

AGENDA

BE IT KNOWN that the **CITY COUNCIL** of the City of Richwood will meet in **City Council Regular Meeting** on **Monday, August 10, 2020** at **6:00 PM** at 1800 N. Brazosport Blvd., Richwood, TX 77531 at the Richwood City Hall in the Council Chambers with the following agenda:

SUPPLEMENTAL NOTICE OF MEETING BY TELEPHONE/WEB CONFERENCE

In accordance with the order of the Office of the Governor issued March 16, 2020, the City Council of Richwood will conduct the meeting scheduled at 6:00 p.m. on Monday, August 10, 2020

by telephone and web conference

conference in order to advance the public health goal of limiting face-to-face meetings (also called "social distancing") to slow the spread of Coronavirus (COVID 19).

The meeting agenda is posted online at www.richwoodtx.gov.

The public dial in number to participate in the telephonic meeting is **+1 (872) 240-3212** and enter access code: **957-762-421** or visit **<https://global.gotomeeting.com/join/957762421>**

The public will be permitted to offer public comment telephonically as provided by the agenda and as permitted by the presiding officer during the meeting.

A recording of the telephonic meeting will be made, and will be available to public in accordance with the Open Meetings Act upon written request.

Please contact Kirsten Garcia, City Secretary, with any issues logging in, 979-265-2082.

I. CALL TO ORDER

II. ROLL CALL OF COUNCIL MEMBERS

III. PUBLIC COMMENTS

IV. CONSENT AGENDA

A. Approval of Minutes

1. Minutes from regular meeting held June 8, 2020

2. Minutes from regular meeting held July 13, 2020

B. Appoint Sonia Foger to the Keep Richwood Beautiful Commission.

C. Approval of June Budget Report

D. Approval of Quarterly Investment Report

E. Discuss and consider a resolution adopting the FY 19-20 Investment Policy

V. DISCUSSION AND ACTION ITEMS

- A. Discuss and consider authorizing City Manager to execute agreement for auditing services with Patillo, Brown & Hill.
- B. Discuss and consider a resolution authorizing professional service provider selection for the Community Development Block Grant - Mitigation (CDBG-MIT) programs through the Texas General Land Office.
- C. Public hearing and action on FY 2020-2021 Proposed Budget of the Crime Control and Prevention District (CCPD)
CCPD revenues are generated from a percentage of the 8.25% sales and use tax and can only be used for crime prevention and Police Department related expenses.
- D. Discuss and consider approving a resolution setting the date and time for the public hearing for Fiscal Year 2020-2021 Annual Budget for August 24, 2020 at 6:00PM.
- E. Discuss and consider an ordinance calling the November 3, 2020 General Election and approving a joint election with Brazoria County.
- F. Consider and record vote for proposed tax rate for the 2020-2021 Fiscal Year of \$0.670204, which is a tax increase of up to 10.79% above the No New Revenue Tax Rate for the City of Richwood, to be adopted at a future meeting.
- G. Discuss and consider approving a resolution setting the date and time for public hearing for the proposed tax rate for September 14, 2020 at 6:00 P.M. to be held at the City of Richwood, 1800 Brazosport Blvd, Richwood, TX 77531.
- H. Discuss and consider allowing Cordoba Law firm to acquire any remaining necessary easements for the North Water Plant through the Condemnation Process.
- I. Discuss and consider approving a resolution amending policy #504 and deleting policy #1303 in the Personnel Policy.
- J. Discuss and consider approving a resolution amending the FY 19-20 budget to increase budget of Richwood Transportation fund to allocate voter-approved sales tax revenue received in FY 2016 through FY 2019
- K. Approve items removed from the Consent Agenda

VI. WORKSHOP

A. FY 2020-2021 PROPOSED BUDGET

VII. CAPITAL IMPROVEMENT PROJECTS UPDATE

VIII. CITY MANAGER'S REPORT

IX. COUNCIL MEMBER COMMENTS & ²REPORTS

X. MAYOR'S REPORT

XI. FUTURE AGENDA ITEMS

XII. SET NEXT MEETING DATE

XIII. ADJOURNMENT

The City Council may go into Executive Session on any item listed on the Agenda in accordance with Section 551.071 of the Government Code (attorney-client privilege).

I, Kirsten Garcia, do hereby certify that I did, on _____ at _____ p.m., post this notice of meeting on the bulletin board at 1800 N. Brazosport Blvd., Richwood, TX, in compliance with the Texas Open Meetings Law.

Kirsten Garcia, City Secretary
City of Richwood

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (979) 265-2082 or FAX (979) 265-7345 for further information.

Minutes of Regular

The City Council Regular Meeting of Monday, June 8, 2020

BE IT KNOWN THAT, a City Council Regular Meeting of the Regular of City of Richwood was held Monday, June 8, 2020, beginning at 6:00 PM in the Richwood City Hall
1800 N. Brazosport Blvd.
Richwood, Texas 77531.

I. CALL TO ORDER

The meeting was called to order at 6:00 p.m.

II. INVOCATION

Mayor Boykin led the invocation.

III. PLEDGES OF ALLEGIANCE

Mayor Boykin led the pledges.

IV. ROLL CALL OF COUNCIL MEMBERS

Steve Boykin, Mayor

Mike Johnson, Position 1 – via Web

Melissa Strawn, Position 2

Matthew Yarborough, Position 3

Mark Brown II, Position 4 – via Web

Katie Johnson, Position 5

Others present: Eric Foerster, City Manager; Kirsten Garcia, City Secretary; Matt Allen, City Attorney; Clif Custer, Public Works Director; Stephen Mayer, Chief of Police; Marty Coursey, Interim Finance Director.

V. PUBLIC COMMENTS

Rodrigo Escalante – 2918 Oakwood Shores Drive – Asked if the city was still paying out over time to the employees. There was never anything put out the public on whether this was authorized spending or where this overtime money came from and what was cut. The city did not do anything special, there was no PPE distributed or used by city employees. Residents and business owners are having to close and not work, while City Hall was reopened, and the public was not allowed at a City Council meeting.

VI. CONSENT AGENDA

VI.A. Approve a resolution to participate in the Texas SmartBuy Program of the State of Texas.

Discussion held on what the City was using prior to this request.

Matt Yarborough asked if it was \$100 per year?

Marty Coursey stated, yes, it is a yearly registration.

Mark asked if we changed the authorized contacts to include the City Manager.

Kirsten Garcia stated that would need to be amended in the motion for the resolution, but yes, we will have that changed.

Katie Johnson motioned to approve a resolution to participate in the Texas SmartBuy Program of the State of Texas, listing the City Manager and City Secretary as authorized contacts, with second by Matthew Yarborough and all present members voting aye, motion carries.

- VI.B. Approve a resolution amending the authorized representatives under the investment agreement for TexPool and TexPool *Prime* Investment Pool with authority to open accounts, deposit and withdraw funds, and to designate other authorized representatives as needed.

Mike Johnson asked who was currently listed on our account.

Kirsten Garcia stated we currently have all former employees listed on the account, so we need a resolution to get contacts modified.

Marty Coursey stated the only currently contact we have is the Mayor but we need two signatures to make any changes.

On a motion by Katie Johnson, second by Melissa Strawn, a resolution amending the authorized representatives under the investment agreement for TexPool and TexPool Prime Investment Pool with authority to open accounts, deposit and withdraw funds, and to designate other authorized representatives as needed was approved.

- VI.C. Approve a resolution to amend the authorized representatives under the TexStar Public Investment Pool Interlocal Agreement.

Marty Coursey presented.

On a motion by Matt Yarborough, second by Katie Johnson with all present members voting aye, a resolution to amend the authorized representatives under the TexStar Public Investment Pool Interlocal Agreement was approved.

- VI.D. Approve a resolution to amend the authorized representatives under the LOGICPublic Investment Pool Interlocal Agreement.

On a motion by Katie Johnson, second by Matthew Yarborough with all present members voting aye, a resolution to amend the authorized representatives under the LOGICPublic Investment Pool Interlocal Agreement

- VI.E. Approve Investment Report (Q1&Q2, FY2019-2020) as amended.

Melissa Strawn asked for explanation for amendment to Investment Reports

Marty explained that the previous reports were not submitted within the State's required guidelines.

On a motion by Katie Johnson, second by Matthew Yarborough with all present members voting aye, the amended investment report (Q1 & Q2, FY 2019-2020) was approved.

- VI.F. Approve April 2020 Budget Report

Mike Johnson asked if this report includes the sales tax allocation due to the Transportation Fund.

Eric Foerster stated the report includes the funds, but they have not been transferred to the Transportation Fund.

On a motion by Katie Johnson, second by Mike Johnson with all present members voting aye, the April 2020 Budget Report was approved

VII. DISCUSSION AND ACTION ITEMS

- VII.A. Discuss and consider a resolution approving issuance up to a maximum amount of \$15,000,000 Brazosport Water Authority Special Project Revenue Bonds (Harris Reservoir Expansion Project), taxable Series 2020 and any additional series; and containing other provisions relating to the subject.

Presented by: Tim Finley, Dow & Ronnie Woodruff, BWA

Mike Johnson asked what other cities have approved.

Tim Finley stated Lake Jackson has approved and Oyster Creek as approved. We have a few other cities this week we are speaking to.

Discussion held on how the bond was split between the cities and who was responsible for repaying the debt.

On a motion by Matthew Yarborough, second by Katie Johnson with Mike Johnson, Melissa Strawn, Matthew Yarborough and Katie Johnson voting aye and Mark Johnson voting nay, a resolution approving issuance up to a maximum amount of \$15,000,000 Brazosport Water Authority Special Project Revenue Bonds (Harris Reservoir Expansion Project), taxable Series 2020 and any additional series; and containing other provisions relating to the subject was approved

- VII.B. Discuss and consider request from Keep Richwood Beautiful to rename Richwood Municipal Park, Presented by Kimberly Mayer, KRB Executive Director

Kimberly Mayer, Executive Director of Keep Richwood Beautiful, presented.

On a motion by Katie Johnson, second by Melissa Strawn, with all present members voting aye, renaming Richwood Municipal Park to Ellis Park was approved.

- VII.B. Discuss and consider convening a committee to review Policy #1303 in the Policy and Procedure Manual regarding the Event of an Emergency Closing of City Offices.

Discussion was held on the current policy, and the impact towards budget and operations. Council expressed concern as to there being no access to the current policy and lack of awareness as it pertained to overtime pay. Council agreed the policy needs to be reviewed and potentially revised. Mayor Boykin and Council Member Katie Johnson, along with City staff are to review the policy and make changes for Council's review

Josh Strawn – 33219 Blue Marlin Drive - Did only the two people approve the unbudgeted spending or did the council wholly approve. Did the city reach out to other cities in our area to see if they were paying out this kind of money? I read in the paper that the mayor reached out to other cities and they were doing the same. None of them paid time and a half.

Mayor stated he misspoke to the newspaper – but we did not check with all the other cities to see

what they were doing.

Christine Escalante - 2918 Oakwood Shores Drive - asked what spending what done and what departments will see reimbursements.

Melissa Strawn stated that the current policy stated the city reserves the right to amend, change or delete this policy at any time, with or without prior notice. She also asked why council was not given the policy up front so we could change it.

VII.D. Consider approving a transfer of \$6,000 from Sewer Lines M&R (30-20-5390) to Building and Grounds M&R (30-20-5310).

Clif Custer presented .

On a motion by Melissa Strawn, second by Mark Brown II, with all present members voting aye, a transfer of \$6,000 from Sewer Lines M&R (30-20-5390) to Building and Grounds M&R (30-20-5310) was approved.

VII.E. Discuss and consider approving a resolution to establish a time frame as to which late fees and disconnections will be suspended due to COVID-19.

Kirsten Garcia presented.

Discussion held on States guidelines and recommendations to local authorities.

On a motion by Mike Johnson, second by Matthew Yarborough, with all present members voting aye, an extension of utility billing late fees and disconnects was granted until July 15 following state guidelines.

VII.F. Presentation and discussion of Capital Improvement Projects Update

Clif Custer presented CIP Update (attached).

VII.G. Discuss and/or approval of the continuation of auditing services provided by Kennemer, Masters & Lunsford for the period ending September 30, 2020 and provide alternatives.

On a motion by Mark Brown II, second by Melissa Strawn, with all present members voting aye, a Request for Qualifications for Auditing Services was approved.

VII.H. Approve items removed from the Consent Agenda

VIII. EXECUTIVE SESSION

VIII.A. Pursuant to Chapter 551.0745, Personnel Matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee or to hear a complaint or charge against an officer or employee:

Regular Council Session was recessed at 8:20 p.m.

VIII.A.1. Eric Foerster, City Manager

VIII.A.2. Patricia Ditto as Finance Director

Regular session was reconvened at 9:42p.m.

IX. ACTION AS RESULT OF EXECUTIVE SESSION

There was no action for item VII.A.1

On a motion by Mark Brown II, second by Katie Johnson, with all present members voting aye, Patricia Ditto was appointed as Deputy Finance Director.

X. CITY MANAGER’S REPORT

Eric Foerster Reported.

XI. COUNCIL MEMBER COMMENTS & REPORTS

Mark recognize mayor and his effort keeping citizens informed. Stated he would like agenda item for discussion on policies and use of force policies to keep citizens informed on where we are.

XII. MAYOR’S REPORT

Mayor reported updates on COVID-19.

XIII. FUTURE AGENDA ITEMS

Discussion on policy and use of force

XIV. ADJOURNMENT

Being there no further business, the meeting was adjourned at 9:50 p.m.

These minutes were read and approved on this 13th day of July, 2020.

ATTEST:

Mayor

Minutes of Regular

The City Council Regular Meeting of Monday, July 13, 2020

BE IT KNOWN THAT, a City Council Regular Meeting of the Regular of City of Richwood was held Monday, July 13, 2020, beginning at 6:00 PM in the Richwood City Hall
1800 N. Brazosport Blvd.
Richwood, Texas 77531.

I. CALL TO ORDER

The meeting was called to order at 6:00 p.m.

II. ROLL CALL OF COUNCIL MEMBERS

Steve Boykin, Mayor - Absent
Mike Johnson, Position 1 - Mayor ProTem
Melissa Strawn, Position 2
Matthew Yarborough, Position 3 - Absent
Mark Brown II, Position 4
Katie Johnson, Position 5

Others present Eric Foerster, City Manager; Kirsten Garcia, City Secretary; Patricia Ditto, Finance Director; Clif Custer, Public Works Director; Stephen Mayer, Chief of Police

III. PUBLIC COMMENTS

Rodrigo Escalante - 2918 Oakwood Shores Dr - Mr. Escalante stated that he was happy to see the roads construction progressing in Oakwood Shores and appreciates the efforts to get that done, Redfish Trail is nearing completion. With that, he would like to know what the budget was looking like for the road repairs that was passed with the \$3 million bond. He wants to know if costs are still in line with the last projection considering COVID-19 and the overtime that was paid out to staff. He wants to be transparent about how the bond money is being used for road repair. Mr. Escalante added that he has noticed the approval of minutes on the agenda, but he hasn't seen any minutes that have been approved, so he is curious to see what all is in the minutes and if everything from public comments are mentioned verbatim.

IV. CONSENT AGENDA

Melissa Strawn stated she is not comfortable approving minutes and would like them pulled from the consent.
Mike Johnson stated he would like Item B removed from the agenda regarding the May 2020 Budget Report

Mike Johnson requested a motion on items C,D,E.

Melissa stated she would like to pull item D from consent agenda.

Mike Johnson suggest we pull it all and look at each item individually.

A. Approval of Minutes

1. Minutes from regular meeting held May 11, 2020

2.

Mark Brown stated that minutes are not going to be comprehensive, just recorded actions. If someone was quoted and takes exception to what was written can request a change.

Mike Johnson asked if recordings could be obtained from the meeting.

Kirsten Garcia stated yes, recordings may be obtained by open records request.

Approve minutes from May 11, 2020. This motion, made by Mark Brown II and seconded by Katie Johnson, Passed.

Melissa Strawn: Nay, Mark Brown II: Yea, Katie Johnson: Yea, Mike Johnson: Yea

Yea: 3, Nay: 1

3. Minutes from regular meeting held June 8, 2020

Mark Brown II stated he believes Council Person Strawn had concerns.

Motion to table minutes from June 8. This motion, made by Melissa Strawn and seconded by Mark Brown II, Passed.

Mark Brown II: Yea, Katie Johnson: Yea, Mike Johnson: Yea, Melissa Strawn: Yea

Yea: 4, Nay: 0

B. Approve May 2020 Budget Report

Mike Johnson requested clarification on percentage of fiscal year that has expired.

Tricia Ditto confirmed that his thinking is right, it's not money spent.

Mark Brown II asked for an explanation on why we are ahead on revenues even with COVID-19.

Eric Foerster stated the sales tax revenue did not take a dip as we had thought we'd see.

Tricia Ditto added that we have also received the bulk of our property taxes mid-year.

Mark Brown II added that he is noticing that we are also ahead in the water/sewer fund. So it appears our rate is good if we are running in the black, so where are we on the payback of the General Fund.

Tricia Ditto explained that the ledgers do look good, but she is still going through and

verify the accuracy of these numbers. She would not want to make any decisions based on this report.

Approval May 2020 budget report. This motion, made by Mark Brown II and seconded by Katie Johnson, Passed.

**Mark Brown II: Yea, Katie Johnson: Yea, Mike Johnson: Yea, Melissa Strawn: Yea
Yea: 4, Nay: 0**

C. Approve a resolution establishing a Purchasing Card Policy

Tricia Ditto presented information for the Purchasing Card Policy.

Mark Brown II asked if we would need to re-approve policy if we change administrators.

Kirsten Garcia stated no, we would just add Patricia on as an additional administrator and we wouldn't need to re-approve the policy.

Mark Brown asked about the difference in the current system we use and the P-Cards.

Tricia Ditto stated that she was advised that Bank of America has been a challenge and we've had issues. With CitiBank we will get cash back by using the SmartBuy program and they also offer tools that provide ease when reconciling and tracking.

Mark Brown asked if there would be training provided to all employees.

Eric Foerster stated yes, that is correct.

Discussion held on cards issued and how usage will be managed

**Approve a resolution establishing a Purchasing Card Policy. This motion, made by Mark Brown II and seconded by Katie Johnson, Passed.
Mark Brown II: Yea, Katie Johnson: Yea, Mike Johnson: Yea, Melissa Strawn: Yea
Yea: 4, Nay: 0**

D. Approve a resolution updating the City's Purchasing Policy

Mark Brown asked about contracts and capital purchases, is there anything prohibiting any contract without Council approval.

Patricia stated that there are provisions in the policies that prohibit engaging in contracts without Council approval.

Melissa Strawn asked what was changing from the original.

Tricia Ditto stated more controls are being added to the policy for purchases under \$50,000.

Eric Foerster stated the limit changes are as follows: >\$1000 to \$2500 for designee, \$3000 to \$5000 for directors, \$10,000 for finance director and \$50,000 for City Manager - with anything over needing Council approval. Any unbudgeted purchases will still need Council approval.

Discussion held on purchasing limits, purchasing procedures and policy changes.

E. Approve a resolution amending the Local Financial Policies.

Approve a resolution updating the City's Purchasing Policy (ITEM D) and Approve a resolution amending the Local Financial Policies (ITEM E). This motion, made by Mark Brown II and seconded by Katie Johnson, Passed.

Melissa Strawn: Nay, Mark Brown II: Yea, Katie Johnson: Yea, Mike Johnson: Yea Yea: 3, Nay: 1

V. DISCUSSION AND ACTION ITEMS

A. Discussion and possible action regarding the Police Department's Use of Force Policy

Mark Brown II stated he wanted to bring this to the public due to the current environment we are living in. He added that he believes our policy is very thorough, very detailed and very clear in steps that we will take and that our officers are trained in this policy.

Mark Brown II asked if there is a reason why the entire policy shouldn't be online.

Chief stated he is fine with Use of Force policy being online, but there are police procedures he'd rather not have out and open to the public due to risks of them being used against the department by criminals. He added that there are many departments that have their entire policy online and if Council wishes, we can do the same, however his preference is to withhold certain policies.

Mark asked if we could just post the ones that wouldn't be detrimental to the Police Department.

Chief stated yes, that is possible.

City Attorney, Matt Allen stated no action needed, Council can direct staff to publish the records online.

No further discussion was held.

B. Discuss and consider extending deferral of late fees and disconnections to utility accounts.

Kirsten Garcia stated that at a previous meeting, Council had decided to defer late fees and disconnections until after July 15. Staff wanted to get updated guidance on how to proceed since the communities status with COVID-19 has not changed much. Staff's recommendation is to set a hard date for late fees and disconnect accounts after at \$1,000 threshold of delinquency.

Discussion held on current state of accounts and state guidance to Public Utilities.

Mark Brown II stated that not too many accounts were over \$500 as of now.

Kirsten Garcia stated that is correct, however, we have had another month of billing that will be added to the numbers presented which will bring many of the past due accounts over the \$500 mark.

Mike Johnson asked if we were setting guidelines for here on out or just for COVID relief.

Kirsten Garcia stated that this decision would just affect those accounts who are past due during the pandemic.

Mark Brown II stated he felt \$1,000 was too high for someone who is struggling to get themselves out of a hole. He asked why staff feels \$1000 is the limit they recommend. Eric Foerster stated we really just would like some guidance, and the threshold staff came up with was just a broad suggestion.

