

**CITY OF PINEY POINT VILLAGE
CITY COUNCIL**

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



**PROVISIONAL COUNCIL CHAMBERS
325 PINEY POINT ROAD
HOUSTON, TEXAS 77024**

Robert Pennington, City Administrator
David Olson, City Attorney

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**THE CITY OF PINEY POINT VILLAGE
REGULAR COUNCIL MEETING
TUESDAY, MAY 28, 2024
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 TUESDAY, MAY 28, 2024, AT 6:00 P.M. LOCATED AT 325 PINEY POINT ROAD, PINEY POINT VILLAGE, TEXAS, TO DISCUSS THE AGENDA ITEMS LISTED BELOW.

I. DECLARATION OF QUORUM AND CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. CITIZENS WISHING TO ADDRESS COUNCIL - *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 inquires about a subject that is not explicitly identified on the agenda, a member of the Council or a Staff Member may only respond by stating specific factual information or reciting existing policy. The City Council may not deliberate or vote on the non-agenda matter.*

IV. PUBLIC HEARING

1. Public Hearing on the Specific Use Permit Request for Extended Hours at Memorial Drive Elementary School, 11202 Smithdale Road. Spring Branch Independent School District is seeking approval from the Planning and Zoning Commission and City Council to extend its work hours within the city. This extension is necessary to provide additional time for the builder, Marshall Construction, to meet the crucial timeline for the final completion of Memorial Drive Elementary School.

V. NEW BUSINESS

2. Consideration and possible action on an ordinance (ORD 05.2024-D) related to amending the Specific Use Permit Request for extended hours at Memorial Drive Elementary School, 11202 Smithdale Road.
3. Consideration and possible action on approval of the Council Meeting Minutes.
 - a) Regular Session Meeting Minutes held on April 15, 2024.
 - b) Special Session Meeting Minutes held on May 14, 2024.

- c) Special Session Meeting Minutes held on May 20, 2024.
4. Hear and accept the City of Piney Point Village's annual financial report and audit presentation for fiscal year 2023 by independent auditor BrooksWatson & Co.
5. Consideration and possible action on the Memorial Villages Police Department.
 - a) Update on activities.
 - b) MVPD 2023 Audit.
 - c) MVPD 2025 Budget.
 - d) E-Bicycles (ORD 2024.04).
6. Consideration and possible action on the Village Fire Department.
 - a) Update on activities.
 - b) VFD Audit.
 - c) VFD 2025 Budget.
 - d) VFD Financials.
 - e) VFD Agendas & Minutes.
7. Consideration and possible action regarding the Mayor's Monthly Report.
 - a) Emergency Management of Storm Related Activities.
8. Consideration and possible action regarding the City Administrator's Monthly Report, including but not limited to:
 - a) Financial Related Items
 - i. Financial Report – March 2024.
 - ii. Property Tax Report.
 - iii. Budget Calander.
 - iv. Disbursements (greater than \$10,000).
 - b) Update on Current Specific Use Permit Projects.
 - c) Update on Phase I Traffic Signal Rebuild.
9. Consideration and possible action on resolutions authorizing changes in depository and investment account signatories for the city.
 - a) Amegy Bank (RES 05.2024-E).
 - b) TexPool Investments (RES 05.2024-F).
 - c) Texas Class Investments (RES 05.2024-G).
10. Consideration and possible action on a reduction of fee permits related to storm damage from June 17, 2024.
11. Consideration and possible action regarding a resolution (RES 2024.05-H), the appointment to the Planning and Zoning Commission.
12. Consideration and possible action on the Engineer's Report.
 - a) School Zones.
 - b) Fence Request – 11303 Somerland Way.
13. Discuss and consider possible action on any future agenda items, meeting dates, and similar matters.
 - a) Special Council Meeting – Monday, June 10, 2024.
 - b) Engineering Meeting - Wednesday, June 12, 2024.
 - c) Beautification Meeting – TBD.

- d) Regular Council Meeting – Monday, June 24, 2024.
- e) City Holiday – Thursday, July 4, 2024.

VI. EXECUTIVE SESSION

- 14. The City Council will now hold a closed executive meeting pursuant to the provision of Chapter 551, Texas Government Code, in accordance with the authority contained in:
 - d) **Section 551.071**- Consultation with City Attorney.
 - e) Reconvene into an open session.

- 15. Consideration and possible action on items discussed in the Executive Session.

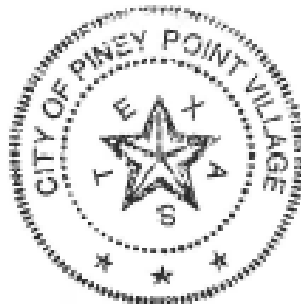
VII. ADJOURNMENT

CERTIFICATION

I certify that a copy of the May 28, 2024, agenda of items to be considered by the Piney Point Village City Council was posted in a place convenient to the public on May 24, 2024, in compliance with Chapter 551 of the Texas Government Code.



Robert Pennington
City Administrator / City Secretary



In compliance with the Americans with Disabilities Act, the City of Piney Point Village will provide 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 before 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: City Council

FROM: R. Pennington, City Administrator

MEETING DATE: May 28, 2024

SUBJECT: Public Hearing on the Specific Use Permit Request for Extended Hours at Memorial Drive Elementary School, 11202 Smithdale Road.

Agenda Item: 1

Informational Summary

This public hearing is an official meeting held by the City Council where members of the public are allowed to provide comments, testimony, or opinions on a proposed plan, policy, law, or decision before it is finalized or implemented.

Spring Branch Independent School District is seeking approval from the Planning and Zoning Commission and City Council to extend its work hours within the city. This extension is necessary to allow the builder, Marshall Construction, to meet the crucial timeline for the final completion of Memorial Drive Elementary School.

Recommendation

The council's primary responsibility is to oversee an open forum where citizens may express their perspectives without engaging in advocacy for or against proposals during the public hearing. Establishing predetermined time limits to ensure the efficient management of the agenda may be beneficial for the council.

TO: City Council

FROM: R. Pennington, City Administrator

MEETING DATE: May 28, 2024

SUBJECT: Consideration and possible action on an ordinance (ORD 05.2024-D) related to amending the Specific Use Permit Request for extended hours at Memorial Drive Elementary School, 11202 Smithdale Road.

Agenda Item: 2

Informational Summary

Spring Branch Independent School District is seeking approval from the Planning and Zoning Commission and City Council to extend its work hours within the city. This extension is necessary to allow the builder, Marshall Construction, to meet the crucial timeline for the final completion of Memorial Drive Elementary School.

This item was on the Thursday, May 23, agenda of the Planning and Zoning Commission. The City Council highly values the Commission's recommendation on any changes to the original Specific Use Permit, as this decision is a collaborative effort.

Recommendation

The staff recommends that the council take into consideration the potential disruption to the surrounding neighborhood, in addition to the requirements of the school district, in order to adequately prepare for the timely commencement of the public school year.

Attachment:

ORD. 05.2024-D (Draft)

UPDATED 5.20.24

ORDINANCE NO. 2024-_____

AN ORDINANCE OF THE CITY OF PINEY POINT VILLAGE, TEXAS, IN ACCORDANCE WITH DIVISION 4 OF ARTICLE II OF CHAPTER 74 OF THE CITY'S CODE OF ORDINANCES, ESTABLISHING AND APPROVING AN AMENDMENT TO THAT SPECIFIC USE PERMIT GRANTED PER ORDINANCE NO. 2022.11.28 FOR THE PURPOSE OF CONSTRUCTING A NEW REPLACEMENT SCHOOL BUILDING AND RELATED IMPROVEMENTS ON THE MEMORIAL DRIVE ELEMENTARY SCHOOL TRACT; AMENDING THE MEMORIAL DRIVE ELEMENTARY SCHOOL SPECIFIC USE PERMIT TO PROVIDE FOR THE ALLOWANCE OF ADDITIONAL CONSTRUCTION WORK HOURS INSIDE THE BUILDING AND CONDITIONS FOR SUCH EXTENDED WORK HOURS; PROVIDING FOR THE CONTINUED FULL FORCE AND EFFECT OF ORDINANCE NO. 2022.11.28, EXCEPT AS ADMENDED HEREIN; PROVIDING FOR A PENALTY OF AN AMOUNT NOT TO EXCEED \$2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Piney Point Village (the "City"), pursuant to Division 4 of Article II of Chapter 74 of the City's Code of Ordinances, did hereby approve a Specific Use Permit on November 28, 2022 for Memorial Drive Elementary School for a new replacement school building and other improvements, subject to certain conditions (the "Project"), and

WHEREAS, the City finds it to be in the best interest of the health, safety, and welfare of its citizens to approve the following amendment to the Memorial Drive Elementary School Specific Use Permit to allow for additional construction work hours inside the Project's school building, subject to certain conditions; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PINEY POINT

SECTION 1.

In addition to the stated construction work hours permitted under Chapter 10, Article 1, Section 10-1 of the City's Code of Ordinances, construction activities for interior finishing work on the Project will be permitted beginning as of the Effective Date of this Ordinance through September 30, 2024 during the following additional times (the "Extended Hours"):

Monday through Friday	<u>6:00am until 7:00am</u> 7:00pm until 10:00pm
Saturday	<u>6:00pm until 8:00pm</u>
Sunday	8:00am until 8:00pm

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No work shall be conducted on Sundays or the City-observed Holidays of Memorial Day, Independence Day, and Labor Day.

SECTION 2.

Construction activities during the Extended Hours shall strictly adhere to the following requirements:

1. Work shall only be conducted inside the Project's school building;
2. School building doors shall remained closed, to the extent possible;
3. No noise from the work conducted inside the building shall reach beyond the Project's property boundaries;
4. No exterior work or construction activities shall occur outside the school building, regardless of the noise level generated;
5. No deliveries or staging of materials will be permitted;
- ~~6.~~ All vehicles shall be parked on Project property in designated Project areas, away from resident-only streets;
- ~~6-7.~~ All worker breaks shall be taken inside the building;
- ~~7-8.~~ Other than that required for emergency or security purposes, all lights shall be turned off ~~by~~ at the end of the Extended Hours period;
- ~~8-9.~~ Onsite security staff will be present at all times to ensure work hours and noise levels are enforced, lights are turned off, and the building is properly secured; and

SECTION 3.

Except as expressly amended by the provisions hereof, the terms and provisions in Ordinance No. 2022.11.28 shall continue to govern the Project and all provisions in Ordinance No. 2022.11.28 shall remain in full force and effect as stated therein.

SECTION 4.

Any person, firm or corporation who intentionally, knowingly, recklessly, or with criminal negligence violates any provision of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined in an amount not to exceed \$~~24~~,000.00 per offense. No penalty shall be greater or less than the penalty provided for the same or similar offense under the laws of the State of Texas. Each day of any violation shall constitute a separate offense.

SECTION 5.

In the event any clause, phrase, provision, sentence or part of this Ordinance or the application of the same to any person or circumstances shall for any reason be adjudged 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, Texas, 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, whether there be one or more parts.

SECTION 6.

This ordinance shall be in full force and effect after its passage, with an Effective Date of the date adopted by the City Council of the City of Piney Point Village, Texas; and it is so ordained.

PASSED, APPROVED, AND ADOPTED THIS _____ DAY OF _____, 2024.

MAYOR

ATTEST:

CITY SECRETARY

ORDINANCE NO. 2022.11.28

AN ORDINANCE OF THE CITY OF PINEY POINT VILLAGE, TEXAS, IN ACCORDANCE WITH DIVISION 4 OF ARTICLE II OF CHAPTER 74 OF THE CITY'S CODE OF ORDINANCES, ESTABLISHING AND APPROVING ISSUANCE OF A SPECIFIC USE PERMIT FOR DEMOLITION OF CERTAIN IMPROVEMENTS, REPURPOSING OF CERTAIN EXISTING IMPROVEMENTS, CONSTRUCTION OF NEW REPLACEMENT FACILITY, AND INSTALLATION OF CERTAIN RELATED ACCESSORY STRUCTURES, AS WELL AS CERTAIN DRAINAGE IMPROVEMENTS, AND TREE REPLACEMENT AND PLANTING, ALL ON THE MEMORIAL DRIVE ELEMENTARY SCHOOL TRACT, REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR A PENALTY OF AN AMOUNT NOT TO EXCEED \$2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF; AND PROVIDING FOR SEVERABILITY.

WHEREAS, the City of Piney Point Village (the "City") finds it to be in the best interest of the health, safety, and welfare of its citizens to approve the following improvements on the Memorial Drive Elementary School tract subject to certain conditions; now, therefore,

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

Section 1. The facts and recitations set forth in the preamble of this Ordinance are hereby found to be true and correct and are hereby adopted.

Section 2. The City hereby establishes and approves issuance of a specific use permit, as outlined by the terms of this Ordinance, to permit demolition of certain improvements, repurposing of certain existing improvements, renovation of certain existing improvements, construction of a new replacement facility, and installation of certain related accessory structures, as well as certain drainage improvements, and tree replacement and planting, all on the Memorial Drive Elementary School tract (collectively called the "Improvements"). Such improvements are further described under the Project (Memorial Drive Elementary School – Replacement) description below, as well as identified in the Plans attached hereto as **Exhibit C - K**, described in the Detailed Scope of Work attached hereto as **Exhibit A**, and the timing of the project is further outlined in the Timeline of Work attached hereto as **Exhibit B**, all made a part of this Ordinance hereof. City Council approval of the proposed Improvements provided for in this Ordinance is subject to adherence to the specifications provided for in this Ordinance, obtaining applicable building permits, and other conditions provided for below:

In addition to the Improvements identified in the Plans attached hereto as **Exhibit C-K**, the Project (Memorial Drive Elementary School – Replacement) shall include:

1. The demolition portion of the Project will include removal of all existing flatwork, drives, parking areas and sidewalks, totaling approximately 82,020 square feet. Of the

10,262 square feet of existing impervious play areas on the site, approximately 6,603 square feet will be removed. All existing MEP equipment, both indoors and outdoors, will be removed. Abatement will be performed by Spring Branch ISD through an authorized agent of the State prior to the start of demolition. Mandatory notices will be filed 10 days in advance of the work commencing. All building components except the existing Library and Gymnasium will be demolished and removed from the site. Some trees will be removed. The project team engaged with an independent Urban Forestry team to evaluate the viability of every tree going forward and those deemed unhealthy now have been added to the list of removal. Specific and intentional criteria have been added to the Contract Documents to define requirements for the preservation of all trees tagged to remain in the project. Select existing playground equipment and its associated fall protection zones will be removed/replaced in kind during the reconfiguration of the play fields. Care will be given to those areas underneath the existing canopy/drip line of the legacy trees to the North and East of the playfields; it is intended that these areas will be hand excavated to minimize potential damage from heavy machinery.

2. The following sitework:

- a. There is approximately 54,306 square feet of new concrete drives and parking areas proposed as part of the project. The drives and parking areas will be located on the east and west sides of the property. There is approximately 34,537 square feet of proposed sidewalks and a total of approximately 10,049 square feet of impervious play area (existing to remain and proposed.)
- b. The existing site only allowed for 30 on-site parking spots with off-site, street accessed parking spots directly adjacent and in front of the school. The Project will provide additional parking stalls for a total of 60 spots on-site, while planning for 16 head-in street parking stalls accessed from Smithdale Road. Bus and Parent Drop off lanes have been modified per the Traffic Control Management Plan which is attached hereto as Exhibit K. The District agrees to revisit its traffic study six (6) months after occupancy by students and again when enrollment reaches 500 students. The District further agrees to use its best efforts to mitigate any significant impact that is attributable and roughly proportionate to the District's development.
- c. A covered play structure will be provisioned directly behind the gymnasium. This is an open-air structure above approximately 3,588 square feet of poured concrete play surface. Basketball goals and court markings will enhance this zone.
- d. An exercise track will meander around the new playfields and wind underneath some of the boundary trees. This will be used for both PE instruction, as well as serve the community using it for after-hour exercise. Benches and tables for

viewing will be co-located in strategic spots near the playfields. All will be installed on concrete pads and their respective square footages have been included in the impervious lot coverage calculations.

- e. The building structures and connected canopies cover 68,696 square feet of the 7.973 acres site. This represents 19.78% of impervious lot coverage. The paving structures, driveways, and playground equipment cover 171,177 square feet of the 7.973 acres site. This represents an additional 29.51% of impervious coverage. For both combined items, the Project is under the maximum allowable total impervious lot calculation of 50%, with a total impervious cover calculation of 49.29%, with the remaining allowance reserved for any future modifications as may be required to meet educational public purposes.

3. The following utility scope:

- a. **Water Service:** a new public 8" water line will be constructed on the west and north sides of the proposed building. The 8" public water line will connect to the existing public water line in Smithdale Road (on the southwest side) and to the existing public water line in Oak Lane (on the northeast side of the site). The new 8" public water line will be located within a new 10' wide easement dedicated to the Memorial Villages Water Authority. The proposed building will be serviced by a 3" domestic water line connection to the new 8" public water line. The existing 3" domestic water meter will be re-used and a new reduced pressure backflow preventer will be provided. A new 6" fire water line will serve the new building. This line will also be connected to the new 8" public water line and will have a 6" double check backflow on the line.
- b. **Sanitary Sewer:** the new building will have two new sanitary sewer service connections to the existing public 8" sanitary sewer line located in a 10' utility easement running north/south along the east side of the site (adjacent to the Oak Lane right-of-way). There will be one new 8" service connection near the southeast corner of the new building and one new 8" service connection near the northeast corner of the building.
- c. **Storm/Sewer Drainage/Detention:** All proposed site drainage will be collected internally to the site into underground storm sewer lines. The new storm sewer lines will connect into the public City storm sewer system in three places.
 - i. One system will connect on-site near the northeast corner of the new building to a public 36" City storm sewer line;
 - ii. The second connection will be located at the southeast corner of the site into a public 42" storm line; and
 - iii. The third location is at the southwest corner of the site and it will tie into a public 18" storm sewer system.

Per City criteria, detention is being provided for the increased impervious area of the Project. There is an increase of impervious area of 10,934 square feet which results in a detention requirement of 8,876 cubic feet. By using oversized underground storm sewer pipes, as referenced in the City approved Drainage Plan, there is 9,853 cubic feet of detention provided in the new design, exceeding the current City requirements.

4. The following tree disposition and landscape plan:
 - a. A third-party Urban Forestry team was engaged to perform an onsite field walk and assessment of every tree on the property, PPV City Arborist was invited and attended this survey. At this walk, it was determined that 41 of the existing trees will contribute towards the target plantings for this site.
 - b. By City Ordinance, the property owner must achieve 1x tree / per 2,000 square feet of site. This site is 7.973 acres = 347,304 sf / 2,000 = 173.652 trees of qualifying species, health and caliper (3" minimum) must be present to satisfy criteria. For purposes of this tracking, the design team is rounding up to a target of 174 trees needed.
 - c. This project is unique in that it is an educational facility and must provide a certain amount of open field space to facilitate its PE instruction curriculum. Additionally, some community teams and individuals utilize the playfields and playground equipment outside of school operational hours. The District is attempting to balance the tree density requirements with the very real need to create open play zones, to the benefit of all users.
 - d. Care has been given to preserve existing trees by providing pre-construction preparation requirements, on-going protection, and watering regimes through the duration of construction.
 - e. SBISD has engaged a licensed Landscape Architect team to design the new plantings and specific irrigation needs of the new site. In addition to the preserved trees, a total of 133 new trees are proposed to be integrated into a comprehensive design of the campus.
 - f. Some of these plantings fall inside of an aerial easement governed by CenterPoint Energy, and will require review and acceptance by that outside jurisdiction, who has indicated that this approach is acceptable to such entity. Proposed planting details are provided further in the packet on the Tree Disposition Plan, which is attached hereto as Exhibit G.
 - g. Our proposed planting strategy currently achieves the target tree plantings (174) on site. We are noting that the success of this strategy is contingent upon, discovery of any unknown field conditions (hidden utilities), and the survivorship of existing contributing stock during the construction phase

duration. If during the construction phase, or the period up to one year following substantial completion, there is a loss of existing trees that causes the site to fall under the minimum number of trees per the City's Tree Ordinance, such trees will be replaced at or near point of removal with a qualifying tree within a reasonable amount of time.

5. The following architecture:

- a. Approximately 84,507 square feet of new construction will be placed on the site integrated into the 10,344 square feet of existing space to remain, with a max building height of 32'- 2" above average grade line; satisfying the maximum allowable building height limit of 35' – 0" above average grade line.
- b. The existing campus was a series of single and double loaded classroom wings, much of which were connected and accessed by outdoor covered canopies. The new building will be fully conditioned and all corridors will be enclosed and weather protected.
- c. SBISD is looking to retain any portion of the campus that could meet current Educational Specification criteria. The new building will repurpose the existing gymnasium and library spaces, finish floors will be matched in elevation to the new slab through gradual incline accomplished over the horizontal length of corridors.
- d. The new building is centrally sited to allow front entry procession, and ample room on either side for separated parent and bus arrivals to use perimeter drives and turnarounds. The Library will be street forward and a prominent beacon of learning on display to the community. Also, near the front will be a multi-purpose room that can be accessed from a secured vestibule, allowing for independent use from the rest of the facility and lending itself to after hour meeting events.
- e. The new project has included, but is not limited to the following safety systems and provisions: Automatic Sprinkler System tied into Fire Alarm System, fire extinguishers, smoke detection systems, visual locks in each classroom, access control and intrusion detection systems, security cameras, life safety generator, emergency egress lighting system, controlled entry vestibule, impact resistant glazing at reception, numbered exterior doors, and emergency responder radio system (ERRS).
- f. The classroom wing will be a 2-story building with (12x) grade level classrooms double stacked. All classrooms have windows to the exterior along the perimeter, and views to interior Learning Courtyard across the circulating corridor. Built in storage, flexible teaching stations, student furniture and presentation technology round out the standard classroom provisioning.

- g. The Cafeteria will offer dual service as an eating environment and as seating to the raised stage for student performances, and guest speakers. It is near the Gymnasium for spill over capacity at larger events. It has been strategically located and provisioned with large expanses of glass to take advantage of the connecting views to the outdoor Learning Courtyard, as well as out to the playfields. Based on its intentional placement near both drop offs, it can also support morning pre-school staging, as well as after school cuing.
 - h. The outdoor Learning Courtyard is meant to provide visual and physical connections for the entirety of the campus to the outdoors. In the classroom wing, special extended instruction zones, called FLEX spaces will open directly onto it for easy access from the classrooms. A portion of the overall space will be dedicated to the early learners and is nestled in a protective space near their classrooms. Art and Science Labs will have a shared, dedicated patio where outdoor instruction can be supported.
 - i. Special Education classrooms have been located near administrative support teams and the Clinic. They have views of the outdoor Learning Courtyard and a separate entry to ease in supporting specialized transportation needs.
 - j. Physical education spaces and amenities include indoor gymnasium with rock climbing wall and age-appropriate sports equipment, covered outdoor play, age separated play structures, PE programmed exercise berms, outdoor track, (2x) soccer fields, (2x) kickball / baseball fields with backstops. Additional tables, benches, and covered structures have also been planned and are itemized in the permit sets under current review by the City.
 - k. (1x) 2,500 lb. capacity hydraulic elevator by Otis will be installed and inspected by a third party.
6. Mechanical System: The cooling services for the building will be generated by two-air cooled chillers each rated for 175 tons. The chilled water will be pumped to all chilled water coils serving the conditioned spaces. The heating services for the building will be generated by two-condensing type boilers each rated for 1800 MBH output. The hot water will be pumped to all hot water coils serving the conditioned spaces. Air distribution to the occupied spaces will be provided by a combination of large central station air handling units, fan-coil units and VRF units. Outside air will be pre-treated before being delivered to the occupied spaces. Outside air quantities are sized to comply with code and to maintain appropriate pressures within the conditioned spaces. Separate exhaust systems are provided for Restrooms, dryers and for Kitchen equipment. Roof mounted equipment will consist of air-cooled condensing units (16x), Heat Recovery Unit (1x), Toilet Exhaust Fans (12x), Kitchen Exhaust Fans (3x), Dryer Exhaust Fans (3x), Air Intake Vents (6x) and Relief Vents (4x). Portions of this equipment will be concealed in a sunken equipment well with vertical surrounds that will restrict direct viewing from the ground. All Mechanical

equipment will be controlled by an electronic energy management system, and all Mechanical systems are specified to be air balanced and commissioned prior to occupancy.

7. **Electrical System: CenterPoint (CNP) Power Service:** a new power service will be brought to the site using the existing CNP power poles and new underground conductors to a new CNP pad-mounted transformer. The new CNP pad-mounted transformer will serve a new 3,000 Amp Main Switchboard (480/277v, 3ph, 4W). The new Main Switchboard will provide power for all lighting, equipment and miscellaneous power requirements in the new building and on the site. All lighting will be new and will be LED type fixtures. Indoor lighting will be controlled by daylighting and occupancy sensors as required by code and outdoor lighting will be controlled by energy management schedules. Emergency power for the emergency lighting, fire alarm, security, Information Systems, and other owner selected systems will be provided by one-300 KW natural gas generator. A new fully addressable fire alarm system will serve the new facility. All systems will be grounded as per the NEC.
8. **Plumbing and Fire Protection:** All piping, all fixtures and all equipment will be new for the building and for the site related plumbing and fire protection systems. Domestic Cold-Water services will be provided by an underground 3" water line that will serve all fixtures and equipment requiring water. Domestic Hot Water services will be provided by two-condensing low NOX water heaters each rated at 199 CFH and 95% thermal efficiency. Isolation valves and shock arrestors will be provided at all fixture groups and at each piece of equipment. Domestic Cold Water and Hot Water piping will be Type K copper below grade and Type L copper above grade. Sanitary waste and vent piping will be provided for all plumbing fixtures, floor drains and equipment requiring waste services. Floor drains will have a combination of trap primers and trap guards. Sanitary waste and vent piping will be Schedule 40 PVC piping where not located in a return air stream and CPVC when located in a return air stream. Storm drainage will be provided for all roofs through primary and overflow roof drains or scuppers. Storm drain piping will be Schedule 40 PVC piping where not located in a return air stream and CPVC when located in a return air stream. The elevator pit will have one-50 GPM submersible sump pump for water removal. A new medium pressure natural gas service will be routed underground to a new CenterPoint Energy gas meter and regulation station that will reduce the service to low pressure. The low-pressure gas piping will be routed in the building to all water heaters, all cooking equipment and to all dryers. The building will be fully sprinklered in accordance with NFPA.
9. Both new construction and connections into existing buildings to remain will be accomplished using steel framed structure and cold formed metal framed exterior walls with brick veneer. Foundations will be poured on site, with first level floor slab designed as slab on grade construction, with drilled and underreamed piers.

10. Safety of staff and all visitors drives the provisioning of adequate parking and paving lighting on the project – in particular, any areas where pedestrian and vehicular traffic may overlap. The nationally recognized benchmark of ANSI / IES RP-8-21 technical guidelines was used to set the lower limits for foot candles in these areas. All new site (parking) fixtures selected will have the latest energy efficient lamping types, be pole mounted, face into the property at the perimeter, and have downward directing light pollution shields. They will not exceed allowable limits for footcandles as measured at the property edges. There are no plans for landscaping or ambient site lighting.

Building wall packs to provide safe navigation to and specific operational use of entry points have been provided. These lights follow the exterior outline of the building and generally are no closer to property edge lines than existing conditions. In most cases – they sit further away from neighbors than the previous campus design. The only portion of the project that is of 2-story height is the classroom wing facing the western property line. It has been strategically pulled further away from the property line than the existing building and sits approximately 100' away from the fence line, and on average over 200' away from neighboring residences.

All new Interior lights were specifically selected reduced power draw to comply with current energy code watts/sqft and to meet 2018 IECC energy efficient criteria. They are controlled by occupancy sensors and will "time out" after 20 minutes of inactivity, causing the lights to turn off automatically if no motion is detected. Further, they can be controlled through the Building Automated System (BAS) remotely. Normal use of the Facility requires after hours custodial maintenance, cleaning and restocking to ensure it is fully operational for the following day. These hours can vary, but protocols are in place for lights to be turned off after the teams have completed their tasks. The District agrees to establish protocols for rooms that have windows facing outwards towards the property lines, to ensure that blinds in such rooms are closed by 9pm every night to help reduce the amount of light that escapes the facility.

Additional information and proposed hours of operation for exterior and interior lighting is provided in EXHIBIT L.

11. SLR (Acoustical Engineer of Record) has modeled the expected sound level at the property line surrounding the MDE School due to the new mechanical equipment that is planned for the replacement project. Our model shows that the averaged predicted sound levels should be equal to or lower than the current mechanical equipment noise levels that we measured on September 8, 2022. Using this information as a basis, we recommend the following noise limits for the future equipment:

The new mechanical equipment for the MDES campus will be designed to satisfy the criteria of the near peer jurisdiction of Spring Valley Village Noise Ordinance (cross dated to the time of the PPV building permit submission). The sound levels produced

by the new MDES mechanical equipment when operating at normal steady state conditions should not exceed 55 dBA at the fence line of the adjacent property when measured 5' above the ground. The ambient sound level shall be subtracted from the fence line measurement to derive only the mechanical noise contribution at the fence line. Sound measurements shall be made with a Type 1 or Type 2 calibrated sound level meter utilizing the A-weighting scale and the slow meter response as specified by the American National Standards Institute (A.N.S.I. S1.4-1984/85A). Measurements recorded shall be taken to provide a proper representation of the sound being measured. The microphone of the meter shall be shielded by use of a windscreen and positioned so as not to create any unnatural enhancement or diminution of the measured sound.

12. The following Space Program:

- a. The SBISD Elementary School Program was tailored to this specific application and in alignment with community needs and is planned to serve up to 550 students for the life of the building. The proposed design provides (2x) classrooms in addition to the (22x) currently used in the existing campus. These additional classrooms will provide flexibility to meet any population changes within the current elementary school feeder pattern. All departmental areas were reviewed with SBISD Academic Leadership prior to planning of the new facility.
- b. This facility was designed to support approved student to teacher ratios and the cascading square foot requirements, as set forth by Texas Educational Agency (TEA) Standards, have been satisfied.
- c. The Administration area includes the Main Entry, Reception, Admin offices, Records, Counseling and Diagnostic spaces, and support spaces needed to run the day-to-day operations of the campus. It will house the Faculty Lounge, Workroom, and Storage in a centralized area. It hosts the Clinic Area that has separate spaces for a Nurse's office, treatment, restroom, and storage.
- d. The Media Center (Library) is sized to seat up to (3x) classrooms at a time with additional spacing for drop ins. The circulation desk offers visual command of the area and provides an easy point of approach for students needing assistance. Off stage support rooms include a Librarian Work Room / Office, Technology Office, A/V Storage, separate Literacy Library, and a Virtual / Broadcast Room. In keeping with the District's commitment to digital integration into learning, the resource materials are also available online and the Media Center supports dedicated student computers specific to research and exploration.
- e. Music Instruction is facilitated in a dedicated classroom with specialized storage; students use this space on a rotational basis. Art Instruction is

facilitated in a dedicated classroom, with a kiln, specialized storage, and access to an outdoor patio; students use this space on a rotational basis. Science Instruction is facilitated through a dedicated classroom / lab space that also has access to an outdoor patio; students use this space on a rotational basis.

- f. A new cafeteria will host meal service as well as provide gathering space for assemblies, special speakers, or live performances. The adjacent full-service kitchen will be used to prepare meals on site and is accessed directly from the service yard to receive food product deliveries that will be stored in built in refrigeration / freezer units.
- g. The Gymnasium space is being refreshed from an equipment and interior finish out perspective. It will open internally to the Cafeteria, and externally out onto the play fields via the covered play court.
- h. Grossing factors were allocated during the planning phase to ensure that MEP infrastructure, technology rooms, and circulating spaces were accommodated in the final footprint.

13. The following specific use permit requests:

- a. **Site fencing:** In alignment with Spring Branch ISD Design and Construction standards, portions of the property will be secured by fencing. Any fence frontage line along Smithdale drive is proposed to be a black ornamental steel fence of 6'-0" height. Access controlled gate openings will allow pedestrian and equipment access. The remainder of the perimeter fencing will abut neighbors along portions of the west, east and north property lines. This project is proposing to enclose the entirety of the playfields with a 6'-0" high black vinyl faced galvanized metal fabric fence. There are no gates proposed for this portion of the fence enclosure. Note, many of the adjacent properties already have existing 8' wood fences along shared property lines with the campus. The school fencing will be installed on the district property. A Fencing Diagram is attached hereto as Exhibit J.
- b. **Monument Signage:** A new monument sign with a small inset electronic display board is proposed along Smithdale Road at the parent drop off drive / front entry corner of the site and will be set back a minimum of 10'-0" inside of all property lines. The new sign will be powered and can be controlled by a programmable timer with remote interface capabilities. The lighted portion of the sign will be allowed to scroll messages on, have up to 3 colors, and will remain static for 2 minutes before changing. Operational hours of display may be between the hours of 6:30 am – 9:00 pm, 7 days a week. Materials to match the building exterior have been carefully selected to allow the sign to blend in. The sign will host the school's address in a prominent fashion for first

responders, and be visible from both directions of approaching traffic. The proposed sign meets PPV sign ordinance height limits but exceeds allowable square foot size by 17.5 square feet per face. Details are provided in attached Exhibit H.

- c. **Generator:** Emergency power for the emergency lighting, fire alarm, security, Information Systems, and other owner selected systems will be provided by one-300 KW natural gas generator. The exterior grade generator is permanently located inside of the Service Yard and screened from view by a brick surround. The anticipated noise levels of the generator have been included in the projected equipment analysis provided by the Acoustical Engineer; it will be tested post installation and commissioning to ensure it falls within projected tolerances. Acoustical modeling shows that City of Piney Point Village Noise Ordinance criteria are met.
- d. **Roof Top Equipment:** Roof mounted equipment will consist of air-cooled condensing units (16), Heat Recovery Unit (1), Toilet Exhaust Fans (12), Kitchen Exhaust Fans (3), Dryer Exhaust Fans (3), Air Intake Vents (6) and Relief Vents (4). Portions of this equipment will be concealed in a sunken equipment well with vertical surrounds that will restrict direct viewing from the ground. These units are typical of commercial grade design and placement and are appropriate selections based on project typology.
- e. **Decking:** Pervious decking constructed within the outdoor learning courtyard, provided that any decking in the interior courtyard should be categorized as pervious cover.
- f. **Outdoor Classroom:** Open air outdoor classroom structure located within the outdoor learning courtyard.
- g. **Playground Equipment and Shade Structures:** Playground equipment and shade structures located within the playfield area, not to exceed 35 feet in height.
- h. **Driveways/sidewalks:** All driveways and sidewalks, including paved walking paths, shall comply with the Plans and Detailed Scope of Work attached as exhibits to this Ordinance.

Section 3. Nonmaterial Amendments to the Specific Use Permit. City staff is authorized to consider a minor, nonmaterial change to the Memorial Drive Elementary School Plans, Improvements or other conditions provided herein if such proposed change is considered minor and non-substantive, and if such proposed change has no adverse effect or impact on any adjacent property owner. City staff will require an engineer, architect, or other qualified expert, on behalf of the Memorial Drive Elementary School, to provide written confirmation, with evidence if applicable, that the proposed change satisfies the two-part test provided for in this

Section. If City staff determines that the proposed change does satisfy the aforementioned test, then a permit may be issued for such change; provided, however, if City staff determines that the proposed change does not satisfy the test, then Memorial Drive Elementary School will be required to apply for another Specific Use Permit to obtain permission to proceed with the proposed change. Requested Administrative Changes must not:

- Violate any other current City Ordinance, except non-substantive changes to those ordinances granted specific waivers from in the original SUP;
- Exceed any maximum noise level requirements contained in the original SUP, as measured at the affected property line(s);
- Exceed drainage calculations, other than those approved by the City Engineer;
- Exceed the approved design square-footage by more than 2% of that approved in the original SUP, as long as additional square-footage does not exceed impervious coverage requirements;
- Make any changes to the stated height(s) of the approved building(s);
- Make any changes to the stated height and type of fencing approved in the original SUP;
- Violate the City’s Tree Ordinance, or any tree allotments specified in the original SUP;
- Make any changes to signage specifically granted in the SUP that is within 100 feet of the front property line, or add any permanent signage that is within 100 feet of the front property line.

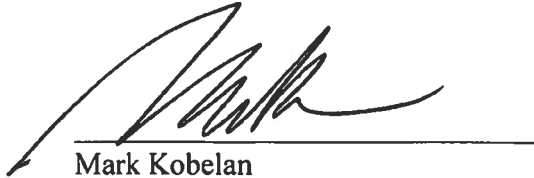
For purposes of this Section, City staff includes the City Administrator, Building Official, City Engineer, City Attorney, and the Mayor. Any administratively permitted changes will be placed on the next regular City Council agenda under City Administrator’s report as an informational item so that the public is informed of such change.

Section 4. Any person who intentionally, knowingly, recklessly, or with criminal negligence violates any provision of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined in an amount not to exceed \$2,000.00 per offense. No penalty shall be greater or less than the penalty provided for the same or similar offense under the laws of the State of Texas. Each day of any violation shall constitute a separate offense.

Section 5. In the event any clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstances shall for any reason be adjudged 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, Texas, 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, whether there be one or more parts.

Section 6. All ordinances or parts of ordinances inconsistent or in conflict herewith, are, to the extent of such inconsistency or conflict, hereby repealed.

PASSED, APPROVED, AND ADOPTED this 28 day of November, 2022.



Mark Kobelan
Mayor

ATTEST:



Robert Pennington
City Administrator / City Secretary



Exhibit A

In support of this Special Use Permit request, the following written Scope of Work document is hereby incorporated by attachment.

Exhibit B

MEMORIAL DRIVE ELEMENTARY ESTIMATED PROJECT SCHEDULE

PROJECT ENGAGEMENT & DESIGN

- PROJECT KICK OFF OCTOBER 2021
- FACT FINDING PHASE 3 MONTHS
- DESIGN PHASE WITH CONCURRENT PAT MEETINGS 6 MONTHS
- DOCUMENTATION PHASE 4 MONTHS
- PROCUREMENT WITH CONCURRENT PERMITTING 3 MONTHS

DEMOLITION & CONSTRUCTION

- CAMPUS MOVES OFF-SITE JANUARY 2023
- CAMPUS MAKE READY + DEMOLITION 2-3 MONTHS
- CONSTRUCTION 18-20 MONTHS
- CAMPUS MOVE IN + ACTIVATION 2 MONTHS
- OPEN FOR CLASSES AUGUST 2024

Exhibit C-K

In support of this Special Use Permit request, the following plans and diagrams are submitted for consideration:

- EXHIBIT C - SITE PLAN | Existing
- EXHIBIT D - SITE PLAN | Proposed
- EXHIBIT E - FLOOR PLAN | Level 1
- EXHIBIT F - FLOOR PLAN | Level 2
- EXHIBIT G - TREE DISPOSITION PLAN
- EXHIBIT H - MONUMENT SIGN | Plan and Details
- EXHIBIT I - ROOF TOP EQUIPMENT PLAN
- EXHIBIT J - FENCING DIAGRAM
- EXHIBIT K - TRAFFIC FLOW MANAGEMENT PLAN

TO: City Council

FROM: R. Pennington, City Administrator

MEETING DATE: May 28, 2024

SUBJECT: Consideration and possible action on approval of the Council Meeting Minutes.

Agenda Item: 3

Informational Summary

The following is the draft of minutes from the following council meetings.

- a) Regular Session Meeting Minutes held on April 15, 2024.
- b) Special Session Meeting Minutes held on May 14, 2024.
- c) Special Session Meeting Minutes held on May 20, 2024.

Recommendation

Staff recommends approving minutes from the council meeting on April 15, 2024, May 14, 2024, and May 20, 2024.

MINUTES OF A CITY OF PINEY POINT VILLAGE REGULAR COUNCIL MEETING MONDAY, APRIL 15, 2024, 6:00 P.M. AT ECCLESIA CHURCH, 325 PINEY POINT ROAD, PINEY POINT VILLAGE, TEXAS.

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

Councilmembers Virtual: Jonathan Curth (via phone).

City Representatives Present: Bobby Pennington, City Administrator; David Olson, City Attorney; Solace Southwick, Police Commissioner; James Huguenard, Police Commissioner; Eric Jones, Police Commander; Henry Kollenberg, Fire Commissioner; Howard Miller, Fire Chief; Joe Moore, City Engineer; Annette Arriaga, Building Official.

I. Call To Order

- At 6:00 p.m., Mayor Kobelan declared a quorum and called the meeting to order.
- Council led the Pledge of Allegiance to the United States of America Flag.

II. Citizens Wishing to Address Council

- There were no comments from the public.

III. NEW BUSINESS

1. Consideration and possible action on the Memorial Villages Police Department Monthly Report: a.) Update on activities, b.) MVPD 2023 Review of Services and FY23 Budget Equitable Funding Review, c.) MVPD Budget Amendment to reclassify fiscal year 2023 budget line items, providing a surplus of \$48,600. d.) E-Bicycles (ORD 2024.04).

- In March, the MVPD responded to and handled 1,440 calls and incidents for Piney Point Village alone. Additionally, 1,027 house watch checks were conducted, and 286 citations, with 191 warnings, were issued during this period.
- The MVPD presented the 2023 Review of Services and FY23 Budget Equitable Funding Review. The data supports a recommendation that funding continue to remain equal at 33.3% per village.
- The MVPD proposed moving \$48,600 between operating accounts in the fiscal year 2023 budget without affecting the net budget.
- The department presented a draft ordinance for the council to review regarding policy recommendations for e-bike regulations.
- Councilmember Herminghaus moved to approve the MVPD budget amendment line item reclass as presented. The motion was seconded by Bender.
 - AYES: Herminghaus, Dodds, Bender, and Dutt.
 - NAYS: None.
- The motion carried.

2. Consideration and possible action on the Village Fire Department Monthly Report: a.) Update on activities, b.) VFD Regular Agenda (03/27/24).

- In March, VFD responded to 208 calls and incidents across all the villages in the service area, with an average response time of 4 minutes and 38 seconds. Out of these 208 calls, 36 were related to Piney Point and had an average response time of 4 minutes and 47 seconds.
- Chief Miller and Commissioner Kollenberg provided updates on the department's operations and activities.
- No further action was taken.

- 3. Consideration and possible action on the monthly report presented by the Mayor.**
 - The mayor gave an update on Greenbay.
 - The mayor delivered farewell remarks and expressed gratitude for the community's support during his tenure.

- 4. Consideration and possible action on the City Administrator's Monthly Report, including but not limited to a) Financial Related Items (Financial Report – March 2024, Property Tax Report, Investment Report, Disbursements); b) Update on Current Specific Use Permit Projects; c) Arbor Day Foundation – 2023 Recognition.**
 - The Council discussed the additional fees and time associated with SFEC SUP.
 - Cary Moran was recognized for her efforts in establishing the city as a member of Tree City USA in 2023.
 - Councilmember Bender moved to approve the Quarterly Investment Report ending March 31, 2024, as presented. The motion was seconded by Dodds.
 - AYES: Herminghaus, Dodds, Bender, and Dutt.
 - NAYS: None.
 - The motion carried.
 - Councilmember Bender moved to approve disbursements as presented. The motion was seconded by Herminghaus. ○ AYES: Herminghaus, Dodds, Bender, and Dutt.
 - NAYS: None.
 - The motion carried.

- 5. Consideration and possible action on Spring Branch Independent School District's request for additional accessory structures at the new Memorial Drive Elementary, specifically two flagpoles.**
 - Councilmember Bender motioned to approve the measure as it was deemed minor and nonsubstantive to the requirements of the Specific Use Permit. The motion was seconded by Dodds.
 - AYES: Herminghaus, Dodds, Bender, and Dutt.
 - NAYS: None.
 - The motion carried.

- 6. Consideration and possible action on Spring Branch Independent School District's request for additional but limited work hours on the interior construction of Memorial Drive Elementary.**
 - The Council discussed SBISD's request to extend work hours beyond Section 3 of the current SUP to complete the project before August 15, when students return.
 - The Council requested that SBISD notify neighbors about extended hours and provide public notice of the requested change through a public hearing scheduled for May 28th.
 - No formal action was taken.

- 7. Consideration and possible action on authorizing HDR to negotiate a change order for additional point repairs in the Williamsburg Drainage Improvements Project.**
 - A change order is recommended to fund concrete point repairs on North or South Country Squire to address areas where the pavement holds standing water. HDR's priority is a two-panel replacement on North Country Squire.
 - Councilmember Dodds motioned to authorize HDR to negotiate a change order not to exceed \$42,000 for additional point repairs in the Williamsburg Drainage Improvements Project. The motion was seconded by Bender.

- AYES: Herminghaus, Dodds, Bender, and Dutt.
- NAYS: None.
- The motion carried.

8. Consideration and possible action on the signage of the four school zones within the city, including flashing beacons.

- J. Moore estimates that the probable construction cost for all four school zones is \$136,000. The flashing beacons can be procured through HGAC as a possible cost alternative.
- J. Moore discussed the current school zone configurations and possible adjustments.
- Discussion continued on drafting the school zone ordinance.
- Staff is to negotiate potential change order options for signage available under the HGAC quote and present these options at the May meeting.
- No formal action was taken.

