000	0	69,748	25.8%	167,372
<u>Supplies and Office Expenditures</u>							
10-530-5108	Information Technology	13,529	0	0	0	n/a	0
10-530-5207	Misc Supplies	0	1,000	81	81	n/a	919
10-530-5211	Meeting Supplies	0	350	0	0	n/a	350
10-530-5213	Office Supplies	0	900	0	0	n/a	900
10-530-5215	Travel & Training	0	250	0	0	n/a	250
Supplies and Office Expenditures:		13,529	2,500	81	81	n/a	2,419
<u>Insurance</u>							
10-530-5403	Credit Card Charges	3,239	10,000	3,177	9,011	90.1%	989
Insurance:		3,239	10,000	3,177	9,011	n/a	989
TOTAL BUILDING SERVICE DIVISION:		\$90,392	\$282,500	\$3,258	\$78,840	27.9%	\$170,780

	PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE	
GENERAL GOVERNMENT DIVISION							
<u>Administrative Expenditures</u>							
10-540-5108	Information Technology	211	20,000	54	791	4.0%	19,209
10-540-5202	Auto Allowance/Mileage	2,935	7,200	787	2,996	41.6%	4,204
10-540-5203	Bank Fees	1,217	3,000	412	1,316	43.9%	1,684
10-540-5204	Dues/Seminars/Subscriptions	1,115	3,000	149	642	21.4%	2,358
10-540-5205	Elections	0	5,000	77	452	9.0%	4,548
10-540-5206	Legal Notices	0	3,500	1,251	1,251	35.7%	2,249
10-540-5207	Miscellaneous	315	5,000	930	930	18.6%	4,070
10-540-5208	Citizen Communication	3,393	5,000	0	3,888	77.8%	1,112
10-540-5209	Office Equipment & Maintenance	3,015	10,000	612	2,032	20.3%	7,968
10-540-5210	Postage	0	1,500	0	360	24.0%	1,140
10-540-5211	Meeting Supplies	5,235	10,000	105	1,418	14.2%	8,582
10-540-5212	Rent/Leasehold/Furniture	43,426	130,000	14,673	47,870	36.8%	82,130
10-540-5213	Supplies/Storage	4,222	10,000	465	2,708	27.1%	7,292
10-540-5214	Telecommunications	3,744	16,000	0	2,455	15.3%	13,545
10-540-5215	Travel & Training	425	1,000	0	0	0.0%	1,000
10-540-5216	Statutory Legal Notices	717	1,500	0	180	12.0%	1,320
	Administrative Expenditures:	69,970	231,700	19,514	69,290	29.9%	162,410
<u>Wages & Benefits</u>							
10-540-5301	Gross Wages	174,237	598,454	44,147	173,521	29.0%	424,933
10-540-5302	Overtime/Severance	7,062	18,236	197	797	4.4%	17,439
10-540-5303	Temporary Personnel	0	0	0	3,302	n/a	(3,302)
10-540-5306	FICA/Med/FUTA Payroll Tax Exp	13,864	47,728	3,345	14,423	30.2%	33,305
10-540-5310	TMRS (City Responsibility)	14,249	59,345	0	15,100	25.4%	44,245
10-540-5311	Payroll Process Exp-Paychex	1,147	3,000	215	1,030	34.3%	1,970
	Wages & Benefits:	210,558	726,763	47,905	208,173	28.6%	518,590
<u>Insurance</u>							
10-540-5353	Employee Insurance	35,515	62,919	5,056	40,107	63.7%	22,812
10-540-5354	General Liability	0	10,000	0	0	0.0%	10,000
10-540-5356	Workman's Compensation	0	4,000	0	(33)	-0.8%	4,033
	Insurance:	35,515	76,919	5,056	40,074	52.1%	36,845
<u>Other</u>							
10-540-5403	Credit Card Charges (Adm)	117	500	0	1,199	239.8%	(699)
	Intergovernmental:	117	500	0	1,199	239.8%	(699)
	TOTAL GENERAL GOVERNMENT DIVISION:	\$316,159	\$1,035,882	\$72,475	\$318,736	30.8%	\$717,146

	PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE
<u>MUNICIPAL COURT DIVISION</u>						
<u>Supplies & Office Expenditures</u>						
10-550-5204 Dues & Subscriptions	0	0	0	55	n/a	(55)
10-550-5207 Misc Supplies	0	250	0	0	n/a	250
10-550-5211 Meeting Supplies	0	250	0	0	n/a	250
10-550-5215 Travel & Training	79	250	0	0	n/a	250
Supplies and Office Expenditures:	79	750	0	55	n/a	695
<u>Court Operations</u>						
10-550-5403 Credit Card Charges	3,338	12,000	412	1,028	8.6%	10,972
10-550-5404 Judge/Prosecutor/Interpreter	6,600	25,000	1,650	8,561	34.2%	16,439
10-550-5410 OmniBase Services of Texas	114	500	0	0	0.0%	500
Court Operations:	10,052	37,500	2,062	9,589	25.6%	27,911
TOTAL MUNICIPAL COURT DIVISION:	\$10,130	\$38,250	\$2,062	\$9,644	25.2%	\$28,606
<u>PUBLIC WORKS MAINTENANCE DIVISION</u>						
<u>Maintenance & Repair</u>						
10-560-5500 Public Works Maintenance	283	0			n/a	0
10-560-5501 TCEQ & Harris CO Permits	100	2,000	0	100	5.0%	1,900
10-560-5504 Landscaping Maintenance	39,136	40,000	8,526	31,900	79.8%	8,100
10-560-5505 Gator Fuel & Maintenance	45	750	0	0	0.0%	750
10-560-5506 Right of Way Mowing	0	40,000	0	0	0.0%	40,000
10-560-5507 Road & Sign Repair	15,939	30,000	0	1,573	5.2%	28,427
10-560-5508 ROW Water/Planting	391	2,000	181	1,215	60.7%	785
10-560-5509 Tree Care/Removal	7,590	15,000	0	5,325	35.5%	9,675
10-560-5510 Road/Drainage Maintenance	0	12,000	0	0	0.0%	12,000
10-560-5515 Landscape Improvements	4,830	100,000	473	12,687	12.7%	87,313
10-560-5516 Truck Fuel & Maintenance	763	2,500	538	946	37.8%	1,554
10-560-5517 Sidewalk Improvements	0	12,000	0	0	0.0%	12,000
Maintenance and Repair:	69,077	256,250	9,718	53,746	21.0%	202,504
TOTAL PUBLIC WORKS DIVISION:	\$69,077	\$256,250	\$9,718	\$53,746	21.0%	\$202,504

	PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE
<u>CAPITAL OUTLAY PROGRAMS</u>						
<u>General Capital / Maintenance Programs</u>						
10-570-5606 Road/Drainage Projects	5,000	0	0	0	n/a	0
	5,000	0	0	0	n/a	0
<u>Major Capital / Maintenance Programs</u>						
10-570-5808 Wilding Lane	153,462	0	0	0	n/a	0
10-580-5809 96" Stormwater Replacement	51,153	1,447,000	23,121	89,224	6.2%	1,357,776
10-580-5810 Tokeneke - Country Squire	27,288	384,311	53,360	274,650	71.5%	109,661
10-580-5821 Williamsburg	0	187,215	0	15,480	8.3%	171,735
10-580-5822 Bothwell Way	0	67,500	0	0	0.0%	67,500
10-580-5823 Windermere Outfall Project	0	304,200	0	0	0.0%	304,200
10-580-5824 Smithdale Landscape/Sidewalk	0	178,690	0	0	0.0%	178,690
10-580-5825 Greenbay Beautification	0	440,260	0	0	0.0%	440,260
10-580-5826 Harris Co. Signal Participation	0	100,000	0	0	0.0%	100,000
	231,904	3,109,176	76,481	379,354	12.2%	2,729,822
TOTAL CAPITAL OUTLAY PROGRAMS:	\$236,904	\$3,109,176	\$76,481	\$379,354	12.2%	\$2,729,822
TOTAL EXPENDITURES:	\$2,542,267	\$10,027,115	\$570,475	\$2,852,436	28.4%	\$7,141,799



Piney Point Village TEXAS

Statement of Revenue & Expenditures For Month Ended: April 30, 2023

DEBT SERVICE FUND

	<u>PRIOR YTD</u>	<u>CURRENT BUDGET</u>	<u>MONTHLY ACTUAL</u>	<u>YTD ACTUAL</u>	<u>% BUDGET</u>	<u>BUDGET BALANCE</u>
REVENUES						
PROPERTY TAXES	1,292,227	899,330	8,236	896,820	99.7%	2,510
Total Property Tax :	1,292,227	899,330	8,236	896,820	99.7%	2,510
INTEREST	2,735	10,000	4,447	37,317	373.2%	(27,317)
TOTAL OPERATING	1,294,962	909,330	12,682	934,137	102.7%	(24,807)
TOTAL REVENUES	\$1,294,962	\$909,330	\$12,682	\$934,137	102.7%	(\$24,807)
EXPENDITURES						
TAX BOND PRINCIPAL	765,000	790,000	0	790,000	100.0%	0
TAX BOND INTEREST	59,625	84,950	0	48,325	56.9%	36,625
FISCAL AGENT FEES	750	3,000	0	750	25.0%	2,250
OPERATING EXPENDITURES	825,375	877,950	0	839,075	95.6%	38,875
TOTAL EXPENDITURES	\$825,375	\$877,950	\$0	\$839,075	95.6%	\$38,875
REVENUE OVER/(UNDER) EXPENDITURES	469,587	31,380	12,682	95,062		

City of Piney Point Village
Monthly Tax Office Report
April 30, 2023

Prepared by: Elizabeth Ruiz, Tax Assessor/Collector

A. Current Taxable Value \$ 2,925,942,395

B. Summary Status of Tax Levy and Current Receivable Balance:

	Current 2022 Tax Year	Delinquent 2021 & Prior Tax Years	Total
Original Levy 0.25514	\$ 6,994,791.16	\$ -	\$ 6,994,791.16
Carryover Balance	-	147,884.68	147,884.68
Adjustments	470,458.26	(22,189.07)	448,269.19
Adjusted Levy	7,465,249.42	125,695.61	7,590,945.03
Less Collections Y-T-D	7,220,153.13	10,150.93	7,230,304.06
Receivable Balance	\$ 245,096.29	\$ 115,544.68	\$ 360,640.97

C. COLLECTION RECAP:

	Current 2022 Tax Year	Delinquent 2021 & Prior Tax Years	Total
Current Month:			
Base Tax	\$ 76,013.60	\$ (9,823.37)	\$ 66,190.23
Penalty & Interest	7,343.13	-	7,343.13
Attorney Fees	-	-	-
Other Fees	-	-	-
Total Collections	\$ 83,356.73	\$ (9,823.37)	\$ 73,533.36

	Current 2022 Tax Year	Delinquent 2021 & Prior Tax Years	Total
Year-To-Date:			
Base Tax:	\$ 7,220,153.13	\$ 10,150.93	\$ 7,230,304.06
Penalty & Interest	23,414.68	11,425.95	34,840.63
Attorney Fees	-	8,904.71	8,904.71
Other Fees	910.58	814.87	1,725.45
Total Collections	\$ 7,244,478.39	\$ 31,296.46	\$ 7,275,774.85

Percent of Adjusted Levy	97.04%		97.46%
--------------------------	--------	--	--------

MONTHLY TAX OFFICE REPORT
Tax A/R Summary by Year
April 30, 2023

YEAR	BEGINNING BALANCE AS OF 12/31/2022	ADJUSTMENTS	COLLECTIONS	ENDING BALANCE AS OF 04/30/2023
21	\$ 43,690.21	\$ (8,352.12)	\$ 7,687.75	\$ 27,650.34
2020	28,555.27	(4,086.26)	2,897.66	21,571.35
19	22,688.76	(1,943.56)	4,405.46	16,339.74
18	13,064.06	(3,725.80)	(819.22)	10,157.48
17	4,648.01	(1,890.68)	(1,860.59)	4,617.92
16	4,577.04	(2,190.65)	(2,160.13)	4,546.52
15	4,154.85	-	-	4,154.85
14	3,783.69	-	-	3,783.69
13	3,467.82	-	-	3,467.82
12	2,787.74	-	-	2,787.74
11	3,180.89	-	-	3,180.89
10	3,007.68	-	-	3,007.68
09	2,737.28	-	-	2,737.28
08	2,491.47	-	-	2,491.47
07	2,455.76	-	-	2,455.76
06	2,365.71	-	-	2,365.71
05	75.13	-	-	75.13
04	63.95	-	-	63.95
03	44.68	-	-	44.68
02	44.68	-	-	44.68
	<u>\$ 147,884.68</u>	<u>\$ (22,189.07)</u>	<u>\$ 10,150.93</u>	<u>\$ 115,544.68</u>