Mike Johnson stated he is more comfortable with a \$500 threshold.

Discussion held on financial implications of not charging fees or disconnections and on possible solutions.

Motion to defer late fees to 8/10/2020 and disconnect services at \$500 past due. This motion, made by Mark Brown II and seconded by Katie Johnson, Passed.

**Mark Brown II: Yea, Katie Johnson: Yea, Mike Johnson: Yea, Melissa Strawn: Yea
Yea: 4, Nay: 0**

C. Discuss, consider and appoint Richwood's 2020-2022 representative for Brazosport Water Authority.

Clif Custer stated that Mr. Jeremy Fountain has been representing the City of Richwood as BWA rep and he was interested in continuing his service on the board.

Jeremy Fountain stated he would like to continue that he has enjoyed the last year and been getting the hang of it.

Mark Brown II asked if he would be able to give a report to council on the happenings at BWA.

Mr. Fountain gave a brief overview of what BWA has been working on and stated he would be happy to come and give reports to council.

Approve Jeremy Fountain as 2020-2022 BWA representative. This motion, made by Katie Johnson and seconded by Mark Brown II, Passed.

**Mark Brown II: Yea, Katie Johnson: Yea, Mike Johnson: Yea, Melissa Strawn: Yea
Yea: 4, Nay: 0**

D. Approve items removed from consent agenda

All removed items were approved earlier in the meeting.

VI. CITY MANAGER'S REPORT

City Managers Report

07/13/20203

We have gained one employee back from Covid-19 quarantine and we still have one Police Officer out. Both were from exposures from outside the work environment. We continue with our proactive measures here within city hall to keep our employees safe. We also have continued our social media outreach for awareness to our citizens. There does not appear to be a quick resolution to the Covid situation on the horizon.

We are continuing work on the budget with several hurdles along the way. We are making good progress and I am optimistic that we can present a well-crafted budget that we can work with moving forward. The hardest part is building the historical data to look at how things have been spent in the past, and what accounts certain funds have been used from. We are trying to clean some of this up as move through the process. This will paint a much better picture for staff and council in the future.

Patricia is doing well, and she is finding her way through the budgeting process as well as can be expected. It is nice to have Marty available should any questions come up with our budget. We have received our invoices from SGR on the Professional Services for Marty. The total bill ended up being 21,000.08, which is considerably less than the 49,999 that was the not-to-exceed amount of the contract with SGR.

We have been notified of a transmission failure on a police vehicle, and this is another 4500.00 expenditure that was not budgeted for. Chief Mayer has also had our K-9-unit air conditioner repaired after several failed attempts before. It ended up being a non-related part to the air conditioner system. It seems it was part of the ignition system that ended up impacting the way the air conditioner performed. We are hopeful that this resolves the problem with this unit.

We have been notified of a 17,055.36-rebate coming back to us from the TML health benefits pool. This will come a 1421.28 credit on each monthly statement next year. For budget stability they do advise to budget for your actual amount of the renewal package.

Respectfully,

Eric Foerster, MPA, CPM

Clif Custer updated Council on Capital Improvement Projects.

VII. COUNCIL MEMBER COMMENTS & REPORTS

Mark Brown II recognized KRB for their events and their community involvement. Second, he recognized the Mayor keeping everyone updated on weather and COVID. Third, he recognized the police officers, doing their patrols and keeping crime low. Fourth, he recognized city staff, seen a lot of change and we are keeping things going, Public Works for getting work done in Oakwood Shores, Tricia for getting numbers together and Eric for working hard with her.

VIII. MAYOR'S REPORT

No report.

IX. FUTURE AGENDA ITEMS

Parking on Streets
Separate report of transportation fee and streets sales tax
Report on capital item report standing on the agenda

X. ADJOURNMENT

Being there no further business, the meeting was adjourned at 7:47p.m.

These minutes were read and approved on this 10th day of August 2020.

ATTEST:

Mayor

Volunteer Application Form

FOR OFFICE USE

Received Date

7-13-2020

Thank you for your interest in volunteering with the City of Richwood!

The quality of life we enjoy in Richwood is based on the effective and efficient delivery of City services. Citizen involvement is essential in providing the best services. By choosing to volunteer, you will have the opportunity to strengthen our great city by connecting with families, neighbors, and communities through service. Serving others is as easy as planting a garden, reading to a child, or picking up litter. All volunteer applications are reviewed with consideration of current volunteer opportunities. The information you provide will be stored in confidence under the provisions of the Data Protection Act. Your completed form will be held securely and confidentially. Only authorized staff will have access to your information.

Personal Details

Name: Sonia Foger Mr. ☐ Mrs. ☒ Miss. ☐ Ms. ☐

Address:

Telephone: (Home)

(Mobile)

*E-Mail:

*Email is the primary form of contact between staff and volunteers. Access to valid email is essential during service as Richwood volunteer.

If you are involved with us as a volunteer and an emergency arises, whom should we contact?

Name: Eric Foger Relationship: Spouse

Telephone: (Home) (Mobile)

Equal Opportunities

The City of Richwood is committed to equal opportunities and all volunteer recruitment decisions will be based on merit, suitability for the role and experience. The City of Richwood endorses a working environment free from discrimination and harassment.

The City of Richwood is committed to standards of excellence in Child Protection practices. Where your volunteer role may have direct contact with children, you will be required to complete a DPS Background Check Authorization Form, which will be processed prior to volunteering. In the meantime, please complete the question below.

Have you ever been convicted of a felony offense in the United States or elsewhere?

Yes ☐ No ☒

If yes, please provide details below

Your Skills and Interests

1. Have you ever done any voluntary work before? Yes ☒ No ☐

If you answered yes, please tell us a little about the experience.

I volunteered for the Beautification Commission for two years for the city of Lake Jackson, at A.P. Beutel Elementary in various capacities and at St. Michaels Catholic Church also in a wide range of roles over the years.

2. Why do you want to volunteer now? What has motivated you to get in touch with us?

We moved to Richwood from Lake Jackson one year ago and I feel that service has always been a part of community. I am a pre-school teacher and feel that it is important to be an example to my own children as well as my pre-school kiddos.

3. Do you have any particular skills or qualities that you could use in your voluntary work?

I love to garden, to craft and to work with people.

4. Are you applying for a specific Board and Commission? Yes ☒ No ☐

If yes, please specify on which Board/Commission you wish to serve.

- ☒ Keep Richwood Beautiful Commission ☐ Planning and Zoning/Board of Adjustments
☐ Crime Control and Prevention ☐ Economic Development
☐ Charter Review Commission (even years)

Please review the duties of the Board and Commission you may be interested in.

5. Is your schedule such that you have the available time to commit to regular and consistent attendance at the meetings of the Board/Commission? Yes ☒ No ☐

6. What kind of voluntary work interests you?

- ☐ Clerical
☒ Event Planning
☒ Master Planning and Development
☒ Project Based Volunteering
☐ Internship at City Hall
☐ Other

7. Do you have a vested interest* in the City of Richwood? (i.e. resident, business owner, property owner, etc) Yes ☒ No ☐

*Note: To be qualified to serve on a board and commission, the applicant must have vested interest in the City of Richwood.

References

Name: Miranda Corn Relationship: Supervisor
Place of Work: First United Church-School Position: Director
(If applicable) For Little People
Telephone: (Primary) [REDACTED] (Secondary) _____
E-Mail: _____

Name: Kim Hartmann Relationship: Friend-Past Supervisor
Place of Work: Previously at Texas Gulf Bank Position: Lead Teller
(If applicable) [REDACTED]
Telephone: (Primary) [REDACTED] (Secondary) _____
E-Mail: _____

If you have any questions when completing this application form, please call the City Secretary 979-265-2082 or e-mail richwood@richwoodtx.gov. If you would like to find out more about the City of Richwood, log onto our website www.richwoodtx.gov.

Is there any additional information you would like to bring to our attention?

I declare that the information I have provided is true. All my actions as a volunteer will reflect the Standards and Conduct of the City of Richwood and will be central to my role.

Signed Sonica Fager Date 1/9/20

ALL VOLUNTEERS MUST COMPLETE THE WAIVER AND RELEASE FORMS AND ARE SUBJECT TO A BACKGROUND CHECK. ALL VOLUNTEERS, ONCE APPROVED, WILL BE REQUIRED TO HAVE A CITY ISSUED BADGE ON THEM AT ALL TIMES, DURING THEIR VOLUNTEER SERVICE.

For office use only	Notes
Volunteer Position _____	
Volunteer Role Description sent _____	
Background Check Completed _____	
References Collected _____	
Volunteer Start Date _____	

WAIVER AND RELEASE FORM
RELEASE OF LIABILITY

In return for being allowed to participate in City of Richwood volunteer activities and all related activities, including any activities incidental to such participation ("Volunteer Activities"), the undersigned Volunteer or Parent/Legal Guardian of Volunteer if Volunteer is under age 18 (hereafter referred to using "I", "me", or "my") releases and agrees not to sue the City of Richwood or its officers, directors, employees, sub-contractors, sponsors, agents and affiliates ("the City") from all present and future claims that may be made by me, my family, estate, heirs, or assigns for property damage, personal injury, or wrongful death arising as a result of my participation in the Volunteer Activities wherever, whenever, or however the same may occur.

I understand and agree that the City is not responsible for any injury or property damage arising out of the Volunteer Activities, even if caused by their ordinary negligence or otherwise.

I understand that participation in the Volunteer Activities involves certain risks, including, but not limited to, serious injury and death. I am voluntarily participating in the Volunteer Activities with knowledge of the danger involved and I agree to accept all risks of participation.

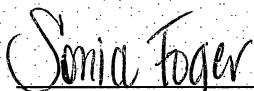
I also agree to indemnify and hold harmless the City for all claims arising out of my participation in the Volunteer Activities.

I understand that this document is intended to be as broad and inclusive as permitted by the laws of the state in which the Volunteer Activities take place and agree that if any portion of this Agreement is invalid, the remainder will continue in full legal force and effect.

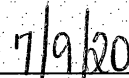
I also acknowledge that the City has not arranged and does not carry any insurance of any kind for my benefit or that of Volunteer (if Volunteer is under 18), my parents, guardians, trustees, heirs, executors, administrators, successors and assigns.

I represent that, to my knowledge, I am in good health and suffer no physical impairment that would or should prevent my participation in Volunteer Activities.

I also understand that this document is a contract which grants certain rights to and eliminates the liability of the City.



(Signature of Volunteer)



Date

I am of legal age and am freely signing this agreement. I have read this form and understand that by signing this form, I am giving up legal rights and remedies.

(Signature of Parent/Legal Guardian if Volunteer is Under 18)

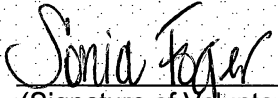
Date

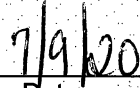
I am the parent or legal guardian of the Volunteer. I am of legal age and am freely signing this agreement. I have read this form and understand that by signing this form, I am giving up legal rights and remedies.

PUBLICITY RELEASE

In return for being allowed to participate in City of Richwood volunteer activities and all related activities, including any activities incidental to such participation ("Volunteer Activities"), the undersigned Volunteer or Parent/Legal Guardian of Volunteer if Volunteer is under age 18 (hereafter referred to using "I", "me", or "my") hereby grants to the City, and each of its subsidiaries, affiliates, agents, advertising or promotional agencies, and partners, and all such entities' officers, directors, agents, employees, respective successors and assigns (collectively, "Authorized Parties"), the absolute and irrevocable right and permission to use, publish, broadcast and/or copyright the use of Volunteer's name, voice, photograph and/or likeness, caricature, and personal information as allowed by the Public Information Act, in its current form or as retouched, digitized, cropped, altered, distorted or modified in any way, in any and all advertising, promotional, or other materials based upon or derived from the Volunteer Activities in any manner, in any media whatsoever for any and all purposes, including by way of example but without limitation advertising, promoting or publicizing products and services throughout the universe, in perpetuity, in any and all media now known or hereafter devised (including without limitation on the Internet), without additional compensation. I further agree that anything derived there from will be owned solely by the Authorized Parties. I shall not authorize the use of any print, negative or other copy thereof by anyone other than the Authorized Parties.

I understand that this document is intended to be as broad and inclusive as permitted by the laws of the state in which the Volunteer Activities take place and agree that if any portion of this Agreement is invalid, the remainder will continue in full legal force and effect.


(Signature of Volunteer)


Date

I am of legal age and am freely signing this agreement. I have read this form and understand that by signing this form, I am giving up legal rights and remedies.

(Signature of Parent/Legal Guardian if Volunteer is Under 18)

Date

I am the parent or legal guardian of the Volunteer. I am of legal age and am freely signing this agreement. I have read this form and understand that by signing this form, I am giving up legal rights and remedies.

**CONSENT TO CONDUCT DPS CRIMINAL HISTORY (CCH) VERIFICATION CHECK
FOR VOLUNTEERING ACTIVITIES
CITY OF RICHWOOD, TEXAS**

In connection with my application and desire to engage in volunteer activities, I have been advised and I hereby consent and authorize the City of Richwood and its agent, at any time during or subsequent to my application process, to conduct a background check that may include a criminal record check and such additional verifications and reference checks as deemed necessary. I do hereby consent to the City of Richwood's use of any information provided on this form or during the application process in performing the non-employment related background check. I agree to release, indemnify and hold harmless the City of Richwood and any agency used with regard to any information provided by the agency. I acknowledge that a facsimile, copy or electronic version of this form shall be as valid as the original.

I, Sonia Foger, have been notified that a Computerized Criminal History (CCH) verification check will be performed by accessing the Texas Department of Public Safety Secure Website, and will be based on identifiers I supply in this document.

PRINT NAME:

Foger Sonia M.
Last Name First Name Middle

Any other names used (Print): _____

Date of Birth (mm/dd/yyyy): [REDACTED]

Social Security Number: [REDACTED] Last four digits only, please [REDACTED]

Gender: ☐ Male ☒ Female

Position or Event applied for: Keep Richwood Beautiful Commission

Signature: Sonia Foger Date: 7/9/20

FOR OFFICIAL USE ONLY:

Information requested by: K. Mayer Date: 7/14/20

Results: Approved to volunteer Yes 7/16/20

Not approved to volunteer _____

Rev. 07-24-19

Submit completed form to: City Secretary, City of Richwood
1800 Brazosport Blvd
Richwood, TX 77566

E-mail: volunteer@richwoodtx.gov

Contact: Phone 979-265-2082 Fax 979-265-7345

Web: www.richwoodtx.gov



AGENDA MEMORANDUM-AUGUST 10, 2020

ITEM # CONSENT

CONTACT: Patricia Ditto, Deputy Finance Director

SUBJECT: Monthly Budget Summary Report

SUMMARY: Receive and/or approval of June 2020 Budget Report

BACKGROUND INFORMATION:

The information provided is for the FY 2019-20 budget period, month ending June 30, 2020. This summary highlights several key points related to the current month's activity for the General Fund and for the Water and Sewer Fund only. The attached report is unaudited and may include corrections from prior months.

DISCUSSION:

10-General Fund

As of June 30, 2020, General Fund revenues total \$2,398,360 or 91.62% of the budget year to date. General Fund expenditures total \$1,928,207, or 72.92% of the budget with 9 months or 75% of the year completed. The net total for the General Fund is \$467,953, over the budgeted net by \$479,126.

Revenue (GF)

- Current M & O (Maintenance and Operations) Property tax (29-4103) received through the end of June is \$1,609,558, 97% of its annual budgeted amount.
- Sales Tax revenue (29-4117) received this month totaled \$45,147 for taxes collected on April 2020 sales reported for monthly filers. The City is ahead of budget in this line item at 86% of revenue collected.
- Permits and Licenses revenues total \$5,242 for June. Year to date revenue is \$76,077, about \$10,500 before last year at the same time. Permits and Licenses revenues are slightly below budget, with 68% of budget received through June.
- Court fees for June are \$10,089, with year to date of \$57,319, about \$20,000 behind last year and only 56% of budget for this year. This I am sure is affected by the global pandemic.

Expenditures (GF)

The Administrative Department (01) is slightly below budget with \$51,986 spent for June or 71% of the annual budget utilized to date.

The Finance Department (11) is below budget with \$6,398 spent this month or 61% of the annual budget year to date.



Judicial Department (06) expenditures for the month are \$3,756 or 60% of the year to date budget spent.

The Permitting & Inspections Department (10) expenditures are below budget with 55% of the annual budget year to date.

The Police Department (05) expenditures for the month are \$57,953 or 76% year to date, slightly over budget.

The Fire Department (07) expenditures for the month are \$33,958. They have now exceeded their annual budget by \$367 with 3 months remaining.

The Code Enforcement Department (09) expenditures for the month are \$2,540, having only spent 48% of the annual budget.

The City Maintenance Department (02) expenditures for the month are \$15,905 or 61% of the annual budget to date.

The Parks and Recreation Department (08) expenditures for the month are \$1,881 or 83% of the annual budget to date.

The Other Financing Sources and Uses is a non-department budget used to record all budgeted transfers to/from funds. No monthly transfers were recorded to date. However, budgeted transfers will be made prior to year-end.

30-Water, Sewer and Solid Waste Fund

As of June 30, 2020, Water, Sewer, and Solid Waste Funds year to date revenues totals \$1,633,499 or 77.48%. Water, Sewer, and Solid Waste Fund operating expenditures total \$1,286,711, or 76.38% of the budget with 9 months or 75% of the year completed. The net total for the Water, Sewer and Solid Waste Fund is \$260,727, over the budget net by \$421,785. No operating transfers were allocated in June.

RECOMMENDATION: Council to approve June 2020 Budget Summary Report for General Fund and the Water, Sewer and Solid Waste Funds.

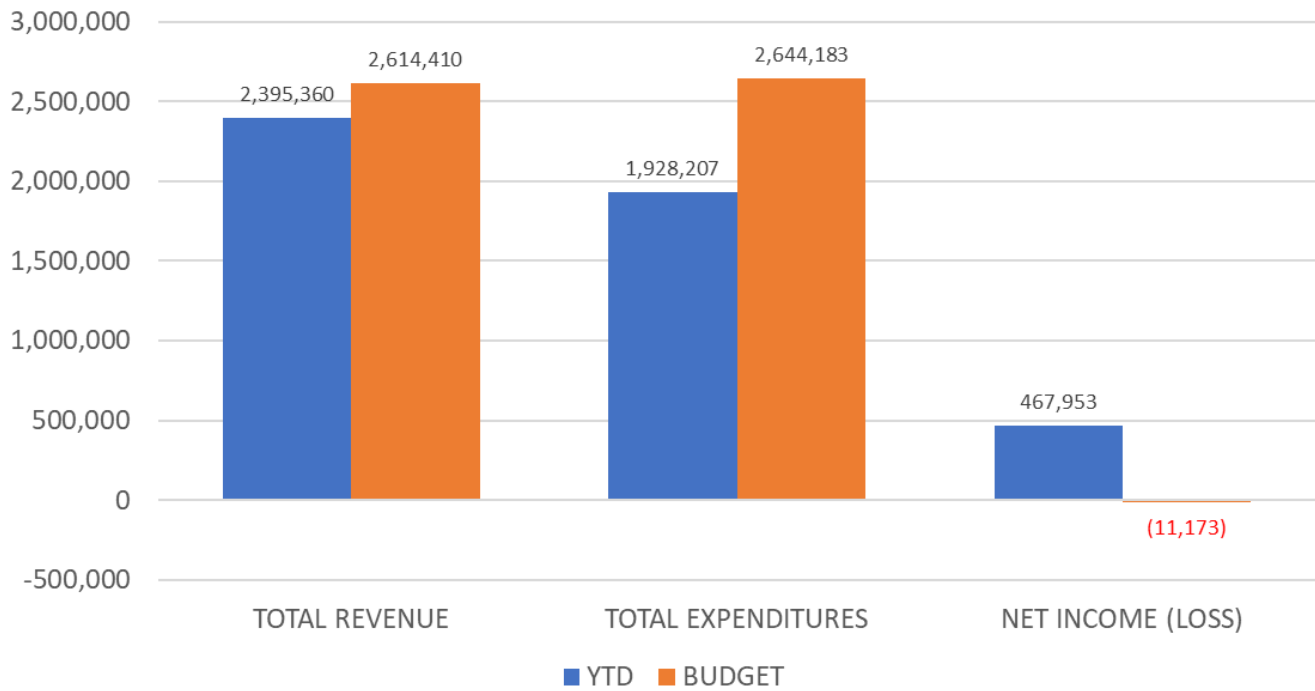
City of Richwood Operational Budget Report 10 General Fund - 10/01/2019 to 06/30/2020						
	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Revenue						
Taxes	2,056,571.38	-15,590.60	2,170,543.64	2,344,000.00	173,456.36	92.60%
Licenses and permits	87,556.01	5,241.80	76,077.16	112,250.00	36,172.84	67.77%
Intergovernmental revenue	92,446.41	0.00	0.00	1,100.00	1,100.00	0.00%
Charges for services	5,446.00	-100.00	1,624.00	8,500.00	6,876.00	19.11%
Fines and forfeitures	78,188.04	10,089.39	57,318.59	104,000.00	46,681.41	55.11%
Special Revenues	5,040.08	0.00	2,387.99	1,200.00	-1,187.99	OVER BUDGET
Interest	13,878.63	1,728.20	22,166.29	14,000.00	-8,166.29	OVER BUDGET
Miscellaneous revenue	40,737.83	3,876.00	65,242.53	29,360.00	-35,882.53	OVER BUDGET
Total Revenue	2,379,864.38	5,244.79	2,395,360.20	2,614,410.00	219,049.80	91.62%
Expenditures						
General Government						
Administration						
Personnel & Benefits	318,460.60	30,233.77	203,687.83	222,373.00	18,685.17	91.60%
Supplies	27,977.09	2,026.26	17,260.85	19,720.00	2,459.15	87.53%
Maintenance & Repair	1,220.63	156.56	5,148.11	10,000.00	4,851.89	51.48%
Utilities	7,378.81	1,098.99	7,999.35	11,000.00	3,000.65	72.72%
Professional Services	98,384.75	16,823.10	86,264.37	206,300.00	120,035.63	41.82%
Other Services	60,135.40	892.05	44,715.43	45,295.00	579.57	98.72%
Capital Equipment	3,326.79	139.34	1,625.74	4,800.00	3,174.26	33.87%
Total Administration	516,884.07	51,370.07	366,701.68	519,488.00	152,786.32	70.59%
Finance Department						
Personnel & Benefits	0.00	5,795.94	85,391.64	173,148.00	87,756.36	49.32%
Supplies	0.00	-616.00	360.13	5,150.00	4,789.87	6.99%
Maintenance & Repair	0.00	0.00	0.00	2,800.00	2,800.00	0.00%
Utilities	0.00	62.96	451.17	0.00	-451.17	0.00%
Professional Services	0.00	0.00	53,475.29	47,500.00	-5,975.29	OVER BUDGET
Other Services	0.00	1,154.86	11,824.70	18,550.00	6,725.30	63.75%
Capital Equipment	0.00	0.00	0.00	1,200.00	1,200.00	0.00%
Total Finance Department	0.00	6,397.76	151,502.93	248,348.00	96,845.07	61.00%
Judicial						
Personnel & Benefits	46,514.93	3,755.99	38,845.39	64,196.00	25,350.61	60.51%
Supplies	2,349.56	0.00	1,360.53	2,650.00	1,289.47	51.34%
Utilities	346.44	0.00	144.93	500.00	355.07	28.99%
Professional Services	6,391.78	0.00	10,830.00	17,800.00	6,970.00	60.84%
Other Services	2,353.00	0.00	373.00	2,000.00	1,627.00	18.65%
Capital Equipment	1,468.89	0.00	0.00	0.00	0.00	0.00%
Total Judicial	59,424.60	3,755.99	51,553.85	87,146.00	35,592.15	59.16%
Permitting & Inspections						
Personnel & Benefits	52,994.23	0.00	38,248.54	74,000.00	35,751.46	51.69%
Supplies	208.23	0.00	1,664.04	100.00	-1,564.04	OVER BUDGET
Maintenance & Repair	890.96	0.00	0.00	0.00	0.00	0.00%
Professional Services	3,630.00	0.00	2,588.18	3,000.00	411.82	86.27%
Other Services	10,556.38	0.00	640.98	1,650.00	1,009.02	38.85%
Total Permitting & Inspections	68,279.80	0.00	43,141.74	78,750.00	35,608.26	54.78%
Special Revenue Expenditures						
Supplies	9,100.19	78.70	1,312.81	0.00	-1,312.81	0.00%
Total Special Revenue Expenditures	9,100.19	77.52	1,234.11	0.00	-1,234.11	0.00%
Total General Government	653,688.66	62,218.52	614,213.01	933,732.00	319,518.99	65.78%