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

- The discussion included the light additions at SFEC, which violate the SUP and the Smithdale Estates Bypass intake structure.
- No formal action was taken.

10. Consideration and possible action on approval of the Regular Session Meeting Minutes held on March 25, 2024.

- Councilmember Herminghaus moved to approve the meeting minutes from March 25, 2024, as presented. The motion was seconded by Bender.
 - AYES: Herminghaus, Dodds, Bender, and Dutt.
 - NAYS: None.
- The motion carried.

11. Discuss and consider possible action on any future agenda items, meeting dates, and similar matters.

- There are four meetings scheduled in May:
 - An engineering meeting on May 8th,
 - A beautification meeting on May 13th, and
 - A special council meeting TBD with a tentative date of Tuesday, May 14, for Election Certification, and
 - A regular council meeting on Tuesday, May 28th.
- May 27th is a City Holiday in observance of Memorial Day.

IV. EXECUTIVE SESSION UNDER TEXAS GOVERNMENT CODE

12. The City Council executive meeting pursuant to the provision of Chapter 551, Texas Government Code, in accordance with the authority contained in Section 551.071, Consultation with City Attorney and Section 551.072, Real Estate Property. Section 551.074.

- The council convened into an executive session, and Councilmember Curth ended the phone connection at 7:36 p.m.
- The council reconvened into the regular public meeting at 7:47 p.m.

13. Consideration and possible action on items discussed in the Executive Session.

- Councilmember Bender moved to approve the 7660 Woodway lease agreement that extends the lease to February 28, 2033. The motion was seconded by Dodds.
 - AYES: Herminghaus, Dodds, Bender, and Dutt.

- NAYS: None.
- The motion carried.
- No other formal action was taken from the Executive Session.

V. ADJOURNMENT

14. Adjourn.

- Councilmember Bender made a motion for adjournment, seconded by Councilmember Herminghaus.
- Mayor Kobelan adjourned the meeting at 7:48 p.m.

PASSED AND APPROVED this 28th day of May 2024.

Aliza Dutt
Mayor

Robert Pennington
City Administrator / City Secretary

MINUTES OF A CITY OF PINEY POINT VILLAGE SPECIAL COUNCIL MEETING TUESDAY, MAY 14, 2024, 6:00 P.M. AT ECCLESIA CHURCH, 325 PINEY POINT ROAD, PINEY POINT VILLAGE, TEXAS.

Councilmembers Present: Mark Kobelan (Incumbent-Mayor), Aliza Dutt (Mayor-Elect), Michael Herminghaus, Dale Dodds, Joel Bender, Jonathan Curth, and Margaret Rohde (Council-Elect).

City Representatives Present: Bobby Pennington, City Administrator; David Olson, City Attorney; James Huguenard, Police Commissioner; Solace Southwick, Police Commissioner; Ray Shultz, Police Chief; Henry Kollenberg, Fire Commissioner; Howard Miller, Fire Chief; Gracie Moylan, Engineer Representative; Annette Arriaga, Building Official Director; Michelle Yi, Finance Director.

I. Call To Order

- At 6:10 p.m., Mayor Kobelan declared a quorum and called the meeting to order.

II. Pledge of Allegiance

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

III. Citizens Wishing to Address Council

- No one requested to address the Council.

1. Consideration and possible action to consider Resolution No. 2024.05, 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 4, 2024, General Election for the purpose of electing City Council - Alderman Position 3, City Council - Alderman Position 4, and Mayor.

- The City received the official results on May 13, 2024. The official results, which are the canvassed returns, show Aliza Dutt as Mayor, Joel Bender as Position 3, and Margaret Rohde as Position 4.
- Councilmember Herminghaus moved to approve a resolution (RES. 2024.05) and confirm the order canvassing the returns and declaring the results of the May 4, 2024, General Election for the purpose of electing City Council - Alderman Position 3, City Council - Alderman Position 4, and Mayor. Bender Seconded the motion.
 - AYES: Herminghaus, Dodds, Bender, Dutt, and Curth.
 - NAYS: None.
- The motion carried.

2. Administer the oath of office for the City Mayor, City Council Alderman Position 3, and City Council Alderman Position 4.

- The honorable Judge Klevenhagen administered the oaths of office to Aliza Dutt as City Mayor, Joel A. Bender as Alderman Position 3, and Margaret Rohde as Alderman Position 4.
- The newly elected officials assumed their positions after taking the oath.

3. Consideration and possible action to consider Resolution No. 2024.05-A, to formally acknowledge the outgoing mayor's service and contributions to the community.

- Councilmember Herminghaus moved to approve a resolution (RES. 2024.05-A) to formally acknowledge the outgoing mayor's service and contributions to the community. Bender seconded the motion.
 - AYES: Herminghaus, Dodds, Bender, Rohde, and Curth.
 - NAYS: None.
- The motion carried.

4. Consideration and possible action regarding Resolution No. 2024.05-B, the selection of Mayor Pro Tempore.

- Councilmember Dodds moved to approve a resolution (RES. 2024.05-B) the selection of Mayor Pro Tem. Herminghaus seconded the motion.
 - AYES: Herminghaus, Dodds, Bender, Rohde, and Curth.
 - NAYS: None.
- The motion carried.

5. Consideration and possible action regarding Resolution No. 2024.05-C, the appointment to the Planning and Zoning Commission, and recommendation of a Chairperson.

- The Council discussed the need to fill the three vacant Planning and Zoning Commission positions. It was recommended by the Council that the appointment action be included on the agenda for the next council meeting for thorough consideration on the three vacancies. The Council also discussed the recommendation of the chairperson.
- Councilmember Dodds moved to approve a resolution (RES. 2024.05-C), the recommendation of Don Jones as the chairperson of Planning and Zoning. Bender seconded the motion.
 - AYES: Herminghaus, Dodds, Bender, Rohde, and Curth.
 - NAYS: None.
- The motion carried.

6. Consideration and possible action regarding school zones and planned purchase and placement of school zone signage and flashing beacons.

- Discussion was held regarding the beacon connectivity and disposal of existing signage. CTC Option A is priced at \$125,597. CTC Option B is a quote without connectivity at \$108,317, and Option C involves the removal and disposal of all existing signage at \$32,200.
- SBISD needs more time to review MDE zone limits. The current zone is very broad, and Engineering proposes a condensed zone and we are requesting their official opinion.
- Councilmember Rohde proposed approving "Option A," which is priced at \$125,597.00. The motion includes a contingency of an additional \$40,000 for potential beacon and signage additions. The motion further includes that HDR return with three bids for the removal of existing signage and negotiate with the HGAC vendor for the final amount. The motion was seconded by Bender.
 - AYES: Herminghaus, Dodds, Bender, Rohde, and Curth.
 - NAYS: None.
- The motion carried.

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

- It was noted that Monday, May 27, is a city holiday, and the Regular Council Meeting is scheduled for Tuesday, May 28, as adjusted for Memorial Day.

8. Executive Session.

- There was no call for an executive session.

9. Consideration and possible action on items discussed in the Executive Session

- There was no executive session.

Adjournment.

- Councilmember Bender made a motion for adjournment, seconded by Councilmember Dodds.
- Mayor Dutt adjourned the meeting at 6:44 p.m.

PASSED AND APPROVED this 28th day of May 2024.

Aliza Dutt
Mayor

Robert Pennington
City Administrator / City Secretary

MINUTES OF A CITY OF PINEY POINT VILLAGE SPECIAL COUNCIL MEETING TUESDAY, MAY 20, 2024, 4:00 P.M. AT ECCLESIA CHURCH, 325 PINEY POINT ROAD, PINEY POINT VILLAGE, TEXAS.

Councilmembers Present: Aliza Dutt, Michael Herminghaus, Dale Dodds, Joel Bender, Jonathan Curth, and Margaret Rohde.

Councilmembers Absent: Dale Dodds.

City Representatives Present: Bobby Pennington, City Administrator; David Olson (Phone), City Attorney; Ray Shultz, Police Chief.

I. Call To Order

- At 4:02 p.m., Aliza Dutt declared a quorum and called the meeting to order.

II. Pledge of Allegiance

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

III. Citizens Wishing to Address Council

- No one requested to address the Council.

1. Consideration and possible action on extending the disaster declaration declared on May 17, 2024.

- Councilmember Herminghaus motioned to extend the disaster declaration for seven days. Councilmember Bender seconded the motion.
 - AYES: Herminghaus, Bender, Rohde, and Curth.
 - NAYS: None.
- The motion carried.

2. Consideration and possible action on extending the temporary curfew order declared on May 17, 2024.

- Councilmember Bender motioned to terminate the temporary curfew order effective May 20, 2024. Councilmember Herminghaus seconded the motion.
 - AYES: Herminghaus, Bender, Rohde, and Curth.
 - NAYS: None.
- The motion carried.

3. Consideration and possible action on debris removal.

- The administration has provided information regarding the expected debris removal process in Harris County Precinct 3. Additionally, there has been discussion about establishing a staging facility where residents can properly dispose of storm debris.
- The Council discussed long-term improvements to the local grid system and the inspection of trees within the utility easement.
- No further action was taken.

4. Discuss and consider possible action on any future agenda items, meeting dates, and similar matters.

- The next meeting is the regular Council Meeting scheduled for May 28.

5. Executive Session.

- There was no call for an executive session.

6. Consideration and possible action on items discussed in the Executive Session

- There was no executive session.

Adjournment.

- Councilmember Bender made a motion for adjournment, seconded by Councilmember Rohde.
- Mayor Dutt adjourned the meeting at 4:50 p.m.

PASSED AND APPROVED this 28th day of May 2024.

Aliza Dutt
Mayor

Robert Pennington
City Administrator / City Secretary

TO: City Council

FROM: R. Pennington, City Administrator

MEETING DATE: May 28, 2024

SUBJECT: Presentation by BrooksWatson & Co. of Fiscal Year 2023 Financial Audit and consider acceptance as presented.

Agenda Item: 4

Summary:

As required by State Statute, Chapter 103, an independent audit of the City's accounts and records has been made by the certified public accounting firm of BrooksWatson & Co., PLLC, for the year ending December 31, 2023. The annual financial statement, including the auditor's opinion, is to be filed with the office of the City Secretary within 180 days after the last day of the City's fiscal year.

Conclusion:

The audited financial statements and annual financial report are hereby presented to the Mayor and City Council for the year ending December 31, 2023.

Recommendation:

Accept the City's Fiscal Year 2023 Annual Financial Report including the Federal Single Audit prepared by the accounting firm of BrooksWatson & Co., PLLC.

Attachment(s):

Piney Point Village 2023 ACF (draft)

Federal Single Audit Report (draft)

ANNUAL FINANCIAL REPORT

of the

City of Piney Point Village, Texas

**For the Year Ended
December 31, 2023**

City of Piney Point Village, Texas

TABLE OF CONTENTS

December 31, 2023

FINANCIAL SECTION

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

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position	18
Statement of Activities	21

Fund Financial Statements

Balance Sheet – Governmental Funds	22
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	25

Notes to the Financial Statements	27
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REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balances- Budget and Actual - General Fund	59
Schedule of Changes in Net Pension Liability and Related Ratios	60
Schedule of Employer Contributions to Pension Plan	61
Schedule of OPEB Liability and Related Ratios	63



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Piney Point Village, Texas:

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 City of Piney Point Village, Texas (the "City"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City'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 City of Piney Point Village, Texas, as of December 31, 2023, 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) and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 City of Piney Point Village, Texas 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 City'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 City'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 City'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 City'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the general fund budgetary comparison information, the schedule of changes in net pension liability and related ratios, the schedule of employer contributions to pension plan, and schedule of changes in the other postemployment benefits liability and related ratios, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 22, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

signature added upon finalization and issuance

BrooksWatson & Co., PLLC
Certified Public Accountants
Houston, Texas

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*MANAGEMENT'S DISCUSSION
AND ANALYSIS*

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City of Piney Point Village, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

December 31, 2023

As management of the City of Piney Point Village, Texas (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2023.

Financial Highlights

- The City's total combined net position is \$38,766,232 at December 31, 2023. Of this, \$5,791,655 (unrestricted net position) may be used to meet the City's ongoing obligations to its citizens and creditors.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$5,873,327, an increase of \$242,885.
- As of the end of the year, the unassigned fund balance of the general fund was \$5,594,228 or 60% of total general fund expenditures.
- The City had an overall increase in net position of \$2,004,604. The majority of the City's net position is invested in capital assets and restricted for specific purposes.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City'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 City's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the City'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 and expenses

City of Piney Point Village, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2023

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 City that are principally supported by taxes and intergovernmental revenues (*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 City include general government, public safety, public works, culture and recreation, and community development.

FUND FINANCIAL STATEMENTS

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as *on balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the City'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 City of Piney Point Village, Texas 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. Funds consist of major funds general fund and debt service fund as well as nonmajor funds capital projects fund and special revenue fund.

The City adopts an annual appropriated budget for its general fund and debt service fund. A budgetary comparison schedule has been provided to demonstrate compliance with the general fund budget.

City of Piney Point Village, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2023

Notes to Financial Statements

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

Other Information

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI that GASB Statement No. 34 requires includes a budgetary comparison schedule for the general fund and schedule of funding progress for Texas Municipal Retirement System. The 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 City's financial position. For the City, assets exceeded liabilities by \$38,766,232 as of December 31, 2023, in the primary government.

The largest portion of the City's net position, \$32,696,663, reflects its investments in capital assets (e.g., land, infrastructure, and streets), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City'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.

City of Piney Point Village, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2023

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	Governmental Activities	
	2023	2022
Current and other assets	\$ 14,421,523	\$ 14,571,001
Long-term assets	35,591,439	34,829,092
Total Assets	50,012,962	49,400,093
Deferred Outflows of Resources	109,363	37,124
Other liabilities	1,529,614	2,295,788
Long-term liabilities	1,948,617	2,860,108
Total Liabilities	3,478,231	5,155,896
Deferred Inflows of Resources	7,877,862	7,519,693
Net Position:		
Net investment in capital assets	32,696,663	30,232,245
Restricted	277,914	1,078,754
Unrestricted	5,791,655	5,450,629
Total Net Position	\$ 38,766,232	\$ 36,761,628

City of Piney Point Village, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2023

Statement of Activities:

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

	Governmental Activities	
	2023	2022
Revenues		
Program revenues:		
Charges for services	\$ 1,190,337	\$ 989,843
Grants and contributions	309,000	724,874
General revenues:		
Property taxes	7,449,921	6,997,533
Sales taxes	510,017	410,160
Franchise and local taxes	392,353	388,233
Investment income	449,773	111,669
Other revenues	172,044	523,964
Total Revenues	10,473,445	10,146,276
Expenses		
General government	1,538,303	1,448,022
Police	2,254,593	2,119,750
Fire	1,969,287	1,698,980
Sanitation	559,622	536,200
Municipal court	29,382	19,321
Public works	2,085,229	1,586,124
Interest and fiscal charges	32,425	61,361
Total Expenses	8,468,841	7,469,758
Change in Net Position	2,004,604	2,676,518
Beginning Net Position	36,761,628	34,085,110
Ending Net Position	\$ 38,766,232	\$ 36,761,628

City of Piney Point Village, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2023

Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the City's activities.

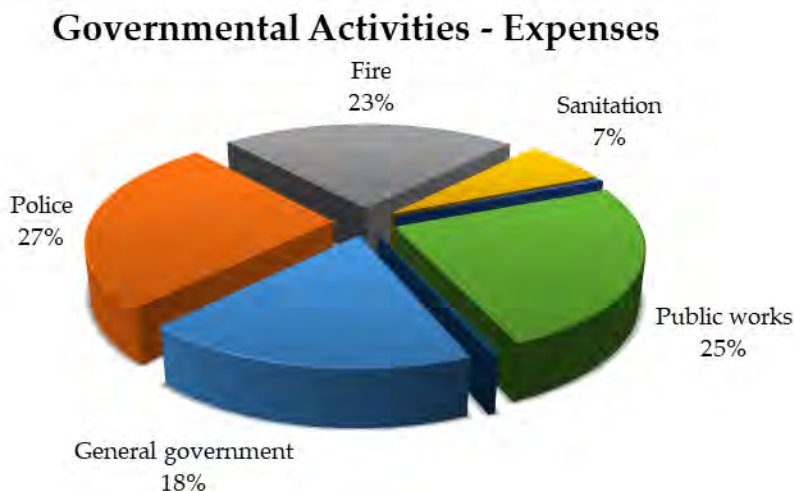
Governmental Activities - Revenues



For the year ended December 31, 2023, revenues from governmental activities totaled \$10,473,445. Property tax is the City's largest revenue source at \$7,449,921. Charges for services increased \$200,494 or 20%, which is primarily a result of additional permit fees during the year compared to last. Grants and contributions decreased \$415,874 or 135% due to some nonrecurring contributions received in the previous year from the American Rescue Plan and from Harris County. Property taxes increased by \$452,388 or 6% due to the increase in appraisal values. Sales taxes increased \$99,857 or 24% due to added online sales. In addition, investment income increased \$338,104 primarily due to higher interest rates caused by changing market conditions and change in interest bearing account balances. Other revenues decreased by \$351,920 primarily due to nonrecurring reimbursements and recoveries received in the previous current year. All other revenues were relatively consistent with the previous year.

City of Piney Point Village, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2023

This graph shows the governmental function expenses of the City:



For the year ended December 31, 2023, expenses for governmental activities totaled \$8,468,841. This represents an increase of \$999,083 from the prior year. The City's largest functional expense is police in the amount of \$2,254,593, which increased by \$134,843 or 6% from the previous year. The increase is primarily due to an increase in personnel costs and purchase of needed equipment at the Memorial Village Police Department during the current year. General government expenses increased \$90,281 or 6% primarily due to the a combination of change in city personnel, a rise in professional costs, and non-recurring information and technology services. Fire expenses increased by \$270,307 or 16% primarily due to added personnel costs and related equipment purchases. Municipal court expenses increased \$10,061 due to additional court dates and higher utilization of judge services during the year. Public works expenses increased by \$499,105 or 31% primarily due to an increase in non-capital related repairs and maintenance costs throughout the City in the current year. Interest and fiscal charges decreased by \$28,936 or 47%, consistent with the debt service terms of preexisting long term debt. All other expenses remained relatively stable when compared to the previous year.

FINANCIAL ANALYSIS OF THE CITY'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 City's governmental funds is to provide information of near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City'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 unassigned fund balance of \$5,594,228. The general fund increased by \$1,006,649 primarily due to revenues exceeded the budgeted revenues and capital expenditures staying below budget.

City of Piney Point Village, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2023

The debt service fund reflected a total balance of \$197,293, an increase of \$80,298. The change was due to revenues exceeding the cost of service debt.

There was an increase in governmental fund balance of \$242,885 from the prior year. The change is primarily attributable to a conservative budget, as expenditures stayed under budget and revenues exceeding budgeted expectations. The total of all governmental funds reflected a total fund balance of \$5,873,327. Of this, \$80,621 is restricted for municipal court and \$197,293 is restricted for debt service.

GENERAL FUND BUDGETARY HIGHLIGHTS

There was a total positive budget variance of \$2,809,551 in the general fund. This is a combination of a positive revenue variance of \$1,197,666 and a positive expenditures variance of \$764,466. Expenditures exceeded appropriations for general government by \$16,837, fire by \$519, sanitation by \$9,517 and public works by \$95,867.

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested \$35,591,439 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 events during the current year include the additions of construction in progress over road and drainage construction totaling \$1,943,898, \$115,289 in infrastructure, and \$10,749 in equipment. More detailed information about the City's capital assets is presented in note IV. C to the financial statements.

LONG-TERM DEBT

At the end of the current year, the City had total bonds outstanding of \$2,520,000 and lease balance of \$114,2562. During the year, the City made principal payments totaling \$906,386. More detailed information about the City's long-term liabilities is presented in note IV. D. to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

While the City is an entirely residential community, it has continued to maintain new growth as an attractive destination for Houston-based families. The City's appraised values continue to grow and this has allowed the City to retain its 2023 tax rate for 2024.

The City adopted a budget similar to last year's budget for 2024, retaining the same tax rate with no increases. Since the City's largest revenue source is property taxes, it is important to note that the City's collection rate is near 100%. The City's 2024 budget will continue to provide necessary services. Long-

City of Piney Point Village, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2023

term funds, including new debt funds that will be used to continue improving drainage and maintaining streets while holding tax rates level.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning this report or requests for additional financial information should be directed to the City Finance Director, City of Piney Point Village, 7676 Woodway, Suite 300, Houston, Texas 77063.

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FINANCIAL STATEMENTS

City of Piney Point Village, Texas

STATEMENT OF NET POSITION (Page 1 of 2)

December 31, 2023

	<u>Primary Government Governmental Activities</u>
<u>Assets</u>	
Current assets:	
Cash and cash equivalents	\$ 8,926,502
Receivables, net	5,493,836
Prepaid item	1,185
Total Current Assets	<u>14,421,523</u>
Capital assets:	
Non-depreciable	1,799,910
Net depreciable capital assets	33,791,529
Total Noncurrent Assets	<u>35,591,439</u>
Total Assets	<u>50,012,962</u>
 <u>Deferred Outflows of Resources</u>	
Deferred outflows - pension	105,583
Deferred outflows - OPEB	3,780
Total Deferred Outflows of Resources	<u>\$ 109,363</u>

City of Piney Point Village, Texas

STATEMENT OF NET POSITION (Page 2 of 2)

December 31, 2023

Liabilities

Current liabilities:

Accounts payable and accrued liabilities	\$ 294,204
Customer deposits	227,485
Accrued interest payable	28,556
Unearned revenues	22,702
Compensated absences due within one year	22,411
Long-term debt due within one year	934,256
Total Current Liabilities	1,529,614

Noncurrent liabilities:

Compensated absences due in more than one year	2,490
Long-term debt due in more than one year	1,826,024
Net pension liability	87,823
OPEB liability	32,280
Total Noncurrent Liabilities	1,948,617
Total Liabilities	3,478,231

Deferred Inflows of Resources

Deferred inflows - pension	6,285
Deferred inflows - OPEB	10,345
Unavailable revenue - property taxes	7,861,232
Total Deferred Inflows of Resources	7,877,862

Net Position

Net investment in capital assets	32,696,663
Restricted for:	
Municipal court	80,621
Debt service	197,293
Unrestricted	5,791,655
Total Net Position	\$ 38,766,232

See Notes to Financial Statements.

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City of Piney Point Village, Texas

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Primary Governmental Activities
Primary Government				
Governmental Activities				
General government	\$ 1,538,303	\$ -	\$ 173,000	\$ (1,365,303)
Police	2,254,593	-	-	(2,254,593)
Fire	1,969,287	-	-	(1,969,287)
Sanitation	559,622	-	-	(559,622)
Municipal court	29,382	136,678	-	107,296
Public works	2,085,229	1,053,659	136,000	(895,570)
Interest and fiscal charges	32,425	-	-	(32,425)
Total Governmental Activities	8,468,841	1,190,337	309,000	(6,969,504)
		General Revenues:		
		Taxes		
		Property taxes		7,449,921
		Sales taxes		510,017
		Franchise and local taxes		392,353
		Investment income		449,773
		Other revenues		172,044
		Total General Revenues		8,974,108
		Change in Net Position		2,004,604
		Beginning Net Position		36,761,628
		Ending Net Position		\$ 38,766,232

See Notes to Financial Statements.

City of Piney Point Village, Texas

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2023

	General	Debt Service	Nonmajor Capital Projects	Nonmajor Special Revenue	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 7,778,027	\$ 474,632	\$ -	\$ 80,621	\$ 8,333,280
Cash with fiscal agent	526,648	66,574	-	-	593,222
Receivables, net	4,894,782	599,054	-	-	5,493,836
Due from other funds	38,946	-	-	-	38,946
Prepaid items	1,185	-	-	-	1,185
Total Assets	\$ 13,239,588	\$ 1,140,260	\$ -	\$ 80,621	\$ 14,460,469
Liabilities					
Accounts payable and accrued liabilities	\$ 294,204	\$ -	\$ -	\$ -	\$ 294,204
Customer deposits	227,485	-	-	-	227,485
Due to other funds	-	38,946	-	-	38,946
Unearned revenue - franchise	22,702	-	-	-	22,702
Total Liabilities	544,391	38,946	-	-	583,337
Deferred Inflows of Resources					
Unavailable revenue - property taxes	7,099,784	904,021	-	-	8,003,805
Total Deferred Inflows of Resources	7,099,784	904,021	-	-	8,003,805
Fund Balances					
Nonspendable:					
Prepaid items	1,185	-	-	-	1,185
Restricted:					
Municipal court	-	-	-	80,621	80,621
Debt service	-	197,293	-	-	197,293
Unassigned:	5,594,228	-	-	-	5,594,228
Total Fund Balances	5,595,413	197,293	-	80,621	5,873,327
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 13,239,588	\$ 1,140,260	\$ -	\$ 80,621	\$ 14,460,469

See Notes to Financial Statements.

City of Piney Point Village, Texas

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

December 31, 2023

Fund Balances - Total Governmental Funds		\$ 5,873,327
 Adjustments for the Statement of Net Position:		
Capital assets and other long-term assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.		
Capital assets - non-depreciable		1,799,910
Capital assets - net depreciable		33,791,529
 Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.		
Property tax receivables		142,573
 Deferred outflows (inflows) of resources, represent a consumption of net position that applies to a future period(s) and is not recognized as an outflow of resources (expense/ expenditure) until then.		
Pension contributions		44,486
Pension difference in earnings		61,097
Pension difference in experience		(6,285)
OPEB contributions		818
OPEB difference in experience		2,962
OPEB change in assumptions		(10,345)
 Some liabilities, including bonds payable and deferred charges, are not reported as liabilities in the governmental funds.		
Accrued interest		(28,556)
Compensated absences		(24,901)
Bond premium		(126,024)
Long-term debt		(2,634,256)
Net pension asset		(87,823)
OPEB liability		(32,280)
Net Position of Governmental Activities	\$	<u><u>38,766,232</u></u>

See Notes to Financial Statements.

City of Piney Point Village, Texas

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

For the Year Ended December 31, 2023

	General	Debt Service	Nonmajor Capital Projects	Nonmajor Special Revenue	Total Governmental Funds
Revenues					
Property tax	\$ 6,544,370	\$ 910,861	\$ -	\$ -	\$ 7,455,231
Sales tax	510,017	-	-	-	510,017
Franchise and local taxes	392,353	-	-	-	392,353
License and permits	1,053,659	-	-	-	1,053,659
Intergovernmental	136,000	-	-	-	136,000
Fines and forfeitures	132,817	-	-	3,861	136,678
Investment income	402,386	47,387	-	-	449,773
Other revenue	345,044	-	-	-	345,044
Total Revenues	9,516,646	958,248	-	3,861	10,478,755
Expenditures					
Current:					
General government	1,395,726	-	-	-	1,395,726
Police	2,254,593	-	-	-	2,254,593
Fire	1,969,287	-	-	-	1,969,287
Sanitation	559,622	-	-	-	559,622
Municipal court	28,878	-	-	504	29,382
Public works	622,617	-	-	-	622,617
Capital outlay	2,401,418	-	-	-	2,401,418
Debt Service:					
Principal	116,386	790,000	-	-	906,386
Interest and fiscal charges	8,889	87,950	-	-	96,839
Total Expenditures	9,357,416	877,950	-	504	10,235,870
Excess of Revenues Over (Under)					
Expenditures	159,230	80,298	-	3,357	242,885
Other Financing Sources (Uses)					
Transfers in	847,419	-	-	-	847,419
Transfers (out)	-	-	(847,419)	-	(847,419)
Total Other Financing Sources (Uses)	847,419	-	(847,419)	-	-
Net Change in Fund Balances	1,006,649	80,298	(847,419)	3,357	242,885
Beginning fund balances	4,588,764	116,995	847,419	77,264	5,630,442
Ending Fund Balances	\$ 5,595,413	\$ 197,293	\$ -	\$ 80,621	\$ 5,873,327

See Notes to Financial Statements.

City of Piney Point Village, Texas
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, 2023

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

Net changes in fund balances - total governmental funds	\$	242,885
<p>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.</p>		
Capital outlay		2,069,936
Depreciation expense		(1,251,185)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		(5,310)
<p>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.</p>		
Compensated absences		2,790
Accrued interest		9,455
<p>The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) 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. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when they are first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Amortization of premium		54,959
Principal payments		906,386
Pension expense		(25,716)
OPEB expense		404
Change in Net Position of Governmental Activities	\$	2,004,604

See Notes to Financial Statements.

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City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

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 of the nonfiduciary activities of the primary government and its component units. *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. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. Reporting Entity

The City of Piney Point Village, Texas (the "City") was organized in 1954 to provide municipal services such as police; fire; code enforcement; public works; street repair and maintenance; and general administrative services.

The City is an independent political subdivision of the State of Texas governed by an elected five member council and a mayor and is considered a primary government. 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 City's financial reporting entity. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City 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 City'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.

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

Joint Venture

Joint Ventures are legal entities or other organizations that result from a contractual arrangement that are owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control. The participants retain either an ongoing financial interest or an ongoing financial responsibility. The City's two joint ventures are described as follows:

Village Fire Department

Village Fire Department ("VFD") was created in 1978 as part of an agreement between multiple contracting cities joined into an interlocal cooperation agreement to establish a common municipal fire department, chartered as the Village Fire Department. The City does not have an equity interest and has no significant influence over VFD's administration or operation.

Memorial Villages Police Department

The Memorial Villages Police Department ("MVPD") was created in 1977 as part of an agreement between multiple contracting cities joined into an interlocal cooperation agreement to furnish all police services and law enforcement activities to the participating cities. The City does not have an equity interest and has no significant influence over MVPD's administration or operation.

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. Separate financial statements are provided for governmental 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 City. 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. Separate statements for each fund category, governmental are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

The government reports the following governmental funds:

Governmental Funds

Governmental funds are those funds through which most governmental functions are typically financed.

General Fund

The general fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, municipal court, public safety, public works, and code enforcement. The general service fund is considered a major fund for reporting purposes.

Debt Service Fund

The debt service fund is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of governmental funds. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

Capital Projects Funds

The capital project funds are used to account for the expenditures of resources accumulated from general obligation bonds, tax notes, related interest earnings, and other sources for capital improvement projects. The capital projects fund is a nonmajor fund for reporting purposes.

Special Revenue Fund

The special revenue fund is used to account for the proceeds of specific revenue sources (other than expendable trusts and major capital projects) that are legally restricted, committed, or assigned for specified activities. The special revenue fund is a nonmajor fund for reporting purposes.

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.,

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

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

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

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

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

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

1. Deposits and Investments

The City'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 City 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 TexPool, are reported using the pools' share price.

The City 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 City 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 Measurement

The City 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"

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

(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 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.”

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. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Penalties are calculated after February 1 up to the date collected by the government at the rate of 6% for the first month and increased 1% per month up to a total of 12%. Interest is calculated after February 1 at the rate of 1% per month up to the date collected by the government. Under state law, property taxes levied on real property constitute a lien on the real property which cannot be forgiven without specific approval of the State Legislature. The lien expires at the end of twenty years. Taxes levied on personal property can be deemed uncollectible by the City.

5. 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). Certain payments to vendors reflect costs applicable to the future accounting period (prepaid expenditures) are recognized as expenditures when utilized.

6. 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 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.

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

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.

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Furniture and equipment	5 to 10 years
Infrastructure	20 to 65 years

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. 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. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

8. 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 and proprietary 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 – net position to have been depleted before unrestricted – net position is applied.

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

9. 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.

10. 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 governing 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.

11. 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

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

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.

12. Other Postemployment Benefits (“OPEB”)

The City 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) 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.

13. Compensated Absences

It is the City's policy to permit regular full-time employees to accumulate earned but unused vacation up to a maximum of 20 days. Vacation amounts accumulated may be paid to employees upon termination of employment or at retirement. New employees are ineligible for vacation benefits during the first six months of employment and vacation amounts will not be paid upon separation during this period. The estimated amount of compensation for services provided 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 when it becomes due. Amounts of vested or accumulated vacation leave 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.

14. 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

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

Net Position. Bond premiums and discounts 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.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

The property tax rate is allocated each year between the general and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the tax along with the interest earned in the debt service fund.

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

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

16. Leases

Lessee: The City is a lessee for a noncancellable lease. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

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 bonds, are not due and payable in the current period and, therefore, are not reported in the funds.

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

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.”

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles except for the capital projects funds, which appropriated on a project-length basis.

The legal level of control as defined by the City Charter is the function level. No funds can be transferred or added to a budgeted item without Council approval. Appropriations lapse at the end of the year. No supplemental budget appropriations were made during the year. For the year ended December 31, 2023, expenditures exceeded appropriations at the legal level of control within the general fund for general government by \$16,837, fire by \$519, sanitation by \$9,517, and public works \$95,867.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As of December 31, 2023, the primary government had the following investments:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Weighted Average Maturity (Years)</u>
External investment pools	\$ 8,231,834	0.12
Total carrying value	<u>\$ 8,231,834</u>	
Portfolio weighted average maturity		0.12

Interest rate risk – In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average of maturity not to exceed five years; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations; monitoring credit ratings of portfolio position to assure compliance with rating requirements imposed by the Public Funds Investment Act; and invest operating funds primarily in short-term securities or similar government investment pools.

Credit risk – The City’s investment policy limits investments to obligations of the United States, State of Texas, or their agencies and instrumentalities with an investment quality rating of not less than “A” or its equivalent, by a nationally recognized investment rating firm. Other obligations must be unconditionally guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency and investment pools with an investment quality not less than AAA or AAA-m, or equivalent, by at least one nationally recognized rating service.

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

Custodial credit risk – deposits: In the case of deposits, this is the risk that in the event of a bank failure, the City'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. As of December 31, 2023, the market values of pledged securities and FDIC exceeded bank balances.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

TexPool

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rate TexPool "AAAm". As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as the office of the Comptroller of Public Accounts for review.

TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net position to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares. There were no limitations or restrictions on withdrawals.

Texas CLASS

Texas CLASS (Texas Cooperative Liquid Assets Securities System Trust) was established in 1996, and was created as an investment pool for its Participants pursuant to Section 2256.016 of the Public Funds Investment Act, Texas Government Code. According to State Code, entities may pool any of their funds, or funds under their control, in order to preserve principal, to maintain the liquidity of the funds, and to maximize yield. The Texas CLASS Trust Agreement is an agreement of indefinite term regarding the investment, reinvestment

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

and withdrawal of local government funds. The parties to the Trust Agreement are Texas local government entities that choose to participate in the Trust (the “Participants”), Public Trust Advisors LLC (PTA) as Program Administrator, and Wells Fargo Bank Texas, N.A. as Custodian. Texas CLASS invests only in securities allowed by the Texas Public Funds Investment Act. The pool is governed by a board of trustees, elected annually by its participants. Texas CLASS is rated ‘AAAm’ by Standard and Poor’s Ratings Services. The City’s fair value position is stated at the value of the position upon withdrawal. There were no limitations or restrictions on withdrawals.

B. Receivables

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

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
Property taxes	\$ 4,687,282	\$ 599,054	\$ 5,286,336
Sales tax	43,377	-	43,377
Franchise & local taxes	54,840	-	54,840
Kinkaid	107,000	-	107,000
Other	2,283	-	2,283
	<u>\$ 4,894,782</u>	<u>\$ 599,054</u>	<u>\$ 5,493,836</u>

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended December 31, 2023

C. Capital Assets

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

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases/ Reclassifications</u>	<u>Ending Balances</u>
Capital assets, not being depreciated:				
Construction in progress	\$ 958,454	\$ 1,943,898	\$ (1,102,442)	\$ 1,799,910
Total capital assets not being depreciated	<u>958,454</u>	<u>1,943,898</u>	<u>(1,102,442)</u>	<u>1,799,910</u>
Capital assets, being depreciated:				
Infrastructure	43,827,946	115,289	1,102,442	45,045,677
Equipment	90,374	10,749	-	101,123
Right of Use Asset	340,337	-	-	340,337
Total capital assets being depreciated	<u>44,258,657</u>	<u>126,038</u>	<u>1,102,442</u>	<u>45,487,137</u>
Less accumulated depreciation				
Infrastructure	10,248,048	1,131,130	-	11,379,178
Equipment	79,687	3,367	-	83,054
Right of Use Asset	116,688	116,688	-	233,376
Total accumulated depreciation	<u>10,444,423</u>	<u>1,251,185</u>	<u>-</u>	<u>11,695,608</u>
Net capital assets being depreciated	<u>33,814,234</u>	<u>(1,125,147)</u>	<u>1,102,442</u>	<u>33,791,529</u>
Total Capital Assets	<u>\$ 34,772,688</u>	<u>\$ 818,751</u>	<u>\$ -</u>	<u>\$ 35,591,439</u>

Depreciation was charged to governmental functions as follows:

General government	\$ 120,055
Public works	<u>1,131,130</u>
Total Governmental Activities Depreciation Expense	<u>\$ 1,251,185</u>

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended December 31, 2023

D. Long-term Debt

The following is a summary of changes in the City's total governmental long-term liabilities for the year ended. In general, the City uses the debt service fund to liquidate governmental long-term liabilities.

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
Governmental Activities:					
Bonds, notes and other payables:					
General Obligation Bonds	\$ 3,310,000	\$ -	\$ (790,000)	\$ 2,520,000	\$ 820,000
Premium	180,983	-	(54,959)	126,024	-
Lease	230,642	-	(116,386)	114,256	114,256
Total Governmental Activities	<u>\$ 3,721,625</u>	<u>\$ -</u>	<u>\$ (961,345)</u>	<u>\$ 2,760,280</u>	<u>\$ 934,256</u>
Long-term liabilities due in more than one year				<u>\$ 1,826,024</u>	

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

Long-term debt at year end was comprised of the following debt issues:

General Obligation Bonds:

\$3,910,000 General Obligation Bond, Series 2015, due in installments through 2025, interest of 2-2.5%	\$ 850,000
\$3,735,000 General Obligation Bond, Series 2017, due in installments through 2027, interest of 2-4%	1,670,000
Total General Obligation bonds	<u>\$ 2,520,000</u>
Premiums	\$ 126,024
Leases, due in monthly installments through 2024, interest of 5%	114,256
Total Deferred Amounts	<u>\$ 240,280</u>
Total Debt	<u>\$ 2,760,280</u>

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended December 31, 2023

The annual requirements to amortize debt issues outstanding at year ending were as follows:

Year ending December 31,	General Obligation Bonds	
	Principal	Interest
2024	\$ 820,000	\$ 61,050
2025	840,000	37,325
2026	425,000	19,425
2027	435,000	6,525
Total	\$ 2,520,000	\$ 124,325

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged. Repayment of general obligation bonds are from taxes levied on all taxable property located within the City. The City is not obligated in any manner for special assessment debt.

Year ending December 31,	Lease	
	Principal	Interest
2024	\$ 114,256	\$ 2,876
Total	\$ 114,256	\$ 2,876

The City's lease liability is for the use of office space to house City Hall. Lease payments are payable monthly in advance commencing on the commencement date of August 1, 2007 and continuing throughout the term and shall be accompanied by all applicable state and local sales or use taxes. Payments are payable on the first day of each month beginning on the first day of the second full calendar month of the term. The contract expired August 1, 2017 and was renewed to November 30, 2024. The City paid principal of \$116,386 and interest of \$8,889, totaling \$125,275 in lease expenses during the year.

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended December 31, 2023

E. Other Long-term Liabilities

The following summarizes the changes in the compensated absences balances of the primary government during the year. In general, the City uses the general fund to liquidate compensated absences.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
Governmental Activities:					
Compensated absences	\$ 27,691	\$ 26,813	\$ (29,603)	\$ 24,901	\$ 22,411
Total Governmental Activities	<u>\$ 27,691</u>	<u>\$ 26,813</u>	<u>\$ (29,603)</u>	<u>\$ 24,901</u>	<u>\$ 22,411</u>
Other long-term liabilities due in more than one year				<u>\$ 2,490</u>	

F. Customer Deposits

The City had customer deposits of \$227,485 in the general fund as of year-end. This consists of the City's required \$25,000 temporary certification of occupancy and \$2,000 gas meter deposit for all new home building permits. This amount will be refunded upon completion of the project and by meeting certain criteria set by the City.

G. Interfund Transactions

The composition of internal balances as of the year ended December 31, 2023 is as follows:

<u>Due to:</u>	<u>Due from:</u>	
	<u>Debt Service</u>	<u>Total</u>
General Fund	\$ 38,946	\$ 38,946
Total	<u>\$ 38,946</u>	<u>\$ 38,946</u>

Transfers from the capital projects fund to the general fund were for capital project expenditures paid for out of the general fund.

<u>Transfer In:</u>	<u>Transfer Out</u>	
	<u>Capital Projects</u>	<u>Total</u>
General Fund	\$ 847,419	\$ 847,419
Total	<u>\$ 847,419</u>	<u>\$ 847,419</u>

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended December 31, 2023

H. Fund Equity

The City records fund balance restrictions on the fund level to indicate that a portion of the fund balance is legally restricted for a specific future use or to indicate that a portion of the fund balance is not available for expenditures.

The following is a list of fund balances restricted/committed by the City:

	Restricted Fund Balance
Municipal court	* \$ 80,621
Debt service	197,293
Total	\$ 277,914

*Restricted by enabling legislation.

V. OTHER INFORMATION

A. Risk Management

The City 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 City participates along with over 2,800 other entities in the Texas Municipal League Intergovernmental Risk Pools. The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

B. Contingent Liabilities

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

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

C. Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed correctly, a substantial liability to the City could result. The City does anticipate that it will have an arbitrage liability and performs annual calculations to estimate this potential liability. The City will also engage an arbitrage consultant to perform the calculations in accordance with Internal Revenue Service's rules and regulations if indicated.

D. Pension Plans

Texas Municipal Retirement System

1. Plan Description

The City of Piney Point Village, Texas participates as one of 895 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 annual comprehensive annual financial report that can be obtained at www.tmrs.com.

All eligible employees of the city 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 city, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-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

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended December 31, 2023

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 City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	<u>Plan Year 2022</u>	<u>Plan Year 2021</u>
Employee deposit rate	5%	5%
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

Employees covered by benefit terms

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	9
Inactive employees entitled to but not yet receiving benefits	6
Active employees	<u>5</u>
Total	<u>20</u>

3. Contributions

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

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

For the Year Ended December 31, 2023

Employees for the City of Piney Point Village, Texas were required to contribute 5% of their annual gross earnings during the fiscal year. The contribution rates for the City of Piney Point Village, Texas was 6.34% in calendar year 2021. The City's contributions to TMRS for the year ended December 31, 2023, were \$34,216 and were equal to the required contributions.

4. Net Pension Liability (Asset)

The City's Net Pension Liability (Asset) was measured as of December 31, 2022, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability (Asset) was determined by an actuarial valuation as of that date.

Actuarial assumptions

The Total Pension Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.0% per year
Investment Rate of Return	6.75% net of pension plan investment expense, including inflation

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

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

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended December 31, 2023

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 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Public Equity	35.0%	7.7%
Core Fixed Income	6.0%	4.9%
Non-Core Fixed Income	20.0%	8.7%
Other Public/Private Markets	12.0%	8.1%
Real Estate	12.0%	5.8%
Hedge Funds	5.0%	6.9%
Private Equity	10.0%	11.8%
Total	100.0%	

Discount Rate

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

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

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability (asset) 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%
\$ 195,907	\$ 87,823	\$ (3,515)

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended December 31, 2023

Changes in the Net Pension (Asset) Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset) Liability (a) – (b)
Balance at 12/31/2021	\$ 867,279	\$ 923,683	\$ (56,404)
Changes for the year:			
Service cost	76,203	-	76,203
Interest	60,263	-	60,263
Change in benefit terms	12,865	-	12,865
Difference between expected and actual experience	(11,416)	-	(11,416)
Changes of assumptions	-	-	-
Contributions – employer	-	34,216	(34,216)
Contributions – employee	-	26,984	(26,984)
Net investment income	-	(67,624)	67,624
Benefit payments, including refunds of emp. contributions	(50,934)	(50,934)	-
Administrative expense	-	(583)	583
Other changes	-	695	(695)
Net changes	86,981	(57,246)	144,227
Balance at 12/31/2022	<u>\$ 954,260</u>	<u>\$ 866,437</u>	<u>\$ 87,823</u>

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, 2023, the City recognized pension expense of \$70,200.

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended December 31, 2023

At December 31, 2023, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Difference between projected and actual earnings	\$ 61,097	\$ -
Differences between expected and actual economic experience	-	6,285
Contributions subsequent to the measurement date	44,486	-
Total	\$ 105,583	\$ 6,285

The City reported \$44,486 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, 2024. 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:	
2023	\$ (653)
2024	13,541
2025	15,931
2026	25,993
2027	-
Thereafter	-
Total	\$ 54,812

6. Other Postemployment Benefits

The City 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 City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City 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-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

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended December 31, 2023

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 City 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, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	7
Inactive employees entitled to but not yet receiving benefits	1
Active employees	5
Total	13

The City's contributions to the TMRS SDBF for the years ended 2023, 2022, and 2021 were \$817, \$452, and \$201, respectively, which equaled the required contributions each year.