ITEM A (ii.)
REFUND - TEMPORARY CERTIFICATE OF OCCUPANCY ON
11325 GREENBAY

Check Refund Request

(Temporary Certificate of Occupancy)

Date Request: 05/16/2023	Check Request Amount: \$25,000.00	Trans Code: Incode
Original Check Date: 12/09/2022	Original Check Processed Date: 12/09/2022	Property Address: 11325 Greenbay Drive (New Single Family)
Permit #: Incode; P# 17049	Applicant Name: Bobby Lawton	Contact Phone Number: Cell Phone (832) 392-0756
Builder Contact Name and Address: Bobby Lawton [REDACTED] Cyndi Robinson [REDACTED] [REDACTED] Cell Phone Thompson Custom Homes 1414 Woodvine Drive Houston, Texas 77055	Original Resident Address: 230 Blalock Road Houston, Texas 77024	*Notes: The resident paid by check for the temporary certificate of occupancy. The temporary extension deadline was 02.13.2023 . HDR Engineering approved the final as built topo on 05.10.2023 . They exceeded the allowable time frame per our current temp certificate of occupancy original ordinance letter. But they did not go beyond the two (45) day extensions allowed under our extension that are available. They finally met all obligations and requirements of the city only on 05.10.2023 . Letter on file from the builder. Needs City Council approval.
Builder Phone/ E-Mail; [REDACTED] [REDACTED]	Resident Name: Scott & Susie Bender	Original Permit Number: P# 17049
Original Receipt Transaction Receipt: #00023420 Trans: # 110.0000 Term: 998 Ref: Check Date: 12/09/2022 Time: 09:50 A.M.	Notes: See the attached copy of the supporting documents.	Make Check Payable: [REDACTED] 11325 Greenbay Road Houston, Texas 77024 \$25,000.00 Check Request



City of Piney Point Village

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

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

December 30th, 2022

Bobby Lawton
Thompson Custom Homes
1414 Woodvine Drive
Houston, Texas 77055

RE: Temporary Certificate of Occupancy

Ref: 11325 Greenbay Road

The City of Piney Point Village is issuing a Temporary Certificate of Occupancy authorizing your occupancy of 11325 Greenbay Road before the completion of the final City checklist.

Your signature below indicates that you have agreed to complete all City requirements within the next (45) days. Specifically, you agree that the \$25,000 fiscal security posted to the city will serve as a security to the city that the following items will be completed no later than the end of the day, Monday, February 13th of 2023.

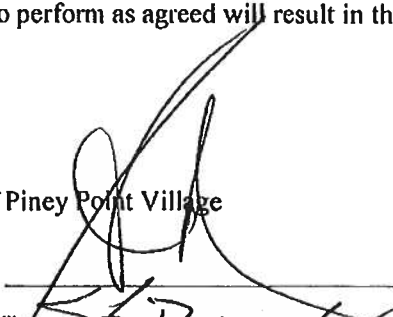
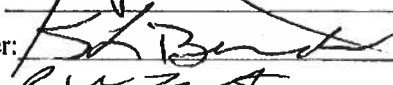
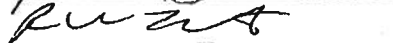
- Decking Final
- Drainage Final
- Driveway/Flatwork Final
- Qty 3 Generator Finals
- Final As-Built Topo Survey
- Fence Final
- Irrigation Final
- MVWA Clean Out Inspection
- Pool Final
- Tree Final

Failure to comply with or complete any item on the City's checklist for occupancy by the agreed upon such time, will result in the city revoking the Temporary Certificate of Occupancy and levying a fine of \$2,000 per day, to be taken from the posted security.

By signing below, you are acknowledging that you have requested and been given a Temporary Certificate of Occupancy and failure to perform as agreed will result in the revocation of the Temporary Certificate of Occupancy.

Sincerely,

Robert Pennington
City Administrator/City of Piney Point Village

Agreed: Mr. Scott Bender: 
Agreed: Mrs. Susan Bender: 
Agreed: Bobby Lawton: 



May 10, 2023

Jeffrey Shindler, P.E.
TDi Engineering, LLC
5906 Old Frederickburg Road, Suite 300
Austin, TX 78749

Re: On-Going Services
As-Built Review of 11325 Greenbay St – **Third Submittal**
Piney Point Village, Texas
HDR Job No. 10361768

Dear Mr. Shindler:

We are in receipt of the As-Built Drainage Plan for the above referenced address, dated 4/21/2023. Based on the submitted elevations, as well as your review and statement that the plan conforms to the approved drainage plan, the City interposes no objection to the as-built drainage plan. Please note, this does not necessarily mean that the entire plans, including all supporting data and elevations, have been completely checked and verified. However, the plan is signed, dated, and sealed by both a Professional Land Surveyor and a Professional Engineer, both of which are registered to practice in the State of Texas, which therefore conveys their professional responsibility and accountability.

Please contact Ms. Annette Arriaga with the City of Piney Point Village at 713-782-0271 to obtain your approved As-Built plan.

Sincerely,

HDR Engineering, Inc.

Aaron Croley, P.E., CFM
Project Engineer

Enclosures

cc: Annette Arriaga – City of Piney Point Village

hdrinc.com

4828 Loop Central Drive, Suite 800
Houston, TX 77081-2220
T (713) 622-9264 F (713) 622-9265
Texas Registered Engineering Firm F-754



PLAT OF PROPERTY
PROBSTER & ASSOCIATES
 AT: 11323 GREENBAY STREET - PINEY POINT VILLAGE, TX
 LOT 8, BLOCK 1
 REPLAY OF ASSESSMENT MAPS
 HARRIS COUNTY, TEXAS
 VOLUME 343, PAGE 5 OF THE MAP RECORDS OF
 HARRIS COUNTY, TEXAS
 SCALE: 1" = 20'
 DATE: 4/20/2023 REVISED DATE: 4/20/2023
 THE PROPERTY SHOWN WITHIN THE ASSIGNED 100 FOOT PROTECTION
 ZONE IS NOT TO BE CONSIDERED FOR ANY PURPOSES
 UNLESS THE PROPERTY OWNER HAS BEEN ADVISED BY THE SURVEYOR
 AND HAS AGREED IN WRITING TO SUCH USE. THIS SURVEY IS NOT TO BE
 USED FOR ANY PURPOSES OTHER THAN THAT SPECIFICALLY
 PROVIDED BY THE ASSIGNED TITLE INSURANCE COMPANY.
 OFF: 1999295310 (PROBSTER)



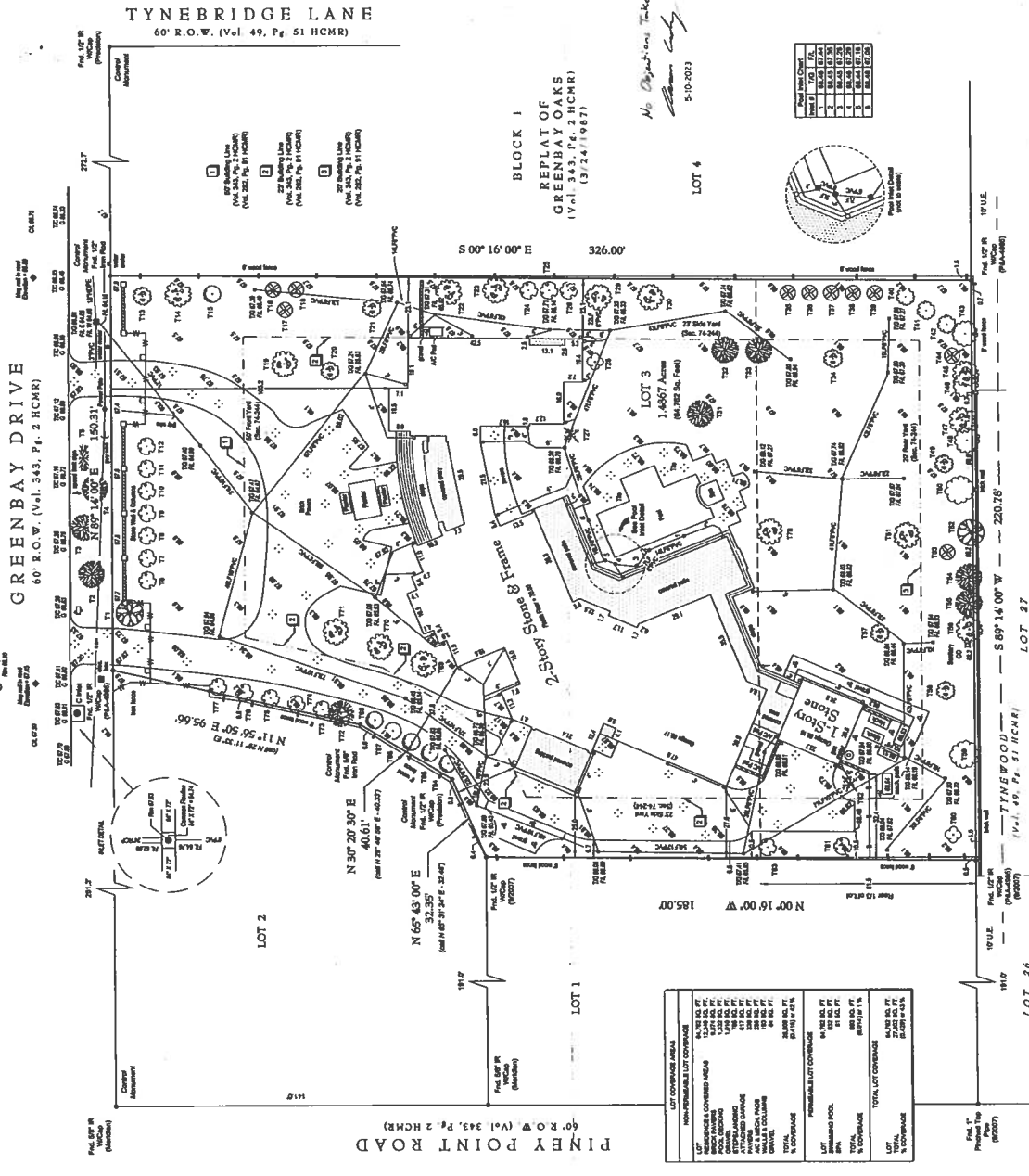
JEFFREY B. SMOLLER, a Licensed
 Professional Engineer of the State of Texas,
 has reviewed the "As Built" Survey of this
 property prepared by PROBSTFIELD &
 ASSOCIATES and on the basis of that
 review certifies that the survey is a true and
 correct representation of the actual conditions
 as they exist on the date of the survey.
 G. JACQUES
JEFFREY B. SMOLLER, P.E.
 12010 West Loop West, Suite 100
 Houston, Texas 77040
 Phone: 281.462.1144



MATTHEW J. PROBSTFELD
 Registered Professional Land Surveyor
 State of Texas No. 41102023
 JOB # : 205-087 DRAWN BY: RANJANASWAMI DATE: 4/10/2023
 PROBSTFIELD & ASSOCIATES, INC. - PINEY POINT 100

NOTES:
 1. Please do not fence back any of the above shown.
 2. All bearings are based on the State Right of Way of Greenway Street (N 89° 14' 00" E)
 3. All bearings are based on the State Right of Way of Greenway Street (N 89° 14' 00" E)
 4. The survey was prepared in accordance with the provisions of the Texas Surveying Act, Chapter 131, Texas Occupations Code, and the Rules and Regulations of the State Board of Professional Engineers and Land Surveyors.
 5. The survey was prepared in accordance with the provisions of the Texas Surveying Act, Chapter 131, Texas Occupations Code, and the Rules and Regulations of the State Board of Professional Engineers and Land Surveyors.

I, Matthew J. Probstfeld, a Registered Professional Surveyor in the State of Texas, hereby certify that the provided information on the as-built conveyance represents the facts found at the time of the survey needs on the ground, under my supervision, and there are no apparent encroachments at the time of the survey, unless shown or noted otherwise. There is 25.00 square feet of impervious coverage on the lot which is 4.2% of the lot.