	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Public Safety						
Police Department						
Personnel & Benefits	566,740.06	54,437.83	614,230.85	807,737.00	193,506.15	76.04%
Supplies	23,023.71	185.63	23,391.70	38,650.00	15,258.30	60.52%
Maintenance & Repair	21,100.72	1,699.30	24,248.01	23,800.00	-448.01	OVER BUDGET
Utilities	9,515.33	1,225.81	11,190.12	12,600.00	1,409.88	88.81%
Professional Services	27,703.76	29.99	47,703.64	73,375.00	25,671.36	65.01%
Other Services	24,382.30	0.00	23,605.61	24,000.00	394.39	98.36%
Capital Equipment	3,758.40	374.20	4,557.16	4,700.00	142.84	96.96%
Total Police Department	676,224.28	57,952.76	748,927.09	984,862.00	235,934.91	76.04%
Fire Department						
Personnel & Benefits	14,471.45	0.00	5,681.96	26,300.00	20,618.04	21.60%
Supplies	1,702.67	9,868.89	11,667.72	15,400.00	3,732.28	75.76%
Maintenance & Repair	24,598.39	518.76	102,260.77	20,650.00	-81,610.77	OVER BUDGET
Utilities	2,403.75	210.58	2,038.73	3,600.00	1,561.27	56.63%
Professional Services	23,250.00	23,250.00	116,250.00	102,300.00	-13,950.00	OVER BUDGET
Other Services	15,292.96	110.00	13,536.29	15,500.00	1,963.71	87.33%
Capital Equipment	40,182.17	0.00	15,588.65	82,907.00	67,318.35	18.80%
Total Fire Department	121,901.39	33,958.23	267,024.12	266,657.00	-367.12	100.14%
Code Enforcement						
Personnel & Benefits	33,929.49	2,539.79	24,018.31	47,730.00	23,711.69	50.32%
Supplies	850.39	0.00	0.00	1,000.00	1,000.00	0.00%
Professional Services	10,223.94	0.00	840.00	3,200.00	2,360.00	26.25%
Other Services	417.00	0.00	0.00	800.00	800.00	0.00%
Total Code Enforcement	34,987.57	3,282.90	22,318.52	52,730.00	30,411.48	42.33%
Total Public Safety	843,546.49	94,450.78	1,040,809.52	1,304,249.00	263,439.48	79.80%
Public Works						
City Maintenance						
Personnel & Benefits	73,812.45	9,436.87	78,774.70	144,389.00	65,614.30	54.56%
Supplies	10,010.94	746.73	6,550.26	16,600.00	10,049.74	39.46%
Maintenance & Repair	10,133.75	1,063.21	22,415.24	28,450.00	6,034.76	78.79%
Utilities	21,943.48	2,440.79	22,250.51	30,800.00	8,549.49	72.24%
Professional Services	63.00	0.00	0.00	0.00	0.00	0.00%
Other Services	4,421.55	14.06	6,180.78	4,900.00	-1,280.78	OVER BUDGET
Capital Equipment	19,916.10	2,212.90	17,703.20	26,776.00	9,072.80	66.12%
Total City Maintenance	140,301.27	15,914.56	153,874.69	251,915.00	98,040.31	61.08%
Streets and Drainage						
Maintenance & Repair	45,676.45	MOVED TO FUND 25 TRANSPORTATION				0.00%
Capital Equipment	16,380.00					0.00%
Total Streets and Drainage	62,056.45					0.00%
Emergency/Disaster						
Professional Services	25,282.75	0.00	0.00	0.00	0.00	0.00%
Capital Equipment	0.00	19.00	2,887.95	0.00	-2,887.95	0.00%
Total Emergency/Disaster	25,282.75	19.00	2,887.95	0.00	-2,887.95	0.00%
Total Public Works	241,629.83	15,933.56	156,762.64	251,915.00	95,152.36	62.23%

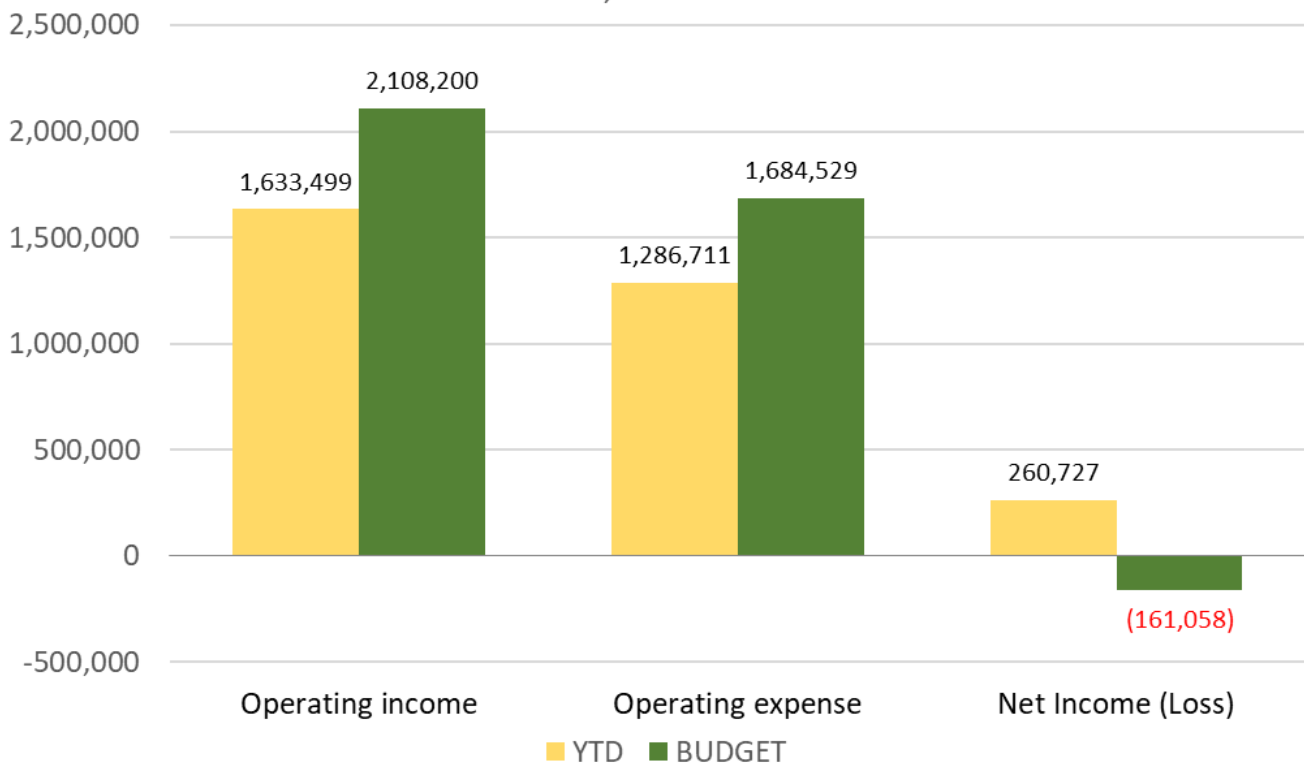
	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Parks & Recreation						
Parks and Recreation						
Supplies	826.64	218.60	2,193.00	3,200.00	1,007.00	68.53%
Maintenance & Repair	11,620.91	967.07	22,481.85	25,500.00	3,018.15	88.16%
Utilities	1,177.17	193.07	1,157.54	2,000.00	842.46	57.88%
Other Services	6,377.62	502.52	7,708.31	10,220.00	2,511.69	75.42%
Capital Equipment	0.00	0.00	100.00	0.00	-100.00	0.00%
Total Parks and Recreation	20,002.34	1,881.26	33,640.70	40,920.00	7,279.30	82.21%
Miscellaneous	0.00	0.00	82,781.46	113,367.00	30,585.54	73.02%
Total Expenditures	1,758,867.32	174,484.12	1,928,207.33	2,644,183.00	715,975.67	72.92%
Other Financing Sources and Uses						
Sources						
Transfers In	104,410.00	0.00	800.00	142,000.00	141,200.00	0.56%
Total Sources	104,410.00	0.00	800.00	142,000.00	141,200.00	0.56%
Uses						
Transfers Out	173,909.00	0.00	0.00	123,400.00	123,400.00	0.00%
Total Uses	173,909.00	0.00	0.00	233,304.00	233,304.00	0.00%
Total Other Financing Sources and Uses	-69,499.00	0.00	800.00	-91,304.00	-92,104.00	
NET	551,498.06	-169,239.33	467,952.87	-11,173.00	479,125.87	UNDER BUDGET

City of Richwood Operational Budget Report 30 Water and Sewer Fund - 10/01/2019 to 06/30/2020						
	Prior YTD	Current Period	Current YTD	Annual Budget	Remaining Budget	% Earned/Used
Net Operating Income (Loss)						
Operating income						
Sewer Department	614,051.58	71,662.18	624,896.40	837,200.00	212,303.60	74.64%
Water Department	728,794.53	89,681.56	779,964.01	989,000.00	209,035.99	78.86%
Solid Waste Department	187,306.24	26,054.35	228,638.17	282,000.00	53,361.83	81.08%
Total Operating Income	1,530,152.35	187,398.09	1,633,498.58	2,108,200.00	474,701.42	77.48%
Operating expense						
Sewer Department						
Personnel & Benefits	0.00	8,162.44	88,956.10	154,914.00	65,957.90	57.42%
Supplies	0.00	39.98	1,462.70	16,240.00	14,777.30	9.01%
Maintenance & Repair	53,317.59	170.93	17,550.32	83,770.00	66,219.68	20.95%
Utilities	0.00	0.00	0.00	23,200.00	23,200.00	0.00%
Professional Services	209,852.79	0.00	206,120.32	412,300.00	206,179.68	49.99%
Other Services	0.00	0.00	1,127.25	13,800.00	12,672.75	8.17%
Capital Equipment	0.00	9,480.00	9,480.00	14,300.00	4,820.00	66.29%
Total Sewer Department	263,170.38	17,853.35	324,696.69	718,524.00	393,827.31	45.19%
Water Department						
Personnel & Benefits	276,848.48	13,123.05	176,524.59	203,153.00	26,628.41	86.89%
Supplies	33,944.18	1,236.97	30,240.96	26,300.00	-3,940.96	OVER BUDGET
Maintenance & Repair	97,885.42	9,125.38	54,691.68	75,470.00	20,778.32	72.47%
Utilities	39,066.08	5,218.38	41,722.08	30,100.00	-11,622.08	OVER BUDGET
Professional Services	119,716.53	0.00	196,357.92	321,000.00	124,642.08	61.17%
Other Services	48,792.55	18,953.87	64,678.42	19,250.00	-45,428.42	OVER BUDGET
Capital Equipment	181,149.91	23,866.54	215,708.74	0.00	-215,708.74	0.00%
Total Water Department	797,403.15	71,524.19	779,924.39	675,273.00	-104,651.39	OVER BUDGET
Solid Waste Department						
Personnel & Benefits	0.00	1,122.55	13,060.59	20,732.00	7,671.41	63.00%
Professional Services	179,371.89	21,993.75	169,029.78	270,000.00	100,970.22	62.60%
Total Solid Waste Department	179,371.89	23,116.30	182,090.37	290,732.00	108,641.63	62.63%
Total Operating Expense	1,239,945.42	112,493.84	1,286,711.45	1,684,529.00	-397,817.55	76.38%
Total Net Operating Income (Loss)	290,206.93	74,904.25	346,787.13	423,671.00	76,883.87	81.85%
Non-Operating Items						
Non-operating income						
Interest income	896.85	561.98	4,765.86	2,000.00	-2,765.86	OVER BUDGET
Grants	0.00	35,778.00	35,778.00	0.00	-35,778.00	0.00%
Other income	2,304.03	2,366.89	1,878.26	3,000.00	1,121.74	62.61%
Transfers In	89,909.00	0.00	0.00	14,400.00	14,400.00	0.00%
Total Non-operating income	93,109.88	38,706.87	42,422.12	19,400.00	-23,022.12	OVER BUDGET
Non-operating expense						
	121,364.56	750.00	128,481.87	342,129.00	213,647.13	37.55%
	108,967.96	0.00	0.00	262,000.00	262,000.00	0.00%
Total Non-operating expense	230,332.52	750.00	128,481.87	604,129.00	475,647.13	21.27%
Total Non-Operating Items	-137,222.64	37,956.87	-86,059.75	-584,729.00	498,669.25	14.72%
NET	152,984.29	112,861.12	260,727.38	-161,058.00	421,785.38	UNDER BUDGET

2019-2020 Fiscal Year as of 6/30/2020
Fund 10 General



2019-2020 Fiscal Year as of 6/30/2020
Fund 30 Sewer, Water & Solid Waste



City of Richwood
Standard Financial Report
10 General Fund - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Assets			
Current Assets			
Cash and cash equivalents			
291101 Cash	641,407.97	(267,816.94)	1,032,981.10
291102 Undeposited receipts	483.60	2,257.30	3,580.28
291103 Cash in bank - Beautification	0.00	(251.54)	(251.54)
291104 Xpress Bill Pay	0.00	113,856.41	1,920.00
291105 Seizure and Forfeiture Fund	1,022.55	0.01	1,023.05
291106 TexPool Investments	111,321.75	31.92	(2,882,008.11)
291106.1 TexPool Prime Investments	0.00	976.45	3,007,927.45
291107 Petty Cash	800.00	0.00	800.00
291108 TexStar Investments	238,090.94	88.77	240,083.31
291109 Logic Investments	268,466.75	326.44	271,994.74
291111 Certificates of Deposit	189,951.57	291.42	191,619.27
Total Cash and cash equivalents	1,451,545.13	(150,239.76)	1,869,669.55
Receivables			
291112 Tax Receivable	45,463.77	0.00	45,663.77
291113 Accrued Interest Receivable	441.64	0.00	441.64
291114 Sales Tax Receivable	107,296.38	(107,296.38)	0.00
291117 Due from Debt Service Fund	3,474.78	0.00	3,474.78
291120 Allowance for Uncollectibles	(17,720.87)	0.00	(17,720.87)
291122 Accounts Receivable - Franchise Tax	16,670.95	(193.73)	16,419.37
291123 Deferred Taxes	(23,399.89)	0.00	(23,399.89)
291130 Accounts Rec/NSF checks	(416.24)	0.00	(416.24)
291131 Due from Other Governments	57.16	0.00	57.16
291150 LT Loan receivable - W & S	378,189.04	0.00	378,189.04
991122 Accounts Receivable - Other	0.00	(52.94)	(1,021.10)
Total Receivables	510,889.20	(107,543.05)	402,520.14
Other current assets			
291124 Prepaid Services	18,636.33	0.00	18,636.33
Total Other current assets	18,636.33	0.00	18,636.33
Total Current Assets	1,981,070.66	(257,782.81)	2,290,826.02
Total Assets	1,981,070.66	(257,782.81)	2,290,826.02
Liabilities and Fund Balance			
Liabilities			
Current liabilities			
292125 Cash Over/Under	0.00	163.44	329.07
292128 Accounts Payable - Audit	17,603.84	0.00	17,603.84
292130 Accounts Payable	71,304.03	(79,335.12)	(15,175.19)
292132 Retirement Payable	16,493.60	(6,510.81)	16,836.28
292133 Facility Rental Deposits	2,567.00	300.00	2,282.00
292135 Blue Santa Program Payable	0.50	0.00	0.50
292136 Insurance Payable	2,374.79	(8,827.68)	(88,251.24)
292140 Municipal Court Costs	9,785.75	(3,163.67)	20,814.29
292143 Deferred Grant Revenue	20,000.00	0.00	20,000.00
292150 Due to Water/Sewer	66,351.30	0.00	65,562.50
292155 Due to Replacement	1,700.00	0.00	1,700.00
292161 Due to Beautification	1,000.00	0.00	1,000.00
292162 Due to Transportation Fund	8,965.72	0.00	8,916.61
292165 Accounts Payable - Debt Service	0.00	0.00	(500.00)
Total Current liabilities	218,146.53	(97,373.84)	51,118.66
Total Liabilities	218,146.53	(97,373.84)	51,118.66
Fund Balances			
293103 Fund Balance	1,754,936.69	(160,408.97)	2,231,719.92
293190 Seizure and Forfeiture Fund	1,022.55	0.00	1,022.55
293192 Reserve - Police Training	593.33	0.00	593.33
293198 Reserve - Municipal Court Security	1,202.24	0.00	1,202.24
293199 Reserve for Municipal Court Technology	5,169.32	0.00	5,169.32
Total Fund Balances	1,762,924.13	(160,408.97)	2,239,707.36
Total Liabilities and Fund Balance	1,981,070.66	(257,782.81)	2,290,826.02