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2021	0.10%	0.10%	100.0%
2022	0.10%	0.10%	100.0%
2023	0.17%	0.17%	100.0%

Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2022, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended December 31, 2023

Actuarial assumptions:

The Total OPEB Liability in the December 31, 2022 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	4.05%
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

Mortality rates for active members, retirees, and beneficiaries were based on the 2019 Municipal Retirees of Texas Mortality Tables with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3% 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 4.05%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2022.

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

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.05%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.05%) or 1-percentage-point higher (5.05%) than the current rate:

1% Decrease 3.05%	Current Single Rate Assumption 4.05%	1% Increase 5.05%
\$ 38,263	\$ 32,280	\$ 27,532

City of Piney Point Village, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
For the Year Ended December 31, 2023

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/2021	\$ 42,100
Changes for the year:	
Service Cost	2,483
Interest	793
Change in benefit terms	-
Difference between expected and actual experience	2,868
Changes of assumptions	(15,424)
Benefit payments	(540)
Net changes	(9,820)
Balance at 12/31/2022	\$ 32,280

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

For the year ended December 31, 2023, the City recognized OPEB expense of \$414.

At September 30, 2023, the City 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
Difference between expected and actual experience	\$ 2,962	\$ -
Change in assumption	-	10,345
Contributions subsequent to measurement date	818	-
Total	\$ 3,780	\$ 10,345

The City reported \$818 as deferred outflows of resources related to OPEB 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, 2024.

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended December 31, 2023

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

Year ended December 31:	
2022	\$ (2,742)
2023	(3,068)
2024	(1,573)
2025	-
2026	-
Thereafter	-
	<u>\$ (7,383)</u>

E. Related Organizations and Joint Ventures

The City has entered into an interlocal agreement with the cities of Hunters Creek Village, Hedwig Village, Hilshire Village, Bunker Hill Village, and Spring Valley Village to create the Village Fire Department (VFD). The agreement automatically renews for a period of five years unless terminated by at least one of the contracting cities. Under the terms of the agreement, the City is liable for 21 percent of VFD's budget. For the year ended December 31, 2023, the City paid \$1,969,287 to the VFD.

Consolidated financial information of the VFD extracted from the audited financial statements for the year ended December 31, 2022, on which VFD's auditors expressed an unmodified opinion, are as follows:

	Net Position
Total assets	\$ 9,923,662
Total deferred outflows of resources	488,679
Total liabilities	1,402,328
Total deferred inflows of resources	1,484,598
Total Net Position	\$ 7,525,415
	Change in
	Net Position
Total revenues	\$ 8,595,247
Total expenses	7,825,429
Change in Net Position	769,818
Beginning net position	6,755,597
Ending Net Position	\$ 7,525,415

City of Piney Point Village, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

For the Year Ended December 31, 2023

The City has also entered into an interlocal agreement with the cities of Bunker Hill Village and Hunters Creek Village to create the Memorial Village Police Department (MVPD). Under the terms of the agreement, the City is liable for 33 1/3 percent of MVPD's budget. Separate financial statements may be obtained directly from MVPD. For the year ended December 31, 2023 the City paid \$2,254,593 to the MVPD.

Consolidated financial information of the MVPD extracted from the MVPD's audited financial statements for the year ended December 31, 2022, on which the MVPD's auditors expressed an unmodified opinion, are as follows:

	<u>Net Position</u>
Total assets	\$ 1,685,082
Total deferred outflows of resources	469,650
Total liabilities	2,497,340
Total deferred inflows of resources	979,453
Total Net Position	<u><u>\$ (1,322,061)</u></u>
	 <u>Change in</u>
	<u>Net Position</u>
Total revenues	\$ 6,224,118
Total expenditures/expenses	6,118,495
Change in Net Position	<u>105,623</u>
Beginning net position	<u>(1,427,684)</u>
Ending Net Position	<u><u>\$ (1,322,061)</u></u>

F. Subsequent Events

There are no material subsequent events through May 22, 2024, the date the financial statements were issued.

REQUIRED SUPPLEMENTARY INFORMATION

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City of Piney Point Village, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended December 31, 2023

	Original Budget	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property tax	\$ 6,475,089	\$ 6,475,089	\$ 6,544,370	\$ 69,281
Sales tax	382,000	382,000	510,017	128,017
Franchise and local taxes	430,000	430,000	392,353	(37,647)
License and permits	536,400	536,400	1,053,659	517,259
Intergovernmental	136,500	136,500	136,000	(500)
Fines and forfeitures	88,891	88,891	132,817	43,926
Investment income	61,100	61,100	402,386	341,286
Other revenue	209,000	209,000	345,044	136,044
Total Revenues	8,318,980	8,318,980	9,516,646	1,197,666
Expenditures				
Current:				
General government	1,378,889	1,378,889	1,395,726	(16,837) *
Police	2,318,078	2,318,078	2,254,593	63,485
Fire	1,824,868	1,968,768	1,969,287	(519) *
Sanitation	550,105	550,105	559,622	(9,517) *
Municipal court	38,250	38,250	28,878	9,372
Public works	526,750	526,750	622,617	(95,867) *
Capital outlay	3,215,767	3,215,767	2,401,418	814,349
Debt Service:				
Principal	116,386	116,386	116,386	-
Interest and fiscal charges	8,889	8,889	8,889	-
Total Expenditures	9,977,982	10,121,882	9,357,416	764,466
Revenues Over (Under) Expenditures	(1,659,002)	(1,802,902)	159,230	1,962,132
Other Financing Sources (Uses)				
Transfer in	-	-	847,419	847,419
Total Other Financing (Uses)	-	-	847,419	847,419
Net Change in Fund Balance	(1,659,002)	\$ (1,802,902)	1,006,649	\$ 2,809,551
Beginning fund balance			4,588,764	
Ending Fund Balance			\$ 5,595,413	

Notes to Required Supplementary Information

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

* Expenditures exceeded appropriations at legal level of control.

City of Piney Point Village, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS

Years Ended:

	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Total pension liability									
Service cost	\$ 76,203	\$ 59,486	\$ 60,242	\$ 54,795	\$ 58,644	53,851	\$ 44,402	\$ 44,331	\$ 38,858
Interest	60,263	54,248	48,618	43,255	38,860	34,623	32,502	29,095	25,044
Changes in benefit terms	12,865	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(11,416)	103	8,225	(3,007)	(6,997)	(8,987)	(21,689)	8,742	20,456
Changes of assumptions				8,547				13,192	
Benefit payments, including refunds of participant contributions									
Net change in total pension liability	(50,934)	(40,991)	(25,587)	(28,151)	(18,787)	(19,429)	(37,623)	(21,424)	(37,007)
Total pension liability - beginning	86,981	72,846	91,498	75,439	71,720	60,058	17,592	73,936	47,351
Total pension liability - ending (a)	954,260	867,279	794,433	702,935	555,776	495,718	478,126	404,190	356,839
Plan fiduciary net position									
Contributions - employer	\$ 34,216	\$ 37,200	\$ 36,826	\$ 32,745	\$ 36,410	\$ 36,304	\$ 25,738	\$ 24,090	\$ 17,566
Contributions - members	26,984	27,514	26,609	23,557	25,497	23,977	19,238	20,041	19,183
Net investment income	(67,624)	104,089	53,652	90,902	(16,820)	63,354	28,490	588	21,588
Benefit payments, including refunds of participant contributions	(50,934)	(40,991)	(25,587)	(28,151)	(18,787)	(19,429)	(37,623)	(21,424)	(37,007)
Administrative expenses	(583)	(480)	(346)	(513)	(325)	(328)	(322)	(358)	(225)
Other	695	2	(14)	(14)	(16)	(17)	(17)	(18)	(19)
Net change in plan fiduciary net position	(57,246)	127,334	91,140	118,526	25,959	103,861	35,504	22,919	21,086
Plan fiduciary net position - beginning	923,683	796,349	705,209	586,683	560,724	456,863	421,359	398,440	377,354
Plan fiduciary net position - ending (b)	\$ 866,437	\$ 923,683	\$ 796,349	\$ 705,209	\$ 586,683	\$ 560,724	\$ 456,863	\$ 421,359	\$ 398,440
Fund's net pension liability (asset) - ending (a) - (b)	\$ 87,823	\$ (56,404)	\$ (1,916)	\$ (2,274)	\$ 40,813	\$ (4,948)	\$ 38,855	\$ 56,767	\$ 5,750
Plan fiduciary net position as a percentage of the total pension liability	90.80%	106.50%	100.24%	100.32%	93.50%	100.89%	92.16%	88.13%	98.58%
Covered payroll	\$ 539,678	\$ 550,289	\$ 532,171	\$ 471,149	\$ 509,946	\$ 479,531	\$ 384,769	\$ 400,824	\$ 383,660
Fund's net position as a percentage of covered payroll	16.27%	-10.25%	-0.36%	-0.48%	8.00%	-1.03%	10.10%	14.16%	1.50%

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.

City of Piney Point Village, Texas

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Years Ended:

	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
Actuarially determined employer contributions	\$ 45,575	\$ 34,185	\$ 37,598	\$ 36,882	\$ 32,778	\$ 36,328	\$ 36,300	\$ 25,738	\$ 24,090
Contributions in relation to the actuarially determined contribution	\$ 45,575	\$ 34,185	\$ 37,598	\$ 36,882	\$ 32,778	\$ 36,328	\$ 36,300	\$ 25,738	\$ 24,090
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual covered payroll	\$ 817,760	\$ 539,677	\$ 550,289	\$ 532,172	\$ 471,149	\$ 509,947	\$ 479,551	\$ 384,770	\$ 400,823
Employer contributions as a percentage of covered payroll	5.57%	6.33%	6.83%	6.93%	6.96%	7.12%	7.57%	6.69%	6.01%

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	21 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the 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 Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes

Increased Member contribution rate from 5% to 7%.

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City of Piney Point Village, Texas
SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SUPPLEMENTAL DEATH BENEFITS PLAN

	Years Ended:					
	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017
Total OPEB liability						
Service cost	\$ 2,483	\$ 2,641	\$ 5,694	\$ 1,743	\$ 2,142	\$ 1,774
Interest	793	739	899	997	858	814
Changes in benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	2,868	2,057	(4,901)	(2,874)	147	-
Changes of assumptions	(15,424)	1,289	4,494	4,167	(1,877)	1,959
Benefit payments, including refunds of participant contributions	(540)	(550)	(213)	(141)	(153)	(480)
Net change in total OPEB liability	(9,820)	6,176	5,973	3,892	1,117	4,067
Total OPEB liability - beginning	\$ 42,100	\$ 35,924	\$ 29,951	\$ 26,059	\$ 24,942	\$ 20,875
Total OPEB liability - ending	\$ 32,280	\$ 42,100	\$ 35,924	\$ 29,951	\$ 26,059	\$ 24,942
Covered payroll	\$ 539,678	\$ 550,289	\$ 532,171	\$ 471,149	\$ 509,946	\$ 479,531
City's total OPEB liability as a percentage of covered payroll	5.98%	7.65%	6.75%	6.36%	5.11%	5.20%

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.



FEDERAL SINGLE AUDIT REPORT

City of Piney Point Village, Texas

**Fiscal Year Ended
December 31, 2023**

City of Piney Point Village, Texas

SINGLE AUDIT REPORTS

Year Ended September 30, 2023

TABLE OF CONTENTS

	<u>Page</u>
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	1
REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE <i>UNIFORM GUIDANCE</i>	3
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS	7
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	8-9
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	10
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	11



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Piney Point Village, Texas:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Piney Point Village, Texas as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise City of Piney Point Village, Texas's basic financial statements, and have issued our report thereon dated May 22, 2024.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Piney Point Village, Texas City of Piney Point Village's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Piney Point Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Piney Point Village's internal control.

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 a 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Piney Point Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully,

signature added upon finalization and issuance

BrooksWatson & Co.
14950 Heathrow Forest Pkwy | Ste 530
Houston, TX 77032
May 22, 2024



**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT
ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Piney Point Village, Texas:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Piney Point Village, Texas's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Piney Point Village, Texas's major federal programs for the year ended December 31, 2023. The City of Piney Point Village, Texas's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Piney Point Village, Texas complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Piney Point Village, Texas and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Piney Point Village, Texas's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City of Piney Point Village, Texas's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Piney Point Village, Texas's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Piney Point Village, Texas's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City of Piney Point Village, Texas's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Piney Point Village, Texas's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Piney Point Village, Texas's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Piney Point Village, Texas as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Piney Point Village, Texas' basic financial statements. We issued our report thereon dated May 22, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that

collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

This report is intended solely for the information and use of, management, governing body, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

signature added upon finalization and issuance

BrooksWatson & Co.
14950 Heathrow Forest Pkwy | Ste 530
Houston, TX 77032
May 22, 2024

City of Piney Point Village, Texas
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended December 31, 2023

I. SUMMARY OF PRIOR YEAR AUDIT FINDINGS:

None.

City of Piney Point Village, Texas
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2023

I. SUMMARY OF AUDITOR'S RESULTS:

Financial Statements

Type of auditor's report issued:

The auditor's report on the basic financial statements of the City expresses an unmodified opinion.

Internal control over financial reporting:

Are any material weaknesses identified?	___ Yes	_X_ No
Are any significant deficiencies identified not considered to be material weaknesses?	___ Yes	_X_ None Reported
Is any noncompliance material to financial statements noted?	___ Yes	_X_ No

Federal Awards

The auditor's report on compliance for major federal programs expresses an unmodified opinion.

Internal control over major program compliance:

Are any material weaknesses identified?	___ Yes	_X_ No
Are any significant deficiencies identified not considered to be material weaknesses?	___ Yes	_X_ None Reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___ Yes	_X_ No

City of Piney Point Village, Texas
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2023

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery

Enter the dollar threshold used to distinguish between Type A and Type B programs:	<u>\$750,000</u>
Is the auditee qualified as a low-risk auditee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

II. FINANCIAL STATEMENT FINDINGS:

None.

III. FEDERAL AWARDS FINDINGS:

None.

City of Piney Point Village, Texas
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2023

<u>Federal Grantor/Pass-through Agency/Program Name</u>	<u>Program/Grant/ Project Number</u>	<u>Federal Assistance Listing Number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF TREASURY			
Pass-through Texas Division of Emergency Management			
<i>(COVID-19) Coronavirus State and Local Fiscal Recovery Funds</i>			
	TX1234	21.027	847,419
	Total U.S. Department of Treasury		<u>847,419</u>
	TOTAL PROGRAMS		<u><u>\$ 847,419</u></u>

City of Piney Point Village, Texas

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2023

Note 1: BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards includes the grant activity of Piney Point Village, Texas and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Cost Principles for Federal Awards (the Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

Note 2: INDIRECT COST RATE

The City has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

TO: City Council

FROM: R. Pennington, City Administrator
VIA: R. Schultz, Police Chief

MEETING DATE: May 28, 2024

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

Agenda Item: 5

This agenda item concerns the MVPD department's monthly report, which includes call volume, traffic stops, citations, and other public safety incidents. The attached report contains all the details.

This item covers the MVPV 2023 Audit and the MVPD 2025 Budget in addition to the monthly report. The final item is a discussion of E-Bikes and possible action on an order regulating their use for safety purposes (ORD 2024.04).

Action:

- (1) It is recommended that the Council accept the MVPD 2023 Audited Financial Report as presented.
- (2) It is recommended that the Council approve the MVPD 2025 Budget as presented.
- (3) It is recommended that the Council approve the E-Bicycle Ordinance as presented.

Attachments:

- MVPD Monthly Report. Page CC-2
- MVPD 2023 Financial Audit. Page CC-21
- MVPD 2025 Budget. Page CC-98
- E-Bicycle Ordinance (ORD 2024.04). Page CC-111

MVPD Monthly Report



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

Raymond Schultz
Chief of Police

May 13, 2024

TO: MVPD Police Commissioners

FROM: R. Schultz, Chief of Police

REF: April 2024 Monthly Report

During the month of April, MVPD responded/handled a total of 5,090 calls/incidents. 3,410 House Watch checks were conducted. 863 traffic stops were initiated with 888 citations being issued for 1499 violations. (Note: 20 Assists in Hedwig, 182 in Houston, 9 in Spring Valley and 0 in Hillshire)

Calls/Events by Village were:

Village	Calls/YTD	House Watches/YTD	Accidents	Citations	Response Time
Bunker Hill:	1664/6707	1201/5093	2	321/179/142	11@2:56
Piney Point:	1168/4634	746/3030	3	263/155/108	17@3:31
Hunters Creek:	1997/7398	1462/5326	14	280/142/138	17@4:30
				Cites/Warn/Total	45@3:46

Type and frequency of calls for service/citations include:

Call Type	#	Call Type	#	Citations	#
False Alarms:	137	Ord. Violations:	10	Speeding:	151
Animal Calls:	19	Information:	14	Exp. Registration	345
ALPR Hits:	35	Suspicious Situations	97	No Ins	190
Assist Fire:	34	Loud Party	13	No License	172
Assist EMS:	38	Welfare Checks:	23	Red Light	42
Accidents:	19			Fake Plate	34

*This month the department generated a total of 93 police reports.
 BH-27, PP-23, HC-36, HOU-7, HED-0, SV-0*

Crimes Against of Persons (1)

Assault (DV) 1

Crimes Against Property (13)

Burglary of a Habitation	3	Fraud/ID	6
Felony Theft	1	Theft Misdemeanor	2
Theft of a Vehicle	1		

Petty/Quality of Life Crimes/Events (79)

ALPR Hits (valid)	3	Weapons Charge	1
Accidents	19	Misc	42
Warrants	10	Poss of Marijuana	3
DWI	0	Criminal Mischief	1

Arrest Summary: Individuals Arrested (18)

Warrants	10	Felony	2
Class 3 Arrests	6	DWI	0

<u>Budget YTD:</u>	<u>Expense</u>	<u>Budget</u>	<u>%</u>
• Personnel Expense:	1,902,374	6,466,610	29.4%
• Operating Expense:	445,111	1,110,490	40.4%
• Total M&O Expenditures:	2,347,485	7,577,100	31.0%
• Capital Expenses:	253,098	289,700	87.4%
• Net Expenses:	2,600,584	7,866,800	33.0%

Follow-up on Previous Month Items/Requests from Commission

- Staff continued work on the 2025 budget after the most recent budget workshop. A proposed budget for FY25 will be shared with the villages at their May meetings with a final vote at their June meetings.

Personnel Changes/Issues/Updates

- The department remains fully staffed.

Major/Significant Events

- Detectives worked a case of a theft from the Catholic Retreat Center in Bunker Hill. Through investigation and utilizing the ALPR system, Detective Rodriguez identified a suspect who had committed similar crimes at Catholic facilities across the country. The detective was able to locate the suspect in California via the ALPR system and notified the CA fusion center. They in turn notified area agencies. The suspect was arrested after committing a new theft there. Property stolen from Bunker Hill was located in the suspect’s vehicle. KHOU did a news story featuring Detective Rodriguez and his investigation.

Status Update on Major Projects

- The HVAC second floor units were installed, and the AC work completed. The roof replacement will begin on May 7, 2024.
- The department completed the purchase of the 2022 Ford Explorer at the new agreed upon price negotiated by Commissioner Andrews. A new 2024 Ford Explorer was donated to the department for use by Officer Boggus for Drone Operations and has been placed in service.

Community Projects

- Remi has started work at the MVPD as the new “Support Dog”. Remi was donated to the department by a citizen. Costs will be shared between the foundation and the department. Remi has a great disposition and is already a great hit with the community.
- Officers Boggus, Vasquez, and Reserve Officer Torres held a bicycle safety class at Bunker Hill Elementary School and have started work on the new E-bike safety class curriculum that we will host this summer.
- The department hosted 2 community dialogue education classes this month. One was titled “Run, Hide Fight” and the other “Crime Stoppers 101 – A discussion on Internet Safety”. Both were recorded and posted by the MVPD Facebook page.
- The 5th Annual Food Truck Rodeo was held at Chapelwood. New events and activities were sponsored by the MVPF that included Axe throwing.

V-LINC new registrations in April +40

BH – 1674(+22)
PP – 1171 (+5)

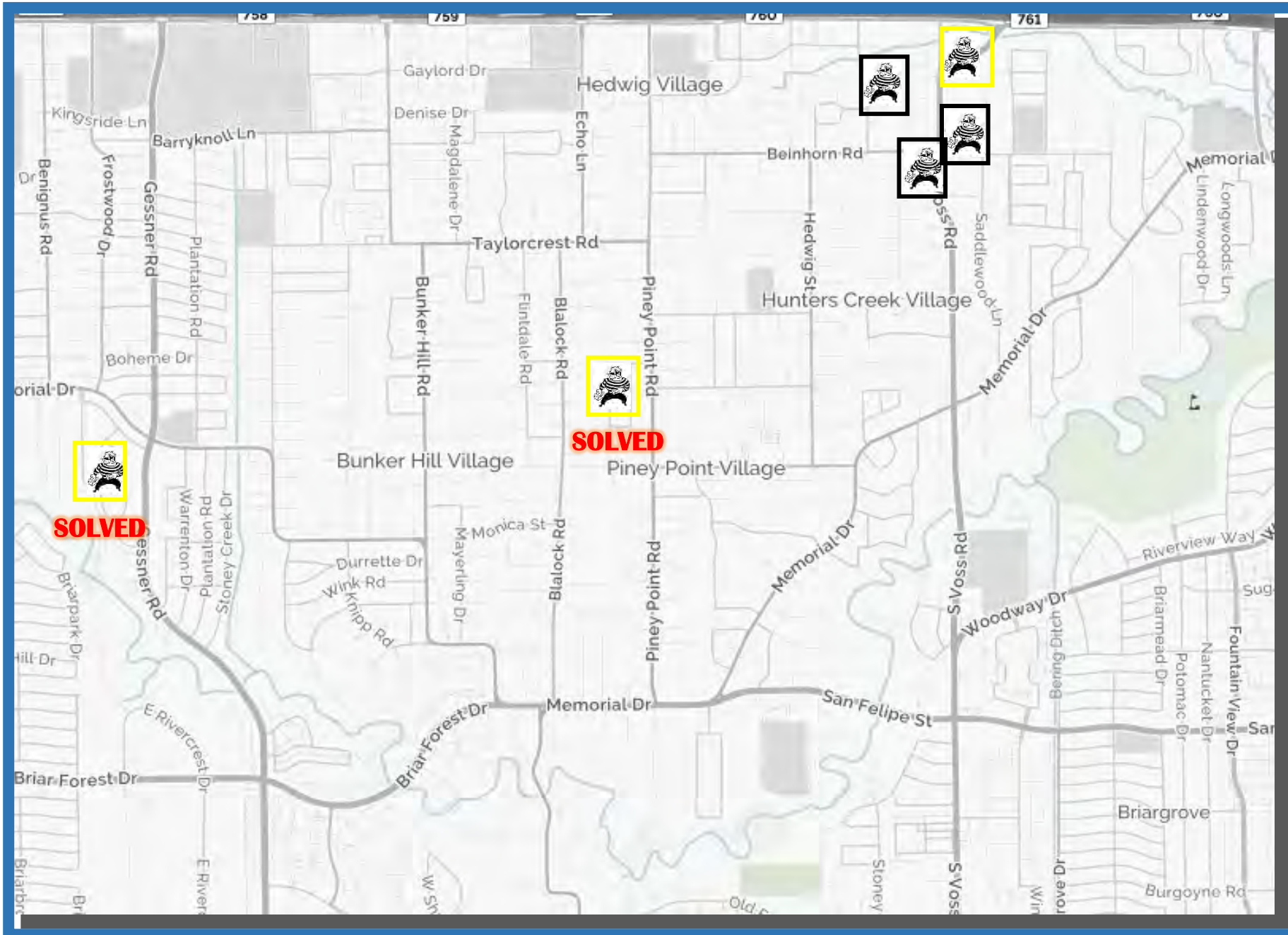
HC – 1664 (+9)
Out of Area – 612 (+4)

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	42:52:14	21:30:58	37:06:28	39:40:38									8	69
BAKER, BRIAN C	* 1:42:24	0:00:00	0:35:27	0:00:00										0
BALDWIN, BRIAN	18:24:30	18:59:44	28:33:24	12:32:18									1	26
BIEHUNKO, JOHN	29:52:43	23:36:19	16:45:56	2:46:50									3	29
BOGGUS, LARRY	* 17:35:09	2:23:10	2:22:51	2:00:05										
BURLESON, Jason	15:26:34	17:28:59	23:36:15	18:09:57									5	26
BYRD, Rachied	16:41:02	19:39:50	28:19:05	18:59:35									1	31
CANALES, RALPH EDWARD	11:43:19	21:55:59	12:07:49	24:49:15									3	22
CERNY, BLAIR C.	* 8:13:37	4:59:13	6:27:38	1:32:05										
ECKERFIELD, Dillion	28:07:09	19:02:55	24:52:06	21:17:02									5	38
GONZALEZ, Jose	25:11:16	38:38:30	42:44:53	28:18:25									1	63
HARWOOD, NICHOLAS	23:18:34	3:07:14	17:43:56	28:44:11									8	26
JARVIS, RICHARD	38:50:40	18:16:56	20:10:21	23:20:37									4	27
JOHNSON, JOHN	23:33:58	25:28:12	17:06:23	26:43:12									3	54
JONES, ERIC	* 0:38:31	0:20:04	0:00:00	0:44:28									1	
KING, JEREMY	25:19:16	3:26:38	8:51:33	15:09:40									1	35
KUKOWSKI, Andy	17:46:52	28:55:17	26:00:53	27:31:26									13	69
MCELVANY, ROBERT	9:50:58	13:31:08	15:27:23	12:42:36									1	25
ORTEGA, Yesenia	17:06:45	16:36:54	25:13:15	22:16:07									4	29
OWENS, LANE	* 0:00:00	0:00:00	0:00:00	0:00:04										
PAVLOCK, JAMES ADAM	18:45:35	13:47:20	4:25:06	7:20:01									4	34
RODRIGUEZ, CHRISTOPHER	* 10:18:14	7:50:54	8:54:16	4:38:53									1	
RODRIGUEZ, JOSE	19:14:42	9:18:19	35:52:06	24:27:30									4	56
RODRIGUEZ, REGGIE	21:17:14	16:39:22	21:01:10	25:15:09									2	44
SALAZAR, Efrain	* 5:05:08	9:09:05	19:39:29	9:20:02										
SCHULTZ, RAYMOND	* 0:47:13	0:35:00	0:10:09	1:27:19										
SILLIMAN, ERIC	22:54:37	17:51:55	13:37:07	34:21:51									10	77
SPRINKLE, MICHAEL	10:04:21	9:13:16	15:52:47	9:22:48										24
TAYLOR, CRAIG	11:35:43	19:13:52	14:00:25	24:44:23									4	32
VALDEZ, JUAN	20:53:02	25:56:16	30:29:02	18:24:20									2	22
VASQUEZ, MONICA	* 6:06:52	4:05:50	4:45:31	0:31:31										
WHITE, TERRY	16:04:09	18:55:51	33:33:09	25:22:46									4	30
* = Admin												Total	93	888

Dispatch Committed Time	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
911 Phone Calls	237	243	276	305								
3700 Phone Calls	2489	2291	2385	2429								
DP General Phone Calls*	78:37:52	57:41:47	60:05:17	52:21:09								
Radio Transmissions	9871	9754	10382	10946								

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



2024 Burglary Map

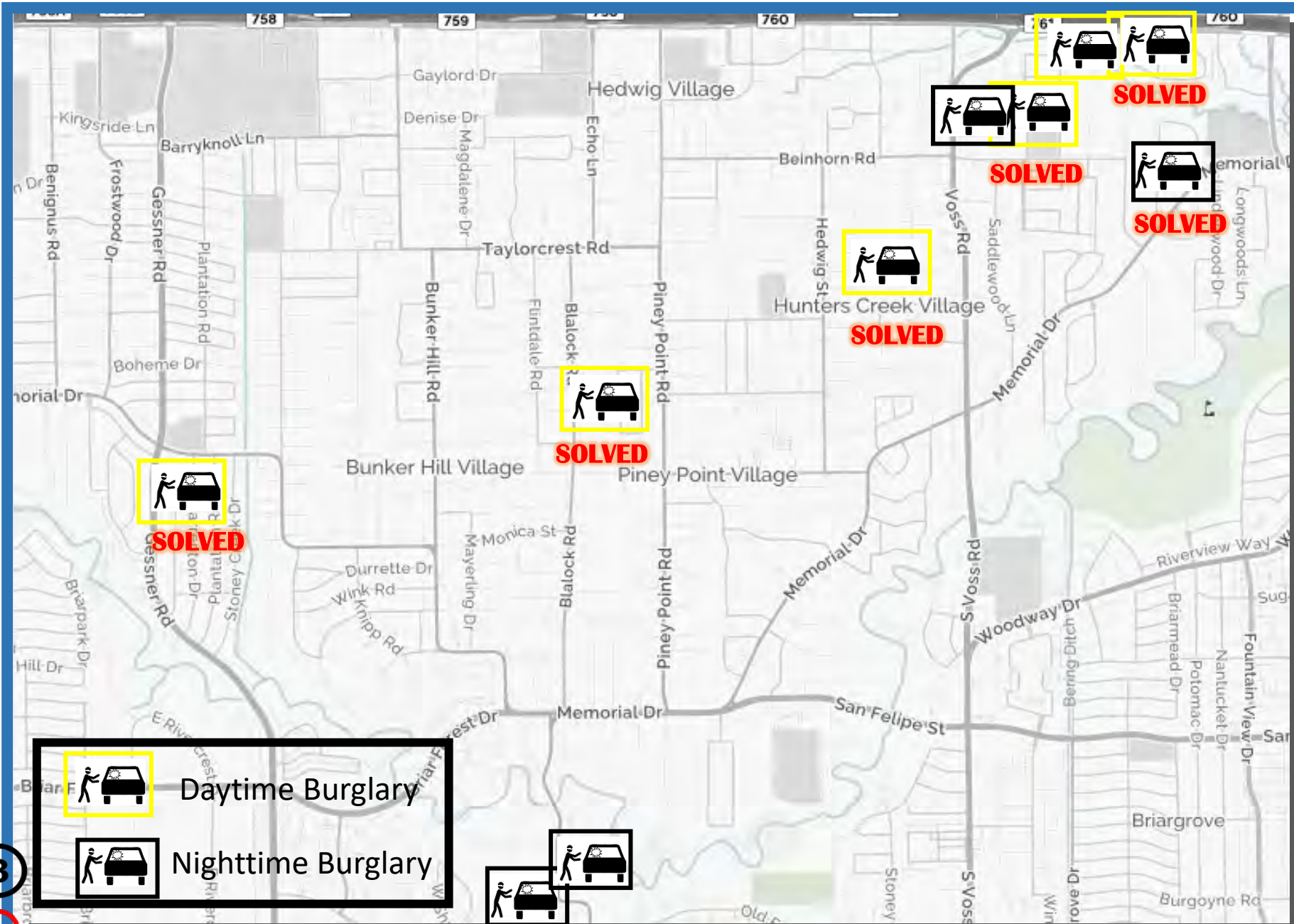
Address	Alarm	POE
467 Jan Kelly	No	Open Garage
250 Tamerlaine	No	Rear Door Kick
8 Voss Park	No	R Door
900 Brogden	No	Shed
10802 Beinhorn	No	Open Door
736 Voss	No	Door Kick

2024 Robberies




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

-  Daytime Burglary
-  Nighttime Burglary
-  Robbery

2024 Auto Burglary Map



Address	POE
8333 Katy Fwy	Win
8525 Katy Fwy	UNL*
10614 Gawain	Win
10611 Twelve Oaks	UNL
11615 Starwood	UNL
10710 Marsha	Win
11321 Green Vale	UNL
2102 S. Piney Point	UNL
750 W. Creekside	UNL
29 Windemere	UNL

 Blue Entry = Actual
 Location Unknown
 Underlined Contractor

SOLVED

4/30/24

Hedwig
▼ 10

Bunker Hill
▼ 2

Piney Point
▼ 0

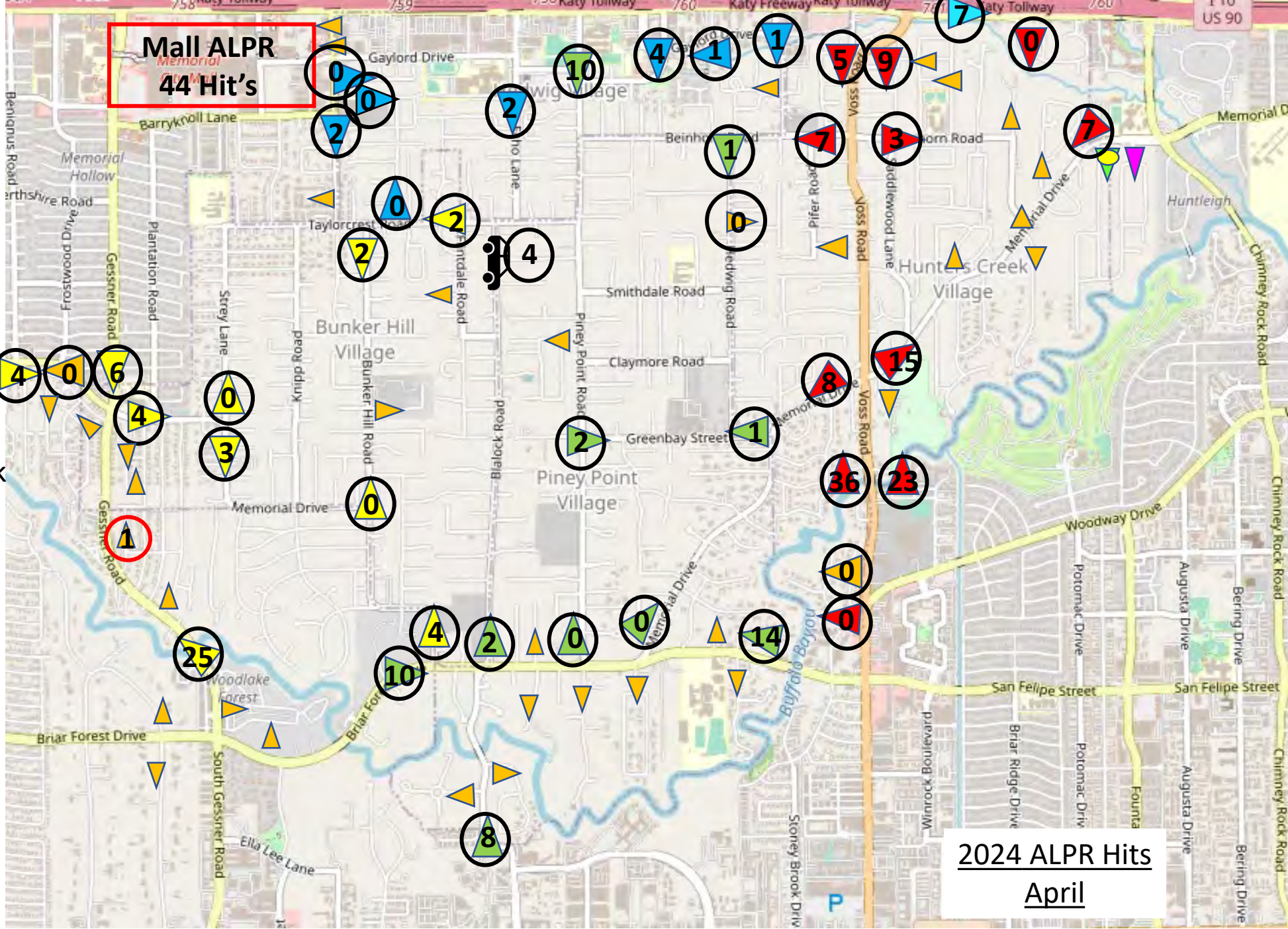
Hunters Creek
▼ 1

Frequent Mobile Locations
🚗

209 Total Hits

▲

Mall ALPR
44 Hit's



Lindenwood HOA
▼ 1

Longwoods HOA
▼ 1

US Coins
▼ 1

In Process
▼ 1

HOA Systems-32
▼ 1

4/30/24
▼ 1

2024 ALPR Hits
April

**Mall ALPR
44 Hits**


Hedwig
 


Bunker Hill


Piney Point



Hunters Creek


Frequent
Mobile
Locations


 Recovered Vehicles
Recovered Plates - 2

 Investigative
Leads


Lindenwood
HOA

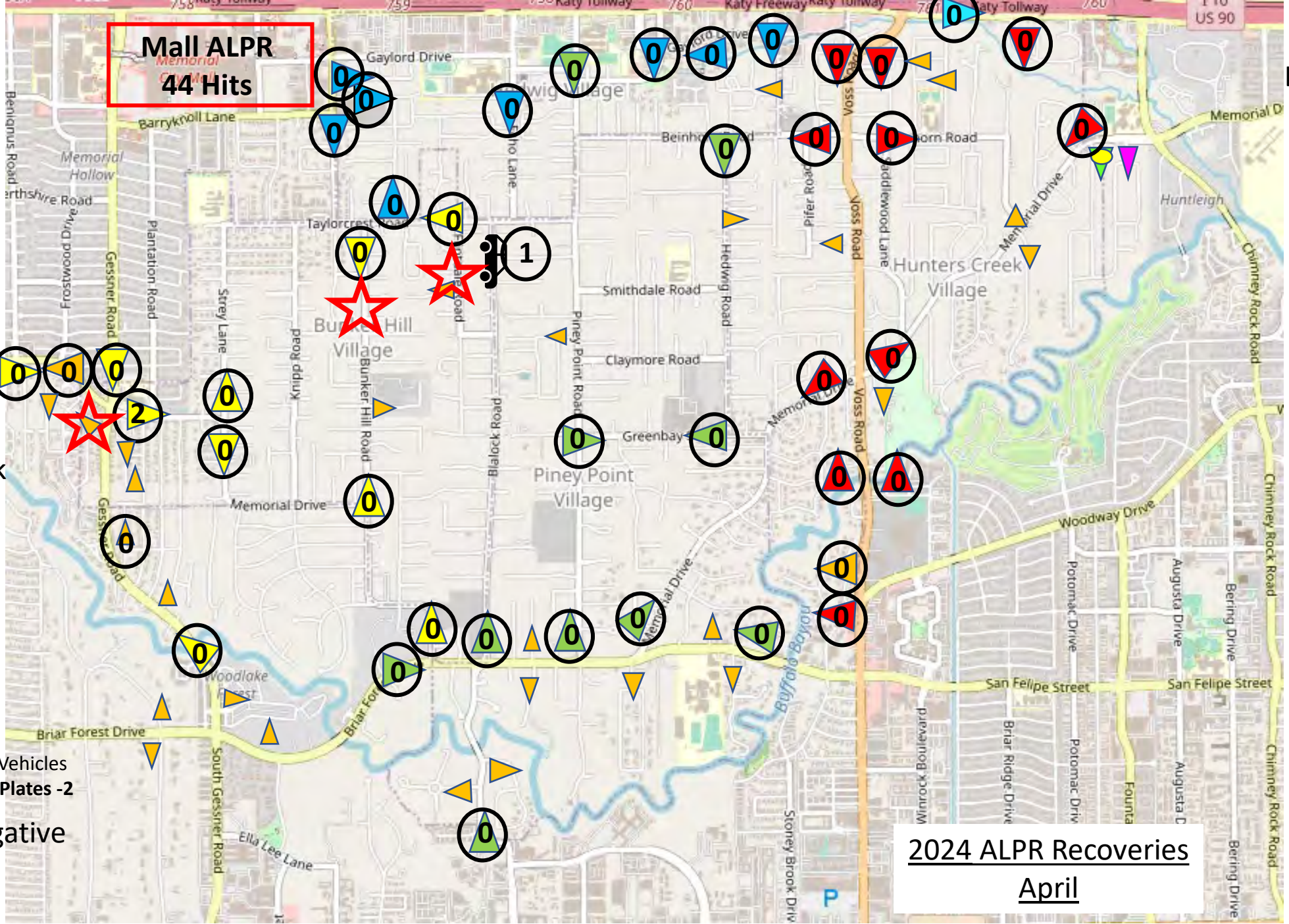

Longwoods
HOA


US Coins


In Process


HOA
Systems


4/30/24 



2024 ALPR Recoveries
April



April 2024 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

2024 ALPR Data Report

Plate Reads Summary

Total Plate Reads:
4,231,573

DOWNLOAD CSV

Apr 2 - May 1

Devices (38)

Search

Plate Reads By Day



Unique Plate Reads Summary

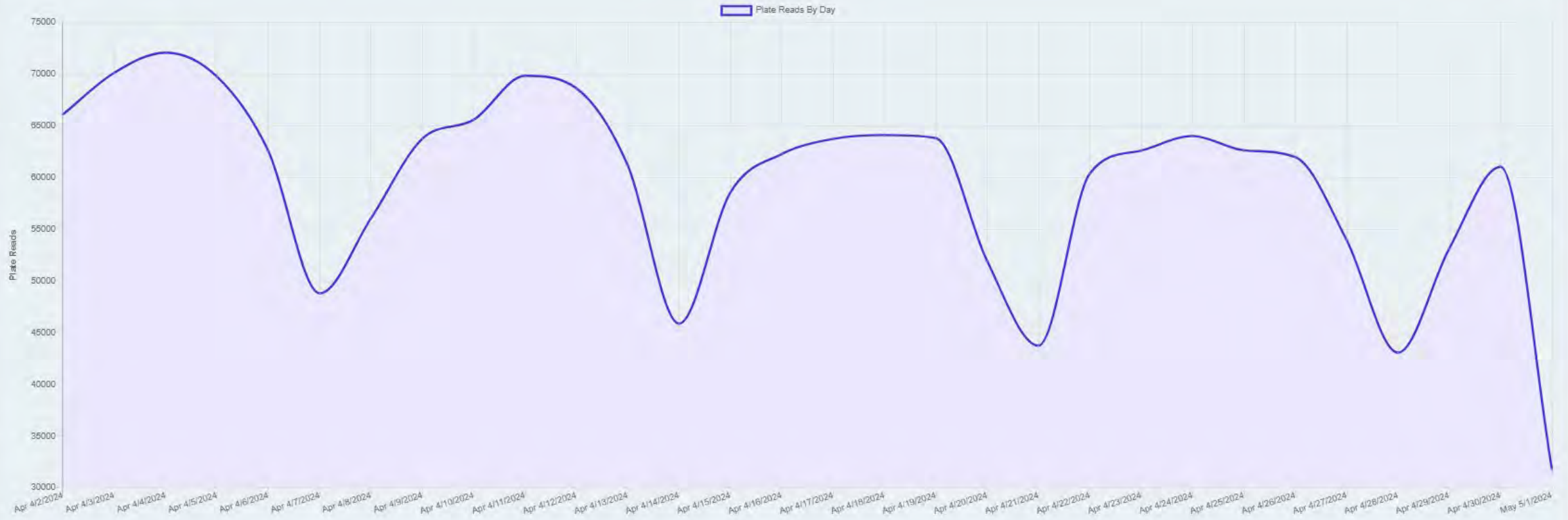
Total Unique Plate Reads:
526,148

[DOWNLOAD CSV](#)

Apr 2 - May 1

Devices (38)

[Search](#)



All Categories

Hits Report

To...

Select a date range up to 31 days

[DOWNLOAD CSV](#)



Top 7 Categories

Hits Report

04/01/2024

To...