Lot	Area (Acres)	Area (Sq Ft)	Impervious Coverage (Sq Ft)	% Impervious Coverage
1	1.4857	64,782	1,600	2.47%
2	1.4857	64,782	1,600	2.47%
3	1.4857	64,782	1,600	2.47%
4	1.4857	64,782	1,600	2.47%
26	1.4857	64,782	1,600	2.47%
27	1.4857	64,782	1,600	2.47%

We, Matthew J. Probstfeld (Surveyor) and Ranjanaswami (Draftsman) certify that the information on this plat was prepared in accordance with the Texas Surveying Act, Chapter 131, Texas Occupations Code, and the Rules and Regulations of the State Board of Professional Engineers and Land Surveyors. We warrant that the information on this plat is true and correct as of the date of the survey. This survey is not to be used for any purpose other than that specifically provided by the assigned title insurance company.

Matthew J. Probstfeld
 Registered Professional Land Surveyor
 State of Texas No. 41102023

Ranjanaswami
 Registered Professional Land Surveyor
 State of Texas No. 41102023

THIS SURVEY IS THE PROPERTY OF PROBSTFIELD & ASSOCIATES, INC., AND IS NOT TRANSFERABLE TO ANY OTHER ENTITY OR INDIVIDUAL.



May 10, 2023

Jeffrey Shindler, P.E.
TDi Engineering, LLC
5906 Old Frederickburg Road, Suite 300
Austin, TX 78749

Re: On-Going Services
As-Built Review of 11325 Greenbay St – **Third Submittal**
Piney Point Village, Texas
HDR Job No. 10361768

Dear Mr. Shindler:

We are in receipt of the As-Built Drainage Plan for the above referenced address, dated 4/21/2023. Based on the submitted elevations, as well as your review and statement that the plan conforms to the approved drainage plan, the City interposes no objection to the as-built drainage plan. Please note, this does not necessarily mean that the entire plans, including all supporting data and elevations, have been completely checked and verified. However, the plan is signed, dated, and sealed by both a Professional Land Surveyor and a Professional Engineer, both of which are registered to practice in the State of Texas, which therefore conveys their professional responsibility and accountability.

Please contact Ms. Annette Arriaga with the City of Piney Point Village at 713-782-0271 to obtain your approved As-Built plan.

Sincerely,

HDR Engineering, Inc.

Aaron Croley, P.E., CFM
Project Engineer

Enclosures

cc: Annette Arriaga – City of Piney Point Village

hdrinc.com

4828 Loop Central Drive, Suite 800
Houston, TX 77081-2220
T (713) 622-9264 F (713) 622-9265
Texas Registered Engineering Firm F-754



KIMLEY-HORN AND ASSOCIATES, INC.

STANDARD PROVISIONS

- 1) **Kimley-Horn's Scope of Services and Additional Services.** Kimley-Horn will perform only the services specifically described in this Agreement. If requested by the Client and agreed to by Kimley-Horn, Kimley-Horn will perform Additional Services, which shall be governed by these provisions. Unless otherwise agreed to in writing, the Client shall pay Kimley-Horn for any Additional Services an amount based upon Kimley-Horn's then-current hourly rates plus an amount to cover certain direct expenses including telecommunications, in-house reproduction, postage, supplies, project related computer time, and local mileage. Other direct expenses will be billed at 1.15 times cost.
- 2) **Client's Responsibilities.** In addition to other responsibilities herein or imposed by law, the Client shall:
 - a. Designate in writing a person to act as its representative, such person having complete authority to transmit instructions, receive information, and make or interpret the Client's decisions.
 - b. Provide all information and criteria as to the Client's requirements, objectives, and expectations for the project and all standards of development, design, or construction.
 - c. Provide Kimley-Horn all available studies, plans, or other documents pertaining to the project, such as surveys, engineering data, environmental information, etc., all of which Kimley-Horn may rely upon.
 - d. Arrange for access to the site and other property as required for Kimley-Horn to provide its services.
 - e. Review all documents or reports presented by Kimley-Horn and communicate decisions pertaining thereto within a reasonable time so as not to delay Kimley-Horn.
 - f. Furnish approvals and permits from governmental authorities having jurisdiction over the project and approvals and consents from other parties as may be necessary.
 - g. Obtain any independent accounting, legal, insurance, cost estimating, and feasibility services required by Client.
 - h. Give prompt written notice to Kimley-Horn whenever the Client becomes aware of any development that affects Kimley-Horn's services or any defect or noncompliance in any aspect of the project.
- 3) **Period of Services.** Unless otherwise stated herein, Kimley-Horn will begin work after receipt of a properly executed copy of this Agreement. This Agreement assumes conditions permitting continuous and orderly progress through completion of the services. Times for performance shall be extended as necessary for delays or suspensions due to circumstances that Kimley-Horn does not control. If such delay or suspension extends for more than six months, Kimley-Horn's compensation shall be renegotiated.
- 4) **Method of Payment.** Client shall pay Kimley-Horn as follows:
 - a. Invoices will be submitted periodically for services performed and expenses incurred. Payment of each invoice will be due within 30 days of receipt. The Client shall also pay any applicable sales tax. All retainers will be held by Kimley-Horn and applied against the final invoice. Interest will be added to accounts not paid within 25 days at the maximum rate allowed by law. If the Client fails to make any payment due under this or any other agreement within 30 days after Kimley-Horn's transmittal of its invoice, Kimley-Horn may, after giving notice to the Client, suspend services and withhold deliverables until all amounts due are paid.
 - b. If the Client relies on payment or proceeds from a third party to pay Kimley-Horn and Client does not pay Kimley-Horn's invoice within 60 days of receipt, Kimley-Horn may communicate directly with such third party to secure payment.
 - c. If the Client objects to an invoice, it must advise Kimley-Horn in writing giving its reasons within 14 days of receipt of the invoice or the Client's objections will be waived, and the invoice shall conclusively be deemed due and owing. If the Client objects to only a portion of the invoice, payment for all other portions remains due.
 - d. If Kimley-Horn initiates legal proceedings to collect payment, it may recover, in addition to all amounts due, its reasonable attorneys' fees, reasonable experts' fees, and other expenses related to the proceedings. Such expenses shall include the cost, at Kimley-Horn's normal hourly billing rates, of the time devoted to such proceedings by its employees.
 - e. The Client agrees that the payment to Kimley-Horn is not subject to any contingency or condition. Kimley-Horn may negotiate payment of any check tendered by the Client, even if the words "in full satisfaction" or words intended to have similar effect appear on the check without such negotiation being an accord and satisfaction of any disputed debt and without prejudicing any right of Kimley-Horn to collect additional amounts from the Client.
- 5) **Use of Documents.** All documents and data prepared by Kimley-Horn are related exclusively to the services described in this Agreement and may be used only if the Client has satisfied all of its obligations under this Agreement. They are not intended or represented to be suitable for use or reuse by the Client or others on extensions of this project or on any other project. Any modifications by the Client to any of Kimley-Horn's documents, or any reuse of the documents without written authorization by Kimley-Horn will be at the Client's sole risk and without liability to Kimley-Horn, and the Client shall indemnify, defend and hold Kimley-Horn harmless from all claims, damages, losses and expenses, including but not limited to attorneys' fees, resulting therefrom.

Kimley-Horn's electronic files and source code remain the property of Kimley-Horn and shall be provided to the Client only if expressly provided for in this Agreement. Any electronic files not containing an electronic seal are provided only for the convenience of the Client and use of them is at the Client's sole risk. In the case of any defects in the electronic files or any discrepancies between them and the hardcopy of the documents prepared by Kimley-Horn, the hardcopy shall govern.

- 6) **Intellectual Property.** Kimley-Horn may use or develop its proprietary software, patents, copyrights, trademarks, trade secrets, and other intellectual property owned by Kimley-Horn or its affiliates ("Intellectual Property") in the performance of this Agreement. Unless explicitly agreed to in writing by both parties to the contrary, Kimley-Horn maintains all interest in and ownership of its Intellectual Property and conveys no interest, ownership, license to use, or any other rights in the Intellectual Property to Client. Any enhancements of Intellectual Property made during the performance of this Agreement are solely owned by Kimley-Horn and its affiliates. If Kimley-Horn's services include providing Client with access to or a license for Kimley-Horn's (or its affiliates') proprietary software or technology, Client agrees to the terms of the Software License Agreement set forth at <https://www.kimley-horn.com/khts-software-license-agreement> ("the License Agreement") which terms are incorporated herein by reference.
- 7) **Opinions of Cost.** Because Kimley-Horn does not control the cost of labor, materials, equipment or services furnished by others, methods of determining prices, or competitive bidding or market conditions, any opinions rendered as to costs, including but not limited to the costs of construction and materials, are made solely based on its judgment as a professional familiar with the industry. Kimley-Horn cannot and does not guarantee that proposals, bids or actual costs will not vary from its opinions of cost. If the Client wishes greater assurance as to the amount of any cost, it shall employ an independent cost estimator. Kimley-Horn's services required to bring costs within any limitation established by the Client will be paid for as Additional Services.
- 8) **Termination.** The obligation to provide further services under this Agreement may be terminated by either party upon seven days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof, or upon thirty days' written notice for the convenience of the terminating party. Kimley-Horn shall be paid for all services rendered and expenses incurred to the effective date of termination, and other reasonable expenses incurred by Kimley-Horn as a result of such termination.
- 9) **Standard of Care.** The standard of care applicable to Kimley-Horn's services will be the degree of care and skill ordinarily exercised by consultants performing the same or similar services in the same locality at the time the services are provided. No warranty, express or implied, is made or intended by Kimley-Horn's performance of services, and it is agreed that Kimley-Horn is not a fiduciary with respect to the Client.
- 10) **LIMITATION OF LIABILITY.** IN RECOGNITION OF THE RELATIVE RISKS AND BENEFITS OF THE PROJECT TO THE CLIENT AND KIMLEY-HORN, THE RISKS ARE ALLOCATED SUCH THAT, TO THE FULLEST EXTENT ALLOWED BY LAW, AND NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS AGREEMENT OR THE EXISTENCE OF APPLICABLE INSURANCE COVERAGE, THAT THE TOTAL LIABILITY, IN THE AGGREGATE, OF KIMLEY-HORN AND KIMLEY-HORN'S OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AND SUBCONSULTANTS TO THE CLIENT OR TO ANYONE CLAIMING BY, THROUGH OR UNDER THE CLIENT, FOR ANY AND ALL CLAIMS, LOSSES, COSTS OR DAMAGES WHATSOEVER ARISING OUT OF OR IN ANY WAY RELATED TO THE SERVICES UNDER THIS AGREEMENT FROM ANY CAUSES, INCLUDING BUT NOT LIMITED TO, THE NEGLIGENCE, PROFESSIONAL ERRORS OR OMISSIONS, STRICT LIABILITY OR BREACH OF CONTRACT OR ANY WARRANTY, EXPRESS OR IMPLIED, OF KIMLEY-HORN OR KIMLEY-HORN'S OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AND SUBCONSULTANTS, SHALL NOT EXCEED TWICE THE TOTAL COMPENSATION RECEIVED BY KIMLEY-HORN UNDER THIS AGREEMENT OR \$50,000, WHICHEVER IS GREATER. HIGHER LIMITS OF LIABILITY MAY BE NEGOTIATED FOR ADDITIONAL FEE. THIS SECTION IS INTENDED SOLELY TO LIMIT THE REMEDIES AVAILABLE TO THE CLIENT OR THOSE CLAIMING BY OR THROUGH THE CLIENT, AND NOTHING IN THIS SECTION SHALL REQUIRE THE CLIENT TO INDEMNIFY KIMLEY-HORN.
- 11) **Mutual Waiver of Consequential Damages.** In no event shall either party be liable to the other for any consequential, incidental, punitive, or indirect damages including but not limited to loss of income or loss of profits.
- 12) **Construction Costs.** Under no circumstances shall Kimley-Horn be liable for extra costs or other consequences due to unknown conditions or related to the failure of contractors to perform work in accordance with the plans and specifications. Kimley-Horn shall have no liability whatsoever for any costs arising out of the Client's decision to obtain bids or proceed with construction before Kimley-Horn has issued final, fully approved plans and specifications. The Client acknowledges that all preliminary plans are subject to substantial revision until plans are fully approved and all permits obtained.