City of Richwood
Standard Financial Report
10 General Fund - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	Prior Year Actual	Current Period Actual	Current Year Actual	Original Budget	Revised Budget
Revenue					
Taxes					
294103 Ad Valorem Taxes	1,655,507.81	31,901.93	1,609,558.21	1,660,000.00	1,660,000.00
294104 Delinquent Taxes	13,287.99	475.23	15,901.55	20,000.00	20,000.00
294105 Penalty & Interest	14,326.21	2,895.44	14,291.11	16,000.00	16,000.00
294111 Franchise Taxes	197,292.66	9,766.35	134,571.26	168,000.00	168,000.00
294116 Sales Tax - Streets	121,450.12	(10,172.65)	81,197.61	0.00	0.00
294117 Sales Tax	485,800.48	(40,690.55)	324,790.25	480,000.00	480,000.00
294801 210 Developers 380 Rebate	(103,979.75)	0.00	0.00	0.00	0.00
294802 Crawford Furniture 380 Rebate	(6,909.94)	0.00	0.00	0.00	0.00
Total Taxes	2,376,775.58	(5,824.25)	2,180,309.99	2,344,000.00	2,344,000.00
Licenses and permits					
294106 Licenses & Permits	5,591.00	0.00	2,196.00	6,000.00	6,000.00
294107 Building Permits	99,182.84	5,241.80	73,836.16	106,000.00	106,000.00
294114 Animal Fines/Licenses	230.00	0.00	45.00	250.00	250.00
Total Licenses and permits	105,003.84	5,241.80	76,077.16	112,250.00	112,250.00
Intergovernmental revenue					
294113 Intergovernmental Rev	177,309.07	0.00	0.00	1,100.00	1,100.00
Total Intergovernmental revenue	177,309.07	0.00	0.00	1,100.00	1,100.00
Charges for services					
294118 Municipal Building Rentals	6,507.00	(100.00)	1,624.00	8,500.00	8,500.00
Total Charges for services	6,507.00	(100.00)	1,624.00	8,500.00	8,500.00
Fines and forfeitures					
294109 Municipal Court	100,642.30	10,089.39	57,318.59	104,000.00	104,000.00
Total Fines and forfeitures	100,642.30	10,089.39	57,318.59	104,000.00	104,000.00
Special Revenues					
044253 Revenues - Court Security	1,739.05	0.00	0.00	0.00	0.00
044254 Revenues - Court Technology	2,318.80	0.00	0.00	1,200.00	1,200.00
054251 Revenues - Police Officer Training - LEOES	1,195.36	0.00	2,387.99	0.00	0.00
294122 Animal License Donations	100.00	0.00	0.00	0.00	0.00
Total Special Revenues	5,353.21	0.00	2,387.99	1,200.00	1,200.00
Interest					
294110 Interest Earnings	35,148.42	1,715.01	22,153.10	14,000.00	14,000.00
Total Interest	35,148.42	1,715.01	22,153.10	14,000.00	14,000.00
Miscellaneous revenue					
294108 Inspection Fees	30,427.50	2,530.00	22,770.00	30,360.00	30,360.00
294112 Miscellaneous Income	7,450.13	96.00	40,387.53	0.00	(7,000.00)
294121 Parks & Recreation - for KRB	3,585.00	400.00	1,235.00	6,000.00	6,000.00
294130 Insurance Claims & Damages	123,776.48	0.00	0.00	0.00	0.00
Total Miscellaneous revenue	165,239.11	3,026.00	64,392.53	36,360.00	29,360.00
Total Revenue	2,971,978.53	14,147.95	2,404,263.36	2,621,410.00	2,614,410.00
Expenditures					
General Government					
Administration					
Personnel & Benefits					
015101 Administrative Expense	4,569.55	0.00	0.00	0.00	0.00
015102 Contract Labor	55,840.30	11,230.06	37,979.36	0.00	0.00
015103 Salaries & Wages	276,505.00	14,956.66	128,450.10	162,745.00	162,745.00
015104 Overtime	756.46	0.00	0.00	0.00	0.00
015105 Retirement	38,861.85	2,600.81	20,404.97	18,268.00	18,268.00
015107 Medicare	3,991.89	211.48	2,007.52	2,360.00	2,360.00
015110 Workmen's Compensation Ins	305.00	0.00	403.54	220.00	220.00
015115 Hospitalization	37,412.37	1,113.31	8,810.76	17,481.00	17,481.00
015120 Unemployment Insurance	1,087.63	1.45	55.32	324.00	324.00
015125 Cellphone Allowance	1,350.00	0.00	202.50	1,080.00	1,080.00
015126 Vehicle Allowance	3,600.00	0.00	0.00	5,400.00	5,400.00
015130 Training & Travel	10,112.30	120.00	5,373.76	12,045.00	12,045.00
015175 Longevity Pay	0.00	0.00	0.00	650.00	650.00
015180 Certification Pay	825.00	0.00	0.00	1,800.00	1,800.00
Total Personnel & Benefits	435,217.35	30,233.77	203,687.83	222,373.00	222,373.00
Supplies					

City of Richwood
Standard Financial Report
10 General Fund - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	Prior Year Actual	Current Period Actual	Current Year Actual	Original Budget	Revised Budget
015201 Food	4,380.78	0.00	2,557.39	3,220.00	3,220.00
015210 Office Supplies	16,101.05	841.06	7,651.01	8,000.00	8,000.00
015215 Custodial Supplies	646.77	83.81	637.15	500.00	500.00
015220 Tools	58.96	0.00	0.00	0.00	0.00
015225 Books & Periodicals	448.78	0.00	115.00	0.00	0.00
015240 Expendable Operating Supplies	22,636.54	1,174.19	6,373.10	8,000.00	8,000.00
Total Supplies	44,272.88	2,099.06	17,333.65	19,720.00	19,720.00
Maintenance & Repair					
015310 Building & Grounds M&R	1,414.93	156.56	1,181.08	2,000.00	2,000.00
015320 Office Furniture/Fixture M&R	0.00	0.00	3,342.08	1,000.00	1,000.00
015341 Postage & Shipping	0.00	0.00	624.95	7,000.00	7,000.00
Total Maintenance & Repair	1,414.93	156.56	5,148.11	10,000.00	10,000.00
Utilities					
015410 Electricity	8,997.35	778.93	5,040.44	8,500.00	8,500.00
015420 Telephone	2,089.90	296.57	2,620.10	2,000.00	2,000.00
015430 Natural Gas	571.83	23.49	338.81	500.00	500.00
Total Utilities	11,659.08	1,098.99	7,999.35	11,000.00	11,000.00
Professional Services					
015510 Elections	12,294.10	0.00	1,500.00	0.00	0.00
015550 Information Technology Services	34,703.55	0.00	20,476.62	20,200.00	20,200.00
015556 Contractual Services - Taxes	12,114.03	616.00	3,870.50	12,600.00	12,600.00
015570 Attorney's Fees	16,804.55	2,866.85	15,837.75	20,500.00	20,500.00
015572 Economic Development	8,655.00	0.00	1,200.00	3,000.00	3,000.00
015580 Auditor's Fees	42,500.00	0.00	0.00	0.00	0.00
015595 Professional Services	63.00	13,956.25	43,379.50	150,000.00	150,000.00
Total Professional Services	127,134.23	17,439.10	86,264.37	206,300.00	206,300.00
Other Services					
015640 Insurance - Bldg/Liab/Bond	10,691.43	0.00	26,016.84	20,000.00	20,000.00
015660 Dues & Subscriptions	20,302.65	500.00	12,853.97	13,500.00	13,500.00
015685 Publishing & Advertising	12,505.09	392.05	3,311.91	11,795.00	11,795.00
015695 Special Services - Miscellaneous	19,761.90	0.00	2,532.71	0.00	0.00
Total Other Services	63,261.07	892.05	44,715.43	45,295.00	45,295.00
Capital Equipment					
015935 Operating Lease - Copier	703.78	139.34	1,625.74	4,800.00	4,800.00
Total Capital Equipment	703.78	139.34	1,625.74	4,800.00	4,800.00
Total Administration	683,663.32	52,058.87	366,774.48	519,488.00	519,488.00
Finance Department					
Personnel & Benefits					
115103 Salaries & Wages	0.00	4,757.76	66,183.97	126,277.00	126,277.00
115104 Overtime	0.00	0.00	0.00	1,200.00	1,200.00
115105 Retirement	0.00	553.82	7,644.51	14,330.00	14,330.00
115107 Medicare	0.00	65.96	941.72	1,848.00	1,848.00
115110 Workmen's Compensation Ins	0.00	0.00	222.27	280.00	280.00
115115 Hospitalization	0.00	418.40	6,241.52	19,229.00	19,229.00
115120 Unemployment Insurance	0.00	0.00	133.81	444.00	444.00
115125 Cellphone Allowance	0.00	0.00	0.00	540.00	540.00
115130 Training & Travel	0.00	0.00	4,023.84	8,300.00	8,300.00
115175 Longevity Pay	0.00	0.00	0.00	700.00	700.00
Total Personnel & Benefits	0.00	5,795.94	85,391.64	173,148.00	173,148.00
Supplies					
115201 Food	0.00	0.00	0.00	200.00	200.00
115210 Office Supplies	0.00	0.00	360.13	3,000.00	3,000.00
115240 Expendable Operating Supplies	0.00	(616.00)	0.00	2,000.00	1,950.00
Total Supplies	0.00	(616.00)	360.13	5,200.00	5,150.00
Maintenance & Repair					
115320 Office Furniture/Fixture M&R	0.00	0.00	0.00	800.00	800.00
115341 Postage & Shipping	0.00	0.00	0.00	2,000.00	2,000.00
Total Maintenance & Repair	0.00	0.00	0.00	2,800.00	2,800.00
Utilities					
115420 Telephone	0.00	62.96	451.17	0.00	0.00
Total Utilities	0.00	62.96	451.17	0.00	0.00
Professional Services					

City of Richwood
Standard Financial Report
10 General Fund - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	Prior Year Actual	Current Period Actual	Current Year Actual	Original Budget	Revised Budget
115550 Information Technology Services	0.00	0.00	293.98	5,000.00	5,000.00
115595 Professional Services	0.00	0.00	53,181.31	42,500.00	42,500.00
Total Professional Services	0.00	0.00	53,475.29	47,500.00	47,500.00
Other Services					
115640 Insurance - Bldg/Liab/Bond	0.00	0.00	(4,385.00)	0.00	50.00
115660 Dues & Subscriptions	0.00	1,154.86	16,209.70	18,500.00	18,500.00
Total Other Services	0.00	1,154.86	11,824.70	18,500.00	18,550.00
Capital Equipment					
115910 Office Equipment	0.00	0.00	0.00	1,200.00	1,200.00
Total Capital Equipment	0.00	0.00	0.00	1,200.00	1,200.00
Total Finance Department	0.00	6,397.76	151,502.93	248,348.00	248,348.00
Judicial					
Personnel & Benefits					
065103 Salaries & Wages	44,522.24	3,073.84	30,685.76	45,678.00	45,678.00
065104 Overtime	1,049.58	0.00	64.13	600.00	600.00
065105 Retirement	4,975.52	333.48	3,339.77	4,360.00	4,360.00
065107 Medicare	654.18	44.44	444.01	668.00	668.00
065110 Workmen's Compensation Ins	152.00	0.00	181.27	164.00	164.00
065115 Hospitalization	8,201.61	253.67	2,277.94	8,741.00	8,741.00
065120 Unemployment Insurance	256.79	0.56	12.15	260.00	260.00
065130 Training & Travel	2,856.23	0.00	1,390.36	3,000.00	3,000.00
065175 Longevity Pay	0.00	0.00	0.00	125.00	125.00
065180 Certification Pay	600.00	50.00	450.00	600.00	600.00
Total Personnel & Benefits	63,268.15	3,755.99	38,845.39	64,196.00	64,196.00
Supplies					
065201 Food	90.39	0.00	0.00	0.00	0.00
065210 Office Supplies	2,851.61	0.00	1,269.10	2,200.00	2,200.00
065225 Books & Periodicals	0.00	0.00	0.00	200.00	200.00
065240 Expendable Operating Supplies	350.97	0.00	91.43	250.00	250.00
Total Supplies	3,292.97	0.00	1,360.53	2,650.00	2,650.00
Utilities					
065420 Telephone	409.97	0.00	144.93	500.00	500.00
Total Utilities	409.97	0.00	144.93	500.00	500.00
Professional Services					
065550 Information Technology Services	284.28	0.00	7,000.00	5,800.00	5,800.00
065565 Jury Expense	(6.00)	0.00	0.00	500.00	500.00
065570 Attorney's Fees	13,873.50	0.00	3,830.00	11,500.00	11,500.00
Total Professional Services	14,151.78	0.00	10,830.00	17,800.00	17,800.00
Other Services					
065660 Dues & Subscriptions	2,353.00	0.00	373.00	2,000.00	2,000.00
Total Other Services	2,353.00	0.00	373.00	2,000.00	2,000.00
Total Judicial	83,475.87	3,755.99	51,553.85	87,146.00	87,146.00
Permitting & Inspections					
Personnel & Benefits					
105102 Contract Labor	45,503.74	0.00	41,695.00	74,000.00	74,000.00
105103 Salaries & Wages	17,317.96	0.00	0.00	0.00	0.00
105105 Retirement	2,066.85	0.00	0.00	0.00	0.00
105107 Medicare	252.37	0.00	(187.06)	0.00	0.00
105115 Hospitalization	6,008.74	0.00	(3,130.40)	0.00	0.00
105120 Unemployment Insurance	95.06	0.00	(129.00)	0.00	0.00
105125 Cellphone Allowance	427.50	0.00	0.00	0.00	0.00
105130 Training & Travel	186.70	0.00	0.00	0.00	0.00
105190 Uniforms	(171.92)	0.00	0.00	0.00	0.00
Total Personnel & Benefits	71,687.00	0.00	38,248.54	74,000.00	74,000.00
Supplies					
105201 Food	82.92	0.00	0.00	0.00	0.00
105210 Office Supplies	0.00	0.00	250.61	100.00	100.00
105230 Gas, Oil, & Lubricants	125.31	0.00	0.00	0.00	0.00
105240 Expendable Operating Supplies	306.79	0.00	1,413.43	0.00	0.00
Total Supplies	515.02	0.00	1,664.04	100.00	100.00
Maintenance & Repair					

City of Richwood
Standard Financial Report
10 General Fund - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	Prior Year Actual	Current Period Actual	Current Year Actual	Original Budget	Revised Budget
105340 Vehicle M&R	890.96	0.00	0.00	0.00	0.00
Total Maintenance & Repair	890.96	0.00	0.00	0.00	0.00
Professional Services					
105570 Attorney's Fees	3,630.00	0.00	0.00	3,000.00	3,000.00
105595 Professional Services	0.00	0.00	2,588.18	0.00	0.00
Total Professional Services	3,630.00	0.00	2,588.18	3,000.00	3,000.00
Other Services					
105630 Insurance - Motor Vehicles	1,629.19	0.00	390.98	1,650.00	1,650.00
105660 Dues & Subscriptions	9,085.60	0.00	250.00	0.00	0.00
Total Other Services	10,714.79	0.00	640.98	1,650.00	1,650.00
Total Permitting & Inspections	87,437.77	0.00	43,141.74	78,750.00	78,750.00
Special Revenue Expenditures					
Supplies					
045290 Festivals	7,078.22	0.00	0.00	0.00	0.00
045293 Expenditures - Court Security	2,316.07	0.00	0.00	0.00	0.00
045294 Expenditures - Court Tech	1,589.15	78.70	700.93	0.00	0.00
055291 Expenditures - Police Training - LEOES	1,350.00	0.00	611.88	0.00	0.00
Total Supplies	12,333.44	78.70	1,312.81	0.00	0.00
Total Special Revenue Expenditures	12,333.44	78.70	1,312.81	0.00	0.00
Total General Government	866,910.40	62,291.32	614,285.81	933,732.00	933,732.00
Public Safety					
Police Department					
Personnel & Benefits					
055103 Salaries & Wages	524,477.43	44,195.79	469,525.92	539,863.00	539,863.00
055104 Overtime	35,084.32	1,173.56	29,818.69	64,000.00	64,000.00
055105 Retirement	66,048.63	5,374.09	58,152.17	67,719.00	67,719.00
055107 Medicare	7,983.16	656.67	7,005.41	8,756.00	8,756.00
055110 Workmen's Compensation Ins	8,507.00	0.00	10,192.12	16,092.00	16,092.00
055115 Hospitalization	75,299.24	3,039.27	27,351.92	78,665.00	78,665.00
055120 Unemployment Insurance	1,732.23	0.00	81.16	1,458.00	1,458.00
055125 Cellphone Allowance	540.00	0.00	112.50	1,080.00	1,080.00
055130 Training & Travel	14,949.43	30.00	4,316.78	13,454.00	13,454.00
055175 Education Incentive	3,000.00	0.00	0.00	1,850.00	1,850.00
055180 Certification Pay	5,037.50	800.00	7,178.33	10,800.00	10,800.00
055190 Uniforms	2,913.63	(831.55)	495.85	4,000.00	4,000.00
Total Personnel & Benefits	745,572.57	54,437.83	614,230.85	807,737.00	807,737.00
Supplies					
055201 Food	1,333.33	0.00	241.65	500.00	500.00
055210 Office Supplies	1,805.47	245.59	1,084.75	2,000.00	2,000.00
055215 Custodial Supplies	22.28	0.00	48.00	50.00	50.00
055220 Tools	872.11	145.00	999.45	1,600.00	1,600.00
055230 Gas, Oil, & Lubricants	27,353.38	18.55	18,728.89	32,000.00	32,000.00
055240 Expendable Operating Supplies	888.09	(223.51)	1,565.08	1,500.00	1,500.00
055250 Canine Food and Care	0.00	0.00	121.33	0.00	0.00
055287 Community Outreach	2,762.14	0.00	602.55	1,000.00	1,000.00
Total Supplies	35,036.80	185.63	23,391.70	38,650.00	38,650.00
Maintenance & Repair					
055310 Building & Grounds M&R	117.50	0.00	287.00	5,000.00	5,000.00
055320 Office Furniture/Fixture M&R	379.98	0.00	0.00	400.00	400.00
055340 Vehicle M&R	22,081.04	1,692.31	23,892.71	16,000.00	16,000.00
055360 Radio M&R	2,210.00	6.99	68.30	2,000.00	2,000.00
055365 Other Equipment M&R	1,582.62	0.00	0.00	400.00	400.00
Total Maintenance & Repair	26,371.14	1,699.30	24,248.01	23,800.00	23,800.00
Utilities					
055420 Telephone	13,625.94	1,225.81	11,190.12	12,600.00	12,600.00
Total Utilities	13,625.94	1,225.81	11,190.12	12,600.00	12,600.00
Professional Services					
055540 Dispatch Services	43,000.00	0.00	25,858.02	48,375.00	48,375.00
055542 Jail Expense	3,607.80	29.99	2,678.47	3,200.00	3,200.00
055550 Information Technology Services	2,501.53	0.00	4,063.68	2,800.00	2,800.00
055558 Animal Control	1,782.26	0.00	15,000.00	15,000.00	15,000.00

City of Richwood
Standard Financial Report
10 General Fund - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	Prior Year Actual	Current Period Actual	Current Year Actual	Original Budget	Revised Budget
055570 Attorney's Fees	420.00	0.00	103.47	4,000.00	4,000.00
Total Professional Services	51,311.59	29.99	47,703.64	73,375.00	73,375.00
Other Services					
055630 Insurance - Motor Vehicles	9,647.00	0.00	10,510.11	9,500.00	9,500.00
055640 Insurance - Bldg/Liab/Bond	6,351.00	0.00	7,982.50	6,500.00	6,500.00
055660 Dues & Subscriptions	8,383.10	0.00	5,113.00	6,800.00	6,800.00
055685 Publishing & Advertising	1,378.81	0.00	0.00	1,200.00	1,200.00
Total Other Services	25,759.91	0.00	23,605.61	24,000.00	24,000.00
Capital Equipment					
055930 Equipment	0.00	0.00	393.26	500.00	500.00
055935 Operating Lease - Equipment	4,650.07	374.20	4,163.90	4,200.00	4,200.00
Total Capital Equipment	4,650.07	374.20	4,557.16	4,700.00	4,700.00
Total Police Department	902,328.02	57,952.76	748,927.09	984,862.00	984,862.00
Fire Department					
Personnel & Benefits					
075106 Pension	10,997.10	0.00	4,950.00	12,200.00	12,200.00
075110 Workmen's Compensation Ins	304.00	0.00	403.55	600.00	600.00
075130 Training & Travel	0.00	0.00	0.00	500.00	500.00
075190 Uniforms	9,645.35	0.00	328.41	13,000.00	13,000.00
Total Personnel & Benefits	20,946.45	0.00	5,681.96	26,300.00	26,300.00
Supplies					
075201 Food	816.19	0.00	0.00	1,000.00	1,000.00
075210 Office Supplies	10.77	1,444.97	2,898.96	400.00	400.00
075220 Tools	8,870.00	8,423.92	8,423.92	12,000.00	12,000.00
075230 Gas, Oil, & Lubricants	998.86	0.00	344.84	1,600.00	1,600.00
075285 Fire Prevention Supplies	0.00	0.00	0.00	400.00	400.00
Total Supplies	10,695.82	9,868.89	11,667.72	15,400.00	15,400.00
Maintenance & Repair					
075310 Building & Grounds M&R	25,233.58	0.00	91,023.51	7,500.00	8,150.00
075340 Vehicle M&R	19,706.04	518.76	11,237.26	12,000.00	12,000.00
075360 Radio M&R	0.00	0.00	0.00	500.00	500.00
Total Maintenance & Repair	44,939.62	518.76	102,260.77	20,000.00	20,650.00
Utilities					
075410 Electricity	1,698.82	84.47	829.35	1,600.00	1,600.00
075420 Telephone	1,525.39	104.91	1,034.69	1,600.00	1,600.00
075430 Natural Gas	252.95	21.20	174.69	400.00	400.00
Total Utilities	3,477.16	210.58	2,038.73	3,600.00	3,600.00
Professional Services					
075566 Contractual Services - Ambulance	93,000.00	23,250.00	116,250.00	102,300.00	102,300.00
Total Professional Services	93,000.00	23,250.00	116,250.00	102,300.00	102,300.00
Other Services					
075630 Insurance - Motor Vehicles	8,042.00	0.00	8,891.17	7,500.00	7,500.00
075640 Insurance - Bldg/Liab/Bond	3,032.51	0.00	2,017.12	5,000.00	5,000.00
075660 Dues & Subscriptions	5,132.00	110.00	2,628.00	3,000.00	3,000.00
Total Other Services	16,206.51	110.00	13,536.29	15,500.00	15,500.00
Capital Equipment					
075930 Equipment	5,220.00	0.00	15,588.65	27,600.00	50,195.00
075935 Capital Lease (Fire) - Principal	28,623.08	0.00	0.00	32,712.00	32,712.00
075936 Capital Lease (Fire) - Interest	3,980.67	0.00	0.00	0.00	0.00
Total Capital Equipment	37,823.75	0.00	15,588.65	60,312.00	82,907.00
Total Fire Department	227,089.31	33,958.23	267,024.12	243,412.00	266,657.00
Code Enforcement					
Personnel & Benefits					
095103 Salaries & Wages	32,071.77	2,033.70	19,153.72	33,100.00	33,100.00
095104 Overtime	110.08	0.00	32.48	200.00	200.00
095105 Retirement	3,740.85	236.72	2,436.12	3,751.00	3,751.00
095107 Medicare	458.19	29.11	300.25	484.00	484.00
095110 Workmen's Compensation Ins	152.00	0.00	181.27	167.00	167.00
095115 Hospitalization	8,356.54	200.26	1,868.85	8,741.00	8,741.00
095120 Unemployment Insurance	163.04	0.00	5.62	162.00	162.00
095130 Training & Travel	303.85	40.00	40.00	1,000.00	1,000.00