05/01/2024

Search

Select a date range up to 31 days

DOWNLOAD CSV

Total Hits: 111

Topics (7)

Devices (38)



Sex Offenders

Hits Report

04/01/2024 To... 05/01/2024

Search

Select a date range up to 31 days

DOWNLOAD CSV

Total Hits: 66

Topics (1)

Devices (38)

Hits By Day



Summary Report

Insights Dashboard



Device Sharing

Shared with
Lewisville TX PD,
Sansom Park TX PD,
and 337 others

Access Levels
Search
Hotlist Tool Access

Device Status

34 / 34 ?
Devices Online

◀ Previous Device

Device Name	Battery	Latency
#01 Inbound, Riverview Way, EB	100%	16.04 s

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/Station

#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

Total 'Plate Reads' by 'Device Name'

Device Name	Sum of Plate Reads
#22 - NB Voss x Magnolia Bend (Lane 2)	414174
#13 NB Gessner Rd	310460
#08 2200 S Piney Point Rd NB at City Limit	299900
#23 - WB San Felipe x Buffalo Bayou	267718
#21 - NB Voss x Magnolia Bend (Lane 1)	243627
#12 Piney Point Dr SB at Gaylord	200473
#20 - SB Voss x Old Voss (Lane 2)	191922
#17 Memorial Dr WB at Voss δÿ"CE	182380
#28 MVPD Station S/B Memorial Drive	166106
#02 Memorial Dr EB at Gessner	164931
#31 EB Memorial Dr near Tealwood	155289
#19 - SB Voss x Old Voss (Lane 1)	141735
#24 - NB Blalock x Memorial	141663
#18 Memorial Dr EB at Voss δÿ"i	127244
#04 Memorial Dr NB at Briar Forest δÿ"CE	125358
#14 Beinhorn Rd WB at Pipher	107884
#10 On Memorial Dr EB from San Felipe	106914
#01 Gessner SB at Frostwood Elementary δÿ"i	103781
#07 Memorial Dr EB at Briar Forest δÿ"i	101461
#16 Memorial Dr WB at E Creekside Dr δÿ"i	95466
#09 N Piney Point Rd at Memorial Dr	92910
#05 Bunkerhill Rd SB at Taylorcrest	88336
#27 Unit 181 Blalock S/B at Taylorcrest	84037
#30 EB Beinhorn Rd @ Voss Rd	71827
#06 Taylorcrest Rd WB at Flintdale	70303
#26 - SB Hedwig x Beinhorn	49415
#11 Greenbay St EB at Piney Point Rd	33439
#32 WB Greenbay @ Memorial Dr	29398
#25 - NB Bunker Hill x Memorial δÿ"CE	27497
Strey NB at Memorial δÿ"CE	16002
#29 - Riverbend Main Entrance δÿ"CE	7427
#15 Hunters Creek Dr SB at I-10 δÿ"i	7165
#01 Inbound, Riverview Way, EB	5944
#03 Gessener Rd NB at Buffalo Bayou	0
Grand Total	4232186

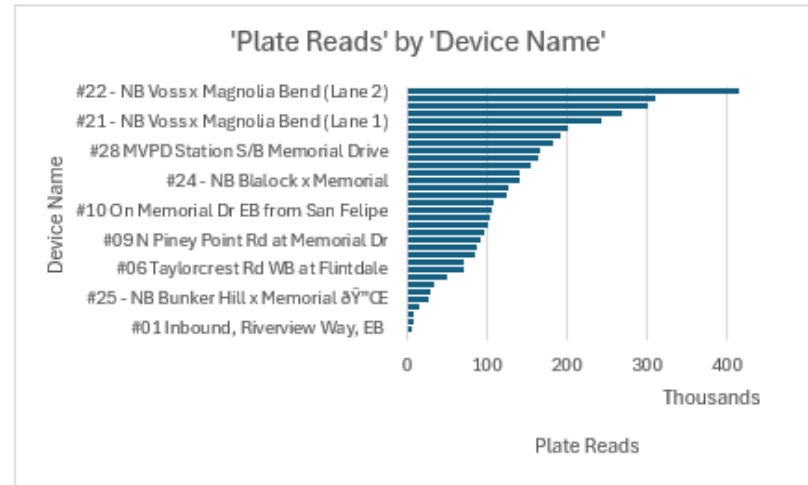


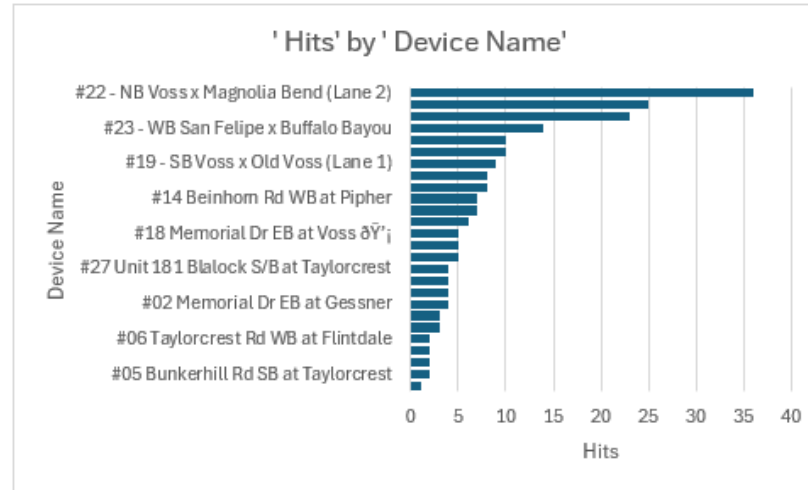
Plate Reads
By Location

April 2024

Hits By Camera

Total 'Hits' by 'Device Name'

Device Name	Sum of Hits
#22 - NB Voss x Magnolia Bend (Lane 2)	36
#13 NB Gessner Rd	25
#21 - NB Voss x Magnolia Bend (Lane 1)	23
#23 - WB San Felipe x Buffalo Bayou	14
#12 Piney Point Dr SB at Gaylord	10
#07 Memorial Dr EB at Briar Forest δY';	10
#19 - SB Voss x Old Voss (Lane 1)	9
#17 Memorial Dr WB at Voss δY'"CE	8
#08 2200 S Piney Point Rd NB at City Limit	8
#14 Beinhorn Rd WB at Pipher	7
#16 Memorial Dr WB at E Creekside Dr δY';	7
#01 Gessner SB at Frostwood Elementary δY';	6
#18 Memorial Dr EB at Voss δY';	5
#10 On Memorial Dr EB from San Felipe	5
#20 - SB Voss x Old Voss (Lane 2)	5
#27 Unit 181 Blalock S/B at Taylorcrest	4
#04 Memorial Dr NB at Briar Forest δY'"CE	4
#31 EB Memorial Dr near Tealwood	4
#02 Memorial Dr EB at Gessner	4
#28 MVPD Station S/B Memorial Drive	3
#30 EB Beinhorn Rd @ Voss Rd	3
#06 Taylorcrest Rd WB at Flintdale	2
#24 - NB Blalock x Memorial	2
#11 Greenbay St EB at Piney Point Rd	2
#05 Bunkerhill Rd SB at Taylorcrest	2
#32 WB Greenbay @ Memorial Dr	1
Grand Total	209



Total Reads – 4,231,573

Unique Reads – 526,148

Hits- 209

7 Top Hits - 111

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

ALPR Recoveries						
Num	Plate	Vehicle	Loc	Val	Links	Date
1	SVL2616	Kia Soul	24	\$ 16,500.00	CC Fraud/Theft	7-Jan
2	CWS6686	Chev PU	21	\$ 10,000.00		9-Jan
3	SSP9798	GMC Arca	19	\$ 46,000.00	Fraud	18-Jan
4	KPL1936	Chev1500	12	\$ 40,000.00	Repeat Offender	2-Feb
5	TMV3732	BMW	22	\$ 35,000.00	Fraud	16-Feb
6	SRY8618	ToyMaur	23	\$ 28,000.00		8-Mar
7	MXG5703	ToyRav4	5	\$ 26,000.00	Warrant	9-Mar
8	JBG9307	LexNX	1	\$ 13,000.00	Stolen Plate on veh	11-Mar
9	NVK8218	HyudElan	27	\$ 18,000.00		2-Apr
10	SKW4908	NissV200	2	\$ 14,000.00	Stolen Plate on veh	4-Apr
11	4463G98	Ford Mus	2	\$ 42,000.00	On tow trk	16-Apr
12	W297HO	BMW	31	\$ 55,000.00	Fraud/Fugitive	8-May
13	DOUQ11	Audi	19	\$ 60,000.00	Fraud/Fugitive	10-May
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
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54						
55						
56						
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58						
59						
60						
61						
62						
63						
64						
65						
66						
67						
				\$ 403,500.00		

Plate Recoveries				
Plate	Recove	Date	Links	Plate Reco
6VKC128	1/23/2024	Owner		
RKN392	2/4/2024	Owner		
DWJ6774	2/15/2024	Owner		
4B8105K	3/2/2024	Dup/Frd		
SKK6235	3/11/2024	Stolen		
DV7ZHH	3/18/2024	Owner		
	4/5/2024	Driver DNK		
TKX6267	4/11/2024	Arrested		
8LL173	4/29/2024	Cited/Tow		

Firearm in vehicle	Vehicle found to be Stolen
Temp Tag	Hotlist

Located but Fled								
Date	Plate	Camera	Date	Plate	Camera	Date	Plate	Camera
3-Jan	SFG3451	7						
9-Jan	SGN1517	13						
28-Mar	W197102	22						

Runaways/Missing	Community Safety Hotlist
	1/8/2024 LCP9497 32
	4/19/2024 LCP9497 58

9 of 13 involved in other crimes = 6: 6920%

HOT List Hits Other Agencies

Plate	ALPR	Agency	Date
NLM7574	8	HPD	4-Jan
3882-E22	20	HPD	23-Jan
TLZ3887	13	CS	25-Apr

ALPR Stops Located not Reported as Recovered			
Plate	ALPR	Agency	Date
NLM7574	8	HPD	4-Jan
3882-E22	20	HPD	23-Jan
TLZ3887	13	CS	25-Apr

Program Summary			
Year	Value	Recovered	Count
2024	\$ 403,500.00	Recovered	13
2023	\$ 646,500.00	Recovered	30
2022	\$ 1,733,000.00	Recovered	74
2021	\$ 1,683,601.00	Recovered	75
2020	\$ 1,147,500.00	Recovered	61
2019	\$ 438,000.00	Recovered	22
Program Total	\$ 6,052,101.00		275

INVESTIGATIVE LEADS/Solves			
Crime	Plate	Date	ALPR
Package Theft	TPK9834	3-Jan	P- Kensington
BMV-Crim Mischief	100059B	3-Jan	P- US Coins
Theft of Lawn Eq	4297A98	4-Jan	2
Mail Theft	SXS7885	5-Jan	6
Hotlist Theft	TPK9834	7-Jan	13
BMV suspects	SGN1517	9-Jan	13
Package Thief	BW6J592	10-Jan	Bellaire
FSGI	PRM6967	23-Jan	P-Still
FSGI	8XSG491	27-Jan	1
Runaway	RKH0399	2-Feb	12
Theft of Lawn Eq	BW6J592	9-Feb	2
BMV Att	TSP9824	16-Feb	18
BMV		22-Feb	12
Susp Event	TJJ0901	4-Mar	17

Crime	Date	Plate	ALPR
Mail Theft	3/8/2024	SJB2869	29, Bridlewood
Mail Theft	3/15/2024	SJB2869	21
Burglary of a Hab.	3/16/2024	1RPF8	1,31
Burg of Hab	4/1/2024	WV TLL2498	5
Auto Theft	4/11/2024	TZJ4122	6

* ALPR used to prove false report

MVPD 2023 Financial Audit

ANNUAL FINANCIAL REPORT

of the

Memorial Villages Police Department

**For the Year Ended
December 31, 2023**

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Memorial Villages Police Department

TABLE OF CONTENTS

December 31, 2023

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

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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, 2023, 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, 2023, 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 stylized font.

BrooksWatson & Co., PLLC
Certified Public Accountants
Houston, Texas
May 8, 2024

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

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Memorial Villages Police Department

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

December 31, 2023

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, 2023.

Financial Highlights

- The Department's total combined net position was a deficit balance of \$1,218,347 at December 31, 2023.
- At the close of the current fiscal year, the Department's governmental funds reported combined fund balances of \$524,417, an increase of \$283,518.
- As of the end of the year, the unassigned fund balance of the general fund was \$60,000 and participant assessment refunds totaled \$135,853 for the year.
- The Department had an overall increase in net position of \$103,714.
- The Department closed the year with a net pension liability of \$3,148,978.

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, 2023

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, 2023

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 \$1,218,347 as of December 31, 2023, in the primary government.

The largest portion of the Department's net position, \$717,876, 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, 2023

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		
	2023	2022	\$
	Governmental	Governmental	Variance
	Activities	Activities	
Current and other assets	\$ 1,019,716	\$ 1,032,809	\$ (13,093)
Capital assets, net	717,876	652,273	65,603
Total Assets	1,737,592	1,685,082	52,510
Deferred Outflows of Resources	1,393,928	469,650	924,278
Other liabilities	741,707	1,002,632	(260,925)
Long-term liabilities	3,450,291	1,494,708	1,955,583
Total Liabilities	4,191,998	2,497,340	1,694,658
Deferred Inflows of Resources	157,869	979,453	(821,584)
Net Position:			
Net investment in capital assets	717,876	652,273	65,603
Unrestricted	(1,936,223)	(1,974,334)	38,111
Total Net Position	\$ (1,218,347)	\$ (1,322,061)	\$ 103,714

Deferred outflows of resources for the Department increased by \$924,278 and deferred inflows decreased by \$821,584 when compared to the prior year. These variances are directly related to the significant loss on pension investments during the 2022 calendar year and related actuarial changes in the City's pension inputs. Other liabilities decreased by \$260,925 primarily due to the application of the deferred budget surplus payment from the prior year. Long-term liabilities increased by \$1,955,583 primarily due to the significant increase in the City's net pension liability when compared to the prior year.

Memorial Villages Police Department
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2023

Statement of Activities:

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

	Governmental Activities		
	2023	2022	\$
	Governmental	Governmental	Variance
	Activities	Activities	
Revenues			
Program revenues:			
Charges for services	\$ 7,330,581	\$ 6,168,794	\$ 1,161,787
General revenues:			
Investment income	37,356	9,159	28,197
Other revenues	7,803	46,165	(38,362)
Total Revenues	7,375,740	6,224,118	1,151,622
Expenses			
Public safety	7,122,026	6,118,495	1,003,531
Special asset capital refund	150,000	-	150,000
Total Expenses	7,272,026	6,118,495	1,153,531
Change in Net Position	103,714	105,623	(1,909)
Beginning Net Position	(1,322,061)	(1,427,684)	105,623
Ending Net Position	\$ (1,218,347)	\$ (1,322,061)	\$ 103,714

For the year ended December 31, 2023, revenues from governmental activities totaled \$7,375,740. Charges for services increased by \$1,161,787 or 19% to account for the assessments needed to fund the department's operational costs. In addition, there were nonrecurring additional capital assessments in the current year. Investment income increased by \$28,197 or over 100% primarily due to realization of higher interest rates in the current year. Other revenues decreased by \$38,362 or 83% primarily due to nonrecurring grant revenue and miscellaneous funds received in the prior year.

For the year ended December 31, 2023, expenses for governmental activities totaled \$7,272,026. This represents an increase of \$1,003,531 or 16% from the prior year. The increase is primarily due to greater personnel costs related to the wage increases in the current year. In addition, the City incurred greater building maintenance, IT/software maintenance, depreciation, and pension/health benefit costs in the current year. The Department's only functional expense is public safety, which accounts for the total operations of the police department.

Memorial Villages Police Department
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
December 31, 2023

There was an overall increase in net position of \$103,714 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 \$181,437. Of this, \$121,437 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 \$114,130 from the prior year.

The vehicle replacement fund reflected a fund balance of \$162,688. This is an increase of \$138,812 compared to the prior year, as current year revenues were greater than actual capital outlay expenditures.

The youth services fund reflected a fund balance of \$12,159. This is a decrease of \$2,718 when compared to the prior year. The decrease is primarily due to program related expenses exceeding actual revenues in the current year.

The special capital assets reflected a fund balance of \$168,133 which is an increase of \$33,294. The increase is primarily attributed to the current year revenues exceeding current year expenditures.

There was an overall increase in governmental fund balance of \$283,518 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 \$104,950 and a positive expenditure variance of \$219,086 for the year. The negative revenue variance was the result of participant refunds totaling \$135,853 for excess assessments received over final operating expenditures. There was a total positive expenditure variance of \$219,086 due to less than anticipated expenditures for all departments in the current year.

Memorial Villages Police Department

MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued

December 31, 2023

CAPITAL ASSETS

As of the end of the year, the Department's governmental activities funds had invested \$717,876 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:

- Remodeled the dispatch building for \$336,965.
- Purchased a ventilation system for \$5,950.
- Purchased equipment totaling \$36,249.

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.

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FINANCIAL STATEMENTS

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Memorial Villages Police Department

STATEMENT OF NET POSITION

December 31, 2023

	<u>Primary Government Governmental Activities</u>
<u>Assets</u>	
Current assets:	
Cash and cash equivalents	\$ 891,185
Receivables, net	7,094
Prepays	121,437
Total Current Assets	1,019,716
Capital assets:	
Net depreciable capital assets	717,876
Total Noncurrent Assets	717,876
Total Assets	1,737,592
<u>Deferred Outflows of Resources</u>	
Deferred outflows-pensions	1,386,797
Deferred outflows-OPEB	7,131
Total Deferred Outflows of Resources	1,393,928
<u>Liabilities</u>	
Current liabilities:	
Accounts payable and accrued liabilities	321,438
Due to other governments	135,853
Compensated absences, current	284,416
Total Current Liabilities	741,707
Noncurrent liabilities:	
Net pension liability	3,148,978
OPEB liability-SDBF	195,813
OPEB liability-Health benefits	73,898
Compensated absences, noncurrent	31,602
Total Noncurrent Liabilities	3,450,291
Total Liabilities	4,191,998
<u>Deferred Inflows of Resources</u>	
Deferred inflows-pensions	104,835
Deferred inflows-OPEB	53,034
Total Deferred Inflows of Resources	157,869
<u>Net Position</u>	
Net investment in capital assets	717,876
Unrestricted	(1,936,223)
Total Net Position	\$ (1,218,347)

See Notes to Financial Statements.

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Memorial Villages Police Department

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Grants and Contributions	Primary Governmental Activities
Primary Government				
Governmental Activities				
Public safety	\$ 7,122,026	\$ 7,330,581	\$ -	\$ 208,555
Special asset capital refund	150,000	-	-	(150,000)
Total Governmental Activities	7,272,026	7,330,581	-	58,555
		General Revenues:		
				37,356
				6,874
				929
			Total General Revenues	45,159
			Change in Net Position	103,714
			Beginning Net Position	(1,322,061)
			Ending Net Position	\$ (1,218,347)

See Notes to Financial Statements.

Memorial Villages Police Department

BALANCE SHEET GOVERNMENTAL FUNDS December 31, 2023

	General	Vehicle Replacement	Youth Services	Special Capital Assets
<u>Assets</u>				
Cash and cash equivalents	\$ 510,317	\$ 179,491	\$ 13,617	\$ 168,133
Receivables, net	1,503	-	-	-
Prepays	121,437	-	-	-
Total Assets	\$ 633,257	\$ 179,491	\$ 13,617	\$ 168,133
 <u>Liabilities</u>				
Accounts payable and accrued liabilities	\$ 299,608	\$ 16,803	\$ 1,458	\$ -
Due to other governments	135,853	-	-	-
Due to other funds	16,359	-	-	-
Total Liabilities	451,820	16,803	1,458	-
 <u>Fund Balances</u>				
Nonspendable:				
Prepays	121,437	-	-	-
Assigned for:				
Vehicle replacement	-	162,688	-	-
Youth services	-	-	12,159	-
Capital projects	-	-	-	168,133
Unassigned reported in:				
General fund	60,000	-	-	-
Total Fund Balances	181,437	162,688	12,159	168,133
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 633,257	\$ 179,491	\$ 13,617	\$ 168,133

See Notes to Financial Statements.

**Total
Governmental
Funds**

\$ 871,558
1,503
121,437

\$ 994,498

\$ 317,869
135,853
16,359

470,081

121,437

162,688
12,159
168,133

60,000

524,417

\$ 994,498

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Memorial Villages Police Department

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

December 31, 2023

Fund Balances - Total Governmental Funds	\$	524,417
 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		717,876
 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		1,386,797
OPEB outflows-SDBF		7,131
 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		38,008
 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		(104,835)
OPEB inflows-SDBF		(53,034)
 Some liabilities, including bonds payable and capital leases, are not reported as liabilities in the governmental funds.		
Compensated absences		(316,018)
Net pension liability		(3,148,978)
OPEB liability-SDBF		(195,813)
OPEB liability-Health benefits		(73,898)
Net Position of Governmental Activities	\$	<u>(1,218,347)</u>

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, 2023

	<u>General</u>	<u>Vehicle Replacement</u>	<u>Youth Services</u>	<u>Special Capital Assets</u>
<u>Revenues</u>				
Participant assessments, net	\$ 6,658,382	\$ 159,999	\$ -	\$ 512,200
Investment income	25,081	3,899	317	8,059
Other revenue	5,814	-	1,060	-
Total Revenues	<u>6,689,277</u>	<u>163,898</u>	<u>1,377</u>	<u>520,259</u>
<u>Expenditures</u>				
Current:				
Public safety	6,575,147	13	4,095	336,965
Capital outlay	-	39,218	-	-
Special assets capital refund	-	-	-	150,000
Total Expenditures	<u>6,575,147</u>	<u>39,231</u>	<u>4,095</u>	<u>486,965</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	114,130	124,667	(2,718)	33,294
<u>Other Financing Sources (Uses)</u>				
Sale of assets	-	14,145	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>14,145</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	114,130	138,812	(2,718)	33,294
Beginning fund balances	67,307	23,876	14,877	134,839
Ending Fund Balances	<u>\$ 181,437</u>	<u>\$ 162,688</u>	<u>\$ 12,159</u>	<u>\$ 168,133</u>

See Notes to Financial Statements.

**Total
Governmental
Funds**

\$ 7,330,581
37,356
6,874

7,374,811

6,916,220
39,218
150,000

7,105,438

269,373

14,145

14,145

283,518
240,899

\$ 524,417

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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, 2023

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

Net changes in fund balances - total governmental funds	\$	283,518
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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		379,163
Depreciation expense		(300,344)
Net effect of capital disposals and transfers		(13,216)

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		(40,084)
Pension expense		(225,287)
OPEB expense-SDBF		2,916
OPEB expense-Health benefits		16,659

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.

389

Change in Net Position of Governmental Activities	\$	103,714
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See Notes to Financial Statements.

Memorial Villages Police Department

STATEMENT OF NET POSITION

PROPRIETARY FUND

December 31, 2023

			<u>Governmental</u> <u>Activities</u> <u>Internal</u> <u>Service Fund</u> <u>Health Benefits</u>
<u>Assets</u>			
<u>Current Assets</u>			
Cash and cash equivalents	\$	19,627	
Receivables, net		5,591	
Due from other funds		16,359	
Total Current Assets		<u>41,577</u>	
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Accounts payable and accrued liabilities		3,569	
Total Current Liabilities		<u>3,569</u>	
<u>Net Position</u>			
Unrestricted		38,008	
Total Net Position	\$	<u><u>38,008</u></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, 2023

		<u>Governmental</u> <u>Activities</u> <u>Internal</u> <u>Service Fund</u> <u>Health Benefits</u>
<u>Operating Revenues</u>		
Charges for services		\$ 1,021,232
Total Operating Revenues		<u>1,021,232</u>
 <u>Operating Expenses</u>		
Cost of services		1,020,843
Total Operating Expenses		<u>1,020,843</u>
	Change in Net Position	389
Beginning net position		37,619
	Ending Net Position	<u>\$ 38,008</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, 2023

	Governmental Activities
	Internal Service Fund
	Health Benefits
<u>Cash Flows from Operating Activities</u>	
Receipts from customers	\$ 1,025,953
Payments to suppliers	(1,035,457)
Net Cash Provided (Used) by Operating Activities	(9,504)
Increase (Decrease) in Cash and Cash Equivalents	(9,504)
Beginning cash and cash equivalents	29,131
Ending Cash and Cash Equivalents	\$ 19,627

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, 2023

	Governmental Activities
	Internal Service Fund
	Health Benefits
<u>Reconciliation of Operating Income (Loss)</u>	
<u>to Net Cash Provided by Operating Activities</u>	
Operating Income (Loss)	\$ 389
Changes in Operating Assets and Liabilities:	
(Increase) Decrease in:	
Accounts receivable	4,721
Due from other funds	(16,359)
Increase (Decrease) in:	
Accounts payable and accrued liabilities	1,745
Net Cash Provided (Used) by Operating Activities	\$ (9,504)

See Notes to Financial Statements.

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Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

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, 2023

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, 2023

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, 2023

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, 2023

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, 2023

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, 2023

<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, 2023

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, 2023

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, 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 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, 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 general fund

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2023

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, 2023

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, 2023

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, 2023, 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, 2023

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	379,163	-	1,106,807
Vehicles	908,131	-	(37,805)	870,326
Total capital assets being depreciated	3,778,877	379,163	(37,805)	4,120,235
Less accumulated depreciation				
Buildings and improvements	(2,039,533)	(103,055)	-	(2,142,588)
Furniture and equipment	(666,240)	(35,799)	-	(702,039)
Vehicles	(420,831)	(161,490)	24,589	(557,732)
Total accumulated depreciation	(3,126,604)	(300,344)	24,589	(3,402,359)
Net capital assets being depreciated	652,273	78,819	(13,216)	717,876
Total Net Capital Assets	\$ 652,273	\$ 78,819	\$ (13,216)	\$ 717,876

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	\$ 1,503	\$ -	\$ 1,503
Due from other governments	-	5,591	5,591
	\$ 1,503	\$ 5,591	\$ 7,094

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2023

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	\$ 275,934	\$ 316,018	\$ (275,934)	\$ 316,018	\$ 284,416
Total Governmental Activities	\$ 275,934	\$ 316,018	\$ (275,934)	\$ 316,018	\$ 284,416
Compensated Absences Due in More than One Year				\$ 31,602	

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, 2023

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 919 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, 2023

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 2021</u>	<u>Plan Year 2022</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, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	45
Inactive employees entitled to but not yet receiving benefits	25
Active employees	<u>44</u>
Total	<u>114</u>

3. Contributions

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

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2023

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 11.12% and 10.91% in calendar years 2022 and 2023, respectively. The Department's contributions to TMRS for the year ended December 31, 2023, were \$457,629, and were equal to the required contributions.

4. Net Pension Liability

The Department's Net Pension Liability (NPL) was measured as of December 31, 2022, 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, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.50% 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, 2109 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2023

(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 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.0%	7.7%
Core Fixed Income	6.0%	4.9%
Non-Core Fixed Income	20.0%	8.7%
Real Return	12.0%	8.1%
Real Estate	12.0%	5.8%
Absolute Return	5.0%	6.9%
Private Equity	10.0%	11.8%
Total	100.0%	

Discount Rate

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

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

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

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 5,060,067	\$ 3,148,978	\$ 1,542,900

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2023

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance at 12/31/21	\$ 16,280,143	\$ 15,175,363	\$ 1,104,780
Changes for the year:			
Service cost	526,623	-	526,623
Interest	1,083,368	-	1,083,368
Difference between expected and actual experience	34,717 (3,937)	-	(3,937)
Contributions – employer	-	429,271	(429,271)
Contributions – employee	-	270,459	(270,459)
Net investment income	-	(1,105,010)	1,105,010
Change of assumptions	-	-	-
Benefit payments, including refunds of emp. contributions	(1,056,540)	(1,056,540)	-
Administrative expense	-	(9,586)	9,586
Other changes	-	11,439	(11,439)
Net changes	584,231	(1,459,967)	2,044,198
Balance at 12/31/22	<u>\$ 16,864,374</u>	<u>\$ 13,715,396</u>	<u>\$ 3,148,978</u>

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, 2023, the Department recognized pension expense of \$682,283.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2023

At December 31, 2023, 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	\$ 929,168	\$ -
Differences between expected and actual economic experience	-	(104,835)
Differences in assumptions changes	-	-
Contributions subsequent to the measurement date	457,629	-
Total	\$ 1,386,797	\$ (104,835)

The Department reported \$457,629 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, 2024. 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:

2023	\$ (28,482)
2024	176,512
2025	250,436
2026	425,867
2027	-
Thereafter	-
	\$ 824,333

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, 2023

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, 2022 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	13
Active employees	44
Total	92

The Department’s contributions to the TMRS SDBF for the fiscal years ended 2023, 2022 and 2021 were \$7,131, \$5,785 and \$5,643, 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
2021	0.15%	0.15%	100.00%
2022	0.15%	0.15%	100.00%
2023	0.17%	0.17%	100.00%

Total OPEB Liability

The Department’s Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2022, 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, 2023

Actuarial assumptions:

The Total OPEB Liability in the December 31, 2022 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	4.05%
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 4.05%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2022.

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 4.05%, 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 (3.05%) or 1-percentage-point higher (5.05%) than the current rate:

1% Decrease	Current Single Rate	1% Increase
3.05%	Assumption 4.05%	5.05%
\$ 229,467	\$ 195,813	\$ 168,963

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2023

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/21	\$ 271,778
Changes for the year:	
Service Cost	10,818
Interest	5,047
Difference between expected and actual experience	-
Changes of assumptions	(87,184)
Benefit payments	(5,796)
Net changes	(75,965)
Balance at 12/31/22	\$ 195,813

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

For the year ended December 31, 2022, the Department recognized OPEB expense of \$4,227.

At December 31, 2023, 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	\$ -	\$ (6,320)
Change in assumptions	-	(46,714)
Contributions subsequent to measurement date	7,131	-
Total	\$ 7,131	\$ (53,034)

The Department reported \$7,131 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, 2024.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2023

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

Year ended December 31:	
2023	\$ (10,988)
2024	(15,983)
2025	(19,325)
2026	(6,738)
2027	-
Thereafter	-
	\$ (53,034)

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, 2022 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

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2023

included for count purposes only and are creating no liability for the Employer. There is no 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: 3.26%

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 3.26%. The discount rate was based on the Bond Buyer 20-year Bond GO Index rate as of December 31, 2022.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2023

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 3.26%, 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 (2.26%) or 1-percentage-point higher (4.26%) than the current rate:

1% Decrease (2.26%)	Current Discount Rate (3.26%)	1% Increase (4.26%)
\$ 74,944	\$ 73,898	\$ 72,893

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
\$ 72,944	\$ 73,898	\$ 74,872

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/22	\$ 90,557
Changes for the year:	
Interest	2,994
Change in benefit terms	468
Difference between expected and actual experience	-
Changes of assumptions	-
Plan changes	-
Benefit payments	(20,121)
Net changes	(16,659)
Balance at 12/31/23	\$ 73,898

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

For the year ended December 31, 2022, the Department recognized OPEB expense(gain) of \$3,462.

At December 31, 2023, the Department reported no deferred outflows of resources and deferred inflows of resources related to the OPEB liability.

Memorial Villages Police Department

NOTES TO FINANCIAL STATEMENTS, *Continued*

December 31, 2023

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, 2023, the employees contributed \$139,360 and the Department contributed \$90,681 to the Plan.

F. 2023 Capital Project Plan

The Department, along with three other surrounding cities, approved the Fiscal Year 2023 Capital Project Plan. The Department received funding of \$512,200 for approved projects from the participating cities. As of September 30, 2023, \$336,965 has been expended on the authorized projects, leaving \$175,325 in surplus funds. The Department refunded the three cities each \$50,000, totaling \$150,000. The Department will use the remaining funds for any additional expenses related to approved capital projects. The refunded amount is presented separately within the statement of activities.

G. Subsequent Events

There were no material subsequent events through May 8, 2024, the date the financial statements were issued.

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REQUIRED SUPPLEMENTARY INFORMATION

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

For the Year Ended December 31, 2023

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Participant assessments	\$ 6,794,233	\$ 6,794,235	\$ 2
Participant assessments refund (1)	-	(135,853)	(135,853)
Investment income	-	25,081	25,081
Other revenue	-	5,814	5,814
Total Revenues	6,794,233	6,689,277	(104,956)
Expenditures			
Current:			
Personnel	5,698,142	5,577,335	120,807
Insurance	80,680	71,280	9,400
Automotive	207,000	180,061	26,939
Building	94,300	65,138	29,162
Office and other expenditures	714,111	681,333	32,778
Total Expenditures	6,794,233	6,575,147	219,086
Net Change in Fund Balance	\$ -	114,130	\$ 114,130
Beginning fund balance		67,307	
Ending Fund Balance		\$ 181,437	

(1) Participant Assessment Refunds

Unassigned fund balance prior to participant assessment refunds	\$ 195,853
Amount held for Department operations	(60,000)
Participant assessment refunds	\$ 135,853
Net Change in Individual City Assessments (1/3) (refund)	\$ 45,284

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
Changes in benefit terms	-	-	-
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	2022
\$ 437,089	\$ 419,425	\$ -	\$ 481,230	\$ 496,992	\$ 526,623
942,429	973,033	988,536	1,038,710	1,069,654	1,083,368
-	-	-	-	-	34,717
81,319	64,280	499,650	65,256	(241,390)	(3,937)
-	-	3,760	-	-	-
(958,428)	(1,038,784)	(995,917)	(982,594)	(1,286,687)	(1,056,540)
502,409	417,954	496,029	602,602	38,569	584,231
14,222,580	14,724,989	15,142,943	15,638,972	16,241,574	16,280,143
14,724,989	15,142,943	15,638,972	16,241,574	16,280,143	16,864,374
\$ 347,619	\$ 343,838	\$ 373,906	\$ 423,905	\$ 425,509	\$ 429,271
224,477	217,319	237,293	255,585	263,357	270,459
1,593,018	(380,031)	1,826,935	1,005,380	1,817,300	(1,105,010)
(958,428)	(1,038,784)	(995,917)	(982,594)	(1,286,687)	(1,056,540)
(8,263)	(7,354)	(10,340)	(6,517)	(8,423)	(9,586)
(419)	(384)	(311)	(254)	58	11,439
1,198,004	(865,396)	1,431,566	695,505	1,211,114	(1,459,967)
11,504,570	12,702,574	11,837,178	13,268,744	13,964,249	15,175,363
\$ 12,702,574	\$ 11,837,178	\$ 13,268,744	\$ 13,964,249	\$ 15,175,363	\$ 13,715,396
\$ 2,022,415	\$ 3,305,765	\$ 2,370,228	\$ 2,277,325	\$ 1,104,780	\$ 3,148,978

86%	78%	85%	86%	93%	81%
\$ 3,206,816	\$ 3,104,553	\$ 3,389,894	\$ 3,651,214	\$ 3,762,242	\$ 3,863,702
63%	106%	70%	62%	29%	82%

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 Adopted 20 yr, any age retirement eligibility.

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>	<u>12/31/2023</u> ¹
\$ 373,906	\$ 423,905	\$ 425,509	\$ 428,903	\$ 457,629
<u>\$ 373,906</u>	<u>\$ 423,905</u>	<u>\$ 425,509</u>	<u>\$ 428,903</u>	<u>\$ 457,629</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,389,898	\$ 3,651,205	\$ 3,762,240	\$ 3,857,040	\$ 4,194,586
11.03%	11.61%	11.31%	11.12%	10.91%

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.

	<u>2021</u>	<u>2023</u>	¹
\$	10,158	\$ 10,818	
	5,219	5,047	
	-	-	
	(4,394)	1,150	
	7,765	(87,184)	
	<u>(5,643)</u>	<u>(5,796)</u>	
	<u>13,105</u>	<u>(75,965)</u>	
	<u>258,673</u>	<u>271,778</u>	
\$	<u>271,778</u>	<u>\$ 195,813</u>	²
\$	3,762,242	\$ 3,863,702	
	7.22%	5.07%	

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>	<u>2023</u> ¹
\$ -	\$ -
1,643	2,994
30,539	-
(3,346)	-
(2,115)	468
<u>(31,846)</u>	<u>(20,121)</u>
<u>(5,125)</u>	<u>(16,659)</u>
<u>95,682</u>	<u>90,557</u>
<u>\$ 90,557</u>	<u>\$ 73,898</u> ²
\$ 3,582,595	\$ 3,690,073
2.53%	2.00%

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MVPD 2025 Budget



Hunters Creek



Village

FY25 Budget

Bunker Hill Village - Piney Point Village - Hunters Creek Village





Hunters Creek



Village

FY25 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, facilities and equipment** available for use by the MVPD in order to provide for a Safe Community, that is 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

FY25 Budget Proposal

Proposed Total Budget Package for 2025

Personnel and Benefits \$6,683,167 (+3.3%)

Total Operations \$1,192,201 (+7.3%)

Total M&O \$7,875,368 (+3.93%)

Auto – \$144,000 (+3%)

(Vehicles)

Proposed General Fund 2024 Budget – \$7,875,368 (+3.82%)

Total Budget GF + Capital = \$8,045,368 (+2.27%)

Cost per Village \$2,681,789

Increase of \$59,522 per village over FY24

FY25 Budget Proposal

FY25 Budget Adjustments

Electricity service

TML

General Maintenance Contracts

- IOSO – I.T. Vendor
- AXON – In car video, BWC, Auto Tagging
- Flock – ALPR's
- Drone – Flight OP's Software
- Trackstar – Vehicle tracking

Equipment

- Uniforms/Vests
- RAD

Training/Travel

Landscaping



Hunters Creek



Village





Hunters Creek



Village

FY25 Budget

Continuing Investment in Our Personnel

Salary Increase

- Base Salary Adjustment – Civilian 5.5%
– Sworn 4.0%
- 1% Merit STEP

2025 Average Salary
w/pay incentives:

Sergeant	\$120,300
Patrol Officer	\$ 98,595
Dispatcher	\$ 66,776



Hunters Creek



Village

Capital Projects 2023-2025

The Memorial Villages Police Department administration had identified three capital projects that needed funding from participating cities over a 3-year period.

These projects included:

- **Radio System Upgrade/Replacement - 2023 Project (Project was Under Cost Estimates) REFUND** ✓
- Roof Replacement 2024 Project ✓
- HVAC Replacement
- **CAD/RMS/ARS Replacement 2025 Project** ✓

Revised 2025 Project Estimate
CAD/RMS/ARS: \$26,000



FY25 Capital Project Expenditure

May include applying existing fund balances

CAD/RMS/ARS
Cost of Project

\$26,000



Hunters Creek



Village



Proposed General Fund 2025 Budget – \$ 8,045,368

Cost per Village \$ 2,681,789



Hunters Creek



Village

FY25 Capital Project Expenditure Vehicle Replacement

Summary

2023 Vehicle Budget - \$160,000	Number of vehicles – 3
2024 Vehicle Budget - \$140,000	Number of vehicles – 3
2023 Vehicles actual cost w/upfit - \$183,950.93	
2024 Vehicles actual cost w/upfit - \$199,574.95	
2024 Total vehicle Replacement Funds (from all sources) \$332,648.58	
2024 Expenditures YTD \$201,513.36	
2024 Pending Expenditures (3 2023 Tahoe's + Upfit) \$152,248.60	
Balance (-\$21,113.37) * incl's sale of 2 Durango's	

FY25 Vehicle Replenishment Funding.
\$144,000.00 to support the purchase and
upfitting of unmarked vehicles.



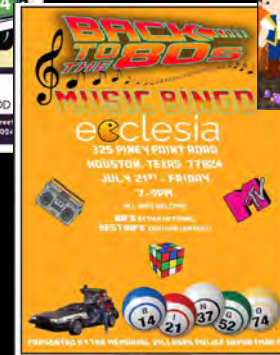
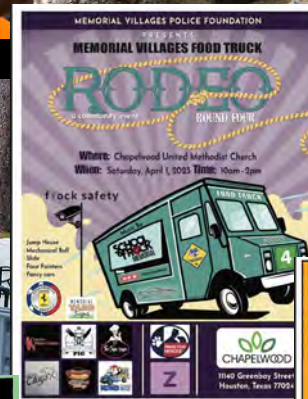


Hunters Creek



Village

Investing in Public Safety = Investing in the Community



Memorial Villages Police Department

FY25 BUDGET PROPOSAL

GENERAL FUND						
Acct. No	Category	2023 Adopted	2024 Adopted	2025 Proposed	\$ Increase/ 2024-2025	% Increase
100						
100	Salaries	4,100,675	4,198,380	4,455,559	257,179	6%
110	Overtime	145,000	160,000	160,000	0	0%
115	Court/Bailiff	5,000	2,500	5,000	2,500	100%
120	Retirement	498,812	1,135,233	971,628	(163,605)	-14%
125	457b contribution	91,873	94,832	101,058	6,226	7%
130	Health Insurance	692,808	703,166	807,980	104,814	15%
140	Workers Compensation - TML	78,000	82,000	86,400	4,400	5%
150	Life/LTD	23,257	25,400	25,877	477	2%
160	Medicare	61,713	63,311	67,089	3,778	6%
170	Social Security	1,002	1,788	2,576	788	44%
	TOTAL PERSONNEL/BENEFITS	5,698,142	6,466,610	6,683,167	216,557	3%
200						
	TML INTERGOVERNMENTAL RISK POOL					
200	Auto	40,000	40,000	40,000	0	0%
210	General Liability	720	550	1,400	850	155%
220	Public Official Bond	960	960	1,000	40	4%
230	Professional Liability	30,000	29,000	30,000	1,000	3%
240	Real & Personal Property	9,000	10,000	12,000	2,000	20%
	TOTAL OTHER INSURANCE	80,680	80,510	84,400	3,890	5%
300						
300	Gas and Oil	145,000	120,000	120,000	0	0%
310	Fleet maintenance	45,000	45,000	55,000	10,000	22%
320	Tires	7,000	7,000	10,000	3,000	43%
330	Damage Repair	10,000	10,000	10,000	0	0%
	TOTAL FLEET MAINTENANCE	207,000	182,000	195,000	13,000	7%
400						
400	General/Building Maintenance	61,700	40,000	40,100	100	0%
410	Janitorial Services	21,600	22,800	22,800	0	0%
420	Jail	1,000	1,000	1,000	0	0%
430	Building Furnishings	10,000	10,000	10,000	0	0%
	TOTAL BUILDING	94,300	73,800	73,900	100	0%
500						
500	Computers	15,000	16,000	16,000	0	0%
510	Postage/postage machine	1,300	1,300	1,300	0	0%
520	Office Supplies	25,000	30,500	35,300	4,800	16%
530	Bank/Finance Service Chgs	600	600	400	(200)	-33%
540	Payroll Services	20,000	22,000	22,000	0	0%
	TOTAL OFFICE	61,900	70,400	75,000	4,600	7%
600						
600	Telephone	43,306	42,775	40,040	(2,735)	-6%
610	Electric	20,000	20,000	20,000	0	0%
620	Water/Sewer	6,000	6,000	7,500	1,500	25%
630	Natural Gas	1,000	800	1,000	200	25%
	TOTAL UTILITIES	70,305	69,575	68,540	(1,035)	-1%

Memorial Villages Police Department

FY25 BUDGET PROPOSAL

GENERAL FUND CONTINUED						
700						
	700 Equipment Maint. Contracts	121,710	130,530	179,858	49,328	38%
	710 SETCIC fees	3,600	3,600	3,600	0	0%
	720 Legal/Professional	71,830	57,850	56,300	(1,550)	-3%
	730 IT Services	124,370	115,628	135,944	20,316	18%
	740 Software Maintenance Contracts	64,200	100,800	84,700	(16,100)	-16%
	TOTAL CONTRACTS/SERVICES	385,710	408,408	460,402	51,994	13%
800						
	800 Accreditation	1,440	1,440	1,440	0	0%
	810 Uniforms	35,000	40,000	41,000	1,000	3%
	820 Radio parts and labor	33,036	31,037	33,504	2,467	8%
	830 Firearms Trng and Ammo	6,500	7,000	7,000	0	0%
	835 Tasers	15,000	15,000	20,000	5,000	33%
Acct. No	Category	2023 Adopted	2024 Adopted	2025 Proposed	\$ Increase/ 2024-2025	% Increase
	840 Training & Prof. Dues	60,000	67,000	69,375	2,375	4%
	850 Travel	7,000	7,000	9,500	2,500	36%
	860 Recruiting Costs	7,000	7,000	13,000	6,000	86%
	870 Criminal Investigations (CID)	3,720	3,320	2,500	(820)	-25%
	880 Contingency - Miscellaneous	25,000	25,000	30,000	5,000	20%
	892 Small Equipment	2,500	22,000	7,640	(14,360)	-65%
	TOTAL OPERATIONS	196,196	225,797	234,959	9,162	4%
	TOTAL M&O	6,794,233	7,577,100	7,875,368	298,268	4%
OTHER FUNDS						
Acct. No	Category	2023 Adopted	2024 Adopted	2025 Proposed	\$ Increase/ 2024-2025	% Increase
1000						
	1000 Auto Replacement	160,000	140,000	144,000	4,000	3%
	TOTAL VEHICLE REPLACEMENT	160,000	140,000	144,000	4,000	3%
2000						
	Range storage container/banking fees	12,200				
	Radio System Upgrade	625,000				
	Roof & HVAC		149,700		(149,700)	-100.00%
	CAPER conversion			26,000	26,000	
	TOTAL SPECIALCAPITAL ASSETS	637,200	149,700	26,000	(123,700)	-83%
	TOTAL OTHER FUNDS	797,200	289,700	170,000	(119,700)	-41%
Category	2023 Adopted	2024 Adopted	2025 Proposed	\$ Increase/ 2024-2025	% Increase	
GENERAL FUND	6,794,233	7,577,100	7,875,368	298,268	4%	
VEHICLE REPLACEMENT	160,000	140,000	144,000	4,000	3%	
SPECIAL CAPITAL ASSETS	637,200	149,700	26,000	(123,700)	-82.63%	
	(125,000)					
	512,200	149,700	26,000	(123,700)	-83%	
COMBINED TOTALS	7,466,433	7,866,800	8,045,368	178,568	2.27%	

E-Bicycle Ordinance (ORD 2024.04)

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF PINEY POINT VILLAGE, TEXAS, AMENDING SECTION 46-31, MOTOR VEHICLE AREAS, DIVISION 1, GENERALLY, OF ARTICLE II, STREETS, OF CHAPTER 46, STREETS, SIDEWALKS AND OTHER PUBLIC PLACES, ADDING ARTICLE III, ELECTRIC RIDING TOYS AND SMALL MOTOR VEHICLES, OF CHAPTER 58, TRAFFIC AND VEHICLES OF THE CODE OF ORDINANCES OF THE CITY OF PINEY POINT VILLAGE WITH UPDATED AND AMENDED RULES AND REGULATIONS RELATED TO ELECTRIC RIDING TOYS AND SMALL MOTOR VEHICLES; PROVIDING FOR PENALTY; AND PROVIDING FOR SEVERABILITY.