- 13) **Certifications.** All requests for Kimley-Horn to execute certificates, lender consents, or other third-party reliance letters must be submitted to Kimley-Horn at least 14 days prior to the requested date of execution. Kimley-Horn shall not be required to execute certificates, consents, or third-party reliance letters that are inaccurate, that relate to facts of which Kimley-Horn does not have actual knowledge, or that would cause Kimley-Horn to violate applicable rules of professional responsibility.
- 14) **Dispute Resolution.** All claims arising out of this Agreement or its breach shall be submitted first to mediation in accordance with the American Arbitration Association as a condition precedent to litigation. Any mediation or civil action by Client must be commenced within one year of the accrual of the cause of action asserted but in no event later than allowed by applicable statutes.
- 15) **Hazardous Substances and Conditions.** Kimley-Horn shall not be a custodian, transporter, handler, arranger, contractor, or remediator with respect to hazardous substances and conditions. Kimley-Horn's services will be limited to analysis, recommendations, and reporting, including, when agreed to, plans and specifications for isolation, removal, or remediation. Kimley-Horn will notify the Client of unanticipated hazardous substances or conditions of which Kimley-Horn actually becomes aware. Kimley-Horn may stop affected portions of its services until the hazardous substance or condition is eliminated.
- 16) **Construction Phase Services.**
 - a. If Kimley-Horn prepares construction documents and Kimley-Horn is not retained to make periodic site visits, the Client assumes all responsibility for interpretation of the documents and for construction observation, and the Client waives any claims against Kimley-Horn in any way connected thereto.
 - b. Kimley-Horn shall have no responsibility for any contractor's means, methods, techniques, equipment choice and usage, sequence, schedule, safety programs, or safety practices, nor shall Kimley-Horn have any authority or responsibility to stop or direct the work of any contractor. Kimley-Horn's visits will be for the purpose of endeavoring to provide the Client a greater degree of confidence that the completed work of its contractors will generally conform to the construction documents prepared by Kimley-Horn. Kimley-Horn neither guarantees the performance of contractors, nor assumes responsibility for any contractor's failure to perform its work in accordance with the contract documents.
 - c. Kimley-Horn is not responsible for any duties assigned to it in the construction contract that are not expressly provided for in this Agreement. The Client agrees that each contract with any contractor shall state that the contractor shall be solely responsible for job site safety and its means and methods; that the contractor shall indemnify the Client and Kimley-Horn for all claims and liability arising out of job site accidents; and that the Client and Kimley-Horn shall be made additional insureds under the contractor's general liability insurance policy.
- 17) **No Third-Party Beneficiaries; Assignment and Subcontracting.** This Agreement gives no rights or benefits to anyone other than the Client and Kimley-Horn, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole benefit of the Client and Kimley-Horn. The Client shall not assign or transfer any rights under or interest in this Agreement, or any claim arising out of the performance of services by Kimley-Horn, without the written consent of Kimley-Horn. Kimley-Horn reserves the right to augment its staff with subconsultants as it deems appropriate due to project logistics, schedules, or market conditions. If Kimley-Horn exercises this right, Kimley-Horn will maintain the agreed-upon billing rates for services identified in the contract, regardless of whether the services are provided by in-house employees, contract employees, or independent subconsultants.
- 18) **Confidentiality.** The Client consents to the use and dissemination by Kimley-Horn of photographs of the project and to the use by Kimley-Horn of facts, data and information obtained by Kimley-Horn in the performance of its services. If, however, any facts, data or information are specifically identified in writing by the Client as confidential, Kimley-Horn shall use reasonable care to maintain the confidentiality of that material.
- 19) **Miscellaneous Provisions.** This Agreement is to be governed by the law of the State of Texas. This Agreement contains the entire and fully integrated agreement between the parties and supersedes all prior and contemporaneous negotiations, representations, agreements, or understandings, whether written or oral. Except as provided in Section 1, this Agreement can be supplemented or amended only by a written document executed by both parties. Any conflicting or additional terms on any purchase order issued by the Client shall be void and are hereby expressly rejected by Kimley-Horn. If Client requires Kimley-Horn to register with or use an online vendor portal for payment or any other purpose, any terms included in the registration or use of the online vendor portal that are inconsistent or in addition to these terms shall be void and shall have no effect on Kimley-Horn or this Agreement. Any provision in this Agreement that is unenforceable shall be ineffective to the extent of such unenforceability without invalidating the remaining provisions. The non-enforcement of any provision by either party shall not constitute a waiver of that provision nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

ITEM A (iii.)
DISBURSEMENT – PATHMARK TRAFFIC EQUIPMENT



PATHMARK TRAFFIC EQUIPMENT, LLC

P.O. BOX 1066
SAN MARCOS, TX 78667

Invoice

Date	Invoice #
5/4/2023	16242

Bill To
CITY OF PINEY POINT VILLAGE ACCOUNTS PAYABLE 7676 WOODWAY DR. SUITE 300 HOUSTON, TX 77063

Ship To
CITY OF PINEY POINT VILLAGE 7676 WOODWAY DR. SUITE 300 HOUSTON, TX 77063 MICHELLE 713-230-8702

S.O. No.	P.O. No.	Due Date	Terms	Ship Via	Project		
16242		6/3/2023	NET 30 DAYS	DROPSHIP			
Item #	Quantity	U/M	Description	Invoiced	B/O	Price	Amount
50212S	1	ea	LINELAZER V 3900 - 2 GUN AUTO #17H453 SERIAL #D23B17K579001399 Acct # _____ Acct # _____ Entered _____ Approved _____ Posted _____	1	0	10,750.00	10,750.00T
Phone #	Fax #	E-mail		Subtotal		\$10,750.00	
(512) 392-2090	(512) 392-2092	sales@pathmark.net		Sales Tax (0.0%)		\$0.00	
ALL CREDIT CARD SALES ARE FINAL				Payments/Credits		\$0.00	
				Balance Due		\$10,750.00	

ITEM A (iv.)
DISBURSEMENT – BLUE WATER IRRIGATION

BLUE WATER IRRIGATION
1636 CRESTDALE
HOUSTON, TX. 77080
713-661-0312

Date:
5/18/2023

City Of Piney Point

We submit for your consideration our proposal and agreement:

<u>Irrigation</u>	<u>Quantity</u>
3/4" Galvanized hose bib with couplings	2
3/4" Galvanized Pipe	5'
Total	\$150
Labor	
\$160 / hour	2.5
Total	\$400.00
Customer apprication discount	-\$200
Total for all work	\$350.00

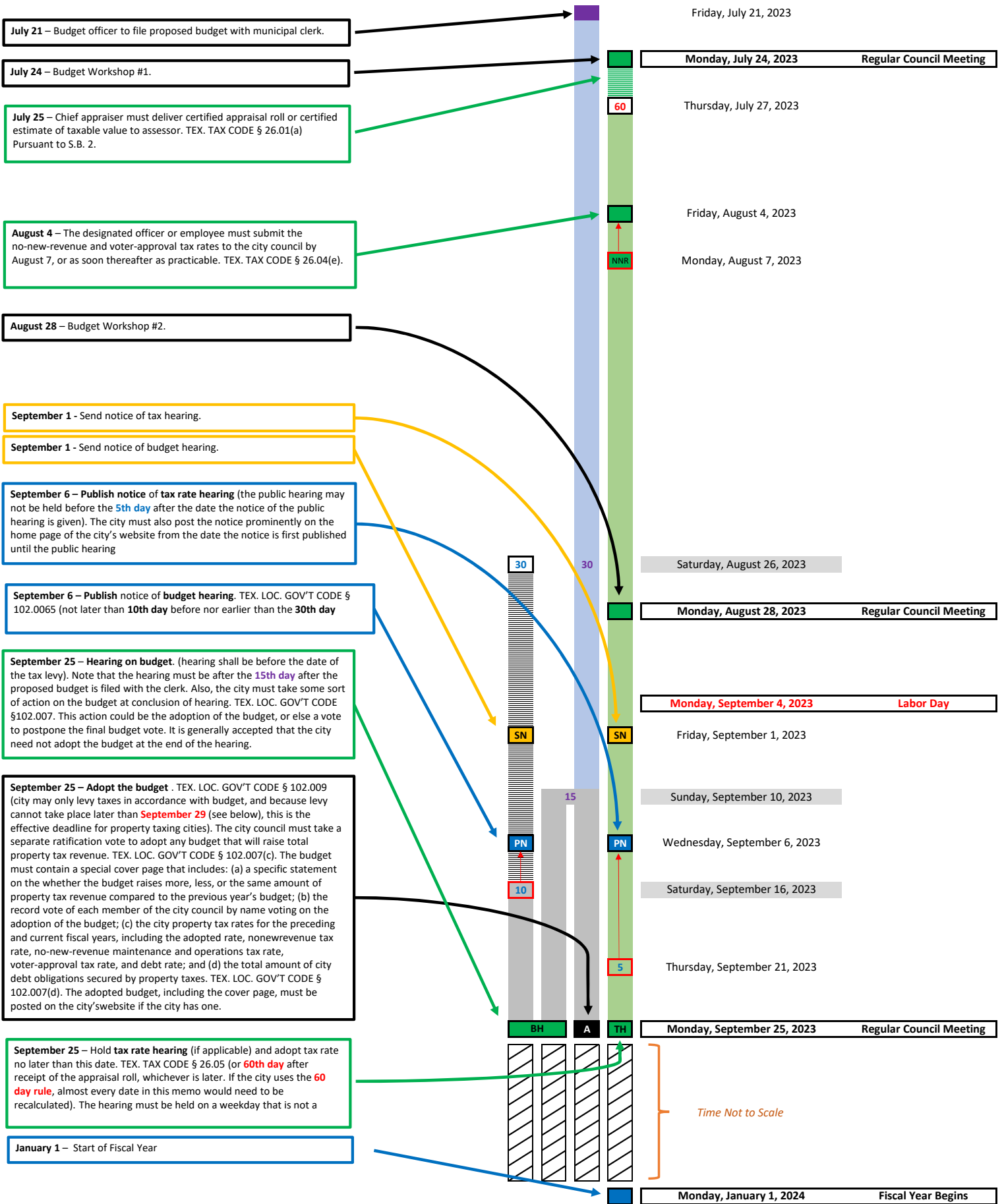
For the sum shown above, we will provide all labor, equipment and materials necessary to complete the work represented above. Terms of payment are:20% deposit:80% due upon completion. Prices are valid for 90 days. When you are ready to proceed with this work, sign in the space below indicating you accept this proposal and have read the warranty information; then, send in this form with any applicable deposit to us.

Approved and accepted

Date

ITEM A (v.)
BUDGET PLANNING CALENDAR

BUDGET CALENDAR TIMELINE - FISCAL YEAR 2024



TO: Members of the City Council

FROM: Joe Moore, City Engineer

MEETING DATE: May 22, 2023

SUBJECT: Discuss and take possible action on inclusion of potential inclusion of storm sewer improvements on 11411 and 11414 Wendover into the Williamsburg Drainage Improvements Project a request to publicly advertise and bid the Williamsburg Drainage Improvements Project.

Agenda Item: 11

Summary

Councilman Dodds met with several residents on Wendover Lane that are interested in splitting the cost with the City for installation of storm sewer in the right-of-way in front of their property in order to eliminate the existing ditch. HDR is seeking direction from Council on if they would like to include additional storm sewer improvements into the Williamsburg project or choose to advertise and bid the Williamsburg project for construction.

Attached is an Opinion of Probable Construction Costs totaling \$154,110.00 and \$103,280.00 for City's portion on the Southside of Williamsburg Drainage Improvements Project.