City of Richwood
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10 General Fund - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	Prior Year Actual	Current Period Actual	Current Year Actual	Original Budget	Revised Budget
095175 Longevity Pay	0.00	0.00	0.00	125.00	125.00
Total Personnel & Benefits	45,356.32	2,539.79	24,018.31	47,730.00	47,730.00
Supplies					
095210 Office Supplies	927.96	0.00	0.00	800.00	800.00
095240 Expendable Operating Supplies	156.00	0.00	0.00	200.00	200.00
Total Supplies	1,083.96	0.00	0.00	1,000.00	1,000.00
Professional Services					
095550 Information Technology Services	64.28	0.00	0.00	200.00	200.00
095570 Attorney's Fees	10,699.66	0.00	840.00	3,000.00	3,000.00
Total Professional Services	10,763.94	0.00	840.00	3,200.00	3,200.00
Other Services					
095660 Dues & Subscriptions	135.00	0.00	0.00	300.00	300.00
095685 Publishing & Advertising	282.00	0.00	0.00	500.00	500.00
Total Other Services	417.00	0.00	0.00	800.00	800.00
Total Code Enforcement	57,621.22	2,539.79	24,858.31	52,730.00	52,730.00
Total Public Safety	1,187,038.55	94,450.78	1,040,809.52	1,281,004.00	1,304,249.00
Public Works					
City Maintenance					
Personnel & Benefits					
025102 Contract Labor	0.00	275.00	1,925.00	3,900.00	3,900.00
025103 Salaries & Wages	59,129.27	7,226.24	59,861.73	94,657.00	94,657.00
025104 Overtime	3,555.85	169.07	1,006.49	4,000.00	4,000.00
025105 Retirement	7,290.60	860.81	6,289.92	11,052.00	11,052.00
025107 Medicare	897.86	104.61	768.21	1,431.00	1,431.00
025110 Workmen's Compensation Ins	2,887.00	0.00	3,394.49	3,800.00	3,800.00
025115 Hospitalization	15,175.80	801.14	5,334.52	21,851.00	21,851.00
025120 Unemployment Insurance	327.50	0.00	15.12	648.00	648.00
025130 Training & Travel	51.56	0.00	179.22	650.00	650.00
025175 Longevity Pay	0.00	0.00	0.00	200.00	200.00
025180 Certification Pay	0.00	0.00	0.00	600.00	600.00
025190 Uniforms	1,595.04	0.00	0.00	1,600.00	1,600.00
Total Personnel & Benefits	90,910.48	9,436.87	78,774.70	144,389.00	144,389.00
Supplies					
025210 Office Supplies	0.00	0.00	118.95	200.00	200.00
025215 Custodial Supplies	466.72	0.00	26.97	1,400.00	1,400.00
025220 Tools	1,739.21	0.00	128.23	2,000.00	2,000.00
025230 Gas, Oil, & Lubricants	3,219.39	0.00	1,032.97	1,000.00	1,000.00
025235 Fuel	0.00	0.00	0.00	3,000.00	3,000.00
025240 Expendable Operating Supplies	2,322.76	138.33	1,510.67	2,000.00	2,000.00
025245 Dump Charges	5,832.43	608.40	3,410.52	6,000.00	6,000.00
025270 Chemicals	762.87	0.00	321.95	1,000.00	1,000.00
Total Supplies	14,343.38	746.73	6,550.26	16,600.00	16,600.00
Maintenance & Repair					
025310 Building & Grounds M&R	6,420.77	574.99	18,899.73	23,500.00	19,550.00
025320 Office Furniture/Fixture M&R	0.00	0.00	32.46	0.00	0.00
025340 Vehicle M&R	1,935.92	0.00	674.39	2,400.00	2,400.00
025360 Radio M&R	102.00	0.00	0.00	500.00	500.00
025365 Other Equipment M&R	4,694.29	78.75	755.74	5,000.00	5,000.00
025376 Signs M&R	147.68	409.47	2,052.92	1,000.00	1,000.00
Total Maintenance & Repair	13,300.66	1,063.21	22,415.24	32,400.00	28,450.00
Utilities					
025410 Electricity	31,768.84	2,250.61	21,289.87	30,000.00	30,000.00
025420 Telephone	696.41	164.39	758.09	800.00	800.00
025430 Natural Gas	227.96	25.79	202.55	0.00	0.00
Total Utilities	32,693.21	2,440.79	22,250.51	30,800.00	30,800.00
Professional Services					
025595 Professional Services	63.00	0.00	0.00	0.00	0.00
Total Professional Services	63.00	0.00	0.00	0.00	0.00
Other Services					
025630 Insurance - Motor Vehicles	1,722.00	0.00	1,886.43	1,800.00	1,800.00
025640 Insurance - Bldg/Liab/Bond	1,368.43	0.00	3,467.81	2,100.00	2,100.00

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10 General Fund - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	Prior Year Actual	Current Period Actual	Current Year Actual	Original Budget	Revised Budget
025660 Dues & Subscriptions	268.72	14.06	351.54	500.00	500.00
025685 Publishing & Advertising	0.00	0.00	0.00	500.00	500.00
025695 Special Services - Miscellaneous	538.00	0.00	475.00	0.00	0.00
Total Other Services	3,897.15	14.06	6,180.78	4,900.00	4,900.00
Capital Equipment					
025935 FNB Equipment - Principal	24,989.97	2,177.99	17,505.72	26,776.00	26,776.00
025936 FNB Equipment - Interest	1,675.48	34.91	197.48	0.00	0.00
025997 FSB Tool - Principal	7,045.23	0.00	0.00	0.00	0.00
025998 FSB Tool - Interest	533.19	0.00	0.00	0.00	0.00
Total Capital Equipment	34,243.87	2,212.90	17,703.20	26,776.00	26,776.00
Total City Maintenance	189,451.75	15,914.56	153,874.69	255,865.00	251,915.00
Streets and Drainage					
Maintenance & Repair					
035380 Streets M&R	77,080.42	0.00	0.00	0.00	0.00
035385 Drainage M&R	12,876.97	0.00	0.00	0.00	0.00
Total Maintenance & Repair	89,957.39	0.00	0.00	0.00	0.00
Capital Equipment					
035975 Drainage	25,282.75	0.00	0.00	0.00	0.00
Total Capital Equipment	25,282.75	0.00	0.00	0.00	0.00
Total Streets and Drainage	115,240.14	0.00	0.00	0.00	0.00
Emergency/Disaster					
Capital Equipment					
995910 Office Equipment	0.00	19.00	2,887.95	0.00	0.00
Total Capital Equipment	0.00	19.00	2,887.95	0.00	0.00
Total Emergency/Disaster	0.00	19.00	2,887.95	0.00	0.00
Total Public Works	304,691.89	15,933.56	156,762.64	255,865.00	251,915.00
Parks & Recreation					
Parks and Recreation					
Supplies					
085215 Custodial Supplies	1,042.22	218.60	763.69	1,200.00	1,200.00
085220 Tools	0.00	0.00	205.64	500.00	500.00
085240 Expendable Operating Supplies	546.08	0.00	362.67	500.00	500.00
085270 Chemicals	97.50	0.00	861.00	1,000.00	1,000.00
Total Supplies	1,685.80	218.60	2,193.00	3,200.00	3,200.00
Maintenance & Repair					
085310 Building & Grounds M&R	15,510.93	620.68	17,416.66	18,000.00	18,000.00
085365 Other Equipment M&R	3,892.43	346.39	5,065.19	7,500.00	7,500.00
Total Maintenance & Repair	19,403.36	967.07	22,481.85	25,500.00	25,500.00
Utilities					
085410 Electricity	1,548.77	193.07	1,157.54	2,000.00	2,000.00
Total Utilities	1,548.77	193.07	1,157.54	2,000.00	2,000.00
Other Services					
085630 Insurance - Motor Vehicles	117.00	0.00	150.00	0.00	0.00
085640 Insurance - Bldg/Liab/Bond	1,690.45	0.00	5,025.44	2,620.00	2,620.00
085685 Publishing & Advertising	449.00	0.00	73.00	600.00	600.00
085850 Beautification	38.65	178.85	178.85	0.00	0.00
085851 Parks & Recreation	4,960.48	323.67	2,281.02	7,000.00	7,000.00
Total Other Services	7,255.58	502.52	7,708.31	10,220.00	10,220.00
Capital Equipment					
085940 Special Equipment	0.00	0.00	100.00	0.00	0.00
Total Capital Equipment	0.00	0.00	100.00	0.00	0.00
Total Parks and Recreation	29,893.51	1,881.26	33,640.70	40,920.00	40,920.00
Total Parks & Recreation	29,893.51	1,881.26	33,640.70	40,920.00	40,920.00
Miscellaneous					
615697 City Hall Promissory Note	0.00	0.00	10,694.32	21,389.00	21,389.00
615699 Development Agreements	0.00	0.00	72,087.14	91,978.00	91,978.00
Total Miscellaneous	0.00	0.00	82,781.46	113,367.00	113,367.00
Total Expenditures	2,388,534.35	174,556.92	1,928,280.13	2,624,888.00	2,644,183.00

Other Financing Sources and Uses

City of Richwood
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75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Original Budget</u>	<u>Revised Budget</u>
Sources					
Transfers In					
974963 Transfer from Utility Fund	104,410.00	0.00	0.00	142,000.00	142,000.00
974965 Transfer from General Construction	0.00	0.00	800.00	0.00	0.00
Total Transfers In	<u>104,410.00</u>	<u>0.00</u>	<u>800.00</u>	<u>142,000.00</u>	<u>142,000.00</u>
Total Sources	<u>104,410.00</u>	<u>0.00</u>	<u>800.00</u>	<u>142,000.00</u>	<u>142,000.00</u>
Uses					
Transfers Out					
985960 Transfer to Capital Projects	40,000.00	0.00	0.00	60,000.00	60,000.00
985961 Transfer to Water/Sewer	186,650.71	0.00	0.00	14,400.00	14,400.00
985962 Transfer to Replacement - Vehicles	43,000.00	0.00	0.00	40,000.00	40,000.00
985963 Transfer to Beautification	1,000.00	0.00	0.00	1,000.00	1,000.00
985964 Transfer to Transportation	0.00	0.00	0.00	117,904.00	0.00
985967 Transfer to Replacement- Fire Dept	0.00	0.00	0.00	8,000.00	8,000.00
Total Transfers Out	<u>270,650.71</u>	<u>0.00</u>	<u>0.00</u>	<u>241,304.00</u>	<u>123,400.00</u>
Total Uses	<u>270,650.71</u>	<u>0.00</u>	<u>0.00</u>	<u>241,304.00</u>	<u>123,400.00</u>
Total Other Financing Sources and Uses	<u>(166,240.71)</u>	<u>0.00</u>	<u>800.00</u>	<u>(99,304.00)</u>	<u>18,600.00</u>
Total -	<u>417,203.47</u>	<u>(160,408.97)</u>	<u>476,783.23</u>	<u>(102,782.00)</u>	<u>(11,173.00)</u>

City of Richwood
Standard Financial Report
13 Replacement - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Assets			
Current Assets			
Cash and cash equivalents			
521101 Cash	(25,856.69)	0.00	(25,856.69)
521108 TexStar Investments	7,214.10	2.69	7,274.47
521109 Logic Investments	5,870.31	7.14	5,947.45
521111 Certificates of Deposit	608.44	0.00	612.82
Total Cash and cash equivalents	<u>(12,163.84)</u>	<u>9.83</u>	<u>(12,021.95)</u>
Receivables			
521113 Accrued Interest Receivable	1.88	0.00	1.88
521116 Due from Enterprise Fund	883.43	0.00	883.43
521150 LT Loan Receivable - W & S	17,348.92	0.00	17,348.92
521325 Due from General Fund	1,700.00	0.00	1,700.00
Total Receivables	<u>19,934.23</u>	<u>0.00</u>	<u>19,934.23</u>
Total Current Assets	<u>7,770.39</u>	<u>9.83</u>	<u>7,912.28</u>
Total Assets	<u>7,770.39</u>	<u>9.83</u>	<u>7,912.28</u>
Liabilites and Fund Balance			
Fund Balances			
523103 Fund Balance	7,770.39	9.83	7,912.28
Total Fund Balances	<u>7,770.39</u>	<u>9.83</u>	<u>7,912.28</u>
Total Liabilites and Fund Balance	<u>7,770.39</u>	<u>9.83</u>	<u>7,912.28</u>

City of Richwood
Standard Financial Report
13 Replacement - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Original Budget</u>	<u>Revised Budget</u>
-					
Revenue					
Interest					
524110 Interest Earnings	734.08	9.83	141.89	0.00	0.00
Total Interest	<u>734.08</u>	<u>9.83</u>	<u>141.89</u>	<u>0.00</u>	<u>0.00</u>
Total Revenue	<u>734.08</u>	<u>9.83</u>	<u>141.89</u>	<u>0.00</u>	<u>0.00</u>
Expenditures					
Replacement					
525930 Equipment	33,835.50	0.00	0.00	0.00	0.00
Total Replacement	<u>33,835.50</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Expenditures	<u>33,835.50</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Other Financing Sources and Uses					
Sources					
Transfers In					
974962 Transfer from General Fund-Vehicles	43,000.00	0.00	0.00	0.00	0.00
Total Transfers In	<u>43,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Sources	<u>43,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Uses					
Transfers Out					
985964 Transfer to Water & Sewer	4,437.90	0.00	0.00	0.00	0.00
Total Transfers Out	<u>4,437.90</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Uses	<u>4,437.90</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Other Financing Sources and Uses	<u>38,562.10</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total -	<u>5,460.68</u>	<u>9.83</u>	<u>141.89</u>	<u>0.00</u>	<u>0.00</u>

City of Richwood
Standard Financial Report
15 Crime Control and Prevention - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Assets			
Current Assets			
Cash and cash equivalents			
601101 Cash	33,464.46	(5,606.79)	17,048.67
601106 TexPool Investments	55,711.68	1.28	56,001.47
601108 TexStar Investments	15,123.53	5.64	15,250.09
601111 Certificates of Deposit	67,061.24	0.00	67,061.24
Total Cash and cash equivalents	<u>171,360.91</u>	<u>(5,599.87)</u>	<u>155,361.47</u>
Receivables			
601113 Accrued Interest Receivable	140.92	0.00	140.92
601114 Sales Tax Receivable	21,268.18	(21,268.18)	0.00
Total Receivables	<u>21,409.10</u>	<u>(21,268.18)</u>	<u>140.92</u>
Total Current Assets	<u>192,770.01</u>	<u>(26,868.05)</u>	<u>155,502.39</u>
Total Assets	<u>192,770.01</u>	<u>(26,868.05)</u>	<u>155,502.39</u>
Liabilites and Fund Balance			
Liabilities			
Current liabilities			
602130 Accounts Payable	0.00	955.00	955.00
602133 Accounts Payable - Audit	20,285.77	0.00	20,285.77
Total Current liabilities	<u>20,285.77</u>	<u>955.00</u>	<u>21,240.77</u>
Total Liabilities	<u>20,285.77</u>	<u>955.00</u>	<u>21,240.77</u>
Fund Balances			
603103 Fund Balance	172,484.24	(27,823.05)	134,261.62
Total Fund Balances	<u>172,484.24</u>	<u>(27,823.05)</u>	<u>134,261.62</u>
Total Liabilites and Fund Balance	<u>192,770.01</u>	<u>(26,868.05)</u>	<u>155,502.39</u>

City of Richwood
Standard Financial Report
15 Crime Control and Prevention - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Original Budget</u>	<u>Revised Budget</u>
Revenue					
Taxes					
604117 Sales Tax	119,641.96	(20,431.03)	80,126.11	120,000.00	120,000.00
Total Taxes	<u>119,641.96</u>	<u>(20,431.03)</u>	<u>80,126.11</u>	<u>120,000.00</u>	<u>120,000.00</u>
Interest					
604110 Interest Earnings	1,412.14	6.92	416.35	0.00	0.00
Total Interest	<u>1,412.14</u>	<u>6.92</u>	<u>416.35</u>	<u>0.00</u>	<u>0.00</u>
Miscellaneous revenue					
604112 Miscellaneous Income	136.80	0.00	0.00	0.00	0.00
Total Miscellaneous revenue	<u>136.80</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Revenue	<u>121,190.90</u>	<u>(20,424.11)</u>	<u>80,542.46</u>	<u>120,000.00</u>	<u>120,000.00</u>
Expenditures					
Public Safety					
Crime Control and Prevention					
Personnel & Benefits					
605103 Salaries & Wages	57,793.91	4,363.04	45,637.11	73,589.00	73,589.00
605104 Overtime	5,938.51	1,041.18	3,346.65	1,534.00	1,534.00
605105 Retirement	7,435.36	629.06	6,388.58	6,639.00	6,639.00
605107 Medicare	924.46	78.20	791.78	1,072.00	1,072.00
605110 Workmen's Compensation Ins	0.00	0.00	0.00	2,938.00	2,938.00
605115 Insurance	8,294.86	332.46	2,993.65	9,468.00	9,468.00
605120 Unemployment Insurance	320.29	0.00	9.40	342.00	342.00
605130 Training & Travel	5,092.53	0.00	798.00	8,000.00	8,000.00
605175 Certification Pay	550.00	0.00	0.00	1,200.00	1,200.00
605190 Uniforms	2,828.00	955.00	955.00	1,000.00	1,000.00
Total Personnel & Benefits	<u>89,177.92</u>	<u>7,398.94</u>	<u>60,920.17</u>	<u>105,782.00</u>	<u>105,782.00</u>
Supplies					
605287 Community Outreach	0.00	0.00	5,686.70	10,000.00	10,000.00
Total Supplies	<u>0.00</u>	<u>0.00</u>	<u>5,686.70</u>	<u>10,000.00</u>	<u>10,000.00</u>
Maintenance & Repair					
605340 Vehicle M&R	0.00	0.00	41,523.21	42,000.00	42,000.00
605365 Other Equipment M&R	14,265.14	0.00	0.00	6,605.00	6,605.00
Total Maintenance & Repair	<u>14,265.14</u>	<u>0.00</u>	<u>41,523.21</u>	<u>48,605.00</u>	<u>48,605.00</u>
Capital Equipment					
605930 Equipment	44,088.86	0.00	10,635.00	18,725.00	18,725.00
Total Capital Equipment	<u>44,088.86</u>	<u>0.00</u>	<u>10,635.00</u>	<u>18,725.00</u>	<u>18,725.00</u>
Total Crime Control and Prevention	<u>147,531.92</u>	<u>7,398.94</u>	<u>118,765.08</u>	<u>183,112.00</u>	<u>183,112.00</u>
Total Public Safety	<u>147,531.92</u>	<u>7,398.94</u>	<u>118,765.08</u>	<u>183,112.00</u>	<u>183,112.00</u>
Total Expenditures	<u>147,531.92</u>	<u>7,398.94</u>	<u>118,765.08</u>	<u>183,112.00</u>	<u>183,112.00</u>
Total -	<u>(26,341.02)</u>	<u>(27,823.05)</u>	<u>(38,222.62)</u>	<u>(63,112.00)</u>	<u>(63,112.00)</u>

City of Richwood
Standard Financial Report
16 General Fund Contingency - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Assets			
Current Assets			
Cash and cash equivalents			
291101 Cash	74,144.00	0.00	74,144.00
Total Cash and cash equivalents	74,144.00	0.00	74,144.00
Total Current Assets	74,144.00	0.00	74,144.00
Total Assets	74,144.00	0.00	74,144.00
Liabilites and Fund Balance			
Fund Balances			
293103 Fund Balance	74,144.00	0.00	74,144.00
Total Fund Balances	74,144.00	0.00	74,144.00
Total Liabilites and Fund Balance	74,144.00	0.00	74,144.00

City of Richwood
Standard Financial Report
17 Court Security - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Original Budget</u>	<u>Revised Budget</u>
-					
Revenue					
Special Revenues					
044253 Revenues - Court Security	0.00	0.00	0.00	2,800.00	2,800.00
Total Special Revenues	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,800.00</u>	<u>2,800.00</u>
Total Revenue	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,800.00</u>	<u>2,800.00</u>
Total -	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,800.00</u>	<u>2,800.00</u>