WHEREAS, the City Council of the City of Piney Point Village, Texas, finds Section 46-31, Motor vehicle areas, Division 1, Generally, of Article II, Streets, of Chapter 46, Streets, Sidewalks, and other Public Places should be amended and Article III, Electric Riding Toys and Small Motor Vehicles of Chapter 58, Traffic and Vehicles, of its Code of Ordinances should be added in accordance with the provisions of this ordinance; and

WHEREAS, the City Council hereby finds that it is the purpose of this Ordinance to update the Code to promote the public health, safety, and general welfare of the citizens of the City and to minimize public and private injury and losses due to electric riding toys and small motor vehicles;

NOW THEREFORE,

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

SECTION 1. The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

SECTION 2. Section 46-31, Motor vehicle areas, Division 1, Generally, of Article II, Streets, of Chapter 46, Streets, Sidewalks, and other Public Places of its Code of Ordinances is hereby amended by removing language struckthrough and adding thereto the language underscored below:

“Sec. 46-31. – Motor Vehicle areas.

(a) It shall be unlawful for any person to cause or permit any motor vehicle, as that term is defined in chapter 541, Texas Transportation Code, as amended, to be operated upon any lot or tract of land, public or private, within the city except upon areas paved for the purpose of motor vehicle parking or motor vehicular access to the lot upon which such vehicle is operated. It shall be a defense to prosecution hereunder that the operation of a vehicle in violation hereof (1) was upon a lot or

tract of land owned or occupied by the person operating the vehicle, or (2) was with the consent of the owner of the lot or tract upon which the vehicle was operated.

(b) It shall be unlawful for any person to cause or permit any Class 3 electric bicycle, as that term is defined by Section 58-50, Article III, Chapter 58, Traffic and Vehicles and Chapter 664, Texas Transportation Code, as amended, to be operated upon any lot or tract of land, public or private, within the city except upon areas paved for the purpose of motor vehicle parking or motor vehicular access to the lot upon which such vehicle is operated. It shall be a defense to prosecution hereunder that the operation of a vehicle in violation hereof (1) was upon a lot or tract of land owned or occupied by the person operating the vehicle, or (2) was with the consent of the owner of the lot or tract upon which the vehicle was operated.

~~(b)~~ (c) Any person who shall violate any provision of this article shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined in an amount not to exceed \$2,000.00. Each day of violation shall constitute a separate offense.”

SECTION 3. Article III, Electric Riding Toys and Small Motor Vehicles, of Chapter 58, Traffic and Vehicles of the City’s Code of Ordinances is hereby amended adding new sections, Section 58-50, Definitions, Section 58-51, Electric Riding Toys – General Provisions, Section 58-52, Electric Bicycles – Bicycle Paths; Section 58-53, Electric Bicycles – Class 3 Electric Bicycles, Section 58-54, Electric Bicycles – Age Restrictions, Section 58-55, Electric Bicycles – Operation at Night, Section 58-56, Electric Scooters and Electric Skateboards, Section 58-57, Electric Riding Toy – Penalty, and Section 58-58, Small Motor Vehicles – General Provisions; Penalty as indicated in the language underscored below:

“ARTICLE III – ELECTRIC RIDING TOYS AND SMALL MOTOR VEHICLES

Sec. 58-50. – Definitions.

Class 1 electric bicycle means an electric bicycle equipped with a motor that assists the rider only when the rider is pedaling and with a top assisted speed of 20 miles per hour or less.

Class 2 electric bicycle means an electric bicycle equipped with a motor that may be used to propel the bicycle without the pedaling of the rider and with a top assisted speed of 20 miles per hour or less.

Class 3 electric bicycle means an electric bicycle equipped with a motor that assists the rider only when the rider is pedaling and with a top assisted speed of more than twenty (20) but less than twenty-eight (28) miles per hour (MPH).

Electric bicycle means a bicycle equipped with fully operable pedals and an electric motor of fewer than 750 watts and with a top assisted speed of twenty-eight (28) miles per hour or less.

Electric scooter means a scooter assisted by an electrical source or battery that allows for self-propulsion of three (3) miles per hour (MPH) or greater.

Electric skateboard means a skateboard assisted by an electrical source or battery that allows for self-propulsion of three (3) miles per hour (MPH) or greater.

Electric riding toys means any electric bike, electric skateboard, and / or electric scooter.

Top assisted speed means the speed at which the bicycle's motor ceases propelling the bicycle or assisting the rider.

“Sec. 58-51. Electric Riding Toys – General Provisions

(a) Operators and/or Riders of any Electric Riding Toy operating on a sidewalk where permissible by City Ordinance shall slow and yield to any vehicle exiting a driveway.

(b) Operators and/or Riders of any Electric Riding Toy operating on a sidewalk where permissible by City Ordinance shall yield and, if necessary, stop when crossing any street or roadway.

(c) Chapter 551 of the Texas Transportation Code, as amended, shall apply to the extent it does not conflict with City Ordinance.

Sec. 58-52. Electric Bicycles – Bicycle Paths

(a) Wherever a useable public path for bicycles has been provided adjacent to a public street, Class 1 and Class 2 electric bicycle riders may use such path.

(b) When operating on a sidewalk, Class 1 and Class 2 electric bicycle riders shall not exceed five (5) miles per hour.

(c) Class 1 and Class 2 electric bicycle riders shall yield and provide right-of-way to pedestrians, slow to no more than three (3) miles per hour and pass no closer than three (3) feet of while passing pedestrians, and clearly announce presence before overtaking a pedestrian. The pedestrian shall have the right-of-way.

(c) Class 3 electric bicycles shall not be used on bicycle paths but shall use the public street and shall comply with all applicable traffic ordinances.

Sec. 58-53. Electric Bicycles – Class 3 electric bicycles

Class 3 electric bicycle riders shall ride as near as practicable to the right curb or edge of the road way, unless:

(a) the person is passing another vehicle moving in the same direction; or

(b) the person is preparing to turn left at an intersection or onto a private road or driveway; or

(c) a condition on or of the roadway, including a fixed or moving object, parked or moving vehicle, pedestrian, animal, or surface hazard prevents the person from safely riding next to the right curb or edge of the roadway.

Sec. 58-54. Electric Bicycles – Age Restrictions

(a) All riders of Class 1 and 2 electric bicycles under the age of seventeen (17) shall wear a helmet. All riders of Class 3 electric bicycles under the age of twenty-one (21) shall wear a helmet.

(b) Class 1 and Class 2 electric bicycle riders under the age of twelve (12) shall be accompanied by an adult when on a public space.

(c) Class 3 electric bicycle riders shall be fifteen (15) or older to ride the electric bicycle on public space.”

Sec. 58-55. Electric Bicycles – Operation at Night

All electric bicycles operated at night on a public street, path or sidewalk shall be upfitted with lights and reflectors as required by Chapter 551 of the Texas Transportation Code, as amended.

Sec. 58-56. Electric Scooters and Electric Skateboards

(a) Electric Scooters and Electric Skateboards shall be ridden on sidewalks where sidewalks are available.

(b) Electric Scooters and Electric Skateboard riders shall yield to any pedestrian or bicycle when passing or overtaking on sidewalks. Pedestrians have the right of way.

Sec. 58-57. Electric Riding Toys - Penalty

(a) A first violation under this article may result in the violators being required to complete an electric riding toy safety class conducted by the Memorial Villages Police Department.

(b) A first violation under this article may be subject to a fine not to exceed \$50.

(c) Subsequent or repeat violations under this article may be subject to a fine not to exceed \$2,000.

(d) A parent or guardian of a minor, who knowingly allowed said minor to violate this ordinance and said minor is found in violation of this ordinance, may be subject to a fine not to exceed \$2,000.”

Sec. 58-58. Small Motor Vehicle – General Provisions; Penalty

(a) It shall be unlawful for any person to operate a moped or motor-assisted scooter upon any public sidewalk or public hike path or public bike path within the city.

(b) It shall be unlawful for any person to operate a pocket bike or minimotorbike upon any public sidewalk, public hike path, public bike path, highway, road, or street within the city.

(c) Any person who shall violate this section shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined not to exceed \$2,000.”

SECTION 4. Any person who intentionally, knowingly, recklessly, or with criminal negligence violates any provision of this Ordinance shall be guilty of a misdemeanor, and upon conviction, shall be subject to a fine in the amount not to exceed \$2,000.00 for any violation hereof, with each day being a separate violation.

SECTION 5. 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 adjudged 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, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any 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 6. The amendment to the Code of Ordinances, City of Piney Point Village, Texas provided for in this Ordinance shall be in full force and effect on the date of its execution below.

PASSED, APPROVED and ORDAINED this _____ day of _____ 2024.

MARK KOBELAN, MAYOR

ATTEST:

BOBBY PENNINGTON, City Administrator / City Secretary

PINEY POINT VILLAGE MEMORANDUM

To: Council, Staff, MVPD, and City Attorney
Via: Margaret Rohde
cc: City Council
Date: May 28, 2024
Re: E-Bike Ordinance

Major issues:

1. There needs to be definitions added for (a) moped, (b) motor-assisted scooter, (c) pocket bike/mini-motorbike included in Section 58-50. I couldn't find these under the Transportation Code --maybe MVPD can provide them.
2. There are 3 different "roadways" discussed in the ordinance, each with different rules where the eBike is operating: (a) sidewalks (need to add hike paths since there are several unpaved hike paths that are used as cut throughs), (b) bicycle paths (adjacent to the street), and (3) public roads. The language in Section 58-52 (styled "Electric Bicycles -Bicycle Paths" discusses both bike paths and sidewalks so it's confusing. I suggest creating a specific section for each type of roadway. Even if some of the rules for each type of roadway are the same or similar, it will still help with clarity.
3. The draft ordinance is silent as to the use of Class 1 and Class 2 eBikes on City streets and roads. Do we want these categories to be used on our streets if there is a sidewalk or bike path available?
4. I noticed there's no speed limit for the eBikes, except when they're on the sidewalk or passing w/n 3 feet of pedestrians. Shouldn't we put a speed limit on these vehicles when they're on other roadways ---or at least tell them they have to follow posted speeds?
5. The ordinance is silent as to the age and helmet restrictions, as well as nighttime riding, for electric scooters and electric skateboards.
6. The ordinance isn't consistent as to operation of each type of vehicle on public versus private streets (or sidewalks). I would recommend we treat all roads (and sidewalks) in the City the same, as far as the requirements are concerned, as riders probably won't understand or know which ones are public or private. We can leave up to MVPD as to enforcement on private streets.

7. There's not much detail in Section 58-58 regarding small motor vehicles. Do we need to add anything about speed limits, helmets, yielding to pedestrians, or nighttime operations?
8. Have any of the other Village cities adopted this ordinance? If so, I would like to see any edits they made, in case we're missing something.

TO: City Council

FROM: R. Pennington, City Administrator

VIA: H. Miller, Interim Fire Chief

MEETING DATE: May 28, 2024

SUBJECT: Consideration and possible action on the Village Fire Department.

Agenda Item: 6

Summary:

This agenda item is for VFD monthly reporting to hear and discuss the activity of the Department, including details on call volume and other public safety-related incidents.

- a) Update on activities.
- b) VFD Audit
- c) VFD 2025 Budget.
 - a. VFD Budget Worksheets (Detail)
 - b. VFD Capital Plan (Vehicle/Apparatus Replacement)
- d) VFD Financials
- e) VFD Agendas & Minutes

Recommendation:

The VFD Commission request approval of the following as action items:

1. VFD Audit.
2. VFD 2025 Budget.

Attachments:

VFD Audit

VFD 2025 Budget.

VFD Budget Worksheets (Not included - Possible Handout)

VFD Capital Plan (Vehicle/Apparatus Replacement)

VFD Financials (Not included - Possible Handout)

VFD Agendas & Minutes

ANNUAL FINANCIAL REPORT

of the

VILLAGE FIRE DEPARTMENT

**For the Year Ended
December 31, 2023**

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VILLAGE FIRE DEPARTMENT

TABLE OF CONTENTS

December 31, 2023

<u>FINANCIAL SECTION</u>	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis (Required Supplementary Information)	7
<u>BASIC FINANCIAL STATEMENTS</u>	
Government-Wide Financial Statements	
Statement of Net Position	15
Statement of Activities	17
Governmental Funds Financial Statements	
Balance Sheet – Governmental Funds	18
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
Fiduciary Fund Financial Statements	
Statement of Fiduciary Net Position – Fiduciary Fund	25
Statement of Changes in Fiduciary Net Position – Fiduciary Fund	27
Notes to Financial Statements	29
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – General Fund	49
Schedule of Changes in Net Pension Liability and Related Ratios – Texas Municipal Retirement System (TMRS)	50
Schedule of Contributions – TMRS	52
Schedule of Changes in Total OPEB Liability and Related Ratios – TMRS	54
<u>SUPPLEMENTARY INFORMATION</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Capital Replacement Fund	59
Budget and Actual – Facility Fund	61

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners of the
Village Fire Department:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Village Fire Department (the "Department"), as of and for the year ended December 31, 2023, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Department as of December 31, 2023, 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 for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities 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 auditors' 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 generally accepted auditing standards 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 generally accepted auditing standards, 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, schedules of changes in net pension and total other postemployment benefits liability and related ratios, and schedule of contributions, identified as Required Supplementary Information on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Department's basic financial statements. The schedules, identified as Supplementary Information on the table of contents, are presented for purposes of additional analysis and are not required parts of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The

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

BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
April 19, 2024

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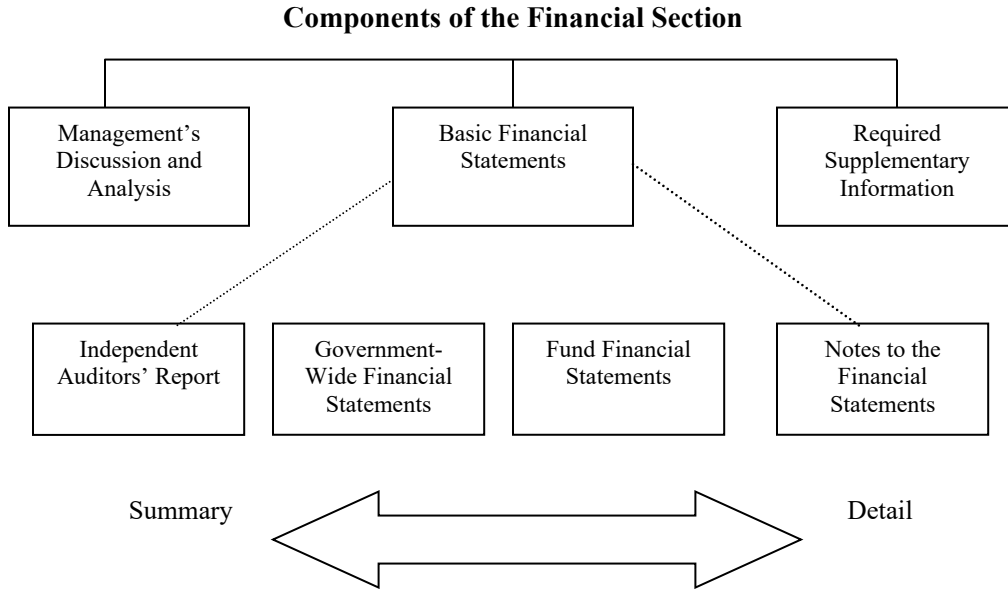
***MANAGEMENT'S DISCUSSION
AND ANALYSIS***

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VILLAGE FIRE DEPARTMENT
MANAGEMENT’S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2023

The purpose of the Management’s Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of the Village Fire Department (the “Department”) for the year ending December 31, 2023. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the Department’s activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the Department’s financial statements, which follow this section.

THE STRUCTURE OF OUR ANNUAL REPORT



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

Government-Wide Statements

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

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

VILLAGE FIRE DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended December 31, 2023

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

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

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

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

FUND FINANCIAL STATEMENTS

Funds may be considered as operating companies of the parent corporation, which is the Department. They are usually segregated for specific activities or objectives. The Department uses fund accounting to ensure and demonstrate compliance with finance-related legal reporting requirements. The Department has governmental and fiduciary 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 year. Such information may be useful in evaluating the Department's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Department's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds 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 funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, the capital replacement fund, the facility fund, and the ambulance billing fund, which are considered to be major funds for reporting purposes.

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

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Department's own operations. The accrual basis of accounting is used for fiduciary funds. The Department maintains one fiduciary fund, which is reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position.

VILLAGE FIRE DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended December 31, 2023

Notes to Financial Statements

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

Other Information

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the Department's financial position. For the Department, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$7,532,703 as of year end.

The largest portion of the Department's net position reflects its net investment in capital assets.

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	Governmental Activities	
	2023	2022
<u>Assets</u>		
Current and other assets	\$ 947,071	\$ 2,485,191
Capital assets, nondepreciable	-	5,630,467
Capital assets, net of depreciation	7,471,175	1,808,004
Total Assets	8,418,246	9,923,662
Deferred outflows - pensions	1,880,485	434,485
Deferred outflows - OPEB	46,326	54,194
Total Deferred Outflows of Resources	1,926,811	488,679
<u>Liabilities</u>		
Current liabilities	544,177	619,448
Long-term liabilities	1,958,977	782,880
Total Liabilities	2,503,154	1,402,328
Deferred inflows - pensions	230,474	1,471,545
Deferred inflows - OPEB	78,726	13,053
Total Deferred Inflows of Resources	309,200	1,484,598
<u>Net Position</u>		
Net investment in capital assets	7,471,175	7,438,471
Unrestricted	61,528	86,944
Total Net Position	\$ 7,532,703	\$ 7,525,415

VILLAGE FIRE DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended December 31, 2023

Unrestricted net position is the residual amount of net position not included in the net investment in capital assets. The Department's unrestricted net position was \$61,528 as of year end. The Department experienced an overall increase in net position of \$7,288.

Statement of Activities

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

	Governmental Activities	
	2023	2022
Revenues		
Participant assessments	\$ 9,375,085	\$ 8,090,383
Charges for fuel	162,155	247,835
Interest	26,065	7,619
Emergency medical services	265,248	244,899
Other	16,885	4,511
Gain (loss) on disposal of capital assets	(24,410)	-
Total Revenues	9,821,028	8,595,247
Expenses		
Public safety	9,813,740	7,825,429
Total Expenses	9,813,740	7,825,429
Change in Net Position	7,288	769,818
Beginning net position	7,525,415	6,755,597
Ending Net Position	\$ 7,532,703	\$ 7,525,415

In comparison to the prior year, revenues for the Department increased by \$1,225,781 or 14%. This increase is mainly due to an increase in assessments from the participating cities, as additional assessments. In comparison to the prior year, expenses for the Department increased by \$1,988,311 or 25%. This increase is mainly due to an increase in personnel expense in the form of salaries and overtime.

FINANCIAL ANALYSIS OF THE DEPARTMENT'S FUNDS

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

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

The Department's governmental funds reflect a combined fund balance of \$402,894. Of this, \$79,434 is nonspendable for prepaids, \$128,696 is assigned for equipment replacement, \$35,871 is assigned for improvements to the facility, and \$158,620 is unassigned fund balance.

The general fund is the Department's primary operating fund. At the end of the year, total fund balance of the general fund was \$238,054. Compared to fiscal year 2022, general fund fund balance increased by \$147,014, which was primarily due to less expenses than budgeted.

VILLAGE FIRE DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended December 31, 2023

The capital replacement fund ended the fiscal year with a fund balance of \$128,969, marking a decrease of \$91,345 compared to the previous fiscal year.

The facility fund had an ending fund balance of \$35,871, which represents a net increase of \$2,865 from the prior year.

CAPITAL ASSETS

At the end of the year, the Department's governmental activities had invested \$7,471,175 (net of accumulated depreciation) in a variety of capital assets. This represents a net increase of \$32,704.

During the year, the Department purchased various medical and rescue equipment items. More detailed information on the Department's capital assets can be found in note III. B. to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The participating cities and the Department approved a \$9,913,486 budget for all operating activities for fiscal year 2024, which includes \$400,000 for the capital replacement fund.

CONTACTING THE DEPARTMENT'S FINANCIAL MANAGEMENT

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

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BASIC FINANCIAL STATEMENTS

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VILLAGE FIRE DEPARTMENT

STATEMENT OF NET POSITION

December 31, 2023

	Primary Government Governmental Activities
<u>Assets</u>	
Cash	\$ 833,288
Prepays	79,434
Inventories	8,692
Other receivables	25,657
Capital assets, net	7,471,175
Total Assets	8,418,246
<u>Deferred Outflows of Resources</u>	
Deferred outflows - pensions	1,880,485
Deferred outflows - OPEB	46,326
Total Deferred Outflows of Resources	1,926,811
<u>Liabilities</u>	
Current liabilities:	
Accounts payable	544,177
Total Current Liabilities	544,177
Noncurrent liabilities:	
Due within one year	430,146
Due in more than one year	1,528,831
Total Noncurrent Liabilities	1,958,977
Total Liabilities	2,503,154
<u>Deferred Inflows of Resources</u>	
Deferred inflows - pensions	230,474
Deferred inflows - OPEB	78,726
Total Deferred Inflows of Resources	309,200
	91,040
<u>Net Position</u>	
Net investment in capital assets	7,471,175
Unrestricted	61,528
Total Net Position	\$ 7,532,703

See Notes to Financial Statements.

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VILLAGE FIRE DEPARTMENT

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues Charges for Services	Net Revenue (Expense) and Changes in Net Position Primary Government Governmental Activities
Primary Government			
Governmental Activities			
Public safety	\$ 9,813,740	\$ 427,403	\$ (9,386,337)
Total Governmental Activities	\$ 9,813,740	\$ 427,403	(9,386,337)
General Revenues:			
Participant assessments			9,375,085
Interest			26,065
Other			16,885
(Loss) on disposal of capital assets			(24,410)
Total General Revenues			9,393,625
Change in Net Position			7,288
Beginning net position			7,525,415
Ending Net Position			\$ 7,532,703

See Notes to Financial Statements.

VILLAGE FIRE DEPARTMENT

BALANCE SHEET

GOVERNMENTAL FUNDS

December 31, 2023

	General	Capital Replacement	Facility	Ambulance Billing
<u>Assets</u>				
Cash	\$ 348,752	\$ 128,969	\$ 269,910	\$ 85,657
Prepays	79,434	-	-	-
Inventories	8,692	-	-	-
Other receivables	25,657	-	-	-
Total Assets	\$ 462,535	\$ 128,969	\$ 269,910	\$ 85,657
<u>Liabilities</u>				
Accounts payable and accrued liabilities	\$ 224,481	\$ -	\$ 234,039	\$ 85,657
Total Liabilities	224,481	-	234,039	85,657
<u>Fund Balances</u>				
Nonspendable:				
Prepays	79,434	-	-	-
Assigned for:				
Equipment replacement	-	128,969	-	-
Facility improvements	-	-	35,871	-
Unassigned	158,620	-	-	-
Total Fund Balances	238,054	128,969	35,871	-
Total Liabilities and Fund Balances	\$ 462,535	\$ 128,969	\$ 269,910	\$ 85,657

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

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

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

Net pension liability
Total OPEB liability
Deferred outflows - pensions
Deferred outflows - OPEB
Deferred inflows - pensions
Deferred inflows - OPEB

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

Compensated absences

Net Position of Governmental Activities

See Notes to Financial Statements.

**Total
Governmental
Funds**

\$ 833,288
79,434
8,692
25,657
\$ 947,071

\$ 544,177
544,177

79,434

128,969
35,871
158,620
402,894

7,471,175

(1,333,756)
(147,281)
1,880,485
46,326
(230,474)
(78,726)

(477,940)
\$ 7,532,703

VILLAGE FIRE DEPARTMENT

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

For the Year Ended December 31, 2023

	General	Capital Replacement	Facility	Ambulance Billing
Revenues				
Participant assessments	\$ 9,175,085	\$ 200,000	\$ -	\$ -
Charges for fuel	162,155	-	-	-
Interest	16,093	3,946	6,026	-
Emergency medical services	-	-	-	265,248
Other	16,885	-	-	-
Total Revenues	9,370,218	203,946	6,026	265,248
Expenditures				
Current:				
Personnel	7,620,690	-	-	-
Operational	1,118,926	-	-	-
Distribution to participants	-	-	-	265,248
Capital outlay	483,588	295,291	3,161	-
Total Expenditures	9,223,204	295,291	3,161	265,248
Net Change in Fund Balances	147,014	(91,345)	2,865	-
Beginning fund balances	91,040	220,314	33,006	-
Ending Fund Balances	\$ 238,054	\$ 128,969	\$ 35,871	\$ -

See Notes to Financial Statements.

**Total
Governmental
Funds**

\$	9,375,085
	162,155
	26,065
	265,248
	16,885
	<u>9,845,438</u>

	7,620,690
	1,118,926
	265,248
	782,040
	<u>9,786,904</u>

58,534

	<u>344,360</u>
\$	<u>402,894</u>

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VILLAGE FIRE DEPARTMENT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2023

Net changes in fund balances - total governmental funds	\$	58,534
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay		437,758
Depreciation expense		(380,644)
Net book value of capital asset disposal		(24,410)
Net pension and total other postemployment benefits (OPEB) liabilities and deferred outflows and deferred inflows related to the net pension liability and total OPEB liability are reported in the governmental funds.		
Net pension liability		(2,855,139)
Total OPEB liability		70,341
Deferred outflows - pensions		1,446,000
Deferred outflows - OPEB		(7,868)
Deferred inflows - pensions		1,241,071
Deferred inflows - OPEB		(65,673)
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		87,318
Change in Net Position of Governmental Activities	\$	7,288

See Notes to Financial Statements.

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VILLAGE FIRE DEPARTMENT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
December 31, 2023

		<u>Custodial Fund</u>
<u>Assets</u>		
Cash		\$ 9,110
	Total Assets	<u>9,110</u>
 <u>Net Position</u>		
Restricted for other governments		9,110
	Total Net Position	<u>\$ 9,110</u>

See Notes to Financial Statements.

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VILLAGE FIRE DEPARTMENT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
For the Year Ended December 31, 2023

		<u>Custodial Fund</u>
<u>Additions</u>		
Insurance premiums collected		\$ 3,308,466
	Total Additions	<u>3,308,466</u>
 <u>Deductions</u>		
Insurance premiums distributed		3,304,390
	Total Deductions	<u>3,304,390</u>
	Changes in Fiduciary Net Position	4,076
Net position - beginning of the year		(5,034)
	Ending Net Position	<u><u>\$ 9,110</u></u>

See Notes to Financial Statements.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

On December 20, 1978, six contracting cities joined into an interlocal cooperation agreement (the “Interlocal Agreement”) to establish a common municipal fire department, chartered as the Village Fire Department (the “Department”), to provide fire and rescue services beginning January 1, 1979. The area of coverage consists of the six cities commonly known as the Memorial Villages (the “Participating Cities”) and is approximately ten square miles. As discussed in Note IV.A., the Department operates and services the Participating Cities based upon the Interlocal Agreement.

The Department operates under a six-member Board of Fire Commissioners (the “Board”). Each of the six Participating Cities appoint one fire commissioner and one alternate. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Department (the primary government) and its component units. In evaluating how to define the Department for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in generally accepted accounting principles. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant indication of this ability is financial interdependency. Other indications of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the Department is able to exercise oversight responsibilities. As of December 31, 2023, the Department had no component units.

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

B. Government-Wide Financial Statements

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

C. Basis of Presentation – Government-Wide Financial Statements

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

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

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

D. Basis of Presentation – Fund Financial Statements

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

The Department reports the following governmental funds:

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

The *capital replacement fund* calls for a certain amount to be set aside each year to be used for replacement of capital equipment. The capital replacement fund is considered a major fund for reporting purposes.

The *facility fund* is used to account for monies to be used toward the remodel of the fire station. The facility fund is considered a major fund for reporting purposes.

The *ambulance billing fund* is used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The special revenue fund is considered a major fund for reporting purposes.

Fiduciary Fund

The fiduciary fund accounts for assets held by the Department in a trustee capacity or as a custodian agent on behalf of others. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Department's own programs.

The Department reports the following type of fiduciary fund:

Custodial Fund

The custodial funds report resources, not in a trust, that are held by the Department for other parties outside of the Department. Custodial funds are accounted for using the accrual basis of accounting. These funds are used to account for the Department's insurance cooperative funds.

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

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

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

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

E. Measurement Focus and Basis of Accounting

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

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

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

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

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

1. Cash and Cash Equivalents

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

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

2. Investments

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

3. Receivables

All trade receivables are shown net of an allowance for uncollectible accounts.

4. Prepaid Items

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

5. Capital Assets

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

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

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

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

6. Deferred Outflows/Inflows of Resources

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

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension/other postemployment benefits (OPEB) activities are amortized over the average of the expected service lives of pension/OPEB plan

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

members, except for the net differences between the projected and actual investment earnings on the pension/OPEB plan assets, which are amortized over a period of five years.

- For employer pension/OPEB plan contributions that were made subsequent to the measurement date through the end of the Department's fiscal year, the amount is deferred and recognized as a reduction to the net pension/OPEB liability during the measurement period in which the contributions were made.

7. Compensated Employee Absences

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

8. Participants' Assessment

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

9. Net Position Flow Assumption

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

10. Fund Balance Flow Assumptions

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

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

11. Fund Balance Policies

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

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Department's highest level of decision-making authority. The Board is the highest level of decision-making authority for the Department that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

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

12. Estimates

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

13. Pensions

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

14. Other Postemployment Benefits

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

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

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

G. Revenues and Expenditures/Expenses

1. Program Revenues

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

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits and Investments

Custodial credit risk – deposits. In the case of deposits, this is the risk that the Department's deposits may not be returned in the event of a bank failure. The Department's investment policy requires funds on deposit at the depository bank to be collateralized by securities. As of December 31, 2023, fair market values of pledged securities and FDIC coverage exceeded bank balances.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

B. Capital Assets

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets nondepreciable:				
Construction in progress	\$ 5,630,467	\$ 295,291	\$ (5,925,758)	\$ -
Capital assets being depreciated:				
Buildings and improvements	1,272,745	5,478,187	(112,223)	6,638,709
Furniture and equipment	1,187,361	113,764	(278,156)	1,022,969
Vehicles	2,167,317	476,274	(72,519)	2,571,072
Total capital assets being depreciated	<u>4,627,423</u>	<u>6,068,225</u>	<u>(462,898)</u>	<u>10,232,750</u>
Less accumulated depreciation for:				
Buildings and improvements	(1,058,303)	(149,578)	88,162	(1,119,719)
Furniture and equipment	(838,587)	(69,970)	278,156	(630,401)
Vehicles	(922,529)	(161,096)	72,170	(1,011,455)
Total accumulated depreciation	<u>(2,819,419)</u>	<u>(380,644)</u>	<u>438,488</u>	<u>(2,761,575)</u>
Capital assets being depreciated, net	<u>1,808,004</u>	<u>5,687,581</u>	<u>(24,410)</u>	<u>7,471,175</u>
Governmental Activities Capital Assets, Net	<u>\$ 7,438,471</u>	<u>\$ 5,982,872</u>	<u>\$ (5,950,168)</u>	<u>\$ 7,471,175</u>

C. Long-Term Liabilities

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Compensated absences	\$ 565,258	\$ -	\$ 87,318	\$ 477,940	\$ 430,146
Net Pension liability	-	1,333,756	-	1,333,756	-
Total OPEB liability	<u>217,622</u>	<u>-</u>	<u>70,341</u>	<u>147,281</u>	<u>-</u>
Total Governmental Activities	<u>\$ 782,880</u>	<u>\$ 1,333,756</u>	<u>\$ 157,659</u>	<u>\$ 1,958,977</u>	<u>\$ 430,146</u>
Long-term liabilities due in more than one year				<u>\$ 1,528,831</u>	

IV. OTHER INFORMATION

A. Interlocal Agreement Between the Participating Cities

In July 1985, the six Participating Cities amended the Interlocal Agreement changing the expiration date to December 31, 1990. The amendment also makes the Interlocal Agreement automatically renewable for additional periods of five years each on its anniversary/termination date unless written notice is received from any of the Participating Cities by the first of September prior to the expiration date. The Interlocal Agreement has renewed automatically five times since December 1990 and the current automatic renewal extends to December 31, 2025.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

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

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

The Interlocal Agreement was further amended in December 2019 for a term of 48 months beginning on January 1, 2020. In March 2022, the Interlocal Agreement was amended to reinstate Bunker Hill as a participating member.

B. Agreement with the City of Houston

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

C. Charges for Fuel

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

D. Special Revenue Fund – Ambulance Billing

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

An eight percent fee is paid to the contractor that issues the billings and collects the payments for the Department. The service fee is considered to be an obligation of the Participating Cities and is paid from the funds collected on their behalf. The net fees are paid pro-rata to each of the Participating Cities based upon each City's percentage of the Department budget.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

E. Risk Management

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

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

F. Contingent Liabilities

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

G. Pension Plans

1. Texas Municipal Retirement System

Plan Description

The Department participates as one of 909 plans in the defined benefit cash-balance plan administered by TMRS. TMRS is a statewide public retirement plan created by the State and administered in accordance with the Texas Government Code, Title 8, Subtitle G (the "TMRS Act") as an agent multiple-employer retirement system for municipal employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees (the "Board"); however, TMRS is not fiscally dependent on the State. TMRS issues a publicly available annual comprehensive financial report that can be obtained at tmrs.com.

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

Benefits Provided

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

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

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

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:

	2023	2022
Employee deposit rate	7.00%	7.00%
Matching ratio (Department to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service requirement eligibility (expressed as age/yrs of service)	60/5, 0/20	60/5, 0/20
Updated service credit	50% Repeating, Transfers	50% Repeating, Transfers
Annuity increase (to retirees)	30% of CPI	30% of CPI

Employees Covered by Benefit Terms

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	32
Inactive employees entitled to, but not yet receiving, benefits	34
Active employees	47
Total	113

Contributions

Member contribution rates in TMRS are either 5%, 6%, or 7% of the member's total compensation, and the Department-matching ratios are either 1:1 (1 to 1), 1.5:1 (1½ to 1), or 2:1 (2 to 1), both as adopted by the governing body. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees for the Department were required to contribute 7.00 percent of their annual gross earnings during the fiscal year. The contribution rates for the Department were 6.7 percent and 7.0 percent in calendar years 2022 and 2023, respectively. The Department's contributions to TMRS for the calendar year ended December 31, 2023 were \$401,689 which were equal to the required contributions.

Net Pension Liability/(Asset)

The Department's Net Pension Liability (Asset) (NPL/(A)) was measured as of December 31, 2022 and the Total Pension Liability (TPL) used to calculate the NPL/(A) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The TPL in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35.00%	7.70%
Core Fixed Income	6.00%	4.90%
Non-Core Fixed Income	20.00%	8.70%
Other Public and Private Market	12.00%	8.10%
Real Estate	12.00%	5.80%
Hedge Funds	5.00%	6.90%
Private Equity	10.00%	11.80%
Total	100.00%	

Discount Rate

The discount rate used to measure the TPL was 6.75 percent. 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 TMRS fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

Changes in the NPL/(A)

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Changes for the year:			
Service cost	\$ 627,550	\$ -	\$ 627,550
Interest	1,454,210	-	1,454,210
Difference between expected and actual experience	(220,464)	-	(220,464)
Contributions - employer	-	335,821	(335,821)
Contributions - employee	-	358,893	(358,893)
Net investment income	-	(1,691,390)	1,691,390
Benefit payments, including refunds of employee contributions	(922,607)	(922,607)	-
Administrative expense	-	(14,663)	14,663
Other changes	-	17,496	(17,496)
Net Changes	938,689	(1,916,450)	2,855,139
Balance at December 31, 2021	21,691,387	23,212,770	(1,521,383)
Balance at December 31, 2022	\$ 22,630,076	\$ 21,296,320	\$ 1,333,756

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

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

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
Department's Net Pension Liability/(Asset)	\$ 4,235,108	\$ 1,333,756	\$ (1,086,690)

Pension Plan Fiduciary Net Position

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

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

For the fiscal year ended December 31, 2023, the Department recognized pension expense of \$2,855,139.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

At December 31, 2023, the Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 66,104	\$ (200,541)
Changes in actuarial assumptions	-	(29,933)
Net difference between projected and actual investment earnings	1,452,223	-
Contributions subsequent to the measurement date	362,158	-
Total	\$ 1,880,485	\$ (230,474)

\$362,158 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Calendar Year Ended December 31	Pension Expense
2024	\$ (8,554)
2025	(313,370)
2026	(357,654)
2027	(612,595)
2028	4,319
Thereafter	-
Total	\$ (1,287,854)

2. Deferred Compensation Plan

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

3. Village Fire Department Cafeteria Plan

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

H. Other Postemployment Benefits

TMRS Supplemental Death Benefits

Plan Description

The Department participates in a defined benefit OPEB plan administered by TMRS. TMRS administers the defined benefit group-term life insurance plan known as the SDBF. This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

Employers may terminate coverage under, and discontinue participation in, the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

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

The contributions to the SDBF are pooled for investment purposes with those of the Pension Trust Fund (PTF).

Benefits

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

Participation in the SDBF as of December 31, 2022 is summarized below:

Inactive employees or beneficiaries currently receiving benefits	25
Inactive employees entitled to, but not yet receiving, benefits	11
Active employees	51
Total	87

Total OPEB Liability

The Department's total OPEB liability of \$147,281 was measured as of December 31, 2022 and was determined by an actuarial valuation as of that date.

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.50% to 11.50% including inflation
Discount rate**	4.05%
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality - service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year setforward 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.

*The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2022.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018. Due to the higher mortality rates associated with the global pandemic, the TMRS Board adopted changes to the assumptions and methodology used for calculating 2023 and 2024 rates as determined in the December 31, 2021 and December 31, 2022 actuarial valuations, respectively.

Changes in the Total OPEB Liability

	Increase (Decrease)
	Total OPEB Liability
Changes for the year:	
Service cost	\$ 7,691
Interest	4,042
Difference between expected and actual experience	1,390
Changes of assumptions	(79,875)
Benefit payments	(3,589)
	Net Changes
	(70,341)
Balance at December 31, 2021	217,622
Balance at December 31, 2022	\$ 147,281

The discount rate decreased from 1.84% as of December 31, 2021 to 4.05% as of December 31, 2022. There were no other changes of assumption or other inputs that affected measurement of the total OPEB liability during the measurement period.

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

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

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

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

	1% Decrease in Discount Rate 3.05%	Discount Rate 4.05%	1% Increase in Discount Rate 5.05%
Department's Total OPEB Liability	\$ 177,497	\$ 147,281	\$ 123,924

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

For the year ended December 31, 2023, the Department recognized OPEB expense of \$17,703.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 4,614
Changes in actuarial assumptions	-	32,381
Contributions subsequent to the measurement date	4,591	-
Total	\$ 4,591	\$ 36,995

\$4,591 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the fiscal year ending December 31, 2023. Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Calendar Year Ended December 31	OPEB Expense
2024	\$ (3,934)
2025	(3,934)
2026	(5,206)
2027	(4,453)
2028	(8,216)
Thereafter	(11,246)
Total	\$ (36,989)

I. Concentrations and Economic Dependency

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

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

VILLAGE FIRE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2023

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

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

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE FIRE DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
For the Year Ended December 31, 2023

	Original Budget Amounts	Final Budget Amounts	Budget Basis Actual Amounts	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Participant assessments	\$ 8,489,848	\$ 9,175,085	\$ 9,175,085 (1)	\$ -
Interest	-	-	16,093	16,093
Other	-	-	16,885	16,885
Total Revenues	8,489,848	9,175,085	9,208,063	32,978
<u>Expenditures</u>				
Personnel	7,417,063	7,747,861	7,620,690	127,171
Operational	921,785	1,020,454	1,118,926	(98,472)
Operational (offset to charges for fuel)	-	-	(162,155)	162,155
Capital outlay	151,000	497,810	483,588	14,222
Total Expenditures	8,489,848	9,266,125	9,061,049	205,076
Net Change in Fund Balance	\$ -	\$ (91,040)	147,014	\$ 238,054
Beginning fund balance			91,040	
			Ending Fund Balance	\$ 238,054 (2)

(1)	General	\$ 9,175,085
	Capital replacement	200,000
	Total Assessments	\$ 9,375,085

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

VILLAGE FIRE DEPARTMENT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the Year ended December 31, 2023

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

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

Measurement Year*

	2018	2019	2020	2021	2022
\$	386,412	\$ -	\$ 529,907	\$ 559,081	\$ 627,550
	1,251,321	1,285,293	1,327,335	1,378,256	1,454,210
	-	-	185,238	-	-
	(2,721)	50,159	(50,144)	76,251	(220,464)
	-	(92,617)	-	-	-
	(948,762)	(928,285)	(1,212,066)	(922,540)	(922,607)
	<u>686,250</u>	<u>314,550</u>	<u>780,270</u>	<u>1,091,048</u>	<u>938,689</u>
	18,819,269	19,505,519	19,820,069	20,600,339	21,691,387
\$	<u>19,505,519</u>	<u>\$ 19,820,069</u>	<u>\$ 20,600,339</u>	<u>\$ 21,691,387</u>	<u>\$ 22,630,076</u>
\$	228,219	\$ 252,465	\$ 270,985	\$ 322,412	\$ 335,821
	253,980	290,189	301,573	319,214	358,893
	(558,275)	2,720,557	1,511,362	2,707,070	(1,691,390)
	(948,762)	(928,285)	(1,212,066)	(922,540)	(922,607)
	(10,800)	(153,900)	(9,793)	(12,546)	(14,663)
	(564)	(462)	(382)	87	17,496
	<u>(1,036,202)</u>	<u>2,319,073</u>	<u>861,679</u>	<u>2,413,697</u>	<u>(1,916,450)</u>
	18,654,523	17,618,321	19,937,394	20,799,073	23,212,770
\$	<u>17,618,321</u>	<u>\$ 19,937,394</u>	<u>\$ 20,799,073</u>	<u>\$ 23,212,770</u>	<u>\$ 21,296,320</u>
\$	<u>1,887,198</u>	<u>\$ (117,325)</u>	<u>\$ (198,734)</u>	<u>\$ (1,521,383)</u>	<u>\$ 1,333,756</u>
	90.32%	100.59%	100.96%	107.01%	94.11%
\$	3,628,281	\$ 4,145,554	\$ 4,308,186	\$ 4,560,202	\$ 5,127,040
	52.01%	-2.83%	-4.61%	-33.36%	26.01%

VILLAGE FIRE DEPARTMENT

SCHEDULE OF CONTRIBUTIONS

TEXAS MUNICIPAL RETIREMENT SYSTEM

For the Year ended December 31, 2023

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

Notes to Required Supplementary Information:

1. Valuation Date:

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

2. Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	25 years
Asset valuation method	10 year smoothed market; 12% soft corridor
Inflation	2.50%
Salary increases	3.50% to 11.50% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the Department's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period December 31, 2014 - December 31, 2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

3. Other Information:

Increased Department matching ratio from 1.5:1 to 2:1.