Williamsburg Drainage Improvements Project

Opinion of Probable Construction Costs

City of Piney Point Village

HDR Job No. 10361166

Item	Item Description	Unit	Quantity	Unit Price	Cost
GENERAL ITEMS					
1	Traffic Control, complete in place, the sum of:	L.S.	1	\$10,000.00	\$10,000.00
2	SWP3 Plan, complete in place, the sum of:	L.S.	1	\$5,000.00	\$5,000.00
General Items Subtotal:					\$15,000.00
Market Volatility (5%):					\$750.00
General Items Total:					\$15,750.00
11301 WILLIAMSBURG ITEMS					
3	Remove and dispose of existing storm sewer, complete in place, the sum of:	L.F.	35	\$25.00	\$875.00
4	Remove culvert wingwall, complete in place, the sum of:	EA.	1	\$450.00	\$450.00
5	Remove, salvage, and reinstall post mailbox, complete in place, the sum of:	EA.	1	\$1,500.00	\$1,500.00
6	Remove and replace 6" thick reinforced concrete driveway, including proof rolling, level up sand, and full depth saw cut, complete in place, the sum of:	S.Y.	25	\$130.00	\$3,250.00
7	Temporary driveways, complete in place, the sum of:	EA.	1	\$1,000.00	\$1,000.00
8	24" HDPE storm sewer including bedding and backfill, complete in place, the sum of:	L.F.	45	\$115.00	\$5,175.00
9	8" PVC for yard drain connections, all depths, complete in place, the sum of:	L.F.	15	\$100.00	\$1,500.00
10	12" PVC for yard drain connections, all depths, complete in place, the sum of:	L.F.	15	\$125.00	\$1,875.00
11	Proposed connection to existing yard drain, complete in place, the sum of:	EA.	4	\$500.00	\$2,000.00
12	Proposed Type A Inlet, including bedding and backfill, complete in place, the sum of:	EA.	1	\$4,000.00	\$4,000.00
13	Trench safety for all storm sewers greater than 5' deep, complete in place, the sum of:	L.F.	45	\$5.00	\$225.00
14	Remove Stonework/Retaining Wall, complete in place, the sum of:	L.F.	15	\$65.00	\$975.00
15	Clearance prune, complete in place, the sum of:	EA.	1	\$430.00	\$430.00
11301 Williamsburg Items Subtotal:					\$23,255.00
Market Volatility (5%):					\$1,163.00
11301 Williamsburg Items Total:					\$24,420.00

11302 WILLIAMSBURG ITEMS					
16	24" HDPE storm sewer including bedding and backfill, complete in place, the sum of:	L.F.	10	\$115.00	\$1,150.00
17	18" RCP storm sewer including bedding and backfill, complete in place, the sum of:	L.F.	10	\$115.00	\$1,150.00
18	8" PVC for yard drain connections, all depths, complete in place, the sum of:	L.F.	15	\$100.00	\$1,500.00
19	Proposed connection to existing yard drain, complete in place, the sum of:	EA.	2	\$500.00	\$1,000.00
20	Proposed Type A Inlet, including bedding and backfill, complete in place, the sum of:	EA.	1	\$4,000.00	\$4,000.00
21	Connect proposed storm sewer to existing storm culvert with concrete collar, complete in place, the sum of:	EA.	1	\$1,500.00	\$1,500.00
22	Trench safety for all storm sewers greater than 5' deep, complete in place, the sum of:	L.F.	10	\$5.00	\$50.00
11302 Williamsburg Items Subtotal:					\$10,350.00
Market Volatility (5%):					\$518.00
11302 Williamsburg Items Total:					\$10,870.00
11303 WILLIAMSBURG ITEMS					
23	Remove and dispose of existing storm sewer, complete in place, the sum of:	L.F.	22	\$25.00	\$550.00
24	Remove, salvage, and reinstall post mailbox, complete in place, the sum of:	EA.	1	\$1,500.00	\$1,500.00
25	Remove and replace 6" thick reinforced concrete driveway, including proof rolling, level up sand, and full depth saw cut, complete in place, the sum of:	S.Y.	28	\$130.00	\$3,640.00
26	Temporary driveways, complete in place, the sum of:	EA.	1	\$1,000.00	\$1,000.00
27	24" HDPE storm sewer including bedding and backfill, complete in place, the sum of:	L.F.	30	\$115.00	\$3,450.00
28	12" PVC for yard drain connections, all depths, complete in place, the sum of:	L.F.	10	\$125.00	\$1,250.00
29	Proposed connection to existing yard drain, complete in place, the sum of:	EA.	2	\$500.00	\$1,000.00
30	Proposed Type A Inlet, including bedding and backfill, complete in place, the sum of:	EA.	1	\$4,000.00	\$4,000.00
31	Remove tree 12"-29.99", complete in place, the sum of:	EA.	1	\$1,500.00	\$1,500.00
32	Trench safety for all storm sewers greater than 5' deep, complete in place, the sum of:	L.F.	30	\$5.00	\$150.00
11303 Williamsburg Items Subtotal:					\$18,040.00
Market Volatility (5%):					\$902.00
11303 Williamsburg Items Total:					\$18,950.00

11311 WILLIAMSBURG ITEMS					
33	Remove and dispose of existing storm sewer, complete in place, the sum of:	L.F.	50	\$25.00	\$1,250.00
34	Remove, salvage, and reinstall brick mailbox, complete in place, the sum of:	EA.	1	\$2,500.00	\$2,500.00
35	Remove and replace 6" thick reinforced concrete driveway, including proof rolling, level up sand, and full depth saw cut, complete in place, the sum of:	S.Y.	65	\$130.00	\$8,450.00
36	Temporary driveways, complete in place, the sum of:	EA.	2	\$1,000.00	\$2,000.00
37	24" HDPE storm sewer including bedding and backfill, complete in place, the sum of:	L.F.	160	\$115.00	\$18,400.00
38	8" PVC for yard drain connections, all depths, complete in place, the sum of:	L.F.	5	\$100.00	\$500.00
39	Proposed connection to existing yard drain, complete in place, the sum of:	EA.	1	\$500.00	\$500.00
40	Connect proposed storm sewer to existing inlet, complete in place, the sum of:	EA.	1	\$2,000.00	\$2,000.00
41	Proposed Type A Inlet, including bedding and backfill, complete in place, the sum of:	EA.	1	\$4,000.00	\$4,000.00
42	Trench safety for all storm sewers greater than 5' deep, complete in place, the sum of:	L.F.	160	\$5.00	\$800.00
43	Remove tree 12"-29.99", complete in place, the sum of:	EA.	2	\$1,500.00	\$3,000.00
44	Clearance prune, complete in place, the sum of:	EA.	2	\$430.00	\$860.00
45	Root pruning trench, complete in place, the sum of:	L.F.	30	\$20.00	\$600.00
46	Tree protection fence, complete in place, the sum of:	L.F.	20	\$15.00	\$300.00
11311 Williamsburg Items Subtotal:					\$45,160.00
Market Volatility (5%):					\$2,258.00
11311 Williamsburg Items Total:					\$47,420.00
SUPPLEMENTAL ITEMS					
47	Asphalt point repair, Type D HMAC overlay, including tack coat, 2" Type D HMAC Overlay, and Type A HMAC Black Base Course placed in maximum of 4" lifts, complete in place, the sum of:	S.Y.	50	\$185.00	\$9,250.00
48	Adjust inlet top elevation to match proposed grading, complete in place, the sum of:	EA.	3	\$1,000.00	\$3,000.00
49	Cement Stabilized Sand, complete in place, the sum of:	C.Y.	20	\$85.00	\$1,700.00
50	Install long side water service, complete in place, the sum of:	EA.	4	\$2,000.00	\$8,000.00
51	Install short side sewer service, complete in place, the sum of:	EA.	3	\$1,500.00	\$4,500.00
52	Installation and removal of piezometers, complete in place, the sum of:	EA.	2	\$750.00	\$1,500.00
53	Extra Bank sand, complete in place, the sum of:	C.Y.	20	\$50.00	\$1,000.00
54	Extra 1.5 sack of cement per cubic yard added to the 6" concrete driveways (total of 7.0 sack/cubic yard), complete in place, the sum of:	S.Y.	125	\$10.00	\$1,250.00
55	Well pointing for storm sewers, complete in place, the sum of:	L.F.	50	\$40.00	\$2,000.00
56	Wet condition bedding for storm sewers, complete in place, the sum of:	L.F.	50	\$55.00	\$2,750.00
Supplemental Items Subtotal:					\$34,950.00
Market Volatility (5%):					\$1,748.00
Supplemental Items Total:					\$36,700.00
General Items Total:					\$15,750.00
11301 Williamsburg Items Total:					\$24,420.00
11302 Williamsburg Items Total:					\$10,870.00
11303 Williamsburg Items Total:					\$18,950.00
11311 Williamsburg Items Total:					\$47,420.00
Supplemental Items Total:					\$36,700.00
Opinion of Probable Construction Costs:					\$154,110.00
Less Cost Sharing w/ Williamsburg Residents:					-\$50,830.00
OPINION OF PROBABLE CONSTRUCTION COST (CITY ITEMS ONLY):					\$103,280.00

These estimates are presented for planning purposes only and are subject to change as the project progresses

TO: Members of the City Council

FROM: Joe Moore, City Engineer

MEETING DATE: May 22, 2023

SUBJECT: Discuss and take possible action on a proposal for professional engineering services for the Williamsburg Drainage Improvements Project.

Agenda Item: 12

Summary

HDR presented a proposal for professional engineering services for design, bid, and construction phase services for storm sewer improvements on Williamsburg at the October 24, 2022 Council meeting. Council only authorized the design phase services at that meeting. HDR is requesting Council approval of the bid phase services of our proposal so that we can advertise and bid the Williamsburg project. The estimated cost will be \$7,000.00

Attached is an executed Engineer Services for Williamsburg.



October 19, 2022

Mayor and City Council Members
City of Piney Point Village
7676 Woodway Drive; Suite 300
Houston, Texas 77063

Re: Proposal for Professional Engineering Services
Design, Bid, and Construction Phase Services for
the Williamsburg Drainage Improvements Project for the
City of Piney Point Village

HDR Engineering, Inc. (HDR) is pleased to submit this proposal for the design, bid phase, construction management, and part-time construction phase services for the above referenced project. The proposal is based on our conversations held with the City on this project. For your convenience, this proposal consists of a General Overview, Project Understanding, Scope of Services, and a Fee Schedule.

GENERAL OVERVIEW:

This proposal provides a description of the engineering services requires for the drainage improvements on Williamsburg Lane in the City of Piney Point Village. The following of a general overview of the project and the issues that are anticipated to be addressed as part of this project:

PROJECT UNDERSTANDING:

Williamsburg Lane

Currently the drainage system on Williamsburg Lane consists of a combination of open ditches with driveway culverts and a closed storm sewer pipes. Historically, the roadside ditches have held water in them because of minimal to reverse grades in the ditch flow lines due to misaligned driveway culverts. City Council request that HDR obtain survey and investigate the existing conditions of the drainage system on the street. HDR confirmed with the survey that several driveway culverts are misaligned and both culverts and ditch grades are not sloped to a City minimum standard.

In 2017, the City installed a drainage system on North Piney Point Road at an appropriate depth and sized to convey the runoff produced from all lots on Williamsburg Lane during a City of Houston 2-year storm event. Residents at 11319 and 11315 Williamsburg recently installed storm sewer in the City right-of-way starting at North Piney Point Road and continuing upstream to the east property line of 11315 Williamsburg. Through the City drainage permitting process, HDR reviewed the plans and verified that adequate depth was provided on the storm sewer system to continue installation of storm sewer to the cul-de-sac if the City desired. Additionally, multiple residents expressed their desire



to have the storm sewer installed in the City right-of-way in front of their homes to eliminate the roadside ditch and driveway culvert drainage system. The City approached the residents with this interest and proposed a 50/50 construction cost share agreement between the City and each residents for storm sewer installation. Residents that expressed interest in the cost share agreement are as follows:

- 11318 (northside)
- 11310 (northside)
- 11311 (southside)
- 11303 (southside)
- 11301 (southside)

Residents at 11306 (northside) and 11302 (cul-de-sac) did not appear to have interest in storm sewer installation in the right-of-way in front of their properties. 11314 (northside) Williamsburg is owned by the Iran Consulate and has not been responsive.

It is our understanding that the City requests that HDR provide professional engineering services to design a storm sewer system in the City right-of-way tying into the North Piney Point Road system on the northside of the street at the west side of 11318 Williamsburg continuing west through 11318, 11314, and 11310. The storm sewer will end at the east property line of 11310 and designed to collect drainage from the existing ditch/swale east of 11310. A storm sewer system will also be designed on the southside of the street tying into the newly installed drainage system at the east side of 11315 Williamsburg and continuing east through 11311, 11303 and 11301. The storm sewer will end at the east property line of 11301 and be designed to collect drainage from the existing ditch/swale east of 11301. No improved are included at 11306 or 11302 Williamsburg.

The proposed scope of work does not include any paving improvements.

The engineer's opinion of probable construction costs for the above described project is \$318,800.00.

SCOPE OF SERVICES

The following Scope of Services is outlined for the design, bid, and construction phase services.