City of Richwood
Standard Financial Report
18 Court Technology - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Assets			
Current Assets			
Cash and cash equivalents			
291101 Cash	0.00	0.00	(10,200.00)
Total Cash and cash equivalents	<u>0.00</u>	<u>0.00</u>	<u>(10,200.00)</u>
Total Current Assets	<u>0.00</u>	<u>0.00</u>	<u>(10,200.00)</u>
Total Assets	<u>0.00</u>	<u>0.00</u>	<u>(10,200.00)</u>
Liabilites and Fund Balance			
Fund Balances			
293103 Fund Balance	0.00	0.00	(10,200.00)
Total Fund Balances	<u>0.00</u>	<u>0.00</u>	<u>(10,200.00)</u>
Total Liabilites and Fund Balance	<u>0.00</u>	<u>0.00</u>	<u>(10,200.00)</u>

City of Richwood
Standard Financial Report
18 Court Technology - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Original Budget</u>	<u>Revised Budget</u>
-					
Revenue					
Special Revenues					
044254 Revenues - Court Technology	0.00	0.00	0.00	2,800.00	2,800.00
Total Special Revenues	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,800.00</u>	<u>2,800.00</u>
Total Revenue	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,800.00</u>	<u>2,800.00</u>
Expenditures					
General Government					
Special Revenue Expenditures					
Supplies					
045294 Expenditures - Court Tech	0.00	0.00	10,200.00	10,200.00	10,200.00
Total Supplies	<u>0.00</u>	<u>0.00</u>	<u>10,200.00</u>	<u>10,200.00</u>	<u>10,200.00</u>
Total Special Revenue Expenditures	<u>0.00</u>	<u>0.00</u>	<u>10,200.00</u>	<u>10,200.00</u>	<u>10,200.00</u>
Total General Government	<u>0.00</u>	<u>0.00</u>	<u>10,200.00</u>	<u>10,200.00</u>	<u>10,200.00</u>
Total Expenditures	<u>0.00</u>	<u>0.00</u>	<u>10,200.00</u>	<u>10,200.00</u>	<u>10,200.00</u>
Total -	<u>0.00</u>	<u>0.00</u>	<u>10,200.00</u>	<u>(7,400.00)</u>	<u>(7,400.00)</u>

City of Richwood
Standard Financial Report
20 Beautification - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Assets			
Current Assets			
Cash and cash equivalents			
611101 Cash - Beautification	26,952.90	2,415.60	27,871.68
611103 Cash - General	0.00	0.00	(129.97)
Total Cash and cash equivalents	<u>26,952.90</u>	<u>2,415.60</u>	<u>27,741.71</u>
Receivables			
611116 Due from Enterprise Fund	2,457.00	0.00	2,336.22
611325 Due from General Fund	1,000.00	0.00	1,000.00
Total Receivables	<u>3,457.00</u>	<u>0.00</u>	<u>3,336.22</u>
Total Current Assets	<u>30,409.90</u>	<u>2,415.60</u>	<u>31,077.93</u>
Total Assets	<u>30,409.90</u>	<u>2,415.60</u>	<u>31,077.93</u>
Liabilites and Fund Balance			
Liabilities			
Current liabilities			
612130 Accounts Payable	0.00	94.12	(760.47)
Total Current liabilities	<u>0.00</u>	<u>94.12</u>	<u>(760.47)</u>
Total Liabilities	<u>0.00</u>	<u>94.12</u>	<u>(760.47)</u>
Fund Balances			
613103 Fund Balance	30,409.90	2,321.48	31,838.40
Total Fund Balances	<u>30,409.90</u>	<u>2,321.48</u>	<u>31,838.40</u>
Total Liabilites and Fund Balance	<u>30,409.90</u>	<u>2,415.60</u>	<u>31,077.93</u>

City of Richwood
Standard Financial Report
20 Beautification - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	Prior Year Actual	Current Period Actual	Current Year Actual	Original Budget	Revised Budget
Revenue					
Charges for services					
614124 Beautification Revenues	14,691.00	3,714.17	12,202.00	14,520.00	14,520.00
Total Charges for services	14,691.00	3,714.17	12,202.00	14,520.00	14,520.00
Miscellaneous revenue					
614112 Miscellaneous Income	1,508.38	0.00	(110.78)	0.00	0.00
614114 Community Garden Membership Fees	0.00	0.00	400.00	0.00	0.00
Total Miscellaneous revenue	1,508.38	0.00	289.22	0.00	0.00
Total Revenue	16,199.38	3,714.17	12,491.22	14,520.00	14,520.00
Expenditures					
Parks & Recreation					
Beautification					
Personnel & Benefits					
615102 Contract Labor	7,075.00	400.00	2,375.00	8,500.00	8,500.00
615130 Training & Travel	3,929.57	495.00	700.70	4,500.00	4,500.00
Total Personnel & Benefits	11,004.57	895.00	3,075.70	13,000.00	13,000.00
Supplies					
615210 Office Supplies	289.76	0.00	56.11	100.00	100.00
615220 Tools	0.00	0.00	0.00	250.00	250.00
615225 Books and Periodicals	105.54	0.00	0.00	0.00	0.00
615240 Expendable Operating Supplies	1,193.95	229.89	1,490.10	1,000.00	1,000.00
Total Supplies	1,589.25	229.89	1,546.21	1,350.00	1,350.00
Maintenance & Repair					
615310 Building & Grounds M&R	1,033.43	0.00	4,593.33	7,000.00	7,000.00
Total Maintenance & Repair	1,033.43	0.00	4,593.33	7,000.00	7,000.00
Other Services					
615660 Dues & Subscriptions	687.00	60.00	260.00	800.00	800.00
615685 Publishing & Advertising	255.00	0.00	529.75	1,000.00	1,000.00
615695 Special Services - Miscellaneous	0.00	0.00	597.58	0.00	0.00
Total Other Services	942.00	60.00	1,387.33	1,800.00	1,800.00
Capital Equipment					
615930 Equipment	0.00	0.00	0.00	7,000.00	7,000.00
615950 Community Garden	0.00	207.80	460.15	0.00	0.00
Total Capital Equipment	0.00	207.80	460.15	7,000.00	7,000.00
Total Beautification	14,569.25	1,392.69	11,062.72	30,150.00	30,150.00
Total Parks & Recreation	14,569.25	1,392.69	11,062.72	30,150.00	30,150.00
Total Expenditures	14,569.25	1,392.69	11,062.72	30,150.00	30,150.00
Other Financing Sources and Uses					
Sources					
Transfers In					
974963 Transfer from General Fund	1,000.00	0.00	0.00	2,500.00	2,500.00
Total Transfers In	1,000.00	0.00	0.00	2,500.00	2,500.00
Total Sources	1,000.00	0.00	0.00	2,500.00	2,500.00
Total Other Financing Sources and Uses	1,000.00	0.00	0.00	2,500.00	2,500.00
Total -	2,630.13	2,321.48	1,428.50	(13,130.00)	(13,130.00)

City of Richwood
Standard Financial Report
25 Transportation: Streets, Sidewalks & Drainage Fund - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Assets			
Current Assets			
Cash and cash equivalents			
401101 Cash	86,150.99	(26,400.76)	54,439.97
401102 Undeposited receipts	0.00	21.62	(1,119.19)
401104 Xpress Bill Pay	0.00	(12,182.53)	8,177.75
401108 TexStar Investments	1,824.08	0.68	1,839.36
401109 Logic Investments	57,694.32	70.16	58,452.52
401111 Certificates of Deposit	4,362.14	0.00	4,362.14
Total Cash and cash equivalents	150,031.53	(38,490.83)	126,152.55
Receivables			
401113 Accrued Interest Receivable	9.17	0.00	519.17
401122 Accounts Receivable - Other	14,890.74	668.16	17,048.62
401150 LT Loan Receivable - W & S	60,883.04	0.00	60,883.04
401325 Due from General Fund	8,965.72	0.00	8,916.61
Total Receivables	84,748.67	668.16	87,367.44
Total Current Assets	234,780.20	(37,822.67)	213,519.99
Total Assets	234,780.20	(37,822.67)	213,519.99
Liabilites and Fund Balance			
Liabilities			
Current liabilities			
402130 Accounts Payable	0.00	(3,093.81)	276.70
402133 Accounts Payable - Audit	3,306.86	0.00	3,306.86
Total Current liabilities	3,306.86	(3,093.81)	3,583.56
Total Liabilities	3,306.86	(3,093.81)	3,583.56
Fund Balances			
403103 Fund Balance	231,473.34	(34,728.86)	209,936.43
Total Fund Balances	231,473.34	(34,728.86)	209,936.43
Total Liabilites and Fund Balance	234,780.20	(37,822.67)	213,519.99

City of Richwood
Standard Financial Report
25 Transportation: Streets, Sidewalks & Drainage Fund - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	Prior Year Actual	Current Period Actual	Current Year Actual	Original Budget	Revised Budget
Revenue					
Charges for services					
404125 Transportation Fee	138,778.92	11,715.00	96,040.22	266,000.00	266,000.00
Total Charges for services	138,778.92	11,715.00	96,040.22	266,000.00	266,000.00
Interest					
404110 Interest Earnings	2,958.54	70.84	773.48	2,500.00	2,500.00
Total Interest	2,958.54	70.84	773.48	2,500.00	2,500.00
Total Revenue	141,737.46	11,785.84	96,813.70	268,500.00	268,500.00
Expenditures					
Public Works					
Transportation					
Supplies					
405242 Contracts and Services	0.00	22,211.25	40,000.00	40,000.00	40,000.00
Total Supplies	0.00	22,211.25	40,000.00	40,000.00	40,000.00
Maintenance & Repair					
405380 Streets M&R	13,429.90	20,866.31	43,395.70	460,000.00	460,000.00
405382 Sidewalks M&R	4,800.00	3,091.11	7,611.11	88,000.00	88,000.00
405385 Drainage M&R	52,000.00	346.03	27,143.81	52,000.00	52,000.00
Total Maintenance & Repair	70,229.90	24,303.45	78,150.62	600,000.00	600,000.00
Capital Equipment					
405975 Drainage	0.00	0.00	199.99	0.00	0.00
Total Capital Equipment	0.00	0.00	199.99	0.00	0.00
Total Transportation	70,229.90	46,514.70	118,350.61	640,000.00	640,000.00
Total Public Works	70,229.90	46,514.70	118,350.61	640,000.00	640,000.00
Capital Improvements					
405915 Capital Expenditures	49,600.75	0.00	0.00	0.00	0.00
Total Capital Improvements	49,600.75	0.00	0.00	0.00	0.00
Total Expenditures	119,830.65	46,514.70	118,350.61	640,000.00	640,000.00
Other Financing Sources and Uses					
Sources					
Transfers In					
404127 Transfer from General Fund	0.00	0.00	0.00	117,904.00	571,240.00
Total Transfers In	0.00	0.00	0.00	117,904.00	571,240.00
Total Sources	0.00	0.00	0.00	117,904.00	571,240.00
Uses					
Transfers Out					
985964 Transfer to General Fund	0.00	0.00	0.00	0.00	296,221.89
985965 Transfer to Water & Sewer	15,574.03	0.00	0.00	0.00	0.00
Total Transfers Out	15,574.03	0.00	0.00	0.00	296,221.89
Total Uses	15,574.03	0.00	0.00	0.00	296,221.89
Total Other Financing Sources and Uses	15,574.03	0.00	0.00	117,904.00	275,018.11
Total -	6,332.78	(34,728.86)	(21,536.91)	(253,596.00)	(96,481.89)

City of Richwood
Standard Financial Report
26 2019A Bond Gen Cap Projects Fund - Streets, Sidewalks & Drainage - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Assets			
Current Assets			
Cash and cash equivalents			
261101 Cash	2,308.68	(9,881.85)	(12,873.17)
261109 TEXPOOL Investment Pool	2,960,264.36	0.00	2,960,264.36
Total Cash and cash equivalents	2,962,573.04	(9,881.85)	2,947,391.19
Total Current Assets	2,962,573.04	(9,881.85)	2,947,391.19
Total Assets	2,962,573.04	(9,881.85)	2,947,391.19
Liabilites and Fund Balance			
Liabilities			
Long-term liabilities			
262100 Series 2019 A Bonds Payable	2,681,048.83	0.00	2,681,048.83
262102 Series 2019 A Bond Premium	276,259.85	0.00	276,259.85
Total Long-term liabilities	2,957,308.68	0.00	2,957,308.68
Total Liabilities	2,957,308.68	0.00	2,957,308.68
Fund Balances			
293103 Fund Balance	5,264.36	(9,881.85)	(9,917.49)
Total Fund Balances	5,264.36	(9,881.85)	(9,917.49)
Total Liabilites and Fund Balance	2,962,573.04	(9,881.85)	2,947,391.19

City of Richwood
Standard Financial Report
26 2019A Bond Gen Cap Projects Fund - Streets, Sidewalks & Drainage - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Original Budget</u>	<u>Revised Budget</u>
-					
Revenue					
Interest					
264100 Interest Earnings	5,264.36	0.00	0.00	0.00	0.00
Total Interest	5,264.36	0.00	0.00	0.00	0.00
Total Revenue	5,264.36	0.00	0.00	0.00	0.00
Expenditures					
Miscellaneous					
269004 Engineering & Surveying	0.00	0.00	0.00	255,000.00	255,000.00
269006 Capital Outlay - Streets	0.00	9,881.85	9,881.85	1,302,000.00	1,302,000.00
269008 Capital Outlay - Sidewalks	0.00	0.00	5,300.00	250,000.00	250,000.00
269010 Capital Outlay - Drainage/ROW	0.00	0.00	0.00	1,100,000.00	1,100,000.00
Total Miscellaneous	0.00	9,881.85	15,181.85	2,907,000.00	2,907,000.00
Total Expenditures	0.00	9,881.85	15,181.85	2,907,000.00	2,907,000.00
Total -	5,264.36	9,881.85	15,181.85	2,907,000.00	2,907,000.00

City of Richwood
Standard Financial Report
30 Water and Sewer Fund - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Enterprise Assets			
Current Assets			
Cash and cash equivalents			
231101 Cash	0.00	0.00	67.64
231106 TexPool Investments	69,091.21	6.39	70,425.25
231111 Certificates of Deposit	28,555.40	220.94	29,327.24
251107 TexPool Prime Investments	0.00	195.29	1,585.48
251109 Logic Investments	855.64	1.04	866.90
301101 Cash - Enterprise	82,041.40	128,276.79	324,313.71
301102 Undeposited receipts	0.00	(2,278.92)	(1,412.81)
301104 Xpress Bill Pay	0.00	(51,669.33)	140,342.09
301111 Certificates of Deposit	72,723.72	138.32	73,719.32
Total Cash and cash equivalents	253,267.37	74,890.52	639,234.82
Receivables			
231113 Accrued Interest Receivable	160.43	0.00	160.43
301113 Accrued Interest Receivable	141.59	0.00	141.59
301130 Accounts Rec/NSF checks	(1,093.62)	0.00	(968.62)
301230 Utility Receivables	210,733.13	14,481.32	223,107.22
301232 Unbilled utility	109,449.36	0.00	109,449.36
301235 Due from General Fund	66,351.30	0.00	65,562.50
Total Receivables	387,929.43	14,481.32	399,389.72
Other current assets			
302230 Prepaid Goods & Services	25,817.06	0.00	25,817.06
Total Other current assets	25,817.06	0.00	25,817.06
Total Current Assets	667,013.86	89,371.84	1,064,441.60
Non-Current Assets			
Capital assets			
Work in Process			
301268 Construction in Progress	16,950.00	0.00	47,948.75
Total Work in Process	16,950.00	0.00	47,948.75
Property			
301261 Land	122,580.00	0.00	122,580.00
301262 Buildings	193,270.01	0.00	193,270.01
301263 Vehicles	140,385.63	0.00	140,385.63
301265 Equipment	190,140.25	0.00	190,140.25
301266 Water System	5,999,181.03	0.00	5,999,181.03
301267 Sewer System	5,645,275.80	0.00	5,645,275.80
Total Property	12,290,832.72	0.00	12,290,832.72
Accumulated depreciation			
301272 AccDpn Buildings	125,536.07	0.00	125,536.07
301273 AccDpn Vehicles	111,891.95	0.00	111,891.95
301275 AccDpn Equipment	138,680.53	0.00	138,680.53
301276 AccDpn Water System	2,257,742.95	0.00	2,257,742.95
301277 AccDpn Sewer System	3,299,419.74	0.00	3,299,419.74
Total Accumulated depreciation	5,933,271.24	0.00	5,933,271.24
Total Capital assets	6,374,511.48	0.00	6,405,510.23
Other non-current assets			
301159 Deferred Outflow - TMRS	38,326.00	0.00	38,326.00
301160 Deferred Outflow - Contribution	22,355.00	0.00	22,355.00
301166 OPEB Deferred Outflow - Sub	263.00	0.00	263.00
301260 Deferred Inflows - OPEB	(401.00)	0.00	(401.00)
Total Other non-current assets	60,543.00	0.00	60,543.00
Total Non-Current Assets	6,435,054.48	0.00	6,466,053.23
Total Enterprise Assets	7,102,068.34	89,371.84	7,530,494.83
Enterprise Liabilities and Net Position			
Liabilities			
Current liabilities			
252248 Accrued int payable - Capital Loan	8,615.26	0.00	8,615.26
252249 Accrued Interest Payable - Bonds	35,658.95	0.00	35,658.95
252290 OPEB Liability	9,319.00	0.00	9,319.00
302130 Accounts Payable	59,760.65	(19,403.91)	101,826.91

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302133 Accounts Payable - Audit	68,188.89	0.00	68,188.89
302152 Due to beautification	2,457.00	0.00	0.00
302155 Due to Replacement	883.43	0.00	883.43
302220 Customer Meter Deposits	135,291.00	330.00	146,671.00
302235 Sales Tax Payable	2,128.49	2,151.12	2,151.12
302240 Sanitation Payable	0.00	0.00	186.26
302241 Fire Department Donations	6,103.39	(4,112.32)	4,277.94
302242 Beautification Donations	0.00	(2,454.17)	1,387.22
Total Current liabilities	328,406.06	(23,489.28)	379,165.98
Deferred inflows			
301259 Deferred inflow-TMRS	1,904.00	0.00	1,904.00
Total Deferred inflows	1,904.00	0.00	1,904.00
Long-term liabilities			
252255 Capital Lease Payable (Meters)	328,964.38	0.00	328,964.38
252256 Series 2004 CO Bonds Payable	205,000.00	0.00	205,000.00
252257 Series 2011 CO Bond Payable	535,000.00	0.00	535,000.00
252258 2019B Bonds Payable	3,750,000.00	0.00	3,750,000.00
252259 2019B Premium Payable	365,396.80	0.00	365,396.80
252260 Accumulated Accretion - 2019B Premium	(3,485.03)	0.00	(3,485.03)
252280 Net Pension Liability	135,886.00	0.00	135,886.00
302250 Revenue Bonds Payable - 1980	378,189.04	0.00	378,189.04
302251 LT Loan Payable - General (ER)	17,348.92	0.00	17,348.92
302252 LT Loan Payable - Transportation	60,883.04	0.00	60,883.04
Total Long-term liabilities	5,773,183.15	0.00	5,773,183.15
Total Liabilities	6,103,493.21	(23,489.28)	6,154,253.13
Net Position			
253205 Retained Earnings - Bonds	566,267.85	0.00	566,267.85
253206 Reserve - Construction	751,281.79	0.00	751,281.79
303201 Retained Earnings	(318,974.51)	112,861.12	58,692.06
Total Net Position	998,575.13	112,861.12	1,376,241.70
Total Enterprise Liabilities and Net Position	7,102,068.34	89,371.84	7,530,494.83