Fiscal Year

2018	2019	2020	2021	2022	2023
\$ 228,109	\$ 252,456	\$ 271,416	\$ 322,412	\$ 335,188	\$ 393,082
228,109	252,456	271,416	322,412	335,188	393,082
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,628,278	\$ 4,145,562	\$ 4,308,186	\$ 4,560,202	\$ 5,127,040	\$ 5,738,424
6.29%	6.09%	6.30%	7.07%	6.54%	6.85%

VILLAGE FIRE DEPARTMENT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the Year Ended December 31, 2023

	Measurement Year*			
	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ 2,791	\$ 3,628	\$ 3,731	\$ 5,170
Interest (on the total OPEB liability)	4,720	4,777	5,184	4,679
Difference between expected and actual experience	-	(1,302)	(7,843)	(2,780)
Change in assumptions	12,228	(10,762)	29,896	28,573
Benefit payments	(698)	(726)	(1,244)	(1,292)
Net Change in Total OPEB Liability	19,041	(4,385)	29,724	34,350
Beginning total OPEB liability	123,829	142,870	138,485	168,209
Ending Total OPEB Liability	\$ 142,870	\$ 138,485	\$ 168,209	\$ 202,559
Covered Employee Payroll	\$ 3,488,534	\$ 3,628,281	\$ 4,145,554	\$ 4,308,186
Total OPEB Liability as a Percentage of Covered Employee Payroll	4.10%	3.82%	4.06%	4.70%

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

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

Notes to Required Supplementary Information:

1.) Valuation Date:

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

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

Actuarial cost method	Entry age normal
Inflation	2.50% #
Salary increases	3.50 to 11.50% including inflation
Discount rate	4.05%
Administrative expenses	All administrative expenses are paid through the PTF and accounted for under reporting requirements of GASB 68.
Mortality - service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

3.) Other Information:

The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2022.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

Measurement Year*	
2021	2022
\$ 6,384	\$ 7,691
4,088	4,042
342	1,390
6,985	(79,875)
(2,736)	(3,589)
<u>15,063</u>	<u>(70,341)</u>
<u>202,559</u>	<u>217,622</u>
\$ 217,622	\$ 147,281
<u>\$ 4,560,202</u>	<u>\$ 5,127,040</u>
4.77%	2.87%

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SUPPLEMENTARY INFORMATION

VILLAGE FIRE DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL REPLACEMENT FUND
For the Year Ended December 31, 2023

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Participant assessments	\$ 200,000	\$ 380,000 (1)	\$ 200,000	\$ (180,000)
Interest	-		3,946	3,946
Total Revenues	200,000	380,000	203,946	(176,054)
Expenditures				
Capital outlay	200,000	380,000	295,291	84,709
Total Expenditures	200,000	380,000	295,291	84,709
Net Change in Fund Balance	\$ -	\$ -	(91,345)	\$ (91,345)
Beginning fund balance			220,314	
Ending Fund Balance			\$ 128,969	
General operations	\$ 9,175,085			
(1) Capital replacement	200,000			
Total Assessments	\$ 9,375,085			

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**Village Fire Department
2025 Proposed Budget**

% Delta
From 2024

CAPITAL EXPENDITURES:

Capital Expenditures TOTAL

\$146,600.00

PERSONNEL EXPENDITURES:

Payroll	6,880,875
Benefit	1,647,660

Personnel Expenditures TOTAL

\$8,528,535.00

OPERATIONAL EXPENDITURES

Red Trucks & Saving Lives	344,630
Dispatch	11,200
Fire Prevention - Fire Marshal's Office	5,600
Fire Station	215,010
Office	57,550
Professional Services	164,115
Training	91,300
Maintenance	270,800
Events & Other	40,580

Operating Expenditures TOTAL

\$1,200,785.00

Subtotal

\$9,875,920

CAPITAL REPLACEMENT ASSESSMENT

200,000

\$200,000

TOTAL BUDGET TO BE ASSESSED

\$10,075,920.00

1.64%

EMS Revenue Contribution

250,000

Total Assessments and Contributions to Village Fire Department

\$10,325,920.00

4.16%

Proposed Village Fire Department FY 2025 Budget Worksheet

	FY 2024 approved	2025 Budget Proposed	FY 2025 Notes
Capital Expenditures			
Physical Plant/Facility	10,000.00	10,000.00	(60,000) Tower repairs (10,000) painting main station trim (10,000) BASE for unexpected facility expenses
Misc. Tools & Equipment - FIRE	32,375.00	86,000.00	(70,000) Extrication tools \$69,451.36
Misc. Tools & Equipment - EMS	26,356.25	12,800.00	(5,000*2vents) ventilators x2 \$5,000 each
Protective Gear	41,680.00	22,400.00	(2,800) Airway training manakins - Ekblaw
Boat		0.00	(25,000) cost of 1 boat: inflatable (swift water) \$25,000 for boat, trailer, & equipment OR consider aluminum boat. Possible 2026 budget item (Donation)
Gym Equipment	0.00	0.00	(7,500) or gym equipment & keep as ongoing annual amount or 2026 item (Donation)
Office Computers	3,924.00	10,000.00	(2,500*4) desktop replacement - FM, Chief, Admin., dispatch
Apparatus Computers	13,734.00	0.00	(3,500) L1- laptop replacement
Radios	64,964.00	5,400.00	(8000*4radios) handheld radios x4 (2024 price/quote) (1500*2radio) mobile radio head x2 (NEED! current equipment is obsolete & no replacement parts are manufactured) (600*4mics) lapel mics x4 (2024 price/quote)
Capital Expenditures TOTAL	193,033.25	146,600.00	

	FY 2024 approved	2025 Budget Proposed	FY 2025 Notes
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Personnel Expenditures

Payroll

Base Pay	5,542,285.00	5,789,000.00	53 full-time employees, 2 part-time employees. Base is 3.5 % increase in pay, possible promotions from FM1 to FM2. Note: includes "FM3" stipend pay for 4 employees.
457 Plan Compensation	110,845.70	115,780.00	2% of base pay
Longevity	22,000.00	26,600.00	2023 total was \$23,120 (from incode report). Need to increase. Quick calc: \$2 per paycheck, 24 paychecks per year, if all 53 employees received for the year, then add \$2,496 + (2*24) to last year's total. Round up. 25700 *3.5%
Higher Class	18,540.00	21,735.00	2023 total was \$15,225.54 for 6,013.5 hours (from incode report). 2024 \$4,117.35 for 1,266 hours for Q1, divided by # pay periods x rest of year...(4117.35/3*15)=\$20,586.75 for 6,330 hours.

Overtime

Overtime - REGULAR	206,000.00	300,000.00	72hr disaster (4 dispatchers + 1 extra shift), 1 FM2 out 6-12 months, dispatch OT assuming PTs cover 50-75% of available hours needed (~1000), also considered historical shift off time sick & "excused"
Overtime - CPR	10,085.76	10,090.00	(\$68*6hours*12classes*2employees) 6 total ET hours per class, 1 class per month, x \$68 per hour OT hourly pay rate, 2 employees
Overtime - MEDICAL STANDBY EVENT	0.00	10,090.00	for special events: Lacrosse, Kinkaid, St. Cecilia. Financial consultant says we should show income (received for providing service at events) and expenses (located on budget), so need to show expense here. Estimate same as CPR.
Overtime - TRAINING	45,320.00	48,960.00	(45 employees x OT (\$68) rate(s) x 2 EMS trainings 5hrs ea) + (45 employees x OT (\$68) rate(s) x 1 live burn Fire training 5hrs ea (could be up to 6hrs)
Professional Certification	57,000.00	69,640.00	by end of 2024: 1 employee at intermediate \$67.50 per month, 24 employees at advanced \$105 per month, 20 employees at master \$160.67 per month - annual total w/o changes and no hires = \$69,632.40
FICA	454,512.98	488,980.00	7.65% tax on sum of Base Pay, 457, Longevity, Higher Class, all OT, & Professional Certification
Total Payroll	6,466,589.44	6,880,875.00	

Benefits

Retirement - TMRS	402,809.12	428,260.00	Base is calculated on 2023 rate letter 6.7%, 2024 rate will be determined June 2024.
Health Insurance	1,246,876.09	1,054,600.00	*15% increase from 2024 actual (& projected elections) for 53 Full-Time employees. Base only includes health insurance. Decision column includes health insurance and 34,450 for helath/life scan. (34,450=650.00 *53)
Basic Life, ADD, & LTD Insurance	34,448.94	25,200.00	*15% rate increase from 2024 actual rate & based on 2025 ending annual salary rates w/o overall increase to base salary (53 FT employees) REF. SALARY BASE CALC. FOR 2025 BUDGET
Worker's Comp. Insurance	71,651.48	93,600.00	increase 18% from 2024 (cost difference between 2023 and 2024)
Meal Allowance	46,000.00	46,000.00	same as 2024
Total Benefits	1,801,785.63	1,647,660.00	

Personnel Expenditures TOTAL

8,268,375.06	8,528,535.00
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25616

FY 2024 approved	2025 Budget Proposed	FY 2025 Notes
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Operating Expenditures

Red Trucks & Saving Lives

Ambulance Medical Supplies	70,000.00	60,000.00	compared to 2023 expenditure
IP Address VPN - PS Lightwave	8,820.00	8,820.00	same as 2024
Internet, Phones, & TV - Comcast	19,800.00	19,800.00	same as 2024
Mobile Device Services	4,066.80	6,100.00	(449*12months) for AT&T Firstnet (57*12months) for Chief Miller phone allowance
City of Houston Radio System	19,680.00	19,680.00	(492*40radios) annual cost due October
Communications - Motorola 47 & NICE	43,000.00	45,580.00	(43,000*1.06) = 6% increase from 2024 budgeted (6% based on actual increase from 2023 to 2024)
Incident Records & CAD - Propheonix	24,000.00	28,810.00	2025: estimate 7% increase from 2024 estimated actual...25K Amount Due: 2023 cost = \$25,163.59 2024 cost estimate = 7% INCREASE effective September 2023 ANNUAL
EMS Protocol App - Handtevy	2,300.00	4,620.00	ask Jason Ellis for info (increased # of licenses, will affect annual cost)- 4398.98 with a 5% increase (Mike G. 954-579-2963)
Training Software & Vehicle Checks - Vector Solutions	7,000.00	8,600.00	for annual agreement for training management software & vehicle checks - Vector Solutions \$7,622.41 was actual for 2023, actual for August 2024 is \$8,078.71 increase 2025 by % increase from 2023 to 2024
EMS Equipment Maintenance - ProCare/Stryker	21,000.00	22,470.00	(21,000*1.07) increase 3% per quote, (Kendall recommends budgeting 5-7% increase per conversations with contact/rep)
Uniforms	20,000.00	55,200.00	Uniform Polo Shirts - 3 * 49 employee @ \$200 (for 3) = \$9,800 5.11 Tactical Uniform Pants - 3 * 49 employee @ \$300 (for 3) = \$14,700 Blauer 8675 Class B Shirts - 1 * 49 employee @ \$100 = \$4,900 Class A Uniform Shirts - 1 * 49 employee @ \$100 = \$4,900 Class A Uniform Pants - 1 * 49 employee @ \$100 = \$4,900 5.11 Job Shirts - 1 * 49 employee @ \$100 = \$4,900 Uniform belts - 1 * 49 employee @ \$75 = \$3,675 Class A Uniform Belt - 1 * 49 employee @ \$75 = \$3,675 Rain Jackets w/ no winter liner - 25 @ \$150 = \$3,750 25,000 - annual cost - keep
Fuel	48,000.00	55,000.00	Base is fuel cost only. 55,000 for fuel for VFD
Vehicle Licenses & Permits	5,000.00	5,000.00	stay same as 2024
Dues & Subscriptions	2,439.00	4,950.00	(1,800) NFPA Standards annual subscription for Fire Marshal (138*3) IAAI association annual dues for Fire Marshal, Cody Seymour, Tommy Depaul (Fire Investigators) (50) TFMA association annual dues for Fire Marshal (175) NFPA Journal annual subscription for station (500) TX Fire Chief Association (150*2) EMAT for Lutz & Miller (160*2) Gov Finance Association (550) TX EMS Alliance \$400base + (150*3units) (250) Fire Chief & 150*3 Deputy Chief) Harris County Fire Chief Association (35) Employee Retirement Systems (108) Signup genius - CPR classes
Total Red Trucks & Saving Lives	295,105.80	344,630.00	

	FY 2024 approved	2025 Budget Proposed	FY 2025 Notes
Dispatch			
Dispatch Alerting System - US Designs (Samantha)	7,921.05	11,000.00	(10,866.15) Due in Nov. annually - US Digital Designs (2022 and 2023 paid in 2023 budget)
Electronic Protocol Cards - Pro QA	2,500.00	0.00	(71,089.60) quote for Priority Dispatch software, licenses, maintenance, etc
Translation Service - Language Line	200.00	200.00	
Total Dispatch	10,621.05	11,200.00	
Fire Prevention - Fire Marshal's Office			
Public Education & Relations & Promotional	5,000.00	5,000.00	(5,000) hats, coloring books, crayons, pencils, badges, stickers, etc. for kids - Positive Promotions, department promotional items
Fire Investigations	950.00	500.00	(500) renew investigation equipment & supplies
Law Enforcement Equipment	2,850.00	100.00	(100) amunition required for annual qualification
Total Fire Prevention	9,000.00	5,600.00	
Fire Station			
Building Maintenance	26,892.22	30,000.00	Maint on AC units, genaerators, water heaters, & stove, kitchen items) \$18700 = 10% increase for building maintenance (lawn equipment, paint, power wash, plumber, water heater, electrical, etc.), \$9385.44 = 10% increase for AC maint contract, (92*16) 2024 price for pest control - End-o-pest
Station Supplies	18,600.00	18,000.00	
Public Utilities	54,240.00	67,000.00	increase actual 2023 price by 7% rounded up
Rent	10.00	10.00	annual rent for building/property - Spring Branch School
Property & Casualty Insurance	72,306.32	100,000.00	increase 18% from 2024 actual (84665). add premium for last quarter and include this in the 2024 budget as well as the increase to prem.For the increased agreed values & added cost for tank 4k to annual (Frank) 15%
Total Fire Station	172,048.54	215,010.00	

	FY 2024 approved	2025 Budget Proposed	FY 2025 Notes
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Office

Office Supplies			
Office Supplies	8,000.00	11,500.00	paper, staples, toner, ink, pens, pencils, folders, binders, tables, chairs, printers, Konica M. Copier 2023 \$950 and shred it \$2500. We have not completed a shred day since prior to construction.
VFD Branded Stationary	500.00	500.00	no change
Postage Meter Rental - Pitney Bowes	1,800.00	1,800.00	no change
Shipping	632.50	600.00	reduction based on actual 2023
Office Software			
Phones - 8x8	6,000.00	6,000.00	no change
HRIS - UKG Workforce Ready	18,000.00	19,260.00	increase 2024 budgeted amount by 7%
Accounting - QuickBooks	3,000.00	3,090.00	increase 2024 budgeted amount by 3%
Office Software & Email - Microsoft 365	7,000.00	12,000.00	(\$17*55users*12months) upgrade basic (web only) users to standard (full suite) license for email to work properly ... 55 employees (53 if no vacancies + hire 2 part-time dispatchers) & Power BI (12*2*12)2 licenses. Note 17 includes backup.
Adobe	731.64	800.00	increase 2024 budgeted amount by 3% 2024: Adobe Acrobat Pro \$239.88 per year (stuart@villagefire) due in April. (contact@villagefire)...
Bank Service Charges	7,000.00	2,000.00	
Total Office	52,664.14	57,550.00	

Professional Services

Accounting Services	0.00	16,000.00	(1058*12) per month for ORW accounting supervision + 3300 for additional (YE items)
Legal Services	36,000.00	36,000.00	no change
IT Services	28,000.00	31,890.00	(28000*1.05) IT contract (assuming 5% increase) - Accutek,(<950) access control (doors) -Accutek (1,540) Sonicleir (recording) for first year, continuing annual \$498 service contract
Health Insurance Consulting Services	11,500.00	13,225.00	2024 with a 15% increase estimate
Medical Director Services	20,000.00	25,000.00	need to add 5000 from 2024 budget to include insurance fee
Salary/Benefit Survey Services*		5,000.00	2025 Salary Survey
Legal Notices & Advertising	3,000.00	10,000.00	(4*2500) newspaper posting for bids - prop/casual insurance, workers comp, possibly fuel (same as 2024)
Other Professional Services	16,000.00	27,000.00	annual audit possibly increasing to 27,000
Total Professional Services	114,500.00	164,115.00	

	FY 2024 approved	2025 Budget Proposed	FY 2025 Notes
Training			
Training			
Fire Training	37,740.00	32,000.00	(850*6 spots) for Swift Water Rescue (up to 850 per spot for 2025) (350*10 spots) for Rope Rescue (450*6 spots) for Boat Rescue (200* 3 events) for Heavy Rescue (900*3 events) for Fire Field (live burns) (500*3 events) for Command Simulator *(This is an estimated price based on website searches) (385*3 spots) for Blue Card (325*30) Local Training Classes/Certs: 10/shift x 3shifts = 30 classes Travel Expenses - NEED to include meals & miles (185*3 rooms *2 days) for Boat Rescue Hotel - 6 people, 3 rooms
Fire Certification Fees	7,320.00	7,300.00	\$88.00*30=2640.00 per new initial certification 56.49*30=1710 exam fee for certs Annual TCFP Cert Renewal (\$60 per person)*50=3000
EMS Training	18,000.00	18,000.00	Kendall says leave at 2024 number
EMS Certification Fees	6,000.00	6,000.00	PALS-4950 (150*33) ACLS-4125 (125.00*33) (\$20*45employees) Handtevy Certification BLS - instructor -(3.00*45)=135.00 CPR/AED TDHS State Provider Certification
Emergency Management Training - (TDEM)	7,000.00	6,000.00	Lutz & Miller 2 conferences each \$1500*2conf*2emp
Fire Marshal Training	8,000.00	8,000.00	
Dispatch Training & Certification Fees	0.00	9,000.00	500*2 TCOLE certification, (need price) TCOLE CE for 2 dispatchers and (\$8,000) need for training (EMD, 911, CAD, TCOLE CE's, etc.) for 4 FT dispatchers.
Admin Training & Certification Fees	5,000.00	5,000.00	TMRS training/workshops, PFIA training & cert, Notary \$100 every 2 or 4years, HRIS conference/training & travel, salt water open records public records increase cost due (cost of training in 2024)
Total Training	94,060.00	91,300.00	

	FY 2024 approved	2025 Budget Proposed	FY 2025 Notes
Maintenance			
Vehicle Maintenance	165,000.00	185,000.00	
Equipment & Supplies Maintenance	36,400.00	36,400.00	no increase - for replacement of axes, ladders, etc.
Bunker Gear Maintenance	26,000.00	28,600.00	Need to increase the cleaning cost by 10% from last year 2024.
SCBA Maintenance	15,000.00	15,000.00	(15000) FIT testing, maintenance, & repairs
Knox Contracts	1,200.00	800.00	721.00 annual subscription - Knox paid in Nov. (based on number of units, 1 on every truck - tier pricing)
Fuel System	900.00	5,000.00	5,000 for maint. and Burns replacing (hardware) 2026- need to add Fuel system 52,000 (2024 estimate)
Total Maintenance	244,500.00	270,800.00	
Events & Other			
VFD Fire Commission & Meeting Expenses	7,580.00	7,580.00	stay same as 2024 budget
VFD Employee Appreciation & Events	25,000.00	10,000.00	(\$10,000) - Family Day - 2025, removed employee team building
CPR Supplies, Cards, & Equipment	7,000.00	3,000.00	5,250 biannually reoccurring annual cost
Emergency Contingency	20,000.00	20,000.00	ask commission, possible increase - contingency for possible cost of fuel and fuel system
Total Events & Other	59,580.00	40,580.00	
 Operating Expenditures TOTAL	 1,052,079.53	 1,200,785.00	

	FY 2024 approved	2025 Budget Proposed	FY 2025 Notes
SUMMARY			
Capitla Expenditures TOTAL	193,033.25	146,600.00	
Personnel Expenditures TOTAL	8,268,375.06	8,528,535.00	
Operating Expenditures TOTAL	1,052,079.53	1,200,785.00	
SUBTOTAL (capital, personnel, & operating)	9,513,487.84	9,875,920.00	
Capital Replacement Assessment	400,000.00	200,000.00	
TOTAL BUDGET TO BE ASSESSED	9,913,487.84	10,075,920.00	
% change including Captal Replacement Assessment from 2024 to 2025		1.64%	
EMS Revenue Contribution		250,000.00	
Total Assessments and Contributions to Village Fire Department		10,325,920.00	
Total % change from 2024 budget assessed to 2025 Total Assessment & Contributions		4.16%	

Capital Replacement Fund Schedule

Option to show \$200,000 contribution for 2025, then increasing 85,000 each year beginning 2026

Vehicles	Life (years)	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
2017 Ladder	15										4,400,000.00
2020 Pumper 1	20										
2008 Pumper 2	20					1,950,635.07					
2014 Deputy Chief's Vehicle	10			150,000.00							
2019 Fire Chief's Vehicle	10						90,000.00				
2020 Utility Vehicle	10								75,000.00		
2023 Medic 1	10	186,710.00									
2023 Medic 2	10	186,710.00									
2014 Medic 3	10										
2012 Reserve Medic				sell (see below)							
2017 Fire Marshal's Vehicle	10					90,000.00					
Total to be spent for Vehicles		373,420.00	0.00	150,000.00	0.00	2,040,635.07	300,000.00	90,000.00	75,000.00	0.00	4,400,000.00

SCBA Equipment		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
SCBA Equipment	10			225,000.00							
Total to be spent for SCBA Equipment		0.00	0.00	225,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Balance		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Beginning Cash -AP		220,314.00	128,969.00	841,982.79	953,181.97	1,513,039.72	194,678.53	643,256.07	1,368,574.23	2,209,557.26	3,224,097.60
Planned Budgeted Annual Contribution		200,000.00	400,000.00	200,000.00	285,000.00	370,000.00	455,000.00	540,000.00	625,000.00	710,000.00	795,000.00
Additional Contributions		0.00	238,054.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EMS Revenue				250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00
Interest Income		3,946.00	21,959.79	36,199.18	24,857.76	17,273.88	8,577.54	20,318.16	35,983.03	54,540.34	32,462.68
Revenue from sale or trade-in		0.00	57,000.00	0.00	0.00	85,000.00	35,000.00	5,000.00	5,000.00	0.00	100,000.00
Disbursements		(295,291.00)	(4,000.00)	(375,000.00)	0.00	(2,040,635.07)	(300,000.00)	(90,000.00)	(75,000.00)	0.00	(4,400,000.00)
Ending Cash		128,969.00	841,982.79	953,181.97	1,513,039.72	194,678.53	643,256.07	1,368,574.23	2,209,557.26	3,224,097.60	1,560.28
\$85,000 annual increase beginning in 2026											

VILLAGE FIRE DEPARTMENT
SPECIAL MEETING AGENDA

The Board of Commissioners reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed below, as authorized by Title 5, Chapter 551, of the Texas Government Code.

A special fire commission meeting of the Village Fire Department was held on May 8, 2024, at 901 Corbindale Houston, Texas 77024. It began at 6:00 p.m. and was presided over by Matt Woodruff. The fire commission secretary was present.

Special Meeting Village Fire Department

1. Call to order.
2. Comments from the Public (Comments are limited to 3 minutes each)
3. Discussion and possible action on the following related
 - a. Roof bids acceptance or approval
4. Future topics.
5. Adjournment.

I certify that the agenda for the 8th of May 2024, Special Meeting was posted at the fire department this the 1st day of May 2024, at 4:00 P.M.

Marlo Longoria, Administrator

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The facility is wheelchair-accessible and accessible parking is available. Requests for accommodations or interpretive services must be made at least forty-eight (48) hours prior to this meeting. Please contact the Fire Chief's Office at (713) 468-7941 or longoria@villagefire.org for further information.

*VILLAGE FIRE DEPARTMENT
REGULAR MONTHLY BOARD MEETING
Wednesday, May 22, 2024, 6:00 P.M*

Notice is hereby given of a regular monthly meeting of the Fire Commission of the Village Fire Department, to be held on **WEDNESDAY, May 22, 2024, at 6:00 P.M.**, 901 Corbindale, Hedwig Village, Texas 77024.

1. **CALL TO ORDER**
2. **BADGE PINNING CEREMONY**
3. **COMMENTS FROM THE PUBLIC (Comments are limited to 3 minutes each)**
4. **CONSENT AGENDA** – All Consent Agenda items listed are considered to be routine by the Board of Commissioners and will be enacted by one motion. There will be no separate discussion of these items unless a Board Member requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.
 - A. Approval of Minutes – Minutes- April 2024
 1. April 24, 2024 Regular Meeting
 2. April 24, 2024 Budget Workshop
 3. May 8, 2024 Special Meeting
 4. May 8, 2024 Budget Workshop
 - B. Approval of Bills Paid –April 2024
5. **REPORTS**
 - A. Treasurer’s Financial Reports and possible action – April 2024
 - B. Fire Chief’s Report and possible action – Events of April 2024, Monthly Performance; Incidents, Record of Calls, Projects, Response Times, etc. 2024
6. **CONSIDERATION OF CONTRACTS/AGREEMENTS** – The Board will discuss and consider possible action on the following:

None
7. **CONSIDERATION OF RESOLUTIONS** – The Board will discuss and consider possible action on the following:

None
8. **DISCUSSION ITEMS/PRESENTATION OF SPECIAL REPORTS** – The Board will discuss and consider possible action on the following:
 - Departmental Guidelines
 - Claire’s recommendations for financial policies
9. **DISCUSSION OF AND POSSIBLE ACTION ON THE FOLLOWING** - The Board will discuss and consider possible action on the following:
 - Allocation of the 2023 surplus per the audit, \$238,054

The facility is wheelchair-accessible and accessible parking is available. Requests for accommodations or interpretive services must be made at least forty-eight (48) hours prior to this meeting. Please contact the Fire Chief’s Office at (713) 468-7941 or longoria@villagefire.org for further information.

Regular Monthly Meeting

- Proposed 2025 budget
- Payroll accrual action plan

10. **EXECUTIVE SESSION** - The Board of Commissioners will retire into Executive Session as authorized by Chapter 551; Texas Government Code, to seek legal advice related to the following matters:

- a. Fire Chief – Contract

11. **ACTION – CLOSED SESSION** – The Board of Directors will consider and take any actions necessary on items discussed in Executive Session

12. **FUTURE TOPICS**

13. **NEXT MEETING DATE**

June 26, 2024

14. **ADJOURNMENT**

I certify that the agenda for the 22nd of May 2024, Regular Monthly Meeting was posted at the fire department this the 15th day of May 2024, at 4:00 P.M.

Marlo Longoria, Administrator

The facility is wheelchair-accessible and accessible parking is available. Requests for accommodations or interpretive services must be made at least forty-eight (48) hours prior to this meeting. Please contact the Fire Chief's Office at (713) 468-7941 or longoria@villagefire.org for further information.

Minutes

*VILLAGE FIRE DEPARTMENT
REGULAR MONTHLY BOARD
MEETING*

Wednesday, April 24, 2024, 6:00 P.M.

1. CALL TO ORDER

A regular fire commission meeting of the Village Fire Department was held on April 24, 2024, at 901 Corbindale Houston, Texas 77024. It began at 6:00 p.m. and was presided over by Matt Woodruff. The secretary was present.

Present & Voting Were:

City of Hedwig Village
City of Bunker Hill Village
City of Piney Point Village
City of Spring Valley Village
City of Hilshire Village

Commissioner Matt Woodruff, Chair
Commissioner Keith Brown, Vice Chair
Commissioner Henry Kollenberg, Treasurer
Commissioner Allen Carpenter, Secretary
Commissioner Robert (Bob) Buesinger, Member

Present Were:

City of Hedwig Village
City of Bunker Hill Village
City of Piney Point Village
City of Spring Valley Village
City of Hilshire Village
Village Fire Department

Alternate Mayor Tom Jinks
Alternate Clara Towsley
Alternate Aliza Dutt
Alternate John Lisenby
Alternate Mike Garofalo
Fire Chief, Howard Miller
Administrative Staff, Marlo Longoria & Katherine Stuart
Attorney Grady Randle
Auditor, Robert Belt
Claire Bogard

Randle Law Firm
Belt Harris Pechacek
Financial Consultant

Not Present Were:

City of Hunters Creek
City of Hunters Creek

Commissioner Rob Adams, Member
Alternate Fidel Sapien

Commissioner Woodruff requests that Agenda Item 8 be taken out of order. Commissioner Brown moved and was seconded by Commissioner Carpenter

Motion passed unanimously

8. Robert Belt's presentation of the 2023 audit (article 1) – YE (Year-End Expenditures)

Mr. Belt, CPA, presented the information for the YE audit 2023. The General Fund's total revenue came in at \$9,370,218. The total YE expenditure is \$9,223,204 and the department had a net increase in fund balance of \$147,041. The department began the year with a fund balance of \$91,041 and ended the year with a balance is \$238,054. The Capital Replacement Fund's total revenue came in at \$203,946. The total YE expenditure is 295,291 and the department had a net reduction in fund balance of \$(91,345). The department began the year with a fund balance of \$220,314 and ended the year with a balance is \$128,969. The Facility Fund's total revenue came in at \$6,026. The total YE expenditure is \$3,161 and the department had a net increase in fund balance of \$2,865. The department began the year with a fund balance of \$33,006 and ended the year with a balance is \$35,871. The Ambulance Billing total revenue is \$265,428 and the total expenditure that was returned to the cities was \$265,248.

Assessments came in perfectly as planned. No budget variance between interest and other revenue sources, the department had an increase of unplanned revenues of \$32,000 on the expenditure side, the department was in the good at \$205,000 for the year, so in total the department had a positive budget variance of \$238,000 for YE.

The department has an ending fund balance of \$238,000. This is a policy decision. So, if it is the plan of the commission to zero out the balance, then that is the amount the department would have available to give back to the city or request a use for the balance.

Commissioner Woodruff stated that the chief brought to his attention a concern that was raised with respect to the transition to the new payroll system.

Mr. Belt stated the department went to a new payroll system on January 1, 2024, the company requested that they provide a buffer period of about 5 days. Well, when you put that additional 5 days in there, that means that the department suddenly became obligated for that additional payment for all of those salaries. This has no effect on you until each person's last day, in which case then you pay them an additional 5 days' worth of pay, and we did a quick calculation to see what the total impact to the department was. It was about \$110,000 so in next year's YE 2024,2025 audit, we would be accruing an additional \$110,000 worth of payroll that we would not have had to.

Discussion continued on the subject of the payroll accrual. Commissioner Woodruff requested the payroll accrual be a future topic.

Commissioner Kollenberg made a motion to accept the 2023 Audit as presented, seconded by Commissioner Buesinger.

Motion carries unanimously

2. COMMENTS FROM THE PUBLIC (Comments are limited to 3 minutes each)

None

3. CONSENT AGENDA – All Consent Agenda items listed are considered to be routine by the Board of Commissioners and will be enacted by one motion. There will be no separate discussion of these items unless a Board Member requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

4-24-2024

Village Fire Department

Regular Monthly Board Meetings

- Approval of Minutes –
 - March 20, 2024 – Special Meeting
 - March 20, 2024 - Budget Workshop
 - March 27, 2024 – Regular Meeting
 - March 27, 2024 – Budget Workshop

- Approval of Bills Paid –
 - March 2024

Commissioner Brown made a motion to approve the items presented in the consent agenda.
Seconded by Commissioner Carpenter.

Motion carries unanimously

4. REPORTS and POSSIBLE ACTION

1. 2023/2024 Chairman's Report and possible action

1. Contract – Fire Chief

Commissioner Woodruff stated that after reviewing the contract for Chief Miller, there appears to be a section missing because some language references a section of the contract that doesn't exist. He suggested that the contract be reviewed again by the counsel and scheduled as an executive session so that the commission can discuss it with the counsel before presenting it.

2. Facility – roof

Alternate Lisenby presented the follow-up information on the roof. He stated that a site visit occurred on April 23 and 7 contractors came out to walk the site. The bids will be opened, on April 30, 2024, at 2: 00 p.m.

3. Treasurer's Financial Reports – February 2024

Commissioner Kollenberg presented the Treasurer's Financial Report and stated the fire commission has the financials and the department is in good shape.

4. Fire Chief's Report – Events of February 2024, Monthly Performance; Staffing, Record of Calls, Response Times, etc.

Chief Miller introduced Peyton Archie, assistant constituent service director for (R-TX) Wesley Hunt. He stated that Mr. Archie is attending several area meetings to familiarize himself with the area.

1. Staffing

The captain is on light duty. He probably will be until June.

Firemedic Royster had surgery on his knee and is receiving physical therapy. He goes back to the doctor on May 3rd.

The new hire process is underway to fill two vacancies in operations.

- 4/12/2024 was the written test and physical agility.
- 4/18/2024 one applicant was interviewed.
- Next step -background check and medical physical

The new hire process has started again to fill the second vacancy that was not filled during the last round. There were only three firefighter paramedics who applied for the first 81

4-24-2024

Village Fire Department

Regular Monthly Board Meetings

round of 2024.

Part-Time Dispatcher – in the process of looking for a part-time dispatcher

2. Apparatus and Equipment

- 3/25/2024 Engine 1 preventative maintenance (PM)

-4/10/024 Medic 2 – PM

- 4/22/2024 Engine 2 – PM

3. Major incidents

- 4/13/2024 A Major Accident on Katy Freeway at 3:30 in the morning resulted in one fatality and two people being transported to the hospital. One by HFD Ambulance. 17-minute response time for HFD.

March 2024 Incidents

Fire Incidents: 78

EMS type Incidents: 90

Service Calls Non-Emergency: 17

HFD Calls: 23

Total incidents: 208

Average Response Time: 4 Minutes 38 Seconds

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

Fire: (Natl Standard is 6:50)

4. Major Projects (2024):

- Main Roof: Bids will be open on April 30th for the redo.
- Hydrant Testing: Complete for 2024
- Business Prefire Planning is underway and will be an ongoing process.
- Harris County Multi-Hazard Plan 5-year update has begun. Working with the city administrators with the update. Must be submitted later this year to TDEM. Must be approved by the state by July 2025.
- 4/6/2024 Food Truck Rodeo at Chappelwood UMC.

5. Consideration items

- Traffic Sign/Signal, about \$2,000 not installed.
- Department Guidelines on SharePoint. Please email the areas you would like for the Fire Commission approval.
- MVPD Dispatch Location. Logistics and Cost Requirements. (Mike Hebert)

- Possible Fuel Increases.
- Dispatch Coordinator. (Firemedic Becky Nuño) - previously a dispatcher.
 - o Improve the consistency of the dispatch center.
 - o uniform dispatch operations and appearance.
 - o job descriptions
 - o training,
 - o guidelines

Fire Chief, Miller thanked Commissioner Woodruff for his leadership as the chair of the fire commission.

5. CONSIDERATION OF CONTRACTS/AGREEMENTS – The Board will discuss and consider possible action on the following:

None

6. CONSIDERATION OF RESOLUTIONS- The Board will discuss and consider possible action on the following:

None

7. DISCUSSION ITEMS/PRESENTATION OF SPECIAL REPORTS - The Board will discuss and consider possible action on the following:

1. Quarter Investment reports.
 - Texas Class as of 3-31-2024.
 - Stellar Bank Accounts interest as of 3-31-2024.

Marlo Longoria presented the information on the investment Quarterly reports. The Texas Class account was opened on March 5, 2024, and from March 5, 2024, to March 31, 2024, the total interest from the start is \$2,905 in interest. The current interest rate in Texas Class is 5.4% Currently, the Texas Class account has the Capital Replacement fund - 001, the Facility fund 002, monthly EMS revenue -004, and the Savings -003. We moved \$400,000 from savings to Texas Class to gain interest. The bank changes will not occur due to the amount we still have in the Stellar account.

In the stellar account General Fund gained interest in the amount of \$2,087, the Savings \$6,518, the capital replacement fund \$802, the EMS fund is \$246, and the facility is \$1,280.

Commissioner Woodruff stated the Fire Commission reviewed and accepted the Village Fire Department's quarterly reports for the 1st qtr. 2024.

2. HR information – update

Katherine Stuart presented an update to the HR systems, Payroll running successfully in the new system since live on January 1, 2024.

- Employee data uploaded (name, number, dates, job, pay rate, etc.).
- Earning and deductions codes created, configured, and assigned to employees.
- Benefit profiles created, configured, and assigned to employees.
- Rate tables for HC rules/calculations built and tested.

4-24-2024

Village Fire Department

Regular Monthly Board Meetings

- PTO balances uploaded, accrual rules configured, and running smoothly.

All employees have access to their info via desktop or mobile app.

- View and download pay statements
- View benefit elections, pay rate, deductions, W-2 (when available)
- Update personal info (phone, email, address, emergency contacts)
- View and request updates to direct deposit and form W-4 tax withholding
- View PTO balances and request time off
- View company directory

Currently testing the scheduling function on timesheets so managers can easily enter time. Once perfected, we'll switch timesheets from FileMaker to UKG.

3. Bank Amendment Forms – Texas Class

Commissioner Brown made a motion to authorize the linkages between accounts and execute such forms, and Commissioner Carpenter seconded.

8. DISCUSSION OF AND POSSIBLE ACTION ON THE FOLLOWING - The Board will discuss and consider possible action on the following:

1. Special Audit – Robert Belt discussed Meeting 3-27-2024.

No action was taken.

Commissioner Buesinger requested follow-up information on the confirmation from one of the Villages accepting the amendments in 2022 and 2023.

2. 2023 Draft Audit – Robert Belt (the motion was made to take item 8(2) out of sequence)

The 2023 Draft Audit was moved and accepted at the beginning of the meeting.

3. Retain the 2023 Possible Surplus and 2024 EMS Revenue for Capital replacement.

Commissioner Brown requested that item 8(3) be discussed in the budget workshop following the fire commission meeting.

No action was taken.

4. Dispatch – supervisor pay

Fire Chief Miller stated a current Firemedic is willing to help coordinate dispatch at an FM 3 rate of \$1,500/year.

No action was taken.

9. EXECUTIVE SESSION - The Board of Commissioners will retire into Executive Session as authorized by Chapter 551; Texas Government Code, to seek legal advice related to the following matters:

None

10. ACTION – CLOSED SESSION – The Board of Directors will reconvene in open session to consider and take any actions necessary on items discussed in Executive Session

None

11. ROTATION OF OFFICERS

City of Bunker Hill Village
City of Piney Point Village
City of Spring Valley Village
City of Hilshire Village
City of Hedwig Village

Commissioner Keith Brown, Vice Chair
Commissioner Henry Kollenberg, Treasurer
Commissioner Allen Carpenter, Secretary
Commissioner Robert (Bob) Buesinger, Member
Commissioner Matt Woodruff, Chair

City of Bunker Hill Village
City of Piney Point Village
City of Spring Valley Village
City of Hilshire Village
City of Hedwig Village

Alternate Clara Towsley
Alternate Aliza Dutt
Alternate John Lisenby
Alternate Mike Garofalo
Alternate Mayor Tom Jinks

Commissioner Woodruff stated that it was an honor working as a chair of the Village Fire Department’s Fire commission and working with the fire department for the past year.

12. FUTURE TOPICS

Special Audit and badge pinning

13. NEXT MEETING DATE

May 22, 2024

14. ADJOURNMENT

Commissioner Woodruff asked for a motion to adjourn at 7:50 p.m. Commissioner Carpenter moved, seconded by Commissioner Buesinger.

https://villagefiremy.sharepoint.com/personal/mlongoria_villagefire_org/_layouts/15/stream.aspx?id=%2Fpersonal%2Fmlongoria_villagefire_org%2FDocuments%2FTranscribed%20Files%2F240112_0116%2EMP3&referrer=StreamWebApp%2EWeb&referrerScenario=AddressBarCopied%2Eview%2Ec6a9b50b-0b9c-4ae9-812c-ed036b212f91

VILLAGE FIRE DEPARTMENT
SPECIAL MEETING MINUTES

The Board of Commissioners reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed below, as authorized by Title 5, Chapter 551, of the Texas Government Code.

A special fire commission meeting of the Village Fire Department was held on May 8, 2024, at 901 Corbindale Houston, Texas 77024. It began at 6:00 p.m. and was presided over by Commissioner Brown. The fire commission secretary was present.

Special Meeting Village Fire Department

1. Call to order.

Present & Voting were:

City of Bunker Hill Village	Commissioner Council Member, Keith Brown, Chair
City of Spring Valley Village	Commissioner Henry Kollenberg, Vice Chair
City of Piney Point Village	Commissioner Council Member, Allen Carpenter, Treasurer
City of Hunters Creek	Commissioner Rob Adams, Secretary
City of Hilshire Village	Commissioner Mayor Bob Buesinger, Member
City of Hedwig Village	Commissioner Council Member, Matt Woodruff, Member

Present Were:

City of Bunker Hill Village	Alternate Clara Towsley
City of Piney Point Village	Alternate Mayor Aliza Dutt
City of Spring Valley Village	Alternate John Lisenby
Village Fire Department & Administrative Staff	Fire Chief, Howard Miller Marlo Longoria & Katherine Stuart

Not Present

City of Hilshire Village	Alternate Mike Garofalo
City of Hedwig Village	Alternate Mayor, Tom Jinks

2. Comments from the Public (Comments are limited to 3 minutes each)

None

3. Discussion and possible action on the following related

- a. Recommendation of Roof bid acceptance or approval (*article 1*)

Commissioner Woodruff accepted the recommendations of Pyramid Waterproofing from the VFD Consultant, Mr. Schaack, seconded Commissioner Kollenberg.

4. Adjournment.

Commissioner Carpenter moved to adjourn at 6: 15 p.m. seconded by Commissioner Woodruff.

S:\Admin Folder\2024\2024 - Agenda, Minutes, and Board Packages\VFD Special Meeting\2024 – April

The facility is wheelchair-accessible and accessible parking is available. Requests for accommodations or interpretive services must be made at least forty-eight (48) hours prior to this meeting. Please contact the Fire Chief's Office at (713) 468-7941 or longoria@villagefire.org for further information.

TO: City Council

FROM: Aliza Dutt, Mayor

MEETING DATE: May 28, 2024

SUBJECT: Consideration and possible action on the monthly report presented by the Mayor.

Agenda Item: 7

Summary:

This agenda item pertains to the mayor's reports, which provide updates on city operations to the council and community.

- a) Emergency management of storm-related activities and cleanup.

TO: City Council

FROM: R. Pennington; City Administrator

MEETING DATE: May 28, 2024

SUBJECT: Discuss and take possible action on the City Administrator's Monthly Report, including selected items.

Agenda Item: 8

The City Administrator will provide information for the 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 the Council. Note the following items:

A. Financial Related Items:

- i. Financial Report: This report provides an overview of financial activity as of April 2024. Please find the latest report attached.
- ii. Property Tax Report: Attached is the latest report from our tax assessor-collector regarding tax collection.
- iii. Budget Calander.
- iv. Disbursements (greater than \$10,000).
 - (1) On Par - (\$79,268.27): The total billing for the project represents 41.95% of the contract amount. As of April 30, 2024, the contract time expended was 49.33%.
 - (2) T-Construction - (\$28,200). For S. Country Squire Storm Sewer Point Repair & CCTV.
 - (3) TCO Reimbursement - (\$25,000): Recommended for approval by PPV Building Official.

B. Update on Current Specific Use Permit Projects.

C. Update on Phase I Traffic Signal Rebuild.

Recommendation:

Approve the following required items:

- (1) Budget Calander.
- (2) Disbursements.

TABLE OF CONTENTS

a) Financial Related Items

- | | |
|--|---------------|
| i. Financial Report – March 2024. | Page ADM – 3 |
| ii. Property Tax Report. | Page ADM – 14 |
| iii. Budget Calander. | Page ADM – 16 |
| iv. Disbursements (greater than \$10,000). | Page ADM – 17 |
- b) Update on Current SUP Projects.
- c) Update on Phase I Traffic Signal Rebuild.



CITY OF PINEY POINT VILLAGE FINANCIAL REPORT

APRIL 2024 FINANCIALS (PRELIMINARY)

This report represents a general overview of the city’s financial operations through April 2024, which is the fourth month of the fiscal year 2024. Beginning balances are unaudited and subject to change until the city completes the annual 2023 audit. A presentation of this audit is scheduled for May 2024. Budgeted numbers represent the original adopted for the fiscal year.

General Fund

	Prior YTD	Budget	Month	YTD
Total Revenues	\$7,431,869	\$9,240,418	\$213,292	\$7,437,740
Total Expenditures	\$2,916,275	\$10,158,382	\$641,972	\$2,931,753
Over/(Under)	\$4,515,594	(\$917,964)	(\$428,680)	\$4,505,987

	Prior YTD	Budget	Month	YTD
Operating Revenues	\$7,352,764	\$9,191,418	\$211,780	\$7,403,678
Operating Expenditures	\$2,536,921	\$7,695,482	\$634,201	\$2,786,522
Over/(Under)	\$4,815,843	\$1,495,936	(\$422,421)	\$4,617,156

1. Total revenues are \$7,437,740 or 80.5% of the budget and 0.1% more the last YTD, mainly due to the timing of property tax collection.
 - a. Property tax received to date for the M&O or the general fund portion totals \$6,724,069, or 97% of the budget. The current YTD amount collected represents 90.7% of the total general fund revenue. Property Tax is \$267,020 more than the last YTD, trending a little higher than last year’s collection. The city anticipates collecting an additional \$265,820 for Maintenance and Operation. The adopted rate is \$0.255140, with \$0.226507 designated as M&O and the remaining \$0.028633 as the I&S requirement to finance the annual bond debt. Payments of property taxes are due by January 31, 2024, and are delinquent as of February 1, 2024. The City currently contracts with Spring Branch ISD as the tax assessor-collector. The budget incorporates a 99% collection rate on the total

taxable value. Please review the monthly tax office report for additional details and adjustments to current taxable values.

- b. Sales Tax collection for April totals \$174,389 or 35.9% of the total annual \$485,725 projection. April represents the fourth month of collection with a decrease of \$5,662 or 3.1% lower April 2023 collection of \$180,051. The budget projection on sales collection represents 5.26% of all general fund revenue.
 - c. Franchise tax collections are minimal due to the timing of collections. The only collection booked at this time is \$90,808 from Electric Franchise (CenterPoint). The city anticipates collecting over \$387 thousand in franchise tax.
 - d. Court revenue is \$48,098, 35.6% of the budget, and \$6,700 higher than last year. Court fines total \$44,402 and the remaining \$3,696 is primarily restricted for special use, such as court security or technology. The city collected \$135 thousand in court revenue for 2023. Current trends suggest similar collections for 2024.
 - e. License and permits total \$170,511, which is projected less the target at 27.4%. Permits and inspection fees alone account for 88.4% of the category revenue. Drainage reviews are currently at \$19,000.
 - f. Alarm registrations are \$21,300, 85.2% of the annual budget projection. This represents \$2,550 lower last YTD. Having an annual alarm registration is beneficial in keeping emergency information up-to-date for individual properties.
 - g. Interest revenue is \$174,503, 46.7% of the budget, and at a significant increase of \$60,432 more than last YTD. The Federal Reserve has decided to delay the planned reduction in the Fed rate, which means that our expected revenue interest projections will remain higher than anticipated.
2. The city allocated \$7,695,485 as operating with an additional \$2,462,900 as capital programming. Total expenditures are \$2,931,753, 28.9% of budget and 0.5% more than last YTD. Operating expenditures are \$2,786,522 or 36.2% of the budget and 9.8% more than the last YTD.
 3. Divisions and categories that are currently trending higher in expenditures are as follows:
 - a. Police Services at \$1,148,942 or 43.8% due to the practice of providing two months of service payments at the beginning of the year as agreed for adequate MVPD operational cash flow.
 - b. Fire Services at \$780,687 or 37.5%. representing 1.5 months of service payments at the beginning of the year for adequate VFD operational cash flow.
 4. Capital expenditures at \$145,232 or 5.9% due to the timing of this report. The following capital projects are scheduled for the current year.