I. DESIGN PHASE SERVICES

A. Basic Design Phase Services

- Hold a “kick-off” meeting with City staff to finalize the requirements for the project.
- Review available historical information (record drawings, reports/studies, GIS data, etc.)
- Research and gather information on private utilities (i.e. gas, electrical, telephone, pipelines, etc.) along the project alignment.
- Prepare drainage area map based on previously identified drainage areas.
- Prepare hydraulic calculations for the plan set.
- Prepare plan cover sheet, general notes, survey control, project layout, 90% plan/profile drawings, and detail sheets.
- Prepare contract documents and specifications.
- Coordinate with the Memorial Villages Water Authority (M.V.W.A.) during the design process and provide draft documents for review and comment. Incorporate appropriate comments with the final bid documents.
- Submit 90% plans to private utility companies for review and incorporate utility company markups in the final bid documents.
- Assist the City in obtaining and/or securing approvals required public and private utilities affected by this project. This assistance will involve the usual and expected coordination for the approval process. When the process involves work beyond the expected, such as; special submittals, additional designs, appearances at special meetings, coordination of utility/pipeline excavation efforts, permitting applications, etc., such work falls under the Additional Services portion of this proposal. All permit fees will be the responsibility of the City of Piney Point Village.
- Prepare an engineer’s opinion of probable construction costs to reflect the 90% design.
- Provide a set of 90% plans and specifications to the City for their review and comment.
- Prepare contract documents including plans, specifications, and bidding documents associated with the design and the project addressing City comments from the 90% review for bidding.

- Provide a set of Contract Documents to the City.
- A presentation of the design plans or public meeting with residents is not included in this scope of services. If the City determines that a public meeting is warranted, HDR will perform such services under the existing on-going contract with the City
- Coordination with residents to share Opinion of Probable Construction Costs and/or with regards to resident construction cost share agreements, is not included in this scope of services. If the City requests such services, HDR will perform such services under the existing on-going contract with the City.

B. Special Services

1. Urban Forestry Services

- HDR will obtain services from a professional urban forester subconsultant to evaluate tree protection measures needed during the final design and construction phase.

2. Traffic Control Plan

- Prepare traffic control plans and details for the construction area.

3. Storm Water Pollution Protection Plan

- Due to the proposed work to be performed in this project, a storm water pollution protection plan will be produced so that the City complies with State mandated MS4 permitting.

4. Reimbursable Expenses

- A budgetary amount will be allocated for typical reimbursable expenses such as reproduction, courier services, mileage, etc. The cost for plans and specifications for review sets and construction documents to be provided to the City and other review agencies will be included in this task at cost Plus 10%. Mileage will be charged at prevailing IRS rates.

II. BID PHASE SERVICES

A. Basic Services

The City of Piney Point Village will enter into this phase after the acceptance of the Final Design Phase documents.

- Assist the City in obtaining bids for the project. The City of Piney Point Village will advertise the project and will absorb all related advertising costs. HDR will coordinate with the City and will assist in developing the wording of the advertisement.
- HDR will post project plans and specifications on Civcast to generate interest for the project during the bidding process, provide information to and answer questions from potential bidders concerning the Project's construction documents and prepare addendums as necessary. The City will absorb costs associated to posting on Civcast.
- Conduct a pre-bid conference for potential bidders, including the preparation of the meeting agenda and preparing a meeting minutes summary.
- Evaluate the bids and the qualifications of the apparent low bidders.
- Prepare a letter of recommendation advising the City as to the acceptability of the apparent low bidder.

III. CONSTRUCTION PHASE SERVICES

A. Basic Services – Construction Management

- Act as the City's Project Representative during the construction phase.
- Review and respond accordingly to submittals as required by the contract specifications.
- Respond to RFI's and prepare change orders necessitated by field conditions.
- Review the contractor's pay estimates, evaluate the completion of work, and make payment recommendations to the City.
- Visit the site periodically to observe the progress and quality of executed work and to determine in general if such work is proceeding in accordance with the contract documents. Site representation (construction observation) is not included as part of the Basic Services for Construction Management. Site representation is included in the Construction Phase -

Special Services.

- HDR will not be responsible for the means, methods, techniques, sequences or procedures of construction selected by the Contractor(s) or the safety precautions and programs incident to the work of the Contractor(s). HDR's effort will be directed toward providing a greater degree of confidence for the City that the completed work of Contractor(s) will conform to the Contract Documents, but HDR will not be responsible for the failure of Contractor(s) to perform the work in accordance with the Contract Documents. During site visits HDR shall keep the City informed of the progress of the work, shall endeavor to guard the City against defects and deficiencies in such work and may disapprove or reject work failing to conform to the Contract Documents.
- Conduct a final review of the Project and make a recommendation for Final Payment on the Project.
- Engineer shall provide the City one electronic copy of record plans based on the drawings provided to the Engineer by the Contractor(s).
- A public meeting with residents is not included in this scope of services. If the City determines that a public meeting is warranted, HDR will perform such services under the existing on-going contract with the City.
- HDR anticipates that construction will take approximately two (2) months to complete and has therefore based the lump sum fee on a level of effort to complete the above tasks for this duration.

B. Special Services – Construction Observation Phase Services and Material Testing

1. Material Testing

- Construction materials testing is included in this proposal as a budgetary item only. It is anticipated that Geotest Engineering, Inc. will be utilized as a subcontractor to HDR to perform the testing services.

2. Part-Time Site Representation Services

- Provide one construction observer (on-site representative) to observe the daily progress of construction activities and to assist in the interpretation of plans and specifications. The estimated construction duration for the project will be two (2) months. The on-site representative will be on site an average of 20 hours a week for the project.

- Provide support to the on-site representative through supervisory and administrative services.
- Provide engineering and technical office personnel support throughout construction. This is to attend project progress meetings, provide on-site support to address Contractor's questions, resident's concerns and conflict issues.
- In the event of rain days where construction may be hindered or stopped, the representative will be on-site long enough to verify that inclement weather has occurred and the associated impact on the Contractor and construction.
- The on-site representative shall maintain daily reports.
- The on-site representative will coordinate with the Contractor's representative to estimate quantities installed on the project. The on-site representative will review the Contractor's quantity measurements prior to HDR's project manager processing the Contractor's periodic monthly payment request.
- The on-site representative will aid in the coordination of activities of the testing laboratory.
- The on-site representative will coordinate with the City and the Contractor for construction scheduling, resident notification, and complaints.
- The on-site representative will assist in the performance of a final inspection, the preparation of a punch list and subsequent follow up reviews.
- The on-site representative will assemble and maintain notes, comments, sketches, and supporting data related to the project in order to assist in the preparation of record drawings.
- HDR will process daily reports and other administrative office duties.
- HDR will track and document costs associated with the work.
- The on-site representative will be provided in an effort to aid in the process of observing performance of work of the Contractor(s). Through more extensive on-site observations of the work in progress, HDR shall

endeavor to provide further protection for the City against defects and deficiencies in the work of the contractor(s); but the furnishing of such on-site representative will not make HDR responsible for construction means, methods, techniques, sequences or procedures or safety precautions or programs, or for Contractor(s) failure to perform their work in accordance with the Contract Documents.

ADDITIONAL SERVICES

- "Additional Services" shall only be performed when directed by the City to HDR. These services are not considered normal or customary engineering services.
- Services resulting from significant changes in the Project or its design, including but not limited to, changes in size, complexity, the City's schedule, or character of construction or method of financing; and revising previously accepted studies, reports design documents or Contract Documents when such revisions are due to causes beyond HDR's control.
- Preparing documents for alternate bids outside of the original scope requested by the City or documents for out of sequence work.
- Preparing to serve or serving as a consultant or witness for the City in any litigation, public hearing or other legal or administrative proceeding involving the Project.
- Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction, (2) a significant amount of defective or neglected work of Contractor(s), (3) prolongation of the construction contract time, (4) acceleration of the progress schedule involving services beyond normal working hours and (5) default of Contractor.
- HDR will endeavor to appraise the City of any potential additional or extended services that may result from the above listed items, prior to HDR's expenditure of time on such services. As previously noted, any such extended or additional services shall only be performed when directed by the City to HDR.

FEE SCHEDULE

HDR will submit monthly invoices with status reports for all engineering work completed to invoice date. Please be aware that these fees are based on performing all improvement design as a single project. The fees presented in this section reflect a combined effort to perform all proposed work at one time as a single project. If the project is reduced the proposed fees will need to be adjusted accordingly to reflect the cost of performing

engineering services on a smaller project. The invoices will be based on the following schedule:

<u>Williamsburg Drainage Improvements Project</u>	<u>Total Fees</u>
<i>Basic Services:</i>	
Design Phase (Lump Sum)	\$ 36,100.00 previously approved
Bid Phase (Lump Sum)	\$ 7,000.00 REQUESTING APPROVAL
Construction Management (Lump Sum)	\$ 19,850.00
<i>Special Services:</i>	
Traffic Control (Lump Sum)	\$ 1,000.00 previously approved
Storm Water Pollution Protection Plan (Lump Sum)	\$ 1,600.00 previously approved
*Urban Forestry (Not-to-Exceed) -subconsultant's cost plus 10%	\$ 6,000.00 previously approved
Part-Time Site Observation (Not to Exceed) -Time & Materials	\$ 27,200.00
*Construction Material Testing (Not to Exceed) -subconsultants cost plus 10%	<u>\$ 5,000.00</u>
Total Fee Williamsburg Drainage Improvements Project	\$103,750.00

*At this time the magnitude of these tasks are not known. Therefore budgetary amounts are provided. These figures may increase or decrease depending upon actual work required. If an increase becomes necessary it can be accomplished by utilizing available funds from other lines items that have under run or by contract amendment.

The total engineer opinion of total project cost is as follows:

Construction	\$ 318,800.00
Engineering	\$ 65,550.00
Subconsultants	\$ 11,000.00
<u>Observation Fees</u>	<u>\$ 27,200.00</u>
Total Opinion of Probable Project Cost	\$ 422,550.00

Public meetings addressing the Final Engineering or Construction phases and results other than at regular council meetings to Council is not included in this scope. In the event the City should desire a public meeting, (such as a Town Hall type meeting) HDR's services

associated with such a meeting or meetings will be charge under the current on-going contract.

SCHEDULE

It is estimated that the schedule to accomplish the Design Phase is three (3) months from the date of authorization to proceed, the bid phase will be one (1) month, execution of the contract document will be one (1) month, and construction will take approximately two (2) months.

INVOICES

All hourly charges shall be based on a raw labor rate times a multiplier of 3.18. Reimbursable expenses will be charged at cost plus 10%. Time and materials charges and additional services beyond those described in the Scope of Services will be invoiced on the basis of direct labor costs times a factor of 3.18 for office personnel and for field personnel and direct cost plus 10%. No additional services will be performed or invoiced without prior authorization from the City of Piney Point Village.

HDR appreciates the opportunity to submit this proposal and we look forward to continuing our work with the City of Piney Point Village.

Sincerely

HDR ENGINEERING, INC.



David Weston
Vice President/Area Manager

Acceptance: City of Piney Point Village, Texas

By: 

Date: _____

TO: Members of the City Council

FROM: Joe Moore, City Engineer

MEETING DATE: May 22, 2023

SUBJECT: Consideration and possible action on quotes received from contractors to clean and televise the storm sewer on South Country Squire and the south side of Green Vale.

Agenda Item: 13

Summary

The City received notice that the storm sewer inlets mid-street on South Country Squire appeared to be drainage very slow. The resident sent photos and videos to document the slow drain. HDR opened manholes on the street and did not find an evidence of a blockage of the line from the manholes. HDR recommends cleaning & televising the storm sewer lines to clean any debris and investigate any potential root intrusion or blockage that may cause the slow drainage. Attached are quotes received from Contractors to perform this work.

Below is the quote summary for South Country Squire – Storm Sewer Clean & TV.

South Country Squire - Storm Sewer Clean & TV	
Contractor Quotes Summary	
22-May-23	
HDR Job # 10361767	
Contractor	Proposal Quote
AAA	\$6,780.00
Storm Water Solutions	\$8,160.00
AIMS Companies	\$11,500.00



May 15, 2023

HDR
4828 Loop Central Drive, Suite 800
Houston, Texas 77081
Phone: 713-622-9264
Direct: 713-576-3660
Email: joseph.moore@hdrinc.com

Attention: Joseph Moore

Reference: Storm sewer cleaning and video inspection at City of Piney Point Village on South Country Squire Piney Point Village, TX 77024

AAA Flexible Pipe Cleaning Co., Inc. proposes to clean, and video inspect 920 LF of 15"-24" storm sewer at the referenced location. Cleaning consists of removing all loose dirt and debris. All material removed will be manifested and disposed of at a state approved facility. Flash drives and video inspection reports of all findings will be provided. Work to be scheduled during regular work hours.