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	Prior Year Actual	Current Period Actual	Current Year Actual	Original Budget	Revised Budget
Net Operating Income (Loss)					
Operating income					
Sewer Department					
304420 Sewer Fees	846,602.23	72,912.18	637,416.90	836,000.00	836,000.00
304421 Sewer Discounts	(17,736.95)	(1,537.50)	(13,695.00)	0.00	0.00
304450 Sewer Taps	1,287.17	287.50	1,150.00	1,200.00	1,200.00
Total Sewer Department	830,152.45	71,662.18	624,871.90	837,200.00	837,200.00
Water Department					
304410 Water Fees	947,327.05	90,674.06	770,058.09	940,000.00	940,000.00
304411 Water Discounts	(17,827.03)	(1,567.50)	(13,897.50)	0.00	0.00
304430 Delinquent Charges	26,467.25	0.00	15,205.42	28,000.00	28,000.00
304440 Water Taps	14,301.00	575.00	6,123.00	14,000.00	14,000.00
304460 Reconnect Fees	6,143.32	0.00	2,475.00	4,000.00	4,000.00
304480 Miscellaneous Revenue	0.00	0.00	0.00	3,000.00	3,000.00
Total Water Department	976,411.59	89,681.56	779,964.01	989,000.00	989,000.00
Solid Waste Department					
304470 Garbage Receipts	281,228.61	26,054.35	228,638.17	282,000.00	282,000.00
Total Solid Waste Department	281,228.61	26,054.35	228,638.17	282,000.00	282,000.00
Total Operating income	2,087,792.65	187,398.09	1,633,474.08	2,108,200.00	2,108,200.00
Operating expense					
Sewer Department					
Personnel & Benefits					
205102 SEWER Contract Labor	0.00	0.00	0.00	10,000.00	10,000.00
205103 SEWER Salaries & Wages	0.00	6,885.30	79,123.98	97,906.00	97,906.00
205104 SEWER Overtime	0.00	539.32	4,223.43	6,000.00	6,000.00
205105 SEWER Retirement	0.00	0.00	0.00	11,710.00	11,710.00
205107 SEWER Medicare	0.00	101.57	643.87	1,507.00	1,507.00
205110 SEWER Workmen's Compensation Ins	0.00	0.00	1,000.00	2,320.00	2,320.00
205115 SEWER Hospitalization	0.00	636.25	3,632.49	21,414.00	21,414.00
205120 SEWER Unemployment Insurance	0.00	0.00	8.83	1,116.00	1,116.00
205125 SEWER Cellphone Allowance	0.00	0.00	0.00	540.00	540.00
205130 SEWER Training & Travel	0.00	0.00	323.50	2,000.00	2,000.00
205175 SEWER Longevity Pay	0.00	0.00	0.00	251.00	251.00
205180 SEWER Certification Pay	0.00	0.00	0.00	150.00	150.00
Total Personnel & Benefits	0.00	8,162.44	88,956.10	154,914.00	154,914.00
Supplies					
205201 SEWER Food	0.00	0.00	0.00	200.00	200.00
205210 SEWER Office Supplies	0.00	34.99	34.99	4,800.00	4,800.00
205215 SEWER Custodial Supplies	0.00	0.00	0.00	40.00	40.00
205230 SEWER Gas, Oil, & Lubricants	0.00	0.00	851.57	5,200.00	5,200.00
205240 SEWER Expendable Operating Supplies	0.00	4.99	413.20	0.00	0.00
205270 SEWER Chemicals	0.00	0.00	162.94	6,000.00	6,000.00
Total Supplies	0.00	39.98	1,462.70	16,240.00	16,240.00
Maintenance & Repair					
205310 SEWER Building & Grounds M&R	0.00	0.00	0.00	2,000.00	2,000.00
205320 SEWER Office Furniture/Fixture M&R	0.00	0.00	0.00	80.00	80.00
205340 SEWER Vehicle M&R	0.00	47.27	47.27	1,200.00	1,200.00
205341 SEWER Postage & Shipping	0.00	0.00	120.85	2,240.00	2,240.00
205360 SEWER Radio M&R	0.00	0.00	0.00	650.00	650.00
205365 SEWER Other Equip M&R	0.00	0.00	0.00	5,600.00	5,600.00
205390 SEWER Line M&R	49,595.38	123.66	17,382.20	72,000.00	72,000.00
Total Maintenance & Repair	49,595.38	170.93	17,550.32	83,770.00	83,770.00
Utilities					
205410 SEWER Electricity	0.00	0.00	0.00	19,200.00	19,200.00
205420 SEWER Telephone	0.00	0.00	0.00	4,000.00	4,000.00
Total Utilities	0.00	0.00	0.00	23,200.00	23,200.00
Professional Services					
205505 SEWER Clute WWTP Operation	348,419.42	0.00	206,120.32	270,000.00	270,000.00
205506 Operating Lease - Clute (Transmission Line)	139,550.00	0.00	178,948.30	286,000.00	286,000.00
205550 SEWER Information Technology Services	0.00	0.00	0.00	141,500.00	141,500.00
205570 SEWER Attorney's Fees	0.00	0.00	0.00	800.00	800.00
Total Professional Services	487,969.42	0.00	385,068.62	698,300.00	698,300.00

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Other Services					
205630 SEWER Vehicle Insurance	0.00	0.00	0.00	6,400.00	6,400.00
205640 SEWER Building/Liab Insurance	0.00	0.00	1,014.75	6,400.00	6,400.00
205660 SEWER Dues & Subscriptions	0.00	0.00	112.50	0.00	0.00
205685 SEWER Publishing & Advertising	0.00	0.00	0.00	1,000.00	1,000.00
Total Other Services	0.00	0.00	1,127.25	13,800.00	13,800.00
Capital Equipment					
205910 SEWER Office Equipment	0.00	0.00	0.00	800.00	800.00
205930 SEWER Equipment	0.00	9,480.00	9,480.00	13,500.00	13,500.00
Total Capital Equipment	0.00	9,480.00	9,480.00	14,300.00	14,300.00
Total Sewer Department	537,564.80	17,853.35	503,644.99	1,004,524.00	1,004,524.00
Water Department					
Personnel & Benefits					
215103 WATER Salaries & Wages	249,816.72	10,066.40	123,270.39	138,858.00	138,858.00
215104 WATER Overtime	16,933.42	687.10	6,720.04	8,000.00	8,000.00
215105 WATER Retirement	39,933.19	1,251.70	20,849.71	16,512.00	16,512.00
215107 WATER Medicare	3,819.94	147.61	2,492.66	2,129.00	2,129.00
215110 WATER Workmen's Compensation Ins	2,887.00	0.00	3,353.49	2,320.00	2,320.00
215115 WATER Hospitalization	52,403.28	970.24	15,747.88	30,592.00	30,592.00
215120 WATER Unemployment Insurance	1,124.83	0.00	56.33	1,134.00	1,134.00
215125 WATER Cellphone Allowance	1,035.00	0.00	450.00	540.00	540.00
215130 WATER Training & Travel	6,250.50	0.00	1,594.65	2,500.00	2,500.00
215175 WATER Longevity Pay	0.00	0.00	0.00	418.00	418.00
215180 WATER Certification Pay	2,125.00	0.00	937.50	150.00	150.00
215190 WATER Uniforms	1,597.10	0.00	1,051.94	0.00	0.00
Total Personnel & Benefits	377,925.98	13,123.05	176,524.59	203,153.00	203,153.00
Supplies					
215201 WATER Food	141.15	0.00	300.00	250.00	250.00
215210 WATER Office Supplies	4,091.61	142.43	2,780.45	3,400.00	3,400.00
215215 WATER Custodial Supplies	49.20	0.00	60.68	50.00	50.00
215220 WATER Tools	5,806.57	0.00	910.69	1,500.00	1,500.00
215230 WATER Gas, Oil, & Lubricants	9,889.75	0.00	11,924.63	8,100.00	8,100.00
215240 WATER Expendable Operating Supplies	9,535.53	596.21	6,038.51	3,000.00	3,000.00
215270 WATER Chemicals	14,829.99	498.33	8,226.00	10,000.00	10,000.00
Total Supplies	44,343.80	1,236.97	30,240.96	26,300.00	26,300.00
Maintenance & Repair					
215310 WATER Building & Grounds M&R	2,751.69	579.22	5,325.54	2,500.00	2,500.00
215320 WATER Office Furniture/Fixture M&R	412.43	0.00	95.96	100.00	100.00
215340 WATER Vehicle M&R	2,077.54	47.27	2,472.59	2,100.00	2,100.00
215341 WATER Postage & Shipping	0.00	0.00	394.41	2,800.00	2,800.00
215360 WATER Radio M&R	7,046.26	0.00	0.00	810.00	810.00
215365 WATER Other Equipment M&R	4,166.68	36.95	223.58	2,160.00	2,160.00
215390 Water Lines M&R	56,433.66	8,461.94	46,179.60	65,000.00	65,000.00
Total Maintenance & Repair	72,888.26	9,125.38	54,691.68	75,470.00	75,470.00
Utilities					
215410 WATER Electricity	43,733.34	3,310.35	26,095.32	23,600.00	23,600.00
215420 WATER Telephone	13,142.16	1,886.83	15,453.29	6,000.00	6,000.00
215430 WATER Natural Gas	443.74	21.20	173.47	500.00	500.00
Total Utilities	57,319.24	5,218.38	41,722.08	30,100.00	30,100.00
Professional Services					
215550 WATER Information Technology Services	636.28	0.00	2,010.63	2,000.00	2,000.00
215570 WATER Attorney's Fees	1,730.00	0.00	890.00	1,000.00	1,000.00
215595 WATER Professional Services	17,524.08	0.00	14,508.99	32,000.00	32,000.00
Total Professional Services	19,890.36	0.00	17,409.62	35,000.00	35,000.00
Other Services					
215630 WATER Insurance - Motor Vehicles	7,513.31	0.00	5,120.31	6,000.00	6,000.00
215640 WATER Insurance - Bldg/Liab/Bond	12,040.02	0.00	26,271.95	12,000.00	12,000.00
215660 WATER Dues & Subscriptions	18,957.53	18,953.87	33,286.16	0.00	0.00
215685 WATER Publishing & Advertising	331.80	0.00	0.00	1,250.00	1,250.00
215995 Brazosport Water Authority	267,618.00	23,265.00	212,487.00	0.00	0.00
Total Other Services	306,460.66	42,218.87	277,165.42	19,250.00	19,250.00
Capital Equipment					

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215935 Operating Lease - Equipment	3,658.37	601.54	3,221.74	0.00	0.00
Total Capital Equipment	3,658.37	601.54	3,221.74	0.00	0.00
Total Water Department	882,486.67	71,524.19	600,976.09	389,273.00	389,273.00
Solid Waste Department					
Personnel & Benefits					
225102 SOLID WASTE Contract Labor	0.00	0.00	0.00	600.00	600.00
225103 SOLID WASTE Salaries & Wages	0.00	928.88	11,982.90	13,760.00	13,760.00
225104 SOLID WASTE Overtime	0.00	0.00	0.00	600.00	600.00
225105 SOLID WASTE Retirement	0.00	112.49	661.25	1,605.00	1,605.00
225107 SOLID WASTE Medicare	0.00	13.97	82.16	208.00	208.00
225110 SOLID WASTE Workmen's Compensation Ins	0.00	0.00	0.00	660.00	660.00
225115 SOLID WASTE Hospitalization	0.00	67.21	333.84	3,059.00	3,059.00
225120 SOLID WASTE Unemployment Insurance	0.00	0.00	0.44	240.00	240.00
Total Personnel & Benefits	0.00	1,122.55	13,060.59	20,732.00	20,732.00
Professional Services					
225595 SOLID WASTE Professional Services	269,610.69	21,993.75	169,029.78	270,000.00	270,000.00
Total Professional Services	269,610.69	21,993.75	169,029.78	270,000.00	270,000.00
Total Solid Waste Department	269,610.69	23,116.30	182,090.37	290,732.00	290,732.00
Depreciation Expense					
225999 Depreciation	296,271.00	0.00	0.00	0.00	0.00
Total Depreciation Expense	296,271.00	0.00	0.00	0.00	0.00
Total Operating expense	1,985,933.16	112,493.84	1,286,711.45	1,684,529.00	1,684,529.00
Total Net Operating Income (Loss)	101,859.49	74,904.25	346,762.63	423,671.00	423,671.00
Non-Operating Items					
Non-operating income					
Interest income					
234110 Interest Earnings	784.57	293.90	4,356.30	1,000.00	1,000.00
254110 Interest Earnings	1,994.45	195.73	265.50	0.00	0.00
304110 Interest Earnings	669.11	72.35	144.06	1,000.00	1,000.00
Total Interest income	3,448.13	561.98	4,765.86	2,000.00	2,000.00
Grants					
304435 Capital Contributions	16,950.00	0.00	0.00	0.00	0.00
305500 Grants Revenue	0.00	35,778.00	35,778.00	0.00	0.00
Total Grants	16,950.00	35,778.00	35,778.00	0.00	0.00
Other income					
304112 Miscellaneous Income	5,523.80	2,366.89	1,878.26	0.00	3,000.00
Total Other income	5,523.80	2,366.89	1,878.26	0.00	3,000.00
Transfers In					
974961 Transfer from General Fund	186,650.71	0.00	0.00	14,400.00	14,400.00
Total Transfers In	186,650.71	0.00	0.00	14,400.00	14,400.00
Total Non-operating income	212,572.64	38,706.87	42,422.12	16,400.00	19,400.00
Non-operating expense					
Debt Service					
255960 Meter Capital Lease - Principal	0.00	0.00	0.00	73,791.00	73,791.00
255961 Meter Capital Lease - Interest	13,772.60	0.00	10,405.75	0.00	0.00
255970 Series 2011 Tax & Rev CO Bonds - Principal	0.00	0.00	0.00	55,812.00	55,812.00
255971 Series 2011 Tax & Rev CO Bonds - Interest	21,874.60	0.00	0.00	0.00	0.00
255990 2004 CO Bond Fees	0.00	0.00	0.00	40,600.00	40,600.00
255991 Series 2004 - Interest	11,989.01	0.00	35,700.00	0.00	0.00
255992 Bond Insurance & Agent Fees	113,106.18	750.00	750.00	0.00	0.00
255994 Series 2019B - Interest	29,660.82	0.00	81,626.12	171,926.00	171,926.00
255995 Accretion - 2019B Premium	(3,485.03)	0.00	0.00	0.00	0.00
255996 LT Loan - Interest	11,064.84	0.00	0.00	0.00	0.00
Total Debt Service	197,983.02	750.00	128,481.87	342,129.00	342,129.00
Transfers Out					
975967 Transfer to Equipment Replacement	(4,437.90)	0.00	0.00	0.00	0.00
975970 Transfer to Transportation Fund	(15,574.03)	0.00	0.00	0.00	0.00
985963 Transfer to General Fund	104,410.00	0.00	0.00	142,000.00	142,000.00
985966 Transfer to Capital Improvements	0.00	0.00	0.00	100,000.00	100,000.00
985967 Transfer to Equipment Replacement	0.00	0.00	0.00	20,000.00	20,000.00

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985971 Transfer to 2019B Bond Utility	4,002,290.62	0.00	0.00	0.00	0.00
Total Transfers Out	4,086,688.69	0.00	0.00	262,000.00	262,000.00
Total Non-operating expense	4,284,671.71	750.00	128,481.87	604,129.00	604,129.00
Total Non-Operating Items	(4,072,099.07)	37,956.87	(86,059.75)	(587,729.00)	(584,729.00)
Total -	(3,970,239.58)	112,861.12	260,702.88	(164,058.00)	(161,058.00)

City of Richwood
Standard Financial Report
31 Utility Fund Contingency - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Enterprise Assets			
Current Assets			
Cash and cash equivalents			
301101 Cash	47,069.00	0.00	(69,894.69)
Total Cash and cash equivalents	<u>47,069.00</u>	<u>0.00</u>	<u>(69,894.69)</u>
Total Current Assets	<u>47,069.00</u>	<u>0.00</u>	<u>(69,894.69)</u>
Total Enterprise Assets	<u>47,069.00</u>	<u>0.00</u>	<u>(69,894.69)</u>
Enterprise Liabilities and Net Position			
Net Position			
303201 Retained Earnings	47,069.00	0.00	(69,894.69)
Total Net Position	<u>47,069.00</u>	<u>0.00</u>	<u>(69,894.69)</u>
Total Enterprise Liabilities and Net Position	<u>47,069.00</u>	<u>0.00</u>	<u>(69,894.69)</u>

City of Richwood
Standard Financial Report
32 Utility Capital Improvements - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Enterprise Assets			
Current Assets			
Cash and cash equivalents			
321101 Cash - Enterprise	38,895.94	0.00	20,894.69
Total Cash and cash equivalents	<u>38,895.94</u>	<u>0.00</u>	<u>20,894.69</u>
Total Current Assets	<u>38,895.94</u>	<u>0.00</u>	<u>20,894.69</u>
Non-Current Assets			
Capital assets			
Work in Process			
321260 Construction in Progress	30,998.75	0.00	0.00
Total Work in Process	<u>30,998.75</u>	<u>0.00</u>	<u>0.00</u>
Total Capital assets	<u>30,998.75</u>	<u>0.00</u>	<u>0.00</u>
Total Non-Current Assets	<u>30,998.75</u>	<u>0.00</u>	<u>0.00</u>
Total Enterprise Assets	<u>69,894.69</u>	<u>0.00</u>	<u>20,894.69</u>
Enterprise Liabilities and Net Position			
Net Position			
323201 Retained Earnings	69,894.69	0.00	20,894.69
Total Net Position	<u>69,894.69</u>	<u>0.00</u>	<u>20,894.69</u>
Total Enterprise Liabilities and Net Position	<u>69,894.69</u>	<u>0.00</u>	<u>20,894.69</u>

City of Richwood
Standard Financial Report
32 Utility Capital Improvements - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Original Budget</u>	<u>Revised Budget</u>
-					
Net Operating Income (Loss)					
Operating expense					
Water Department					
Capital Equipment					
325915 Water Wells 3 & 4 Reinstatement	0.00	0.00	49,000.00	0.00	0.00
Total Capital Equipment	<u>0.00</u>	<u>0.00</u>	<u>49,000.00</u>	<u>0.00</u>	<u>0.00</u>
Total Water Department	<u>0.00</u>	<u>0.00</u>	<u>49,000.00</u>	<u>0.00</u>	<u>0.00</u>
Total Operating expense	<u>0.00</u>	<u>0.00</u>	<u>49,000.00</u>	<u>0.00</u>	<u>0.00</u>
Total Net Operating Income (Loss)	<u>0.00</u>	<u>0.00</u>	<u>49,000.00</u>	<u>0.00</u>	<u>0.00</u>
Total -	<u>0.00</u>	<u>0.00</u>	<u>49,000.00</u>	<u>0.00</u>	<u>0.00</u>

City of Richwood
Standard Financial Report
33 2019B Bond Utility Cap Proj Fund - North Water Plant - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Enterprise Assets			
Current Assets			
Cash and cash equivalents			
291106.1 TexPool Prime Investments	0.00	0.00	1,683.20
331101 Cash	(39,392.88)	(23,710.86)	(218,675.85)
331109 LOGIC Investment Pool	4,019,616.54	4,887.98	4,064,108.56
Total Cash and cash equivalents	<u>3,980,223.66</u>	<u>(18,822.88)</u>	<u>3,847,115.91</u>
Total Current Assets	<u>3,980,223.66</u>	<u>(18,822.88)</u>	<u>3,847,115.91</u>
Non-Current Assets			
Capital assets			
Work in Process			
331260 Construction in Progress	174,026.65	21,000.00	195,026.65
Total Work in Process	<u>174,026.65</u>	<u>21,000.00</u>	<u>195,026.65</u>
Total Capital assets	<u>174,026.65</u>	<u>21,000.00</u>	<u>195,026.65</u>
Total Non-Current Assets	<u>174,026.65</u>	<u>21,000.00</u>	<u>195,026.65</u>
Total Enterprise Assets	<u>4,154,250.31</u>	<u>2,177.12</u>	<u>4,042,142.56</u>
Enterprise Liabilities and Net Position			
Liabilities			
Current liabilities			
332133 Accounts Payable - Audit	34,011.25	0.00	34,011.25
333150 Accounts Payable	0.00	21,242.07	21,242.07
Total Current liabilities	<u>34,011.25</u>	<u>21,242.07</u>	<u>55,253.32</u>
Total Liabilities	<u>34,011.25</u>	<u>21,242.07</u>	<u>55,253.32</u>
Net Position			
333100 Fund Balance	4,120,239.06	(19,064.95)	3,986,889.24
Total Net Position	<u>4,120,239.06</u>	<u>(19,064.95)</u>	<u>3,986,889.24</u>
Total Enterprise Liabilities and Net Position	<u>4,154,250.31</u>	<u>2,177.12</u>	<u>4,042,142.56</u>

City of Richwood
Standard Financial Report
33 2019B Bond Utility Cap Proj Fund - North Water Plant - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Original Budget</u>	<u>Revised Budget</u>
-					
Revenue					
Interest					
334100 Interest Revenue	19,616.54	(2,137.33)	46,175.22	0.00	0.00
Total Interest	<u>19,616.54</u>	<u>(2,137.33)</u>	<u>46,175.22</u>	<u>0.00</u>	<u>0.00</u>
Total Revenue	<u>19,616.54</u>	<u>(2,137.33)</u>	<u>46,175.22</u>	<u>0.00</u>	<u>0.00</u>
Expenditures					
Capital Projects					
339004 Engineering & Surveying	0.00	9,305.55	171,401.97	358,000.00	358,000.00
339006 Water Plant Easements	0.00	7,622.07	8,123.07	0.00	0.00
339008 Water Plant Construction	0.00	0.00	0.00	3,582,000.00	3,582,000.00
Total Capital Projects	<u>0.00</u>	<u>16,927.62</u>	<u>179,525.04</u>	<u>3,940,000.00</u>	<u>3,940,000.00</u>
Total Expenditures	<u>0.00</u>	<u>16,927.62</u>	<u>179,525.04</u>	<u>3,940,000.00</u>	<u>3,940,000.00</u>
Total -	<u>19,616.54</u>	<u>(19,064.95)</u>	<u>(133,349.82)</u>	<u>3,940,000.00</u>	<u>3,940,000.00</u>
-					
Non-Operating Items					
Non-operating income					
Transfers In					
974962 Transfer From Water and Sewer	4,002,290.62	0.00	0.00	0.00	0.00
974966 Transfer From General Capital Improvement	98,331.90	0.00	0.00	0.00	0.00
Total Transfers In	<u>4,100,622.52</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Non-operating income	<u>4,100,622.52</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Non-Operating Items	<u>4,100,622.52</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total -	<u>4,100,622.52</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