- a. 96” Stormwater Replacement CIP – This project will be completed in the spring.
 - b. Other projects include Williamsburg, Bothwell Way, Windermere Outfall Project, Smithdale Landscape/Sidewalk, Community Beautification, and traffic signals.
5. The budget adopted the use of \$917,964 in reserved cash and is supporting a portion of the \$2,462,900 in capital programs. In 2023, the preliminary/unaudited revenue over expenditures was approximately \$1.1 million, increasing the fund balance to nearly \$5.0 million. Note that the fund balance remains unaudited, and a portion is restricted for specific uses, such as court-restricted Funds.

Debt Service Fund

	Prior YTD	Budget	Month	YTD
Total Revenues	\$934,137	\$896,050	\$8,714	\$862,846
Total Expenditures	\$839,075	\$885,050	\$0	\$857,450
Over/(Under)	\$95,062	\$11,000	\$8,714	\$5,396

6. Revenues are \$862,846, 96.5% of the budget, with \$849,862 from property tax collections. The adopted rate designated for interest and sinking is \$0.028633 as the requirement to finance the annual bond debt. The budget incorporates a 99% collection rate based on trends from past collection years.
7. Expenditures are \$857,450, 96.9% of the budget, as debt service principal payment payments are semiannual.
- a. Two Principal payments were disbursed, \$420,000 for GO Series 2015 and \$400,000 for GO Series 2017.
 - b. In addition, payments of interest due include \$9,575 for GO Series 2015 and \$27,050 for GO Series 2017. The city is obligated to pay the remaining \$24,425 in interest by August. Current debt obligations are scheduled through 2027.
8. Although revenues are over expenditures by \$5,396, debt service restricts a portion of cash to support fund balance. The budget projects an end-the-year reserve estimated at \$205K with a for the debt service fund.

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, 2024

GENERAL FUND SUMMARY

	PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE
REVENUES						
PROPERTY TAXES	6,457,049	6,930,156	59,734	6,724,069	97.0%	206,087
SALES TAXES	180,051	485,725	40,782	174,389	35.9%	311,336
FRANCHISE TAXES	114,052	387,887	22,702	90,808	23.4%	297,079
COURT REVENUE	41,368	135,000	11,734	48,098	35.6%	86,902
PERMITS & INSPECTIONS	356,822	622,150	30,035	170,511	27.4%	451,639
ALARM REGISTRATIONS	23,850	25,000	950	21,300	85.2%	3,700
GOVERNMENTAL CONT. (METRO)	0	136,500	0	0	0.0%	136,500
PILOT FEES (KINKAID)	65,500	95,000	0	0	0.0%	95,000
INTEREST	114,071	374,000	45,843	174,503	46.7%	199,497
TOTAL OPERATING	7,352,764	9,191,418	211,780	7,403,678	80.5%	1,787,740
OTHER NON-OPERATING PROCEEDS	79,105	49,000	1,512	34,062	69.5%	15,438
TOTAL NON-OPERATING	79,105	49,000	1,512	34,062	69.5%	15,438
TOTAL REVENUES	\$7,431,869	\$9,240,418	\$213,292	\$7,437,740	80.5%	\$1,803,178
EXPENDITURES						
PUBLIC SERVICE DIVISION						
POLICE SERVICES	1,091,573	2,622,267	210,475	1,148,942	43.8%	1,473,325
FIRE SERVICES	684,513	2,081,832	173,486	780,687	37.5%	1,301,145
SANITATION COLLECTION	183,241	595,563	48,285	144,856	24.3%	450,707
OTHER PUBLIC SERVICES	4,978	36,900	1,421	4,170	11.3%	32,730
PUBLIC SERVICE DIVISION	1,964,305	5,336,562	433,667	2,078,654	39.0%	3,257,908
OPERATIONS						
CONTRACT SERVICES	89,991	475,500	48,186	124,200	26.1%	351,300
BUILDING SERVICES	91,570	302,200	30,410	95,575	31.6%	206,625
GENERAL GOVERNMENT	327,720	1,228,060	93,797	377,568	30.7%	850,492
MUNICIPAL COURT	9,589	35,510	586	6,647	18.7%	28,863
PUBLIC WORKS	53,746	317,650	27,555	103,878	32.7%	213,772
OPERATION DIVISIONS	572,616	2,358,920	200,534	707,868	30.0%	1,651,052
TOTAL PUBLIC & OPERATING	\$2,536,921	\$7,695,482	\$634,201	\$2,786,522	36.2%	\$4,908,960
NON-OPERATING						
CAPITAL PROGRAMS	379,354	2,462,900	7,772	145,232	5.9%	2,317,668
TOTAL NON-OPERATING	379,354	2,462,900	7,772	145,232	5.9%	2,317,668
TOTAL EXPENDITURES	\$2,916,275	\$10,158,382	\$641,972	\$2,931,753	28.9%	\$7,226,629
REVENUE OVER/(UNDER) EXPENDITURES	4,515,594	(917,964)	(428,680)	4,505,987		



Piney Point Village TEXAS

Statement of Revenue & Expenditures For Month Ended: April 30, 2024

GENERAL FUND REVENUES

	PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE
<u>Tax Collection</u>						
10-4101 Property Tax (M&O)	6,457,049	6,930,156	59,734	6,724,069	97.0%	206,087
<i>Unearned/Adjusted</i>	0	0	0			0
<i>Total Property Tax :</i>	6,457,049	6,930,156	59,734	6,724,069	97.0%	206,087
10-4150 Sales Tax	180,051	485,725	40,782	174,389	35.9%	311,336
Total Tax Collection:	6,637,100	7,415,881	100,516	6,898,458	93.0%	517,423
<u>Permits & Inspections</u>						
10-4203 Plat Reviews	1,750	9,750	0	0	0.0%	9,750
10-4205 Contractor Registration	3,750	10,650	750	2,850	26.8%	7,800
10-4206 Drainage Reviews	26,350	50,000	3,300	19,000	38.0%	31,000
10-4207 Permits & Inspection Fees	324,222	550,000	25,985	148,161	26.9%	401,839
10-4208 Board of Adjustment Fees	750	1,750	0	500	28.6%	1,250
Total Permits & Inspections:	356,822	622,150	30,035	170,511	27.4%	451,639
<u>Municipal Court</u>						
10-4300 Court Fines	37,702	126,000	10,583	44,402	35.2%	81,598
10-4301 Building Security Fund	1,283	3,000	403	1,294	43.1%	1,706
10-4302 Truancy Prevention	1,309	3,000	411	1,320	44.0%	1,680
10-4303 Local Municipal Tech Fund	1,047	2,950	329	1,056	35.8%	1,894
10-4304 Local Municipal Jury Fund	26	50	8	26	52.8%	24
Total Municipal Court:	41,368	135,000	11,734	48,098	35.6%	86,902
<u>Investment Income</u>						
10-4400 Interest Revenue	114,071	374,000	45,843	174,503	46.7%	199,497
Total Investment Income:	114,071	374,000	45,843	174,503	46.7%	199,497
<u>Agencies & Alarms</u>						
10-4508 SEC-Registration	23,850	25,000	950	21,300	85.2%	3,700
Total Agencies & Alarms:	23,850	25,000	950	21,300	85.2%	3,700
<u>Franchise Revenue</u>						
10-4602 Cable Franchise	21,505	85,153	0	0	0.0%	85,153
10-4605 Power/Electric Franchise	90,806	272,419	22,702	90,808	33.3%	181,611
10-4606 Gas Franchise	0	25,000	0	0	0.0%	25,000
10-4607 Telephone Franchise	890	3,515	0	0	0.0%	3,515
10-4608 Wireless Franchise	850	1,800	0	0	0.0%	1,800
Total Franchise Revenue:	114,052	387,887	22,702	90,808	23.4%	297,079
<u>Donations & In Lieu</u>						
10-4702 Kinkaid School Contribution	65,500	95,000	0	0	0.0%	95,000
10-4703 Metro Congested Mitigation		136,000	0	0	0.0%	136,000
10-4704 Intergovernmental Revenues		500	0	0	0.0%	500
10-4705 Ambulance		48,000	0	17,988	37.5%	30,012
10-4800 Misc Income	55,105	1,000	0	0	0.0%	1,000
10-4803 CIP Cost Share	24,000	0	0	8,948		(8,948)
10-4804 Credit Card Fees		0	1,512	7,126		(7,126)
Total Donations & In Lieu:	144,605	280,500	1,512	34,062	12.1%	246,438
Total Revenue Received	7,431,869	9,240,418	213,292	7,437,740	80.5%	1,802,678
<i>FY21: Unearned Adjusted</i>	0	0	0	0		0
TOTAL REVENUES:	\$7,431,869	\$9,240,418	213,292	7,437,740	80.5%	\$1,802,678



Piney Point Village TEXAS

Statement of Revenue & Expenditures For Month Ended: April 30, 2024

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	6,000	(74)	(74)	0	5,000
10-510-5002	Public Relations	15,000	0	0	0.0%	15,000
	Community Events:	0	(74)	(74)	-0.4%	15,000
<u>Police Services</u>						
10-510-5010	MVPD Operations	943,649	210,475	1,052,375	41.7%	1,473,325
10-510-5011	MVPD Auto Replacement	53,333	0	46,667	100.0%	0
10-510-5012	MVPD Capital Expenditure	94,591	0	49,900	n/a	0
	Police Services:	1,091,573	210,475	1,148,942	43.8%	1,473,325
<u>Miscellaneous</u>						
10-510-5020	Miscellaneous	0	0	0	n/a	0
	Total Miscellaneous:	0	0	0	n/a	0
<u>Sanitation Collection</u>						
10-510-5030	Sanitation Collection	180,546	47,338	142,962	24.7%	435,558
10-510-5031	Sanitation Fuel Charge	2,695	947	1,894	11.1%	15,149
	Sanitation Collection:	183,241	48,285	144,856	24.3%	450,707
<u>Library Services</u>						
10-510-5040	Spring Branch Library	1,500	0	0	0.0%	1,500
	Library Services:	0	0	0	0.0%	1,500
<u>Street Lighting Services</u>						
10-510-5050	Street Lighting	4,978	1,495	4,244	29.5%	10,156
	Street Lighting Services:	4,978	1,495	4,244	29.5%	10,156
<u>Fire Services</u>						
10-510-5060	Villages Fire Department	684,513	173,486	780,687	37.5%	1,301,145
	Fire Services:	684,513	173,486	780,687	37.5%	1,301,145
	TOTAL PUBLIC SERVICE:	\$1,964,305	\$433,667	\$2,078,654	39.0%	\$3,251,834

		PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE
<u>CONTRACT SERVICE DIVISION</u>							
10-520-5101	Grant Administration	0	0			n/a	0
10-520-5102	Accounting/Audit	19,399	25,000	0	0	0.0%	25,000
10-520-5103	Engineering	25,891	220,000	37,412	75,369	34.3%	144,631
10-520-5104	Legal	16,113	100,000	3,283	17,609	17.6%	82,392
10-520-5105	Tax Appraisal-HCAD	20,159	63,000	0	23,607	37.5%	39,393
10-520-5107	Animal Control	240	2,300	3,296	3,420	148.7%	(1,120)
10-520-5108	IT Hardware/Software & Support	3,994	41,200	0	0	0.0%	41,200
10-520-5110	Mosquito Control	4,195	24,000	4,195	4,195	17.5%	19,805
TOTAL CONTRACT SERVICE DIVISION:		\$89,991	\$475,500	\$48,186	\$124,200	26.1%	\$351,300
<u>BUILDING SERVICE DIVISION</u>							
<u>Building & Inspection Services</u>							
10-530-5108	Information Technology	0					
10-530-5152	Drainage Reviews	23,668	103,000	11,582	37,257	36.2%	65,743
10-530-5153	Electrical Inspections	6,210	15,000	2,025	5,985	39.9%	9,015
10-530-5154	Plat Reviews	0	500	0	0	0.0%	500
10-530-5155	Plan Reviews	16,000	50,000	4,000	12,000	24.0%	38,000
10-530-5156	Plumbing Inspections	7,785	18,000	2,430	8,370	46.5%	9,630
10-530-5157	Structural Inspections	12,825	30,000	2,880	10,890	36.3%	19,110
10-530-5158	Urban Forester	12,120	45,000	5,520	11,920	26.5%	33,080
10-530-5160	Mechanical Inspections	3,870	8,500	900	2,790	32.8%	5,710
Building and Inspection Services:		82,478	270,000	29,337	89,212	33.0%	180,788
<u>Supplies and Office Expenditures</u>							
10-530-5204	Dues & Subscriptions	0	500	0	0	0.0%	500
10-530-5207	Misc Supplies		1,000	0	350	35.0%	650
10-530-5209	Office Equipment & Maintenance		500	0	0	0.0%	500
10-530-5211	Meeting Supplies	81	900	0	0	0.0%	900
10-530-5215	Travel & Training		300	0	0	0.0%	300
Supplies and Office Expenditures:		81	3,200	0	350	10.9%	2,850
<u>Insurance</u>							
10-530-5403	Credit Card Charges	9,011	29,000	1,073	6,012	20.7%	22,988
Insurance:		9,011	29,000	1,073	6,012	20.7%	22,988
TOTAL BUILDING SERVICE DIVISION:		\$91,570	\$302,200	\$30,410	\$95,575	31.6%	\$206,625

	PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE	
GENERAL GOVERNMENT DIVISION							
<u>Administrative Expenditures</u>							
10-540-5108	Information Technology	4,421	22,000	5,959	14,108	n/a	7,892
10-540-5201	Administrative/Professional Fe		0	1,750	3,905	#DIV/0!	(3,905)
10-540-5202	Auto Allowance/Mileage	2,996	7,200	687	2,821	39.2%	4,379
10-540-5203	Bank Fees	1,316	3,000	0	176	5.9%	2,824
10-540-5204	Dues/Seminars/Subscriptions	697	3,600	194	334	9.3%	3,266
10-540-5205	Elections	452	3,000	79	379	12.6%	2,621
10-540-5206	Legal Notices	1,251	3,500	4,047	4,047	115.6%	(547)
10-540-5207	Miscellaneous	930	5,000	285	633	12.7%	4,367
10-540-5208	Citizen Communication	3,888	5,000	0	4,486	89.7%	514
10-540-5209	Office Equipment & Maintenance	2,032	10,000	621	929	9.3%	9,071
10-540-5210	Postage	360	2,000	205	232	11.6%	1,768
10-540-5211	Meeting Supplies	1,418	7,500	1,349	1,737	23.2%	5,763
10-540-5212	Rent/Leasehold/Furniture	47,870	146,000	13,349	59,893	41.0%	86,107
10-540-5213	Supplies/Storage	3,008	10,000	5,559	7,934	79.3%	2,067
10-540-5214	Telecommunications	2,996	16,000	899	4,067	25.4%	11,933
10-540-5215	Travel & Training	0	3,000	0	0	0.0%	3,000
10-540-5216	Statutory Legal Notices	180	1,500	0	0	0.0%	1,500
	Administrative Expenditures:	73,815	248,300	34,984	105,681	42.6%	142,619
<u>Wages & Benefits</u>							
10-540-5301	Gross Wages	173,521	662,745	45,879	186,687	28.2%	476,058
10-540-5302	Overtime/Severance	797	20,809	460	1,325	6.4%	19,484
10-540-5303	Temporary Personnel	3,302	0	0	0		0
10-540-5306	FICA/Med/FUTA Payroll Tax Exp	14,423	50,035	3,348	15,603	31.2%	34,432
10-540-5310	TMRS (City Responsibility)	19,559	138,135	380	27,306	19.8%	110,829
10-540-5311	Payroll Process Exp-Paychex	1,030	4,000	234	1,332	33.3%	2,668
	Wages & Benefits:	212,631	875,724	50,299	232,253	26.5%	643,471
<u>Insurance</u>							
10-540-5353	Employee Insurance	40,107	88,836	8,491	39,610	44.6%	49,226
10-540-5354	General Liability		10,000	0	0	0.0%	10,000
10-540-5356	Workman's Compensation	(33)	4,000	24	24	0.6%	3,976
	Insurance:	40,074	102,836	8,515	39,634	38.5%	63,202
<u>Other</u>							
10-540-5403	Credit Card Charges (Adm)	1,199	1,200	0	0	n/a	1,200
10-540-5710	Intergovernmental Expenditure		0				
	Intergovernmental:	1,199	1,200	0	0	n/a	1,200
	TOTAL GENERAL GOVERNMENT DIVISION:	\$327,720	\$1,228,060	\$93,797	\$377,568	30.7%	\$850,492

	PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE
<u>MUNICIPAL COURT DIVISION</u>						
<u>Supplies & Office Expenditures</u>						
10-550-5207		250	0	0	n/a	250
10-550-5211		2,000	0	0	n/a	2,000
10-550-5215	0	1,750	0	500	n/a	1,250
Supplies and Office Expenditures:	0	4,000	0	500	n/a	3,500
<u>Insurance</u>						
10-550-5353		0			n/a	0
Insurance:	0	0	0	0	n/a	0
<u>Court Operations</u>						
10-550-5403	1,028	6,510	586	2,347	36.1%	4,163
10-550-5404	8,561	25,000	0	3,800	15.2%	21,200
Court Operations:	9,589	31,510	586	6,147	19.5%	25,363
TOTAL MUNICIPAL COURT DIVISION:	\$9,589	\$35,510	\$586	\$6,647	18.7%	\$28,863
<u>PUBLIC WORKS MAINTENANCE DIVISION</u>						
<u>Supplies & Office Expenditures</u>						
10-560-5108		0	0	765		(765)
10-560-5207		500	0	0	n/a	500
10-560-5213		0			n/a	0
10-560-5215		1,000	0	0	n/a	1,000
Supplies and Office Expenditures:	0	1,500	0	765	n/a	735
<u>Insurance</u>						
10-560-5353		0			n/a	0
Insurance:	0	0	0	0	n/a	0
<u>Maintenance & Repair</u>						
10-560-5501	100	0	5	1,766	n/a	(1,766)
10-560-5504	31,900	1,850	13,573	24,763	1338.5%	(22,913)
10-560-5505	0	165,000	129	367	0.2%	164,633
10-560-5506	0	1,000	0	22,380	2238.0%	(21,380)
10-560-5507	1,573	15,000	0	11,888	79.3%	3,112
10-560-5508	1,215	2,800	490	1,164	41.6%	1,636
10-560-5509	5,325	16,000	680	13,740	85.9%	2,260
10-560-5510	0	1,500	2,760	3,245	216.3%	(1,745)
10-560-5515	12,687	100,000	7,577	18,552	18.6%	81,448
10-560-5516	946	3,000	0	131	4.4%	2,869
10-560-5517	0	10,000	2,342	5,117	51.2%	4,883
Maintenance and Repair:	53,746	316,150	27,555	103,113	32.6%	213,037
TOTAL PUBLIC WORKS DIVISION:	\$53,746	\$317,650	\$27,555	\$103,878	32.7%	\$213,772

	PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE
<u>CAPITAL OUTLAY PROGRAMS</u>						
<u>General Capital / Maintenance Programs</u>						
10-570-5602		0				0
10-570-5606		0			n/a	0
10-570-5701		0			n/a	0
10-570-5702		0			n/a	0
10-570-5703		0			n/a	0
10-570-5806		0			n/a	0
	0	0	0	0	n/a	0
<u>Major Capital / Maintenance Programs</u>						
		0			n/a	0
10-570-5808	0	0			n/a	0
10-580-5809	89,224	0	818	4,334	n/a	(4,334)
10-580-5810	274,650	0	0	0		
10-580-5811		2,462,900	6,954	134,004		
10-580-5821	15,480	0				
10-580-5822		0				
10-580-5823		0				
10-580-5824		0				
10-580-5825		0	0	6,894		
10-580-5826		0				
	379,354	2,462,900	7,772	145,232	n/a	(4,334)
TOTAL CAPITAL OUTLAY PROGRAMS:	\$379,354	\$2,462,900	\$7,772	\$145,232	5.9%	(\$4,334)
TOTAL EXPENDITURES:	\$2,916,275	\$10,158,382	\$641,972	\$2,931,753	28.9%	\$4,898,553



Piney Point Village TEXAS

Statement of Revenue & Expenditures For Month Ended: April 30, 2024

DEBT SERVICE FUND

	PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET	BUDGET BALANCE
REVENUES						
PROPERTY TAXES	896,819.97	881,050	7,540	849,862	96.5%	31,188
<i>Unearned/Adjusted</i>	<i>0</i>	<i>0</i>		<i>0</i>		<i>0</i>
<i>Total Property Tax :</i>	<i>896,820</i>	<i>881,050</i>	<i>7,540</i>	<i>849,862</i>	<i>96.5%</i>	<i>31,188</i>
INTEREST	37,317	15,000	1,174	12,984		2,016
TOTAL OPERATING	934,137	896,050	8,714	862,846	96.3%	33,204
TOTAL REVENUES	\$934,137	\$896,050	\$8,714	\$862,846	96.3%	\$33,204
EXPENDITURES						
TAX BOND PRINCIPAL	790,000	820,000	0	820,000	100.0%	0
TAX BOND INTEREST	48,325	61,050	0	36,625	60.0%	24,425
FISCAL AGENT FEES	750	4,000	0	825	20.6%	3,175
OPERATING EXPENDITURES	839,075	885,050	0	857,450	96.9%	27,600
TOTAL EXPENDITURES	\$839,075	\$885,050	\$0	\$857,450	96.9%	\$27,600
REVENUE OVER/(UNDER) EXPENDITURES	95,062	11,000	8,714	5,396		

**City of Piney Point Village
Monthly Tax Office Report
April 30, 2024**

Prepared by: Elizabeth Ruiz, Tax Assessor/Collector

A. Current Taxable Value \$ 3,077,949,509

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

	Current 2023 Tax Year	Delinquent 2022 & Prior Tax Years	Total
Original Levy 0.25514	\$ 7,602,266.60	\$ -	\$ 7,602,266.60
Carryover Balance	-	142,575.84	142,575.84
Adjustments	250,813.90	(8,150.87)	242,663.03
Adjusted Levy	7,853,080.50	134,424.97	7,987,505.47
Less Collections Y-T-D	7,550,299.99	(4,091.41)	7,546,208.58
Receivable Balance	<u>\$ 302,780.51</u>	<u>\$ 138,516.38</u>	<u>\$ 441,296.89</u>

C. COLLECTION RECAP:

Current Month:	Current 2023 Tax Year	Delinquent 2022 & Prior Tax Years	Total
Base Tax	\$ 62,685.64	\$ 730.68	\$ 63,416.32
Penalty & Interest	3,593.48	263.53	3,857.01
Attorney Fees	-	123.36	123.36
Other Fees	-	-	-
Total Collections	<u>\$ 66,279.12</u>	<u>\$ 1,117.57</u>	<u>\$ 67,396.69</u>

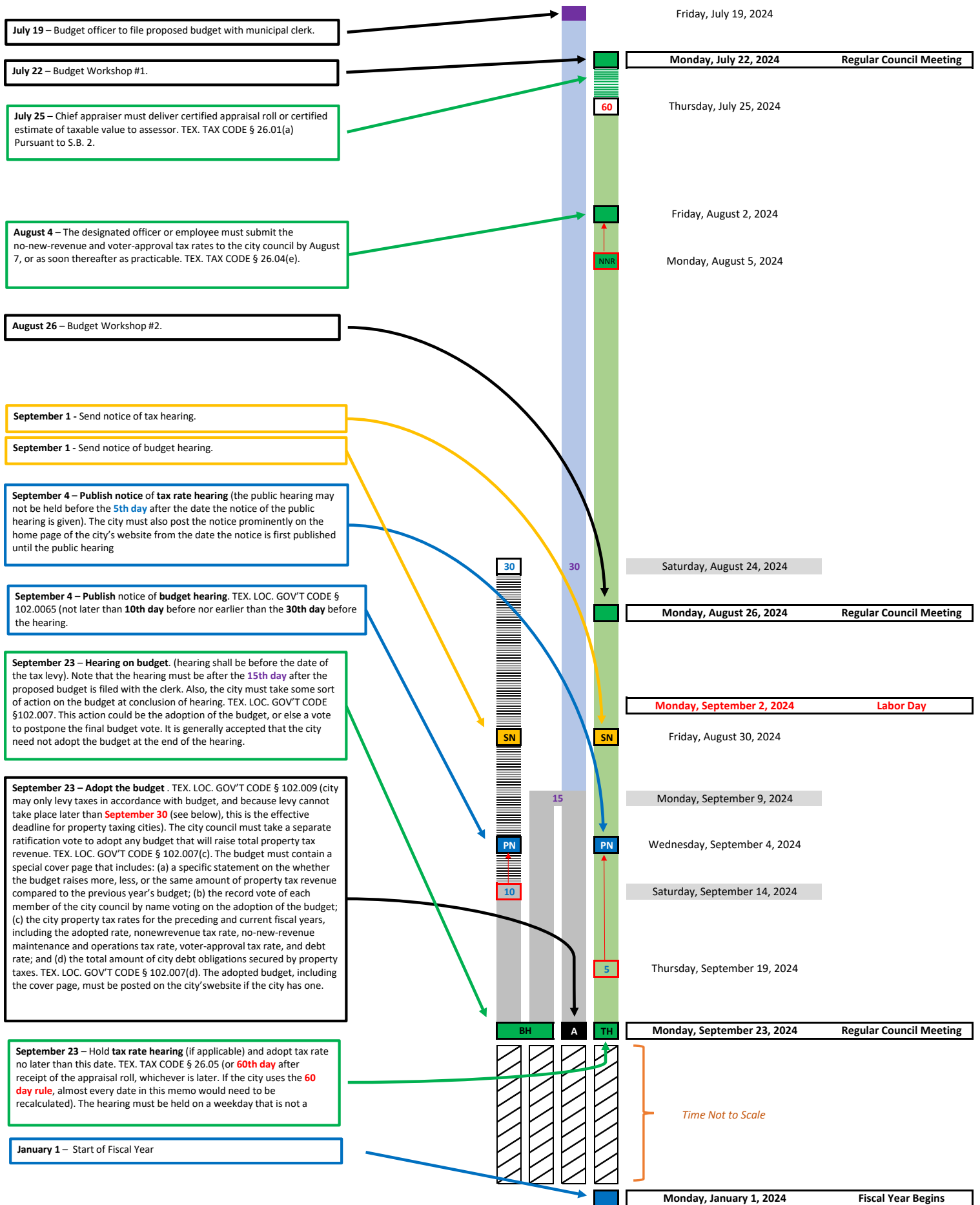
Year-To-Date:	Current 2023 Tax Year	Delinquent 2022 & Prior Tax Years	Total
Base Tax:	\$ 7,550,299.99	\$ (4,091.41)	\$ 7,546,208.58
Penalty & Interest	27,150.04	513.35	27,663.39
Attorney Fees	-	188.15	188.15
Other Fees	39.67	19.65	59.32
Total Collections	<u>\$ 7,577,489.70</u>	<u>\$ (3,370.26)</u>	<u>\$ 7,574,119.44</u>

Percent of Adjusted Levy	<u>96.49%</u>	<u>96.45%</u>
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MONTHLY TAX OFFICE REPORT
Tax A/R Summary by Year
April 30, 2024

YEAR	BEGINNING BALANCE AS OF 12/31/2023	ADJUSTMENTS	COLLECTIONS	ENDING BALANCE AS OF 04/30/2024
22	\$ 34,483.77	\$ (6,792.96)	\$ (3,017.51)	\$ 30,708.32
21	25,589.37	(899.69)	(615.68)	25,305.36
2020	16,377.43	-	-	16,377.43
19	16,339.74	(223.50)	(223.50)	16,339.74
18	10,157.48	(234.72)	(234.72)	10,157.48
17	4,616.54	-	-	4,616.54
16	4,546.52	-	-	4,546.52
15	4,154.86	-	-	4,154.86
14	3,771.63	-	-	3,771.63
13	3,443.45	-	-	3,443.45
12	2,672.50	-	-	2,672.50
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	-	-	-	-
	<u>\$ 142,575.84</u>	<u>\$ (8,150.87)</u>	<u>\$ (4,091.41)</u>	<u>\$ 138,516.38</u>

BUDGET CALENDAR TIMELINE - FISCAL YEAR 2025





May 21, 2024

Mr. Bobby Pennington
City of Piney Point Village
7676 Woodway, Suite 300
Houston, TX 77063

Re: Williamsburg Drainage Improvements Project
City of Piney Point Village
HDR Job No. 1036166

Dear Mr. Pennington:

Enclosed please find one copy of the following items for the above referenced project:

1. On Par Civil Services LLC. - Pay Estimate No. 2.

The amount of the Pay Estimate No. 1 is **\$79,268.27**. The total billing for the project represents 41.95% of the contract amount. As of April 30, 2024 the contract time expended was 49.33%.

HDR Engineering, Inc. has reviewed this application and recommends payment of said application.

If you have any questions, please call me.

Sincerely,

HDR ENGINEERING, INC.

Joseph Moore, P.E., CFM
Project Manager

cc: Mr. Rogelio Munoz – On Par Civil Services, LLC
Mr. Eddie Breedlove – On Par Civil Services, LLC

APPLICATION FOR PAYMENT NUMBER: 1

PROJECT: PPV Williamsburg Drainage Improvements

CONTRACTOR: On Par Civil Services, LLC., 1220 Blalock Blvd. Suite 300, Houston, TX 77055

OWNER: City of Piney Point, 7676 Woodway, Suite 300, Houston, Texas 77063

OWNERS PROJECT NO: _____ **ENGINEERS PROJECT NO:** 10361166

PAY PERIOD FROM: _____ TO: _____

ORIGINAL CONTRACT SUM:	\$ <u>210,396.00</u>
NET CHANGE BY CHANGE ORDER:	\$ <u>(464.65)</u>
CONTRACT SUM TO DATE:	\$ <u>209,931.35</u>
INSTALLATIONS:	\$ <u>88,075.85</u>
LESS 10% RETAINAGE ON FIRST \$400,000.00 :	\$ <u>8,807.59</u>
LESS PREVIOUS PAYMENTS:	\$ <u>-</u>
AMOUNT DUE THIS APPLICATION:	\$ <u>79,268.27</u>

ACCOMPANYING DOCUMENTATION: Engineer's Estimate No. 1

ENGINEER'S CERTIFICATION:

PAYMENT OF THE ABOVE AMOUNT DUE THIS APPLICATION IS RECOMMENDED

DATE: _____

HDR Engineering, Inc.

Joseph Moore, P.E.
Project Manager



ITEM NO.	ITEM DESCRIPTION	UNIT	QUAN.	UNIT PRICE	TOTAL	QUAN. THIS PERIOD	TOTAL THIS PERIOD	QUAN. PREVIOUS PERIOD	TOTAL PREVIOUS PERIOD	TOTAL QUAN. TO DATE	TOTAL AMOUNT TO DATE
GENERAL ITEMS											
1	Traffic Control, complete in place, the sum of:	L.S.	1	\$ 3,500.00	\$3,500.00	0.50	\$1,750.00	0.00	\$0.00	0.50	\$1,750.00
2	SWP3 Plan, complete in place, the sum of:	L.S.	1	\$ 1,500.00	\$1,500.00	0.50	\$750.00	0.00	\$0.00	0.50	\$750.00
3	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.	12	\$ 260.00	\$3,120.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
General Items Total					\$8,120.00		\$2,500.00		\$0.00		\$2,500.00
11301 WILLIAMSBURG ITEMS											
4	Remove and dispose of existing storm sewer, complete in place, the sum of:	L.F.	35	\$ 25.00	\$875.00	35.00	\$875.00	0.00	\$0.00	35.00	\$875.00
5	Remove culvert wingwall, complete in place, the sum of:	EA.	1	\$ 300.00	\$300.00	1.00	\$300.00	0.00	\$0.00	1.00	\$300.00
6	Remove, salvage, and reinstall post mailbox, complete in place, the sum of:	EA.	1	\$ 500.00	\$500.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
7	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	\$ 200.00	\$5,000.00	25.00	\$5,000.00	0.00	\$0.00	25.00	\$5,000.00
8	Trench safety for all storm sewers greater than 5' deep, complete in place, the sum of:	EA.	1	\$ 1.00	\$1.00	1.00	\$1.00	0.00	\$0.00	1.00	\$1.00
9	24" HDPE storm sewer including bedding and backfill, complete in place, the sum of:	L.F.	45	\$ 140.00	\$6,300.00	34.00	\$4,760.00	0.00	\$0.00	34.00	\$4,760.00
10	12" PVC for yard drain connections, all depths, complete in place, the sum of:	L.F.	25	\$ 60.00	\$1,500.00	5.00	\$300.00	0.00	\$0.00	5.00	\$300.00
11	Proposed connection to existing yard drain, complete in place, the sum of:	EA.	4	\$ 300.00	\$1,200.00	2.00	\$600.00	0.00	\$0.00	2.00	\$600.00
12	Proposed Type A Inlet, including bedding and backfill, complete in place, the sum of:	EA.	1	\$ 3,500.00	\$3,500.00	1.00	\$3,500.00	0.00	\$0.00	1.00	\$3,500.00
13	Trench safety for all storm sewers greater than 5' deep, complete in place, the sum of:	L.F.	45	\$ 1.00	\$45.00	45.00	\$45.00	0.00	\$0.00	45.00	\$45.00
14	Remove Stonework/Retaining Wall, complete in place, the sum of:	L.F.	15	\$ 50.00	\$750.00	15.00	\$750.00	0.00	\$0.00	15.00	\$750.00
15	Clearance prune, complete in place, the sum of:	EA.	1	\$ 500.00	\$500.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
11301 Williamsburg Items Total:					\$20,471.00		\$16,131.00		\$0.00		\$16,131.00
11302 WILLIAMSBURG ITEMS											
16	24" HDPE storm sewer including bedding and backfill, complete in place, the sum of:	L.F.	10	\$ 140.00	\$1,400.00	10.00	\$1,400.00	0.00	\$0.00	10.00	\$1,400.00



ITEM NO.	ITEM DESCRIPTION	UNIT	QUAN.	UNIT PRICE	TOTAL	QUAN. THIS PERIOD	TOTAL THIS PERIOD	QUAN. PREVIOUS PERIOD	TOTAL PREVIOUS PERIOD	TOTAL QUAN. TO DATE	TOTAL AMOUNT TO DATE
17	18" RCP storm sewer including bedding and backfill, complete in place, the sum of:	L.F.	10	\$ 115.00	\$1,150.00	10.00	\$1,150.00	0.00	\$0.00	10.00	\$1,150.00
18	8" PVC for yard drain connections, all depths, complete in place, the sum of:	L.F.	20	\$ 25.00	\$500.00	12.00	\$300.00	0.00	\$0.00	12.00	\$300.00
19	Proposed connection to existing yard drain, complete in place, the sum of:	EA.	2	\$ 300.00	\$600.00	1.00	\$300.00	0.00	\$0.00	1.00	\$300.00
20	Proposed Type A Inlet, including bedding and backfill, complete in place, the sum of:	EA.	1	\$ 3,500.00	\$3,500.00	1.00	\$3,500.00	0.00	\$0.00	1.00	\$3,500.00
21	Connect proposed storm sewer to existing storm culvert with concrete collar, complete in place, the sum of:	EA.	1	\$ 3,000.00	\$3,000.00	1.00	\$3,000.00	0.00	\$0.00	1.00	\$3,000.00
22	Trench safety for all storm sewers greater than 5' deep, complete in place, the sum of:	L.F.	10	\$ 1.00	\$10.00	10.00	\$10.00	0.00	\$0.00	10.00	\$10.00
11302 Williamsburg Items Total:					\$10,160.00		\$9,660.00		\$0.00		\$9,660.00
11303 WILLIAMSBURG ITEMS											
23	Remove and dispose of existing storm sewer, complete in place, the sum of:	L.F.	22	\$ 25.00	\$550.00	22.00	\$550.00	0.00	\$0.00	22.00	\$550.00
24	Remove, salvage, and reinstall post mailbox, complete in place, the sum of:	EA.	1	\$ 400.00	\$400.00	1.00	\$400.00	0.00	\$0.00	1.00	\$400.00
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	\$ 155.00	\$4,340.00	19.45	\$3,014.75	0.00	\$0.00	19.45	\$3,014.75
26	Temporary driveways, complete in place, the sum of:	EA.	1	\$ 1,000.00	\$1,000.00	1.00	\$1,000.00	0.00	\$0.00	1.00	\$1,000.00
27	24" HDPE storm sewer including bedding and backfill, complete in place, the sum of:	L.F.	30	\$ 140.00	\$4,200.00	30.00	\$4,200.00	0.00	\$0.00	30.00	\$4,200.00
28	12" PVC for yard drain connections, all depths, complete in place, the sum of:	L.F.	25	\$ 35.00	\$875.00	20.00	\$700.00	0.00	\$0.00	20.00	\$700.00
29	Proposed connection to existing yard drain, complete in place, the sum of:	EA.	2	\$ 500.00	\$1,000.00	2.00	\$1,000.00	0.00	\$0.00	2.00	\$1,000.00
30	Proposed Type A Inlet, including bedding and backfill, complete in place, the sum of:	EA.	1	\$ 3,500.00	\$3,500.00	1.00	\$3,500.00	0.00	\$0.00	1.00	\$3,500.00
31	Remove tree 12"-29.99", complete in place, the sum of:	EA.	1	\$ 2,000.00	\$2,000.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
32	Trench safety for all storm sewers greater than 5' deep, complete in place, the sum of:	L.F.	30	\$ 1.00	\$30.00	32.00	\$32.00	0.00	\$0.00	32.00	\$32.00
11303 Williamsburg Items Total:					\$17,895.00		\$14,396.75		\$0.00		\$14,396.75
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	50.00	\$1,250.00	0.00	\$0.00	50.00	\$1,250.00
34	Remove, salvage and reinstall brick mailbox, complete in place, the sum of:	EA.	1	\$ 1,200.00	\$1,200.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
35	Remove and replace 6" thick reinforced concrete driveway, including proof rolling, select fill level up, and full depth saw cut, complete in place, the sum of:	S.Y.	65	\$ 155.00	\$10,075.00	53.05	\$8,222.75	0.00	\$0.00	53.05	\$8,222.75
36	Temporary driveways, complete in place, the sum of:	EA.	2	\$ 1,000.00	\$2,000.00	1.00	\$1,000.00	0.00	\$0.00	1.00	\$1,000.00
37	24" HDPE storm sewer including bedding and backfill, complete in place, the sum of:	L.F.	160	\$ 140.00	\$22,400.00	152.00	\$21,280.00	0.00	\$0.00	152.00	\$21,280.00
38	8" PVC for yard drain connections, all depths, complete in place, the sum of:	L.F.	5	\$ 55.00	\$275.00	8.00	\$440.00	0.00	\$0.00	8.00	\$440.00
39	Proposed connection to existing yard drain, complete in place, the sum of:	EA.	1	\$ 400.00	\$400.00	1.00	\$400.00	0.00	\$0.00	1.00	\$400.00
40	Proposed Type A Inlet, including bedding and backfill, complete in place, the sum of:	EA.	1	\$ 3,500.00	\$3,500.00	1.00	\$3,500.00	0.00	\$0.00	1.00	\$3,500.00
41	Proposed Type A Inlet, including bedding and backfill, complete in place, the sum of:	EA.	1	\$ 3,500.00	\$3,500.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
42	Trench safety for all storm sewers greater than 5' deep, complete in place, the sum of:	L.F.	160	\$ 1.00	\$160.00	160.00	\$160.00	0.00	\$0.00	160.00	\$160.00
43	Remove tree 12"-29.99", complete in place, the sum of	EA.	2	\$ 2,000.00	\$4,000.00	1.00	\$2,000.00	0.00	\$0.00	1.00	\$2,000.00



ITEM NO.	ITEM DESCRIPTION	UNIT	QUAN.	UNIT PRICE	TOTAL	QUAN. THIS PERIOD	TOTAL THIS PERIOD	QUAN. PREVIOUS PERIOD	TOTAL PREVIOUS PERIOD	TOTAL QUAN. TO DATE	TOTAL AMOUNT TO DATE
44	Plant Caliper Size 3, 65-gallon Loblolly Pine, complete in place, the sum of:	EA	4	\$ 1,000.00	\$4,000.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
45	Clearance prune, complete in place, the sum of:	EA	2	\$ 500.00	\$1,000.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
46	Root pruning trench, complete in PLACE, the sum of:	L.F.	30	\$ 50.00	\$1,500.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
47	Tree protection fence, complete in place, the sum of:	L.F.	20	\$ 10.00	\$200.00	20.00	\$200.00	0.00	\$0.00	20.00	\$200.00
11311 Williamsburg Items Total:					\$55,460.00		\$38,452.75		\$0.00		\$38,452.75
11411 WENDOVER ITEMS											
48	Remove and dispose of existing storm sewer, complete in place, the sum of:	L.F.	65	\$ 25.00	\$1,625.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
49	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	\$ 155.00	\$3,875.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
50	Remove and replace 4" thick reinforced concrete walkway, complete in place, the sum of:	S.F.	160	\$ 11.00	\$1,760.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
51	Temporary driveways, complete in place, the sum of:	EA	1	\$ 1,250.00	\$1,250.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
52	24" HDPE storm sewer including bedding and backfill, complete in place, the sum of:	L.F.	225	\$ 140.00	\$31,500.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
53	8" PVC for yard drain connections, all depths, complete in place, the sum of:	L.F.	10	\$ 50.00	\$500.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
54	Proposed connection to existing yard drain, complete in place, the sum of:	EA	2	\$ 400.00	\$800.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
55	Proposed Type A Inlet, including bedding and backfill, complete in place, the sum of:	EA	2	\$ 3,500.00	\$7,000.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
56	Proposed Type E Inlet, including bedding and backfill, complete in place, the sum of:	EA	1	\$ 7,500.00	\$7,500.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
57	Remove existing Type E inlet top and replace with Type A inlet top, complete in place, the sum of:	EA	1	\$ 1,000.00	\$1,000.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
58	Tie-in proposed storm sewer into existing inlet, complete in place, the sum of:	EA	1	\$ 2,200.00	\$2,200.00	1.00	\$2,200.00	0.00	\$0.00	1.00	\$2,200.00
59	Trench safety for all storm sewers greater than 5' deep, complete in place, the sum of:	L.F.	225	\$ 1.00	\$225.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
60	Remove tree 29.99" or greater, complete in place, the sum of:	EA	1	\$ 2,000.00	\$2,000.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
61	Clearance prune, complete in place, the sum of:	EA	5	\$ 500.00	\$2,500.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
62	Root pruning trench, complete in place, the sum of:	L.F.	80	\$ 25.00	\$2,000.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
63	Tree protection fence, complete in place, the sum of:	L.F.	110	\$ 5.00	\$550.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
11411 Wendover Items Total:					\$66,285.00		\$2,200.00		\$0.00		\$2,200.00
SUPPLEMENTAL ITEMS											
64	Asphalt point repair, Type D HMA overlay, including tack coat, 2" Type D HMA Overlay, and Type A HMA Black Base Course placed in maximum of 4" lifts, complete in place, the sum of:	S.Y.	50	\$ 50.00	\$2,500.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
65	Adjust inlet top elevation to match proposed grading, complete in place, the sum of:	EA	3	\$ 10.00	\$30.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
66	Cement Stabilized Sand, complete in place, the sum of:	C.Y.	20	\$ 10.00	\$200.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
67	Install long side water service, complete in place, the sum of:	EA	4	\$ 10.00	\$40.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
68	Install long side sewer service, complete in place, the sum of:	EA	1	\$ 10.00	\$10.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
69	Install short side water service, complete in place, the sum of:	EA	1	\$ 10.00	\$10.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
70	Install short side sewer service, complete in place, the sum of:	EA	3	\$ 10.00	\$30.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
71	Installation and removal of piezometers, complete in place, the sum of:	EA	2	\$ 5.00	\$10.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
72	Extra Bank sand, complete in place, the sum of:	C.Y.	20	\$ 10.00	\$200.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
73	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.	60	\$ 10.00	\$600.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
74	8" PVC for yard drain connections, all depths, complete in place, the sum of:	L.F.	50	\$ 5.00	\$250.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
75	Installation and removal of temporary plastic fencing with supporting T-bar posts along approximate ROW of Williamsburg Drive, per "ROW PROTECTION FENCING DETAIL" on sheet 17, complete in place, the sum of:	L.F.	1,240	\$ 5.00	\$6,200.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
76	Installation and removal of temporary plastic fencing with supporting T-bar posts along approximate ROW of Williamsburg Drive, per "ROW PROTECTION FENCING DETAIL" on sheet 17, complete in place, the sum of:	L.F.	1305	\$ 5.00	\$6,525.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00



ITEM NO.	ITEM DESCRIPTION	UNIT	QUAN.	UNIT PRICE	TOTAL	QUAN. THIS PERIOD	TOTAL THIS PERIOD	QUAN. PREVIOUS PERIOD	TOTAL PREVIOUS PERIOD	TOTAL QUAN. TO DATE	TOTAL AMOUNT TO DATE	
77	Well pointing for storm sewers, complete in place, the sum of:	L.F.	50	\$ 1.00	\$50.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	
78	Wet condition bedding for storm sewers, complete in place, the sum of:	L.F.	50	\$ 1.00	\$50.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	
Supplemental Items Total:					\$16,705.00		\$0.00		\$0.00		\$0.00	
ALTERNATE ITEMS												
79	24" PVC SDR 26 storm sewer, by auger construction, at 11411 Wendover Lane between proposed inlet at Sta. 10+16 and proposed inlet at Sta. 11+00, complete in place, the sum of:	L.F.	85	\$ 180.00	\$15,300.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	
Alternate Items Total:					\$15,300.00		\$0.00		\$0.00		\$0.00	
CHANGE ORDER NO. 1												
CO1-1	Bid Item No. 34 - Remove, salvage, and reinstall brick mailbox, complete in place, the sum of:	EA.	-1	\$ 1,200.00	-\$1,200.00	0	\$0.00	0	\$0.00	0.00	\$0.00	
CO1-2	Bid Item No. 44 - Plan Caliper Size 3, 65-gallon Loblolly Pine, complete in place, the sum of:	EA.	-4	\$ 1,000.00	-\$4,000.00	0	\$0.00	0	\$0.00	0.00	\$0.00	
CO1-3	Convert Type A Inlets at Sta. 6+24 and 6+99 to conflict box including SCH40 PVC casing and sanitary sewer service pipe and grout fill invert for positive flow, complete in place, the sum of:	L.S.	1	\$ 4,735.35	\$4,735.35	1	\$4,735.35	0	\$0.00	1.00	\$4,735.35	
Change Order No. 1 Items Total:					-\$464.65		\$4,735.35				\$4,735.35	
											GENERAL ITEMS TO DATE	\$2,500.00
											11301 WILLIAMSBURG ITEMS TO DATE	\$16,131.00
											11302 WILLIAMSBURG ITEMS TO DATE	\$9,660.00
											11303 WILLIAMSBURG ITEMS TO DATE	\$14,396.75
											11311 WILLIAMSBURG ITEMS TO DATE	\$38,452.75
											11411 WENDOVER ITEMS TO DATE	\$2,200.00
											SUPPLEMENTAL ITEMS TO DATE	\$0.00
											ALTERNATE ITEMS TO DATE	\$0.00
											CHANGE ORDER NO. 1 ITEMS TO DATE	\$4,735.35
											TOTAL INSTALLATIONS TO DATE:	\$88,075.85
											10% RETAINAGE TO DATE:	\$8,807.59
											LESS PREVIOUS PAY ESTIMATES:	\$0.00
											TOTAL AMOUNT DUE PAY ESTIMATE NO. 1	\$79,268.27

APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702

PAGE 1 OF 2

TO	HDR City of Piney Point 4828 Loop Central Drive	PROJECT	Williamsburg Drainage Improvements Project	APPLICATION NO	1	Distribution to
Owner				APPLICATION DATE	4/24/24	<input checked="" type="checkbox"/> OWNER
				PERIOD FROM	3/25/24	<input checked="" type="checkbox"/> ARCHITECT
FROM CONTRACTOR	On Par Civil Services, LLC 1220 Blalock Road Suite 300 Hou, Tx 77055	ARCHITECT	HDR	PERIOD TO	4/24/24	<input checked="" type="checkbox"/> ENGINEER
		Engineer		PROJECT NO	HDR Job No. 10361166	<input checked="" type="checkbox"/> CONTRACTOR
CONTRACT FOR	Outfall Reconstruction			CONTRACT DATE	March 25, 2024	

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment as shown below in connection with the Contract Continuation Sheet AIA Document G703 is attached

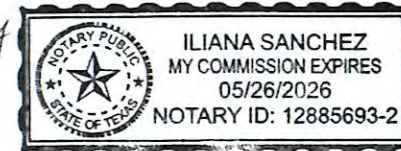
1	ORIGINAL CONTRACT SUM	\$	<u>214,703.00</u>
2	Net Change by Change Orders	\$	<u>(464.65)</u>
3	CONTRACT SUM TO DATE (LINE 1 + 2)	\$	<u>214,238.35</u>
4	TOTAL COMPLETED & STORED TO DATE (Column G on G703)	\$	<u>88,075.85</u>
5	RETAINAGE:		
a	<u>10%</u> of Completed Work (Column D + E on G703)	\$	<u>8,807.59</u>
b	<u>0%</u> of Stored Material (Column F on G703)	\$	<u>0.00</u>
	Total Retainage (Lines 5a + 5b or Total in Column I of G703)	\$	<u>8,807.59</u>
6	TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)	\$	<u>79,268.27</u>
7	LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from Prior Certificate)	\$	<u> </u>
8	CURRENT PAYMENT DUE	\$	<u>79,268.27</u>
9	BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 Less Line 6)	\$	<u>134,970.08</u>

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by the Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due

CONTRACTOR On Par Civil Services, LLC

By Eddie G Breedlove Date 4/25/24
Project Manager

State of Texas
County of Harris
Subscribed and sworn to before me on 4/25/24
Notary Public [Signature]
My Commission Expires 05/26/26



ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED

AMOUNT CERTIFIED \$

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified)
ARCHITECT 0

By _____ Date _____

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract

CHANGE ORDER SUMMARY	ADDITIONS	DE DUCTIVE
Total changes approved in previous months by Owner		\$0.00
Total approved this Month	\$0.00	\$0.00
TOTALS	\$0.00	\$0.00
NET CHANGES by Change Order		\$0.00

CONTINUATION SHEET

AIA DOCUMENT G703

PROJECT:

Williamsburg Drainage

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing

Contractor's signed Certification is attached

In tabulations below, amounts are stated to the nearest dollar.