The following "lump sum" pricing will apply:

Storm Sewer Cleaning & Video Inspection		\$6,780.00
City of Houston Franchise Fee (4.0%)	If Applicable	\$ 170.40
Tax (8.25%)	If Applicable	\$ 559.35

Please Note: Rates could increase due to additional gallons or equipment to complete this job.
If Applicable: City of Houston Franchise Fee 4.0%

Customers will be charged sales tax unless a valid Texas sales tax exemption certificate is provided.

We appreciate the opportunity to submit this proposal and look forward to working with you. If you have any questions, you can contact us at our office at 281-476-5200, or at service@aaaflexpipe.com.

Sincerely,

Guadalupe Candanosa
Operations Manager

Accepted By: _____ **HDR** _____

By: _____
Signature Printed Name Title

_____ Purchase Order No: Job No. Date



Proposal

Date of Proposal: 05/17/23

To Serve: South Country Squire - Storm Line

Proposal To: City of Piney Point c/o HDR

Bill To/Address:

Subject to Master Agreement: Customer and Company have executed a Master Agreement to set forth the terms by which they agree to do business (the "Agreement").

Proposal Duration: This Proposal is valid for 120 days after the Date of Proposal above, but may, at the Company's sole option, be withdrawn or revised or extended at any

Acceptance: The Customer may accept this Proposal either by a) signing where indicated or b) asking the Company in writing to begin work. In the event of either form of

Term: The Work under this Proposal will continue as long as the Company and the District are in good financial standing with respect to this Proposal and any other work

Scope/Description of Work:	Approx. Qty.	UM	Unit Price:	Total Price:
1 Clean and video approx. 920' of 15" - 24" storm sewer pipe along South Country Squire. Includes Digital report and video. Includes disposal, water meter, labor and equipment	1	EA	\$8,160.00	\$ 8,160.00
TOTAL =				\$ <u>8,160.00</u>

_____ (the "Customer")
 _____ [signature]
 _____ [printed name]
 _____ [title]

Storm Water Solutions, LLC _____ (the "Company")
 _____ [signature]
 _____ [printed name]
 _____ [title]

Turnkey Storm Water Pollution Control

16110 Hollister Street • Houston, Texas 77066 • (281) 587-5950 • Fax: (281) 587-5999

www.stormwatersolutions.com

Houston Office:
3405 Almeda Genoa Rd.
Houston, TX 77047
Office: 281-485-8816
Toll Free: 844-283-0469
www.AIMSCompanies.com



Dallas/Ft. Worth Office:
1938 Josh Road
Ft. Worth, TX 76177
Office: 817-201-1742
Toll Free: 844-283-0469
www.AIMSCompanies.com

Joseph Moore

HDR
713-622-9264

Mr. Moore,

Thank you for the opportunity to provide you with a quote for Piney Point Village storm drain cleaning and televising.

The price for the 920 LF of storm cleaning and televising would be \$12.50 per LF.

SAFE, RELIABLE, SECURE

Pipeline Video Inspection LLC dba AIMS Companies

TO: Members of the City Council

FROM: Joe Moore, City Engineer

MEETING DATE: May 22, 2023

SUBJECT: Consideration and possible action on the Engineer's Report.

Agenda Item: 14

Summary

The Engineer Status report includes the following:

- 96-inch CMP Replacement Project
- 96-inch CMP Temporary Stabilization
- Tokeneke & Country Squires Improvements Project
- Piney Point Circle - Additional Easements
- Williamsburg Drainage Improvements
- Development Process Improvements
- Greenbay & Tynebridge Sidewalk Ramp
- Ditch Regrading
- South Country Squire – Clean & TV
- Pothole Repairs
- Asphalt Paving Improvements
- Future Projects
 - Wendover Lane
 - Smithdale Road Sidewalk Improvements
- Potential Storm Sewer Cost Share Projects for Chuckanut, Innisfree, Jamestown, Wendover and Piney Point Circle (if made public)

See attached report.



Engineer's Status Report

City of Piney Point Village

HDR Engineering, Inc.

City Council Meeting Date: May 22, 2023

Submit to City: May 18, 2023

CURRENT PROJECTS

1. 96-inch CMP Replacement Project

The City and A.R. Turnkee (Contractor) have executed the project's contract documents, a pre-construction meeting has been held, and the box culverts have been ordered. Currently it is estimated that the project may start in mid- to late-June, pending expected delivery date of the box culverts. HDR will continue to coordinate with the Contractor in efforts of starting the project as soon as possible.

2. 96-inch CMP Temporary Stabilization

HDR continues to monitor the open trench for signs of erosion and failure of the stabilization. Due to increased rainfall, approx. 7.4-inches over the last month, we have seen increased erosion of the open excavation.





The erosion appears to be occurring from very low in the trench, below the blue trench boxes, and is causing dirt from the outside of the trench box to settle. HDR will continue to monitor the erosion and settlement, especially following rain events, and will provide updates to the City.

The rental costs for the trench safety including 2-10'x20' trench boxes, 12-8'x20' steel places, and 100' feet of water jersey barriers is \$23,120.97. Council has previously approved rental costs for January, February, March, and April which have been paid. HDR has coordinated with United Rentals and the City to transfer the rental account to the City. This will remove the Contractor's markups from the month rental charges and provide a savings to the City. The rental account will be transferred over to AR Turnkey on the date of the Notice to Proceed, relieving the City of rental costs from that date forward.

3. Tokeneke & Country Squires Improvements Project

HDR has received project closeout documents from the Contractor and is reviewing those. The resident at #6 Tokeneke has complaints about the mailbox position and is requesting that it be resolved. HDR is working to verify claims and to address them accordingly. The resident has also not provided direction on the replacement of their driveway. We will continue to work through these items prior to project closeout.

4. Piney Point Circle - Additional Easements

The final easement exhibits with metes and bounds for drainage easements at 11303 & 11302 Piney Point Circle and 11408 & 11406 Memorial Drive have been received and sent to David Olson for incorporation into the easement agreements. The agreements will be delivered each resident for review and execution.



5. Williamsburg Drainage Improvements

Per Council direction, HDR has revised the plans to include installation of storm sewer on the south side of the street only. No improvements will be made on the north side of the street. The updated Opinion of Probable Construction Cost and a request for authorization to advertise and bid the project have been included in a separate agenda item.

6. Development Process Improvements

HDR is now performing drainage inspections twice a week, on Tuesdays and Thursdays. HDR is also preparing an inspection app using ESRI GIS to perform drainage inspection using the app which will allow for real-time tracking and transmission of drainage inspection results to requestors and the City. Annette will be able to use a dashboard to monitor inspection status, inspection history, and many other metrics.

HDR is also working on incorporating the plan submittal process into GIS or similar platform allowing submittal confirmation and for their status to be tracked throughout the review process.

7. Greenbay & Tynebridge Sidewalk Ramp

The Contractor, ICS, anticipates starting this project the week of May 29th. HDR will be coordinating the recent revisions to the curb ramp with the Contractor. Mayor Kobelan informed that Carol Bright Landscaping should be starting landscaping work in that area on June 5th. We are anticipating that the curb ramp will be installed prior to the landscaping work begins, but in the event the schedules do not align, HDR will mark the location of the ramp so that there is no conflict between the irrigation, landscaping, and curb ramp.

8. Ditch Regrading

The Contractor, ICS, anticipates mobilizing in the City the week of May 29th. They will start on the Greenbay & Tynebridge Sidewalk Ramp first in order to coordinate with the landscaping schedule, then will begin the ditch regrading work. HDR will notify residents ahead of the ditch regrading kickoff.

9. South Country Squire – Clean & TV

The resident from 11105 South Country Squire contacted the City about curb inlets that appear to be draining slower than normal. She also sent photos and video of the slow drainage:



HDR investigated the storm sewer at each manhole and saw several inches of standing water at each manhole on the street but no other signs of blockage. It is recommended that the City clean & televise the storm sewer to clean out the line and investigate any potential blockages. HDR has solicited quotes for this work and they are included in a separate agenda item.

10. Pothole Repairs

Per discussion at last week's engineering meeting, HDR discussed several potholes at the intersections of Echo Lane and Taylorcrest, San Felipe and Memorial, and San Felipe's right turn lane to Memorial and the traffic control/detours required to complete the repairs. Council requested that HDR solicit quotes to complete the full depth point repairs at these locations. Quotes will be presented at the June Council meeting.

11. Asphalt Paving Improvements

Per discussion at last week's engineering meeting, HDR has requested that the geotechnical engineer include Green Oaks in their proposal for an investigation and recommendations for asphalt improvements on Innisfree, Williamsburg, and Tokeneke. The geotechnical engineer is preparing the proposal and it is anticipated that it will be presented at the June Council meeting.

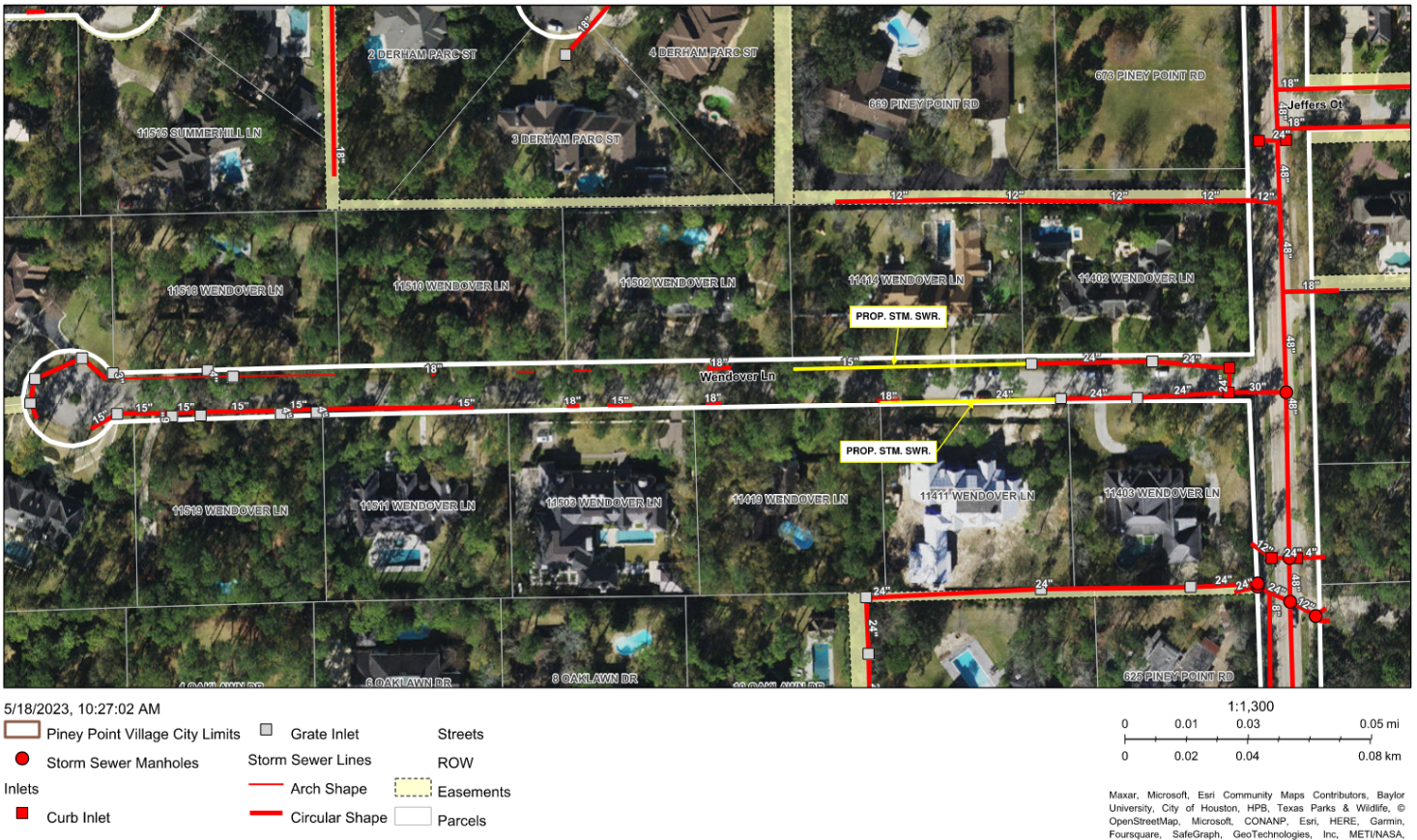


FUTURE PROJECTS

12. Wendover Lane

Councilman Dodds met with several residents on Wendover Lane that are interested in splitting the cost with the City for installation of storm sewer in the right-of-way in front of their property in order to eliminate the existing ditch. Because storm sewer must be installed downstream to upstream, the first two homes that are candidates for storm sewer installation are 11411 and 11414 Wendover Lane. HDR will provide Opinion's of Probable Construction Cost at the Council meeting for further discussion.