Use Column 1 on Contracts where variable retainage for line items may apply

Application No: 1

Application Date: 04/10/24

Period To: 04/10/24

Project No: : Job No. 10361166

A ITEM NO.	B DESCRIPTION OF WORK 0.00	C Quantity	Cost Per Unit	SCHEDULED VALUE	E		F MATERIALS PRESENTLY STORED	G TOTAL COMPLETED AND STORED TO DATE
					WORK COMPLETED			
					D FROM PREVIOUS APPLICATIONS	THIS PERIOD		
BASE BID								
General Bid Items								
1	Traffic Control, Complete In Place	1.00	\$3,500.00	\$ 3,500.00	\$ -	\$ 1,750.00		\$ 1,750.00
2	SWP3, Complete In Place	1.00	\$1,500.00	\$ 1,500.00	\$ -	\$ 750.00		\$ 750.00
3	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	12.00	\$260.00	\$ 3,120.00				\$ -
11301 Williamsburg Bid Items								
4	Remove and Dispose of Existing Storm Swr	35.00	\$25.00	\$ 875.00	\$ -	\$ 875.00		\$ 875.00
5	Remove Culvert Wing Wall	1.00	\$300.00	\$ 300.00	\$ -	\$ 300.00		\$ 300.00
6	Remove, Salvage and Reinstall post mailbox, Complete in Place	1.00	\$500.00	\$ 500.00	\$ -	\$ -		\$ -
7	Remove and Replace 6" Reinforced Concrete Driveway, including proof rolling, level up sand and full depth sawcut, complete in place.	25.00	\$200.00	\$ 5,000.00	\$ -	\$ 5,000.00		\$ 5,000.00
8	Trench Safety for all storms great than 5' deep	1.00	\$1.00	\$ 1.00	\$ -	\$ 1.00		\$ 1.00
9	24" HDPE Storm Swr including bedding and backfill, complete in place	45.00	\$140.00	\$ 6,300.00	\$ -	\$ 4,760.00		\$ 4,760.00
10	12" PVC for yard drain connections, complete in place	25.00	\$60.00	\$ 1,500.00	\$ -	\$ 300.00		\$ 300.00
11	Proposed connection to existing yard drain, complete in place, inc.	4.00	\$300.00	\$ 1,200.00	\$ -	\$ 600.00		\$ 600.00
12	Proposed Type A Inlet, including bedding and backfill, complete in place	1.00	\$3,500.00	\$ 3,500.00	\$ -	\$ 3,500.00		\$ 3,500.00
13	Trench Safety for all storm sewers greater than 5' deep, complete in place	45.00	\$1.00	\$ 45.00	\$ -	\$ 45.00		\$ 45.00
14	Remove Stonework/Retaining Wall, Complete in place, the sum of	15.00	\$50.00	\$ 750.00	\$ -	\$ 750.00		\$ 750.00
15	Clearance Prune, Complete in place	1.00	\$500.00	\$ 500.00	\$ -	\$ -		\$ -
11302 Williamsburg Bid Items								
16	24" HDPE Storm Swr including bedding and backfill, complete in place	16.00	\$140.00	\$ 2,240.00	\$ -	\$ 1,400.00		\$ 1,400.00
17	18" RCP Storm Swr including bedding and backfill, complete in place, the sum of	10.00	\$115.00	\$ 1,150.00	\$ -	\$ 1,150.00		\$ 1,150.00

18	8" PVC for yard drain connections, all depths, complete in place	20.00	\$25.00	\$ 500.00	\$ -	\$ 300.00		\$ 300.00
19	Proposed connection to existing yard drain, complete in place, inc.	2.00	\$300.00	\$ 600.00	\$ -	\$ 300.00		\$ 300.00
20	Proposed Type A Inlet, including bedding and backfill, complete in place	1.00	\$3,500.00	\$ 3,500.00	\$ -	\$ 3,500.00		\$ 3,500.00
21	Connect proposed storm sewer to existing storm culvert with concrete collar, complete in place	1.00	\$3,000.00	\$ 3,000.00	\$ -	\$ 3,000.00		\$ 3,000.00
22	Trench Safety for all storm sewers greater than 5' deep, complete in place	10.00	\$1.00	\$ 10.00	\$ -	\$ 10.00		\$ 10.00
11303 Williamsburg Bid Items								
23	Remove and dispose of existing storm swr, complete in place	22.00	\$25.00	\$ 550.00	\$ -	\$ 550.00	\$ -	\$ 550.00
24	Remove, Salvage, and reinstall post mailbox, complete in place	1.00	\$400.00	\$ 400.00	\$ -	\$ 400.00		\$ 400.00
25	Remove and Replace 6" Reinforced Concrete Driveway, including proof rolling, level up sand and full depth sawcut, complete in place.	28.00	\$155.00	\$ 4,340.00	\$ -	\$ 3,014.75		\$ 3,014.75
26	Temporary driveways, complete in place	1.00	\$1,000.00	\$ 1,000.00	\$ -	\$ 1,000.00		\$ 1,000.00
27	24" HDPE Storm Swr including bedding and backfill, complete in place	30.00	\$140.00	\$ 4,200.00	\$ -	\$ 4,200.00		\$ 4,200.00
28	12" PVC for yard drain connections, complete in place	25.00	\$35.00	\$ 875.00	\$ -	\$ 700.00	\$ -	\$ 700.00
29	Remove and dispose of existing storm swr, complete in place	2.00	\$25.00	\$ 50.00	\$ -	\$ 1,000.00	\$ -	\$ 1,000.00
30	Proposed Type A Inlet, including bedding and backfill, complete in place	1.00	\$500.00	\$ 500.00	\$ -	\$ 3,500.00		\$ 3,500.00
31	Remove tree 12"-29.99, complete in place	1.00	\$2,000.00	\$ 2,000.00				\$ -
32	Trench Safety for all storm sewers greater than 5' deep, complete in place	32.00	\$1.00	\$ 32.00	\$ -	\$ 32.00		\$ 32.00
11311 Williamsburg Bid Items								
33	Remove and dispose of existing storm sewer, complete in place	50.00	\$25.00	\$ 1,250.00	\$ -	\$ 1,250.00		\$ 1,250.00
34	Remove, salvage, and reinstall brick mailbox, complete in place	1.00	\$1,200.00	\$ 1,200.00			\$ -	\$ -
35	Remove and Replace 6" Reinforced Concrete Driveway, including proof rolling, level up sand and full depth sawcut, complete in place.	65.00	\$155.00	\$ 10,075.00	\$ -	\$ 8,222.75		\$ 8,222.75
36	Temporary driveways, complete in place	1.00	\$1,000.00	\$ 1,000.00	\$ -	\$ 1,000.00		\$ 1,000.00
37	24" HDPE Storm Swr including bedding and backfill, complete in place	160.00	\$140.00	\$ 22,400.00	\$ -	\$ 21,280.00		\$ 21,280.00

38	8" PVC for yard drain connections, complete in place	38.00	\$55.00	\$ 2,090.00	\$ -	\$ 440.00	\$ -	\$ 440.00
39	Proposed connection to existing yard drain, complete in place, inc.	1.00	\$400.00	\$ 400.00	\$ -	\$ 400.00	\$ -	\$ 400.00
40	Proposed Type A Inlet, including bedding and backfill, complete in place	1.00	\$3,500.00	\$ 3,500.00	\$ -	\$ 3,500.00		\$ 3,500.00
41	Proposed Type A Inlet, including bedding and backfill, complete in place	1.00	\$3,500.00	\$ 3,500.00	\$ -	\$ -		\$ -
42	Trench Safety for all storm sewers greater than 5' deep, complete in place	160.00	\$1.00	\$ 160.00	\$ -	\$ 160.00		\$ 160.00
43	Remove tree 12"-29.99, complete in place	2.00	\$2,000.00	\$ 4,000.00		\$ 2,000.00		\$ 2,000.00
44	Plant Caliper 3, 65-Gallon Loblolly Pine, complete in place	4.00	\$1,000.00	\$ 4,000.00		\$ -	\$ -	\$ -
45	Clearance Prune, Complete in place	2.00	\$500.00	\$ 1,000.00	\$ -	\$ -	\$ -	\$ -
46	Root Pruning trench, complete	30.00	\$50.00	\$ 1,500.00	\$ -	\$ -	\$ -	\$ -
47	Tree porotection fence, complete in place	20.00	\$10.00	\$ 200.00	\$ -	\$ 200.00	\$ -	\$ 200.00
114111 Wendover Bid Items								
48	Remove and dispose of existing storm sewer, complete in place	65.00	\$25.00	\$ 1,625.00				\$ -
49	Remove and Replace 6" Reinforced Concrete Driveway, including proof rolling, level up sand and full depth sawcut, complete in place.	25.00	\$155.00	\$ 3,875.00				\$ -
50	Remove and Replace 4" thick reinforced concrete walkway, complete in place	160.00	\$11.00	\$ 1,760.00				\$ -
51	Temporary driveways, complete in place	1.00	\$1,250.00	\$ 1,250.00				\$ -
52	24" HDPE Storm Swr including bedding and backfill, complete in place	225.00	\$140.00	\$ 31,500.00	\$ -		\$ -	\$ -
53	8" PVC for yard drain connections, all depths, complete in place	10.00	\$50.00	\$ 500.00	\$ -		\$ -	\$ -
54	Proposed connection to existing yard drain, complete in place, inc.	2.00	\$400.00	\$ 800.00				\$ -
55	Proposed Type A Inlet, including bedding and backfill, complete in place	2.00	\$3,500.00	\$ 7,000.00				\$ -
56	Prosed Type E Inlet, including bedding and backfill, complete in place	1.00	\$7,500.00	\$ 7,500.00				\$ -
57	Remove existing Type E inlet top and replace Type A inlet top, complete in place	1.00	\$1,000.00	\$ 1,000.00				\$ -
58	Tie-In proposed storm sewer into existing inlet, complete	4.00	\$2,200.00	\$ 8,800.00	\$ -	\$ 2,200.00	\$ -	\$ 2,200.00
59	Trench Safety for all storm sewers greater than 5' deep, complete in place	225.00	\$1.00	\$ 225.00	\$ -		\$ -	\$ -
60	Remove tree 12"-29.99, complete in place	1.00	\$2,000.00	\$ 2,000.00	\$ -		\$ -	\$ -

61	Clearance Prune, Complete in place	5.00	\$500.00	\$ 2,500.00	\$ -		\$ -	\$ -
62	Root pruning trench, complete	80.00	\$25.00	\$ 2,000.00	\$ -		\$ -	\$ -
63	Tree Protection fence, complete in place	110.00	\$5.00	\$ 550.00	\$ -		\$ -	\$ -
Supplemental Items								
64	Asphalt Point Rework, 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	50.00	\$50.00	\$ 2,500.00				\$ -
65	Adjust inlet top elevation to match proposed grading, complete in place	3.00	\$10.00	\$ 30.00				\$ -
66	Cement Stabilized Sand, Complete in place	20.00	\$10.00	\$ 200.00				\$ -
67	Install long side water service, complete in place	4.00	\$10.00	\$ 40.00				\$ -
68	Install long side sewer service, complete in place	1.00	\$10.00	\$ 10.00	\$ -		\$ -	\$ -
69	Install short side service, complete in place	1.00	\$10.00	\$ 10.00	\$ -		\$ -	\$ -
70	Install short side service, complete in place	3.00	\$10.00	\$ 30.00				\$ -
71	Installation and removal of piezometers, complete in place	2.00	\$5.00	\$ 10.00				\$ -
72	Extra Bank Sand, complete in place	20.00	\$10.00	\$ 200.00				\$ -
73	Extra 1.5 sack of cement per cubic yard added to the 6" concrete driveways (total of 7.0 sack/CY)	60.00	\$10.00	\$ 600.00				\$ -
74	8" PVC for yard drain connections, all depths, complete in place	50.00	\$5.00	\$ 250.00	\$ -		\$ -	\$ -
75	Installation and Removal of temporary plastic fencing with supporting T-Bar posts along approximate ROW of Williamsburg Drive, per ROW PROTECTION FENCING DETAIL on Sheet 17, complete in place	1,240.00	\$5.00	\$ 6,200.00	\$ -		\$ -	\$ -
76	Installation and Removal of temporary plastic fencing with supporting T-Bar posts along approximate ROW of Williamsburg Drive, per ROW PROTECTION FENCING DETAIL on Sheet 17, complete in place	1,305.00	\$5.00	\$ 6,525.00	\$ -		\$ -	\$ -
77	Well Pointing for storm sewers, complete in place	50.00	\$1.00	\$ 50.00	\$ -		\$ -	\$ -
78	Wet Conditions bedding for storm sewer, complete in place	50.00	\$1.00	\$ 50.00	\$ -		\$ -	\$ -
ALTRENATE BID ITEMS								
79	24" PVC SDR 26 storm sewer, by auger construction, at 11411 Wednover Lane between proposed inlet at Sta. 10+16 and proposed inlet at Sta. 11+00, complete in place	85.00	\$180.00	\$ 15,300.00				\$ -
			\$0.00	\$ -	\$ -		\$ -	\$ -

				\$ 214,703.00	\$ -	\$ 83,340.50	\$ -	\$ 83,340.50
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Change Orders								
1	Sanitary Swr Casing (2 EA)	1.00	4735.35	\$ 4,735.35	\$ -	\$ 4,735.35	\$ -	\$ 4,735.35
CO1-1	bid item NO 34 - REMOVE, salvage, and reinstall brick on floor	-1.00	1200.00	\$ (1,200.00)	\$ -	\$ -	\$ -	\$ -
CO1-2	bid item NO 44 - Paint Campers, 00-Canyon Laundry Dine complete in place	-4.00	1000.00	\$ (4,000.00)	\$ -	\$ -	\$ -	\$ -
Sub Total Change Orders				\$ (464.65)	\$ -	\$ 4,735.35	\$ -	\$ 4,735.35
GRAND TOTAL				\$214,238.35	\$ -	\$ 88,075.85	\$ -	\$ 88,075.85

Change Orders Pending		
1		\$ -
2		
3		
4		
5		
Total Change Orders Pending		\$ -



May 17, 2024

Mr. Bobby Pennington
City of Piney Point Village
7676 Woodway, Suite 300
Houston, Texas 77063

Re: Request for Payment–S. Country Squire Storm Sewer Point Repair & CCTV
City of Piney Point Village
HDR Job No. 10391487

Dear Mr. Pennington:

Please find the attached invoices for payment for the above referenced project from T Construction, LLC. We have reviewed the invoice numbered 2024-006-02 and recommend payment in the amount of \$28,200.00.

Sincerely,

HDR Engineering, Inc.

Joseph Moore, P.E., CFM
City Engineer

Enclosures



T Construction, LLC

Houston, TX 77015

Invoice

Date	Invoice #
5/8/2024	2024-006-02

Bill To
CITY OF PINEY POINT-HDR 4828 LOOP CENTRAL DRIVE SUITE 800 HOUSTON, TX 77081


P.O. No.	Terms	Project
	Due on receipt	2024-006 S. COUNTRY S...

Quantity	Description	U/M	Rate	Amount
620	Clean and Televis 24-inch storm sewer line including removal and disposal of debris.	LF	25.00	15,500.00
1	Storm Sewer Point Repair for Obstruction Removal by Excavtion as directed by Engineer.	EA.	8,000.00	8,000.00
10	Extra Lenght of Storm Sewer Point Repair	LF	150.00	1,500.00
1	Concrete Driveway Replacement	LS	3,200.00	3,200.00

Thank you for your business. Keep us in mind for future construction needs.			Total	\$28,200.00
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Check Refund Request

(Temporary Certificate of Occupancy)

Date Request: 05/21/2024	Check Request Amount: \$25,000.00	Trans Code: Incode
Original Check Date: 02/20/2024	Original Check Processed Date: 02/21/2024	Property Address: 11311 Piney Point Circle (New Single Family)
Permit #: Incode; P# 19156	Applicant Name: Resident: Chris & Kari Sezonov	Contact Phone Number: [REDACTED]
Builder Contact Name and Address: Schacht MCCollum Custom Homes [REDACTED]	Original Resident Address:	*Notes: The resident paid the deposit for the temporary certificate of occupancy. The builder's deadline was April 8th, 2024. Final as Built Topo was approved by HDR Engineering on 02/21/2024
Builder Phone & E-Mail; Schacht MCCollum Custom Homes [REDACTED]	Resident Name	Original Permit Number: P# 19156
Original Receipt Transaction Receipt: #00026941 Trans: # 110.0000 Term: 998 Ref: Check Date: 02/21/2024 Time: 09:38 a.m.	Notes; See the attached copy of all supporting documents. Pending city council approval.	Make Check Payable: Chris Sezonov Clarity Glass Wholesalers [REDACTED]
	Check Number:	Approved By:
Requested by : <i>Annette Arriaga</i> 	Notes: Recommend approval.	Check Refund Amount \$25,000.00 Temp Certificate of Occupancy Deposit

Last Updated; 02.07.2014

CITY OF PINEY POINT VILLAGE
713-782-0275

REC#: 00026941 2/21/2024 9:38 AM
OPER: AA TERM: 998
REF#: 52358

TRAN: 110.0000 GAS METER DEPOSIT
ref: 11311 Piney Point TEMP C
CLARITY GLASS WHOLESALES
Gas Meter Deposit 25,000.00CR

TENDERED: 25,000.00 CHECK
APPLIED: 25,000.00-

CHANGE: 0.00

Payments can be made online
www.cityofpineypoint.com

52358 CHECKSAFE 2/20/24

Origin Bank 64-278/111

PAY TO THE ORDER OF City of Piney Point Village
Twenty-Five Thousand \$25,000 DOLLARS

MEMO 1811 Piney Point Circle

ADM 32

11052358 1111102758 20626988

THIS DOCUMENT CONTAINS A COLOR BACKGROUND ON WHITE PAPER. MICROPRINT IS LOCATED BELOW THIS WARNING BAND.

Photo Safe Deposit Details on Back.



City of Piney Point Village

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

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

Thursday, February 22nd, 2024

McCollum Custom Homes



RE: Temporary Certificate of Occupancy

Ref: 11311 Piney Point Circle, Texas 77024 (City of Piney Point Village)

The City of Piney Point Village is issuing a Temporary Certificate of Occupancy, authorizing your occupancy of 11311 Piney Point Circle 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, April 8th, 2024**.

- Drainage Final
- Final As Built Topo

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: (Builder) Schacht V. McCollum

Agreed: (Resident) Chris Sezonov



April 11, 2024

Mr. Karl Breckon
BEC Engineers and Consultants



Re: On-Going Services
As-Built Review of 11311 Piney Point Circle – **Second Submittal**
Piney Point Village, Texas
HDR Job No. 10391488

Dear Mr. Breckon,

We are in receipt of the As-Built Drainage Plan for the above referenced address, dated 4/3/2024. 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

Cc: Annette Arriaga – City of Piney Point Village

10. 3/4"
dia Pipe
Control
Structure

LOT 9
LOT 8





City of Piney Point Village

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

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

CITY OF PINEY POINT VILLAGE

Certificate of Occupancy



THIS FORM WAS PRINTED ON 5/15/2024

11311 PINEY POINT CIRCLE

This Certificate issued pursuant to the requirements of the Standard Building Code certifying that at the time of issuance, this structure was in compliance with the various ordinances of the Jurisdiction regulating building construction or use.

PROJECT #: 19156

OCCUPATION TYPE: NEW SINGLE
FAMILY

PROPERTY OWNER: CHRIS & KARI SEZONOV

BUILDER/CONTRACTOR NAME: MCCOLLUM CUSTOM HOMES

PROJECT COMPLETION DATE: April 11th, 2024

Subject to: Issuance of the generator permit and passing all required inspections.

(APPROVED BY)

Annette Arriaga
City Building Official/Director of Planning, Development & Permits

05, 15, 2024
(DATE)

MASTER_TOP_END

TO: City Council

FROM: R. Pennington; City Administrator

MEETING DATE: May 28, 2024

SUBJECT: Consideration and possible action on resolutions authorizing changes in depository and investment account signatories for the city.

Agenda Item: 9

Financial institutions typically require all account holders to sign a signature card when opening a new depository account or making changes to the account. This is done to keep an updated record of the authorized signatures for that account. Certain transactions may require more than one signature based on the account requirements specified on the signature card.

Our recommendation is to maintain authorization for financial operations for the City Administrator and the Finance Director. We also suggest that two members of the council, including Herminghaus, who has been fulfilling this duty, and the newly elected mayor be included as the primary authorized signatories.

Recommendation:

Approve the following required items:

- (1) Approve certain persons to be authorized to act as signatories on depository accounts at Amegy Bank (RES 05.2024-E).
- (2) Approve certain persons to be authorized to act as signatories on investment accounts at TexPool (RES 05.2024-F).
- (3) Approve certain persons to be authorized to act as signatories on investment accounts at Texas Class (RES 05.2024-G).

RESOLUTION NO. 05.2024-E

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINEY POINT VILLAGE, TEXAS, APPROVING CERTAIN PERSONS TO BE AUTHORIZED TO ACT AS SIGNATORIES ON CITY ACCOUNTS AT AMEGY BANK, THE CITY'S BANKING DEPOSITORY.

* * * * *

WHEREAS, the official depository for City funds is Amegy Bank; and

WHEREAS, pursuant to its depository contract with Amegy Bank, the governing body of the City shall designate persons authorized to act as signatories for checks or other instruments that provide for withdrawals from the various accounts of the City at such bank; now therefore;

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PINEY POINT VILLAGE, TEXAS:

Section 1. Mayor Aliza Dutt, Councilmember Michael Herminghaus, City Administrator Robert Pennington, and Finance Director Michelle Yi are hereby authorized to act as signatories on the various accounts of the City in accordance with the terms and conditions of the depository contract.

Section 2. The City Secretary is hereby authorized and directed to cause a true and correct copy of this Resolution to be served upon Amegy Bank

PASSED, APPROVED, and RESOLVED this 28th day of May, 2024.

Aliza Dutt
Mayor

ATTEST

Robert Pennington
City Administrator/City Secretary

RESOLUTION NO. 05.2024-F

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINEY POINT VILLAGE, TEXAS, APPROVING CERTAIN PERSONS TO BE AUTHORIZED TO ACT AS SIGNATORIES ON CITY ACCOUNTS AT TEXPOOL, A LOCAL GOVERNMENT INVESTMENT POOL.

* * * * *

WHEREAS, the City of Piney Point Village is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS TexPool is a public funds investment pool created on behalf of entities whose investment objective is the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PINEY POINT VILLAGE, TEXAS:

Section 1. Mayor Aliza Dutt, Councilmember Michael Herminghaus, City Administrator Robert Pennington, and Finance Director Michelle Yi are authorized to act as signatories on the TexPool public funds investment pool, in accordance with the terms and conditions of the agreement.

Section 2. The City Secretary is hereby authorized and directed to cause a true and correct copy of this Resolution to be served upon TexPool.

PASSED, APPROVED, and RESOLVED this 28th day of May, 2024.

Aliza Dutt
Mayor

ATTEST

Robert Pennington
City Administrator/City Secretary

RESOLUTION NO. 05.2024-G

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINEY POINT VILLAGE, TEXAS, APPROVING CERTAIN PERSONS TO BE AUTHORIZED TO ACT AS SIGNATORIES ON CITY ACCOUNTS AT TEXAS CLASS, A LOCAL GOVERNMENT INVESTMENT POOL.

* * * * *

WHEREAS, the City of Piney Point Village is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, Texas Class is a public funds investment pool created for entities seeking to preserve principal, ensure safety, and achieve consistent yield in accordance with the Public Funds Investment Act.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PINEY POINT VILLAGE, TEXAS:

Section 1. Mayor Aliza Dutt, Councilmember Michael Herminghaus, City Administrator Robert Pennington, and Finance Director Michelle Yi are authorized to act as signatories on the Texas Class public funds investment pool, in accordance with the terms and conditions of the agreement.

Section 2. The City Secretary is hereby authorized and directed to cause a true and correct copy of this Resolution to be served upon Texas Class.

PASSED, APPROVED, and RESOLVED this 28th day of May, 2024.

Aliza Dutt
Mayor

ATTEST

Robert Pennington
City Administrator/City Secretary

TO: City Council

FROM: R. Pennington, City Administrator

MEETING DATE: May 28, 2024

SUBJECT: Consideration and possible action on a reduction of fee permits related to storm damage from June 17, 2024.

Agenda Item: 10

Informational Summary

A severe thunderstorm complex with hurricane-force winds tore through the Houston metro area on May 17, causing significant destruction, flooding, power outages, and fatalities.

The city of Piney Point Village is considering reducing permit fees related to the storm. While some nearby jurisdictions, such as Harris County, waived permit fees to aid rebuilding efforts after Hurricane Harvey's flooding, the City of Houston seems to have kept its standard permitting costs and processes.

Further search confirms that Harris County provided free residential permits related to Hurricane Harvey. However, it's not explicitly mentioned whether this also extended to reducing or waiving fees for commercial properties or other types of disaster permits. Harris County's main focus appears to be on facilitating the residential recovery and rebuilding process by removing permit costs for homeowners affected by flooding. There is limited detail on the fee reductions for the county's permitting overall during the past disaster period.

The following is the proposed detail:

Fence Repairs: For storm-related fence repairs, a permit or city inspections are not required if the replacement fence adheres to the following specifications:

- The new fence should closely resemble the original in materials and design.
- It should be installed along the same line and not exceed eight feet in height above ground level.
- If the original fence was wood, the finished exterior side must face the street with no visible posts or rails.

Residents are requested to submit photographs of storm-damaged fences and any inquiries to the Building Official for review and guidance.

Tree Replacement: Piney Point Village upholds a tree density requirement, mandating that each property maintains a specified minimum number of qualified trees based on lot size. In the event of tree loss during a storm, property owners are encouraged to verify compliance with the minimum tree threshold.

House Repairs: The Building Department will expedite any required permits or insurance documentation for storm-related house repairs.

Home Generator: Residents considering installing a home generator on their property should familiarize themselves with the City's permitting and plan submission requirements, available on the City's website. Approval for specific site conditions and preferred locations can be complex and lengthy.

Recommendation

The Administration is seeking guidance from the council regarding specific details, including the timeline and cessation of relief for permit work.

Attachment:

Original Details.

Fences

Storm-related repairs of existing fences can be completed **WITHOUT** a permit or City inspections if they meet the following ordinance requirements:

- *The fence is replaced with like materials and construction –so as to be as identical as reasonably possible to the fence being replaced;*
- *The new fence is along the same footprint as the one being replaced;*
- *The fence is to a height equal to or less than the height of the fence being replaced, not to exceed a total height of eight feet above the surrounding natural grade;*
- *If the fence to be replaced is a wooden fence, the finished exterior side must face the adjacent street with no posts or rails visible from the adjacent street.*

Please submit photos of storm damaged fences (if possible), along with any questions to Annette Arriaga at bldgofficial@pineypt.org.

Electrical Service Repairs

Any storm-related electrical service permits needed to make repairs from the service pole to a residence will be expedited by the Building Department. Please contact Annette Arriaga at bldgofficial@pineypt.org for further information.

Tree Replacement

Piney Point Village prides itself in having a tree density requirement –each property has to maintain a required minimum number of qualified trees based on lot size. If your property lost trees during the storm and you are concerned as to whether your property now falls under the minimum tree threshold, please contact Cary Moran at cary@pineypt.org for further information and guidance.

House Repairs

Any permits or insurance documentation needed to begin storm-related house repairs will be expedited by the Building Department. Please contact Annette Arriaga at bldgofficial@pineypt.org for further information.

Installing A New Home Generator

Residents interested in installing a home generator on their property should review the City's permitting and plan submission requirements [HERE](#) or on the City's website. Given specific site conditions and preferred location(s), approval can be a complex and lengthy process. Please contact Annette Arriaga at bldgofficial@pineypt.org for further information.

TO: The Honorable Mayor and Members of the City Council

FROM: R. Pennington, City Administrator

MEETING DATE: May 28, 2024

SUBJECT: Consideration and possible action regarding a resolution (RES 2024.05-H), the appointment to the Planning and Zoning Commission.

Agenda Item: 11

The Planning and Zoning Commission is comprised of eight members, each of whom must be a resident citizen, qualified voter, and property owner of the city both at the time of their appointment and throughout their tenure on the commission. The mayor appoints the commission members, and the city council must approve their appointments. The mayor can remove any member of the commission subject to the city council's agreement.

Currently there are three (3) positions that remain open on the Planning & Zoning Commission. In addition, the Council should appoint the existing or new members to the Commission for the next term, beginning June 1. The Council did suggest Don Jones as the chairperson at the May 14 meeting. The Commission will need to take action to qualify the request. The following are the existing members and vacancies:

- Bill Burney
- Buck Ballas
- Dana Gompers
- Don Jones
- William Ogden
- Position #6 – Vacant
- Position #7 – Vacant
- Position #8 – Vacant

Recommendation:

It is recommended that the five existing members remain on the commission to provide experience and continuity, if willing to serve. It would be ideal if new member had experience in development or understanding of planning and development practices.

Attachment:

Resolution No. 2024.05-H (Draft)

RESOLUTION NO. 2024.05-H

**A RESOLUTION AND ORDER OF THE CITY COUNCIL OF THE CITY OF PINEY POINT VILLAGE, TEXAS,
TO APPOINT MEMBERSHIP TO THE PLANNING AND ZONING COMMISSION.**

WHEREAS, The Texas Local Government Code's Chapter 211, "Municipal Zoning Authority," allows municipalities in Texas to regulate land use through zoning ordinances to better public health, safety, morals, or general welfare. This also includes the preservation of places and areas of historical, cultural, or architectural importance and significance.

WHEREAS, the governing body of a general-law municipality can appoint a zoning commissioner. By City Ordinance, the planning and zoning commission must be composed of eight members, each of whom must be a resident citizen, qualified voter, and property owner of the city.

WHEREAS, the commission members must be appointed by the mayor, subject to approval from the city council. Any member of the commission may be removed at the mayor's will, subject to the concurrence of the city council.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF PINEY POINT VILLAGE, TEXAS:

Section 1. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.

Section 2. The City Council hereby finds that the qualified citizens are appointed to serve on the City of Piney Point Village Planning and Zoning Commission as follows:

- Position 1: _____
- Position 2: _____
- Position 3: _____
- Position 4: _____
- Position 5: _____
- Position 6: _____
- Position 7: _____
- Position 8: _____

Section 3. It is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

Section 4. This resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED AND APPROVED THIS 28TH DAY OF MAY 2024.

Aliza Dutt
Mayor

Attest:

Robert Pennington
City Administrator / City Secretary

TO: City Council

FROM: Joe Moore, City Engineer; R Pennington, City Administrator

MEETING DATE: May 28, 2024

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

Agenda Item: 12

Summary

The City has requested that updates to current projects be summarized in an Engineer's Report. The Engineer's Report for this month includes updates to the 96-inch CMP Replacement Project, Windermere, Williamsburg, School Zones, 7 Smithdale Estates, other various maintenance projects, and future projects.

- a) SCHOOL ZONE: In addition to the report, HDR is reviewing the MDE school zone. If time is available, HDR can provide additional information.
- b) FENCE REQUEST: 11303 Summerland Way is requesting a fence replacement adjacent to Soldiers Creek.

Attachments:

Engineer Report.

School Zone Review (Possible Handout)



Engineer's Status Report
City of Piney Point Village
HDR Engineering, Inc.

City Council Meeting Date: May 28, 2024
Submit to City: May 21, 2024

CURRENT PROJECTS:

1. Williamsburg/Wendover Drainage Improvements

Williamsburg: The Contractor has completed the project on the south side of Williamsburg. A final walkthrough will be performed to identify any last items that should be addressed by the Contractor prior to project closeout. Eric Estopinal (11310 Williamsburg – 3rd house on north side) contacted HDR about updating the original Opinion of Probable Construction Cost (OPCC) for the north side in hopes of getting commitment from the resident at 11318 Williamsburg (1st house on north side). Per Council direction, updated OPCCs were provided to the residents and a deadline given to respond by the end of May. The OPCCs were higher than originally provided in 2022. The improvements on the north side of Williamsburg can be included in the 2023 Paving Improvements Project if a 50/50 cost share agreement is reached.

Wendover: The Contractor has completed the storm sewer bore underneath the sidewalk at 11411 Wendover and has begun constructing the storm sewer extension at this location. It is anticipated that this work is completed by the end of the month. A final walkthrough will be performed upon completion.

North Country Squire: City Council previously approved the addition of concrete point repairs near 11125 North Country Squire to be included in the Williamsburg project by change order. HDR has requested change order pricing from the Contractor for this work and is waiting for their price.

2. 2023 Paving Improvement Project

Per discussion at the April Engineering Meeting, HDR will hold on advertising this project for bidding until a decision is reached on the possible inclusion of drainage on the north side of Williamsburg into the project. Also as discussed, a storm sewer point repair on Blalock at Green Oaks and a pavement widening on Magnolia circle will also be added into this project. The residents on the north side of Williamsburg have been provided with an end of month deadline for response.

3. COH Windermere Outfall Repair Project

At the April Engineering Meeting, City Council asked HDR to do preliminary, conceptual level, engineering to prepare a budgetary Opinion of Probable Construction Cost (OPCC) based on the City if the City pursuing the repair and bank stabilization around the Windermere 24-inch outfall as a standalone project. HDR anticipates providing this OPCC and holding further discussion at the June Engineering Meeting.



4. School Zones Improvements

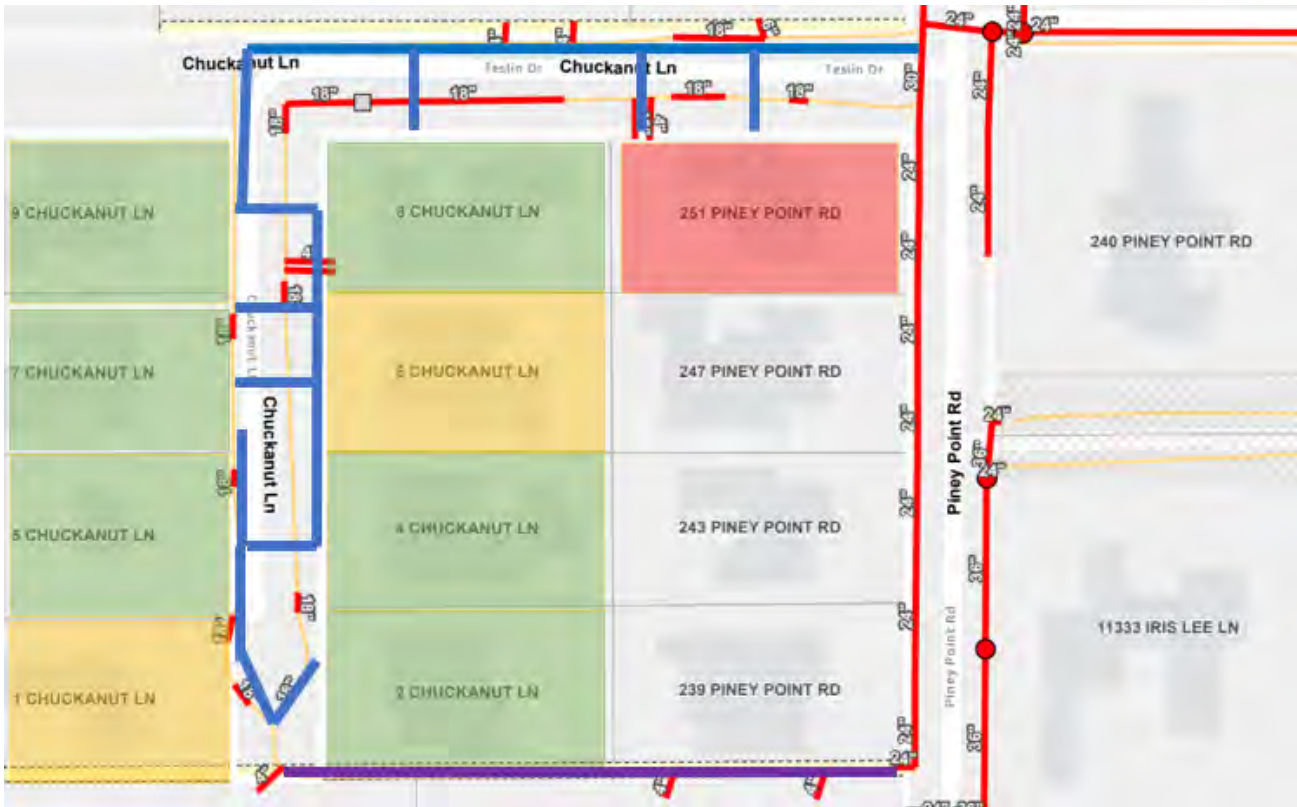
City Council approved a quote from CTC Traffic for installation of flashing school zone signs, removal of all out-of-compliant school zone signs, and replacement with new, TxMUTCD compliant signs. HDR is working with the Contractor to clarify a few items provided in their proposal. We are also continuing to coordinate with SBISD on the proposed signage and reduction of the school zone limits for Memorial Drive Elementary. A Notice to Proceed will be issued as soon as these items are resolved.

5. 7 Smithdale Estates

Council previously requested that HDR prepare a design and obtain a quote to modify the Smithdale Estates Bypass intake structure to remove the vertical bars and to revise the spacing on the horizontal bars to 8" C-C (5" gap between bars). HDR is currently obtaining quotes to present to City Council for approval at the June City Council Meeting.

6. Chuckanut Lane Drainage Improvements

2, 4, 5, 7, 8, & 9 Chuckanut Lane have all agreed to participate in the 50/50 cost share project for storm sewer improvements on Chuckanut Lane. 1 Chuckanut Lane has provided a preliminary agreement to participate however has requested to meet with HDR to get a better understanding of the proposed project. This meeting was postponed due to the recent storm.



As discussed in the May Engineering meeting, City Council requested that HDR include the reconstruction of the pavement in the project. The current Opinion of Probable Construction Cost (OPCC) for the project is as follows:

- OPCC Storm Sewer Improvements: \$519,590.00
- OPCC Paving Improvements: \$157,190.00
- Total OPCC: \$676,780.00



- **Resident Contribution by cost share: \$169,280.00**
- **Total OPCC for City portion: \$507,500.00**

2 Chuckanut and 239 Piney Point Road have approached the City about a cost share option to install storm sewer to replace the ditch that currently drains the subdivision in a drainage easement. The project limits are highlighted in purple on the above exhibit. The OPCC for each property is as follows:

- 2 Chuckanut: \$79,560.00
- 239 Piney Point Road: \$73,050.00
- Total OPCC: \$152,610.00
- 50/50 Cost Chare Amount: \$76,305.00

FUTURE PROJECTS FOR CONSIDERATION:

- 7. Memorial Drive (Greenbay to San Felipe) Roadway Reconstruction**
- 8. Soldiers Creek Sidewalk (Holidan Way to White Pillars)**
- 9. Shadow Way Drainage Improvements**
- 10. List of Potential Storm Sewer Cost Share Projects**
 - Innisfree
 - Jamestown
 - Piney Point Circle (if made public)
 - Wendover