City of Piney Point Village - Storm Sewer Explorer



13. Smithdale Road Sidewalk Improvements

The City and HDR discussed the potential sidewalk project on Smithdale with SBISD's Travis Stanford. Mr. Stanford requested additional information on the project and stated that he would present the project to his board.

14. List of Potential Storm Sewer Cost Share Projects

- Chuckanut
- Innisfree
- Jamestown
- Wendover
- Piney Point Circle (if made public)

TO: The Honorable Mayor and Members of the City Council

FROM: R. Pennington; City Administrator

MEETING DATE: May 22, 2023

SUBJECT: Consideration and possible action on approval of the minutes for the Regular Session Council Meeting held on April 24, 2023.

Agenda Item: 15

Informational Summary

The following is the draft of minutes from the regular council meeting held on Monday, April 24, 2023.

Recommendation

Staff recommends the approval of minutes from the regular council meeting held on April 24, 2023.

**MINUTES OF A CITY OF PINEY POINT REGULAR COUNCIL MEETING MONDAY, APRIL 24, 2023,
6:00 P.M. AT CITY HALL CHAMBERS, 7676 WOODWAY DRIVE, SUITE 300, HOUSTON, TEXAS.**

Councilmembers Present: Mayor Mark Kobelan, Michael Herminghaus, Dale Dodds, Joel Bender, Aliza Dutt, Brian Thompson.

City Representatives Present: Bobby Pennington, City Administrator; Michelle Yi, Finance Director; David Olson, City Attorney; Jim Huguenard, Police Commissioner; Ray Schultz, Police Chief; Annette Arriaga, Director of Planning & Development; Joe Moore, City Engineer; Zeb Nash, Fire Commissioner; Howard Miller, Interim Fire Chief.

Call To Order

- Mayor Kobelan declared a quorum and called the meeting to order at 6:00 p.m.

Pledge Of Allegiance

- Council led the Pledge of Allegiance to the United States of America Flag.

Citizens Wishing to Address Council

- There were no general comments.

Agenda

1. Presentation by BrooksWatson & Co., PLLC of Fiscal Year 2022 Financial Audit and consider acceptance as presented.

- Mike Brooks, of BrooksWatson & Co., presented the independent audit of the for the year ending December 31, 2022, as an unmodified opinion.
- Councilmember Bender made a motion to accept the audit as presented, seconded by Councilmember Herminghaus.
AYES: Herminghaus, Dodds, Bender, Dutt, and Thompson.
NAYS: None.
- The motion carried.

2. Consideration and possible action on the Memorial Villages Police Department Monthly Report.

- Police Commissioner Huguenard and Police Chief Schultz reported the activities of the police department for the month of March and communicated key 2024 budget objectives that included suggested expansion of MVPD employee participation in Texas Municipal Retirement System (TMRS) to reduce officer turnover as well as attract qualified officers.
- Council requested additional information on TMRS forecasts on proposed changes to Updated Service Credits (USC) and Cost of Living Adjustments (COLA) for MVPD.
- No further action was taken.

3. Consideration and possible action on the Village Fire Department Monthly Report.

- Fire Commissioner Nash and Interim Chief Miller reported the activities of the fire department for the month of March and updated council on the station annex roof replacement.
- No action was taken.

- 4. Consideration and possible action on Village Fire Department Budget Amendment 2023-03 and Ordinance No. 2023.04 amending the City of Piney Point Village 2023 Budget to account for an increase assessment for Village Fire Department services.**
 - Councilmember Thompson made a motion to approve the VFD 2023-03 Amendment, and Ordinance No. 2023.04 amending the fiscal year 2023 city budget accounting for the \$38,640 increase assessment related to annex station roof repair as presented, seconded by Councilmember Herminghaus.
 - AYES: Herminghaus, Dodds, Bender, Dutt, and Thompson.
 - NAYS: None.
 - The motion carried.

- 5. Consideration and possible action on the Mayor's Monthly Report, including but not limited to an update on Greenbay Landscape Beautification near Robbins Drive and Proposed Greenbay Landscape Beautification at Tynebridge.**
 - Mayor Kobelan provided an update of ongoing work related to Greenbay landscape improvements.
 - Councilmember Dodds made a motion to approve Greenbay Landscape Beautification for \$23,514.99 by Bright Landscape, plus \$8,500 for irrigation cost at Tynebridge, seconded by Councilmember Thompson.
 - AYES: Herminghaus, Dodds, Bender, Dutt, and Thompson.
 - NAYS: None.
 - The motion carried.

- 6. Discuss and consider possible action on the City Administrator's Monthly Report, *including but not limited to*: March 2023 Financial Report; March 2023 Investment Report; CenterPoint Energy 2023 Franchise Payment Calculation; Tokeneke & Country Squires Improvement Project – Pay Estimate No. 6; Update on specific use permit projects; E-bike use; Status on short-term lease of single-family dwellings; Upcoming high school senior car parade event.**
 - Information was provided and discussion proceeded.
 - No action was taken.

- 7. Consideration and possible action on temporary trench shoring rental costs associated with the 96-inch CMP South Piney Point Road sinkhole.**
 - Councilmember Bender made a motion to approve temporary trench shoring rental costs of \$23,120.97 for April associated with the 96-inch CMP, seconded by Councilmember Herminghaus.
 - AYES: Herminghaus, Dodds, Bender, Dutt, and Thompson.
 - NAYS: None.
 - The motion carried.

- 8. Consideration and possible action on quotes received for the installation of a curb ramp at the intersection of Greenbay and Tynebridge to provide access to the sidewalk on the north side of Greenbay Drive from residents in the Tynewood subdivision.**
 - Councilmember Bender made a motion to approve Infrastructure Construction Services quote up to \$23,475 for the installation of a curb ramp at the intersection of Greenbay and Tynebridge with the sidewalk southside approach to be designed as far northward as permissible, seconded by Councilmember Herminghaus.
 - AYES: Herminghaus, Dodds, Bender, Dutt, and Thompson.
 - NAYS: None.
 - The motion carried.

9. Consideration and possible action on the proposed scope of work for Williamsburg Drainage Improvement Project.

- Councilmember Bender made a motion to approve up to \$40,590 as a cost sharing agreement on the southside of the Williamsburg Drainage, seconded by Councilmember Dodds.

AYES: Herminghaus, Dodds, Bender, Dutt, and Thompson.

NAYS: None.

- The motion carried.

10. Consideration and possible action on the Engineer's Report.

- Information was provided and discussion proceeded.
- No action taken.

11. Consideration and possible action on approval of minutes for the Regular Session Meeting held on March 27, 2023.

- Councilmember Herminghaus made a motion to approve the minutes for the Regular Session Meeting held on March 27, 2023, seconded by Councilmember Bender.

AYES: Herminghaus, Dodds, Bender, Dutt, and Thompson.

NAYS: None.

- The motion carried.

12. Consideration and possible action on approval of minutes for the Special Session Meeting held on April 11, 2023.

- Councilmember Bender made a motion to approve the minutes for the Special Session Meeting held on April 11, 2023, seconded by Councilmember Dodds.

AYES: Herminghaus, Dodds, Bender, Dutt, and Thompson.

NAYS: None.

- The motion carried.

13. Consideration and possible action on any future agenda items, meeting dates, and similar matters.

- Staff will provide an applicable date for a potential special meeting for canvassing the 2023 Election votes.
- No further action taken.

14. 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 551.072 of the Texas Government Code (Real Property), specifically to deliberate on Piney Point Village City Hall office lease.

- Council adjourned into closed session at 8:20 p.m.
- Council reconvened into open session at 8:24 p.m.

15. Discuss and consider possible action on items discussed in Executive Session.

- No action was taken.

16. Adjourn.

- Councilmember Bender made a motion for adjournment, seconded by Councilmember Herminghaus.
- Mayor Kobelan adjourned the meeting at 8:24 p.m.

PASSED AND APPROVED this 22nd day of May 2023.

Mark Kobelan
Mayor

Robert Pennington
City Administrator / City Secretary

TO: The Honorable Mayor and Members of the City Council

FROM: R. Pennington; City Administrator

MEETING DATE: May 22, 2023

SUBJECT: Consideration and possible action on approval of the minutes for the Special Session Council Meeting held on May 15, 2023.

Agenda Item: 16

Informational Summary

The following is the draft of minutes from the special council meeting held on Monday, May 15, 2023.

Recommendation

Staff recommends the approval of minutes from the special council meeting held on May 15, 2023.

**MINUTES OF A CITY OF PINEY POINT VILLAGE SPECIAL COUNCIL MEETING
MONDAY, MAY 15, 2023, 5:30 P.M. AT CITY HALL CHAMBERS, 7676 WOODWAY
DRIVE, SUITE 300, HOUSTON, TEXAS.**

Councilmembers Present: Mayor Mark Kobelan, Michael Herminghaus, Dale Dodds, Joel Bender, Aliza Dutt, Jonathan Curth.

City Representatives Present: Bobby Pennington, City Administrator; Thomas S. Ramsey, Acting City Attorney; Joe Moore, City Engineer; John Klevenhagen, Municipal Judge.

Call To Order

- Mayor Kobelan declared a quorum and called the meeting to order at 5:32 p.m.

Pledge Of Allegiance

- Council led the Pledge of Allegiance to the United States of America Flag.

Citizens Wishing to Address Council

- There were no general comments.

Agenda

1. Consideration and possible action to consider Resolution No. 2023.05, a resolution and order of the City Council of the City of Piney Point Village, Texas, canvassing the returns and declaring the results of the May 6, 2023 General Election for the purpose of electing City Council - Alderman Position 1, City Council - Alderman Position 2, and City Council - Alderman Position 5.

- Cumulative results from canvassing City Council - Alderman Position 1:
 - ✓ Michael Herminghaus, 434 total cast votes (100.00%).
- Cumulative results from canvassing City Council - Alderman Position 2:
 - ✓ J. Dale Dodds, 345 total cast votes (61.17%).
 - Michael Keegan, 219 total cast votes (38.83%).
- Cumulative results from canvassing City Council - Alderman Position 5:
 - ✓ Johnathan C. Curth, 435 total cast votes (100.00%).
- Councilmember Bender made a motion to approve Resolution No. 2023.05, with confirmation of Official Results from May 2023 General Election, seconded by Councilmember Dodds.
 - AYES: Herminghaus, Dodds, Bender, and Dutt.
 - NAYS: None.
- The motion carried. Resolution No. 2023.05 is adopted.
- City Administrator Pennington issued the Certificates of Election to Michael Herminghaus, City Council - Alderman Position 1; J. Dale Dodds, City Council - Alderman Position 2; and Johnathan C. Curth, City Council - Alderman Position 5.

2. Administration of the oath of office.

- Municipal Judge Klevenhagen issued the Oath of Office to Michael Herminghaus, City Council - Alderman Position 1.
- Municipal Judge Klevenhagen issued the Oath of Office to J. Dale Dodds, City Council - Alderman Position 2.

- Municipal Judge Klevenhagen issued the Oath of Office to Johnathan C. Curth, City Council - Alderman Position 5.
- 3. Consideration and possible action regarding the selection of Mayor Pro Tempore.**
- Councilmember Dodds made a motion to approve Joel Bender as Mayor Pro Tempore, seconded by Councilmember Herminghaus.
AYES: Herminghaus, Dodds, Bender, Dutt, and Curth.
NAYS: None.
 - The motion carried.
- 4. Consideration and possible action on any future agenda items, meeting dates, and similar matters.**
- Next scheduled Council Meeting is May 22, 2023.
- 5. EXECUTIVE SESSION: The City Council will adjourn into closed executive session pursuant to Section 551.071 of the Texas Government Code (Consultation with Attorney).**
- Executive session was not conducted.
- 6. Consideration and possible action on items discussed in Executive Session.**
- There was no executive session.
- 7. Adjourn.**
- Councilmember Bender made a motion for adjournment, seconded by Councilmember Dutt.
 - Mayor Kobelan adjourned the meeting at 5:41 p.m.

PASSED AND APPROVED this 22nd day of May 2023.

Mark Kobelan
Mayor

Robert Pennington
City Administrator / City Secretary