City of Richwood
Standard Financial Report
40 General Obligation I&S - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Assets			
Current Assets			
Cash and cash equivalents			
501101 Cash	16,734.11	6,667.39	279,324.59
501109 Logic Investments	1,514.98	1.84	1,534.88
501111 Certificates of Deposit	94,014.99	233.86	94,892.25
Total Cash and cash equivalents	112,264.08	6,903.09	375,751.72
Receivables			
501112 Tax Receivable	5,114.51	0.00	5,114.51
501113 Accrued Interest Receivable	164.36	0.00	164.36
501120 Allowance for Uncollectibles	(2,040.14)	0.00	(2,040.14)
501123 Deferred Taxes	(2,609.38)	0.00	(2,609.38)
501131 Due from Other Governments	5.08	0.00	5.08
Total Receivables	634.43	0.00	634.43
Total Current Assets	112,898.51	6,903.09	376,386.15
Total Assets	112,898.51	6,903.09	376,386.15
Liabilites and Fund Balance			
Liabilities			
Current liabilities			
502130 Accounts Payable	0.00	0.00	(5,347.16)
502221 Due to General Fund	3,474.78	0.00	3,474.78
Total Current liabilities	3,474.78	0.00	(1,872.38)
Total Liabilities	3,474.78	0.00	(1,872.38)
Fund Balances			
503103 Fund Balance	109,423.73	6,903.09	378,258.53
Total Fund Balances	109,423.73	6,903.09	378,258.53
Total Liabilites and Fund Balance	112,898.51	6,903.09	376,386.15

City of Richwood
Standard Financial Report
40 General Obligation I&S - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Original Budget</u>	<u>Revised Budget</u>
Revenue					
Taxes					
504103 Ad Valorem Taxes	164,503.37	5,068.36	343,089.58	350,602.00	350,602.00
504104 Delinquent Taxes	1,421.59	927.13	1,698.11	3,000.00	3,000.00
504105 Penalty & Interest	1,464.18	1,344.16	2,280.70	2,000.00	2,000.00
Total Taxes	167,389.14	7,339.65	347,068.39	355,602.00	355,602.00
Interest					
504110 Interest Earnings	738.18	313.44	897.16	2,000.00	2,000.00
Total Interest	738.18	313.44	897.16	2,000.00	2,000.00
Miscellaneous revenue					
504221 Bond Proceeds	98,951.17	0.00	0.00	0.00	0.00
Total Miscellaneous revenue	98,951.17	0.00	0.00	0.00	0.00
Total Revenue	267,078.49	7,653.09	347,965.55	357,602.00	357,602.00
Expenditures					
General Obligation I&S					
505912 Bond Insurance & Agent Fees	99,951.17	750.00	750.00	1,250.00	1,250.00
505960 FNB City Hall - Principal	12,391.76	0.00	207.01	0.00	0.00
505961 FNB City Hall - Interest	8,996.88	0.00	2,116.54	0.00	0.00
505970 Bond Principal - Series 2012	50,000.00	0.00	0.00	0.00	0.00
505980 Bond Interest - Series 2012	28,050.00	0.00	13,525.00	77,050.00	77,050.00
505985 Series 2011 - Principal	55,000.00	0.00	0.00	0.00	0.00
505992 Series 2011 - Interest	11,894.00	0.00	5,086.25	70,173.00	70,173.00
505994 Series 2019A GO Bonds Interest	0.00	0.00	57,445.95	206,291.00	206,291.00
Total General Obligation I&S	266,283.81	750.00	79,130.75	354,764.00	354,764.00
Total Expenditures	266,283.81	750.00	79,130.75	354,764.00	354,764.00
Total -	794.68	6,903.09	268,834.80	2,838.00	2,838.00

City of Richwood
Standard Financial Report
80 General Fixed Assets - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Enterprise Assets			
Non-Current Assets			
Capital assets			
Work in Process			
001501 Construction in Progress	74,883.50	0.00	75,083.49
Total Work in Process	74,883.50	0.00	75,083.49
Property			
001511 Land	335,262.00	0.00	335,262.00
001521 Buildings	2,012,724.62	0.00	2,012,724.62
001531 Vehicles	988,994.82	0.00	1,007,180.91
001541 Office Equipment	113,089.12	0.00	113,089.12
001551 Equipment	1,245,929.41	0.00	1,245,929.41
001561 Park Equipment	223,895.20	0.00	223,895.20
001571 Streets	6,450,499.36	0.00	6,450,499.36
001572 Drainage	4,017,102.09	0.00	4,017,102.09
Total Property	15,387,496.62	0.00	15,405,682.71
Accumulated depreciation			
001621 AccDpn Buildings	441,258.69	0.00	441,258.69
001631 AccDpn Vehicles	853,504.60	0.00	853,504.60
001641 AccDpn Office Equipment	54,840.45	0.00	54,840.45
001651 AccDpn Equipment	583,174.80	0.00	583,174.80
001661 AccDpn Park Equipment	223,895.20	0.00	223,895.20
001671 AccDpn Streets	2,646,081.00	0.00	2,646,081.00
001672 AccDpn Drainage	1,536,286.96	0.00	1,536,286.96
Total Accumulated depreciation	6,339,041.70	0.00	6,339,041.70
Total Capital assets	9,123,338.42	0.00	9,141,724.50
Total Non-Current Assets	9,123,338.42	0.00	9,141,724.50
Total Enterprise Assets	9,123,338.42	0.00	9,141,724.50
Enterprise Liabilities and Net Position			
Net Position			
003000 Investment in general fixed assets	15,462,380.12	0.00	15,480,766.20
003002 Current Depreciation	(6,339,041.70)	0.00	(6,339,041.70)
Total Net Position	9,123,338.42	0.00	9,141,724.50
Total Enterprise Liabilities and Net Position	9,123,338.42	0.00	9,141,724.50

City of Richwood
Standard Financial Report
80 General Fixed Assets - 10/01/2019 to 06/30/2020
75.00% of the fiscal year has expired

	<u>Prior Year Actual</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Original Budget</u>	<u>Revised Budget</u>
-					
Expenditures					
Miscellaneous					
005001 Depreciation expense	413,705.75	0.00	0.00	0.00	0.00
Total Miscellaneous	<u>413,705.75</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Expenditures	<u>413,705.75</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total -	<u>413,705.75</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>



AGENDA MEMORANDUM- AUGUST 10, 2020

ITEM # CONSENT

CONTACT: Patricia Ditto, Deputy Finance Director
Eric Foerster, City Manager

SUBJECT: Submission of Quarterly Investment Report- Quarter 3, FY 2019-2020

SUMMARY:

State law requires the City's investment officer to present an investment report to City Council on a quarterly basis. The relevant section of the Public Funds Investment Act is Chapter 2256. 023. Internal Management Reports. This chapter outlines information that must be reported along with the necessary certification signatures required by the Act. A copy 2256.023 is attached for your information.

BACKGROUND INFORMATION:

The Public Funds Investment Act (PFIA) Chapter 2256 governs the investment of government funds in Texas. Under this law, specific parameters are set for Texas cities, requiring them no less than quarterly, to provide the Council with a written report of investment transactions for all funds covered by this Chapter for the preceding reporting period. This report must include specific criteria as determined by the Act.

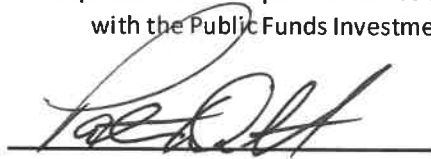
FISCAL IMPACT: None

RECOMMENDATION: Council to approve Quarterly Investment Report-June 30, 2020



Portfolio	March 31, 2020		June 30, 2020	
	Book Value	Market Value	Book Value	Market Value
Cash	1,337,030.20	1,337,030.20	1,912,702.28	1,912,702.28
Investment Pools	8,397,477.70	8,397,477.70	7,932,782.86	7,932,782.86
Certificates of Deposits	511,848.51	511,848.51	515,884.77	515,884.77
TOTAL INVESTMENTS	10,246,356.41	10,246,356.41	10,361,369.91	10,361,369.91
Quarterly Investment Income				16,510.47
Weighted Average Yield				0.59%

The attached information comprises the quarterly investment report for the City of Richwood, Texas for the period ended June 30, 2020. The undersigned acknowledge that the City's investment portfolio has been and is compliance with the policies and strategies as contained in the City's Investment Policy and also in compliance with the Public Funds Investment Act of the State of Texas (Chapter 2256, Texas Government Code).


Patricia Ditto
Deputy Finance Director


Eric Foerster
City Manager

MEMORANDUM

To: The Honorable Mayor and Members of the Richwood City Council
From: Patricia Ditto, Deputy Finance Director
Date: August 10, 2020
Subject: Investment Policy & Strategy Annual Review

The Texas Public Funds Investment Act requires annual review and approval of the city's Investment Policy and Strategy. The current policy was updated and approved on July 2, 2019. It is now for the annual review and approval. The document that I am proposing has no changes from the policy approved one year ago. I have reviewed it and see no necessary changes. Approval of the document will keep the City in complete compliance with the Act and with current best practices for municipal investment programs.

In addition, after reviewing our cash & investments, I have found the following, as of 6/20/2020:

- Cash accounts total \$1,912,702.28, 18.46% of total cash and investments
- Investments equate to \$8,448,667.63, 81.54% of total cash and investments
 - Pooled Investment Funds hold \$7,932,782.86, 76.56% of total cash and investments
 - Restricted funds held for capital projects currently under construction:
 - Texpool Prime for the 2019A Bond project holds \$3,024,158.81
 - Logic for the 2019B Utility capital project holds \$4,064,108.56
 - General Fund Unrestricted funds hold \$844,515.49
 - Certificates of Deposit hold \$515,884.77, 4.98% of total cash and investments

No single investment surpasses the diversification requirements of our Investment Policy and Strategy.



INVESTMENT POLICY AND STRATEGY

APPROVED AND ADOPTED ON AUGUST 10, 2020

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GLOSSARY of Definitions

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ATTACHMENT C – Approved List of Broker/Dealers, Public Depositories & Local Government Investment Pools

CITY OF RICHWOOD INVESTMENT POLICY

1.0 INVESTMENT AUTHORITY AND SCOPE OF POLICY

1.01 Purpose

To establish and provide specific policy and guidelines for the conduct of the investment program of the City of Richwood.

1.02 Policy

It is the policy of the City of Richwood (the “City”) to invest public funds in a manner, which will provide safety of principal while earning the highest reasonable market return in meeting the daily cash flow demands of the City. All funds will be invested in compliance with all federal, state and local statutes, rules and regulations and all Governmental Accounting Standards Board Statements, and related financial accounting standards.

This policy satisfies the requirement of Chapter 2256 of the Texas Government Code, Public Funds Investment Act (PFIA), hereinafter referred to as the “Public Funds Investment Act” or “PFIA” of “Act”.

1.03 Scope

This Investment Policy shall apply to all the funds and investments of the City as well as any other funds held in custody by the City, and include the following funds:

1. General Fund
2. Special Revenue Funds
3. Capital Project Funds
4. Enterprise Funds
5. Trust & Agency Funds
6. Debt Service Funds
7. Internal Service Funds
8. Component Units, excluding those which have adopted a separate investment policy.
9. Any other funds or component units as created by the City.

These funds, as well as funds that may be created from time-to-time, shall be administered in accordance with the provisions of this policy. All funds invested under this policy shall be considered as a pooled group for investment purposes.

Deferred compensation and the retirement system assets the City set aside or holds for its employees are not subject to this policy.

1.04 Delegation of Investment Authority

The City Manager and the Director of Finance are hereby designated as Investment Officers for the City. The City may use other employees or the services of a contractor to aid the investment officer(s) in the execution of their duties. Otherwise, unless authorized by law, no other individual(s) has the authority to deposit, withdraw, transfer or manage the investments of the City. The City may designate a registered investment advisor to invest for the City and act as an additional Investment Officer. Authority granted to a person(s) to deposit, withdraw, invest, transfer or manage the City's investments is effective until rescinded by City Council or until termination of the person's employment or contract.

The Director of Finance is responsible for the management of the investment program. The Investment Officers are responsible for the daily operations of the investment function. The Director of Finance shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

1.05 Ethics and Conflict of Interest

Investment Officers shall refrain from personal business activities that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Investment Officers who have a personal business relationship with a business organization seeking to sell an investment to the City and who have anyone related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement (Attachment B) disclosing that personal interest to the Director of Finance, City Manager, the City Council and the Texas Ethics Commission.

An Investment Officer has a personal business relationship with a business organization if:

- 1) The investment officer owns 10% or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
- 2) Funds received by the investment officer from the business organization exceed 10% of the investment officer's gross income for the previous year; or
- 3) The investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

2.0 INVESTMENT OBJECTIVES

2.01 Objective

City investments shall be made in accordance with federal and state laws, this Investment Policy and Investment Strategy and ordinances of the City. The City's investment portfolio shall be designed with the objective of attaining a market rate of return in accordance with

its designated benchmark based on the City's cash flow requirements throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

2.02 Safety of Principal

The primary objective of the City's investment program is to ensure the safety of all funds. To attain this objective, it is the City's intent to invest in the safest types of securities, pre-qualify broker/dealers,, and advisors and to hold all investments until maturity in order to ensure the return of all invested principal unless as stipulated in Section 4.09 of the policy.

2.03 Liquidity

The City's investment should be based on a cash flow analysis, which will provide the liquidity necessary to pay all expected and unexpected obligations. Liquidity shall be achieved by matching investment maturities with budgetary and economic cycles. A portion of the portfolio will be maintained in liquid short-term investments that can be converted to cash, if necessary, to meet disbursement requirements. Investment pools and no-load money market mutual funds provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

2.04 Diversification

The City of Richwood shall diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of investments. Investment shall always be selected that provide for stability of income and reasonable liquidity.

2.05 Yield

It will be the objective of the City to earn a reasonable market yield throughout budgetary and economic cycles within the parameters imposed by its safety and liquidity objectives, investment strategies, and state and federal law. Return on investment is of secondary importance to safety and liquidity objectives. The yield and level of risk for the portfolio will be benchmarked against the yield of the one-year Treasury Bill during the comparable period as well as against an agency note with approximately the same maturity as the weighted average maturity of the portfolio.

2.06 Maturity

The portfolio shall be structured primarily to meet City obligations and secondarily to achieve a reasonable return of interest. The maximum allowable stated maturity of any individual investment owned by the City shall be five (5) years from date of purchase. The settlement date is considered the date of purchase. However, the City may collateralize its demand deposit accounts, certificates of deposits, and repurchase agreements using longer-dated investments not to exceed ten (10) years.

The maximum weighted average maturity based on the overall portfolio shall not exceed 36 months, or 1095 days.

2.07 Investment Training

City designated Investment Officers shall take and maintain training in accordance with the training requirements as set forth in the Act (Section 2256.008). An external auditor shall review documentation of annual training requirements annually.

2.08 Quality and Capability of Investment Management

Investment Officers always shall be cognizant of the standard of care and the investment objectives as set forth in the Act and the City's Investment Policy.

2.09 Investment Strategy

In accordance with the Act (2256.005(d)) a separate written investment strategy shall be developed for each portfolio/fund or pooled group of funds under the City's control. The strategy shall be reviewed on an annual basis with formal action by the City Council stating that the strategy has been reviewed and recording any changes made.

2.10 Cash Management

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability to the City for investment use. The City shall maintain a comprehensive cash management program that includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services.

3.0 AUTHORIZED INVESTMENTS

3.01 Authorized Investments

Authorized investments under this policy shall be limited to the instruments listed below as authorized and defined by the Public Funds Investment Act.

- A. Direct obligations of the United States or its agencies and instrumentalities.
- B. Direct obligations of the State of Texas or its agencies and instrumentalities
- C. Collateralized Certificates of Deposit of banks or savings banks doing business in Texas, collateralized to 102%, and guaranteed or insured by the Federal Deposit Insurance Corporation or its successor; or secured by obligations of the United State Government, including mortgage backed securities, which pass the bank test, but excluding those mortgage backed securities defined in Section 2256.009(b) of the Act.
- F. Constant dollar local government investment pools as defined by the Act (2256.016 and 2256.019) and approved by City Council resolution.
- G. AAA-rated, SEC registered no-load Money Market Mutual Funds and no-load mutual fund including funds that invest in commercial paper and as further defined in Sections 2256.013 and 2256.014 of the Act.

- H. Interest bearing bank deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) and that are fully collateralized at 102% of the ledger balance.
- J. Certificates of deposit through the Certificate of Deposit Account Registry Service (CDARS) program.

3.02 Certificates of Deposit

- A. Depository Certificates of Deposit (CD) may be purchased from any depository institution located in the State of Texas.
It is not necessary for a Texas depository institution to be on the City's approved broker/dealer list as CD's are considered depository in nature. Prior to purchase, however, all agreements with the depository institution must be completed prior to the purchase of a CD from the depository institution.
- B. Amounts purchased over the FDIC limit whether from a depository institution or brokerage firm must be collateralized.

3.03 Unauthorized Investments

Specifically, prohibited investments are:

1. Collateralized mortgage obligations (CMO), excluding Pools which invest in CMOs
2. Commercial Paper, excluding Pools which invest in Commercial Paper
3. All swaps including but not limited to even-basis swaps, interest rate swaps
4. Forwards and futures
5. Options
6. Foreign Exchange
7. Planned amortization classes (PAC)
8. Regular floaters tied to government securities
9. Investments with various interest rate caps, floors, and collars
10. Investment pools in which the City would own more than 10% of the market value of the pool
11. Any other investments that are not on the authorized investment list

3.04 Investments with Required Ratings

Investments with minimum required ratings such as investment pools and no-load mutual funds do not qualify as authorized investments during the period the investment does not have the minimum rating. Investment ratings shall be checked monthly online by an Investment Officer to ensure that the ratings have not been downgraded. The City shall take all prudent measures that are consistent with its investment policy to liquidate investments that do not have the minimum rating.

3.05 Exemptions for Existing Investments

Any investment currently held that does not meet the guidelines of this policy, but were authorized investments at the time of purchase, is not required to be liquidated; however,

the City shall take all prudent measures consistent with this Investment Policy to liquidate an investment that does not or no longer qualifies as an authorized investment.

4.0 INVESTMENT CONTROLS

4.01 Selection of Investment Broker/Dealers

The Investment Officers will maintain a list of financial institutions, primary broker/dealers, and local government investment pools authorized by the City Council to provide investment services to the City. Annually, the City Council will approve the list (Attachment C) of financial institutions and broker/dealers authorized to conduct business with the City. Investment Officers shall not conduct business with any firm not approved by City Council, except for the purchase of CD's from Texas depository institutions.

All financial institutions and broker/dealers who desire to become qualified bidders for investment services must fill out an application and return it to the City by the stated day and time. After review of all applicants, a list of selected financial institutions and broker/dealers will be prepared by the Investment Officers and reviewed by the Investment Committee. The following may be required with the application: most recent audited financial statement, list of local government clients, and statements of qualifications. Additions to the approved broker/dealer list will be made at a minimum bi-annually.

Criteria used in the selection of the authorized broker/dealers will include, but are not limited, to material litigation against the firm, regulatory status of the dealer, completed packet, references from local government clients, background and expertise in investment of public funds.

Up to ten firms shall be selected to appear on the City's approved list. If, after a firm is selected, they no longer qualify to appear on the City's approved dealer list, or provide services inconsistent with acceptable levels, the Investment Officers may recommend City Council to remove the firm from the approved list and replace it with a qualified firm.. Should an approved bank merge with or be acquired by another bank while on the City's approved list, the new bank must agree to meet the same collateralization and certification requirements, or the bank shall be removed from the approved list.

4.02 Certification

A written copy of this Investment Policy shall be presented to any firm seeking to engage in a financial transaction with the City. The authorized representative of the firm shall execute a written instrument substantially in the form of Attachment A of this Policy and to the effect that the representative has:

1. received and thoroughly reviewed the investment policy of the City; and
2. acknowledged that the organization has implemented reasonable procedures and controls in effort to preclude investment transactions that are not authorized by the

City's Investment Policy except to the extent that the authorization is dependent on an analysis of the makeup of the City's entire portfolio or requires interpretation of subjective investment standards.

The Investment Officer(s) may not transact business with any firm that has not executed and returned this certification. (2256.005(l)).

The City may contract with a registered investment advisor for the management of the City's portfolio. The advisor shall review the Policy and execute all transactions in accordance with the provisions and controls of the Policy.

4.03 Delivery vs. Payment Settlement

It shall be the policy of the City that all securities shall be purchased on a "Delivery vs. Payment" (DVP) basis, except for investment pools and mutual funds. By so doing, City funds are not released until the City or its approved custodian has received the securities purchased or pledged.

4.04 Internal Control and Annual Audit

The Director of Finance or designee shall establish a system of internal controls. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation of third parties, or imprudent actions by employees or Investment Officers of the City. Controls and managerial emphasis deemed most important include the following:

Imperative Controls:

- A. Safekeeping receipts and record management
- B. Documentation of investment bidding
- C. Written confirmations
- D. Reconciliation and comparisons of security receipts with investments and bank records
- E. Compliance with investment policies
- F. Accurate and timely reporting
- G. Adequate training and development of Investment Officers

Controls Where Practical

- A. Control of collusion
- B. Segregation of duties
- C. Clear delegation of authority
- D. Staying informed about market conditions, changes and trends that require adjustments in investment strategies.

The City, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to the City's established investment

policies. This annual audit shall be performed by an external auditor and will include formal review of the quarterly reports.

4.05 Standard of Care

Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

1. the investment of all funds over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and
2. whether the investment decision was consistent with the City's Investment Policy.

The Director of Finance and the Investment Officers are not personally responsible for changes in the market.

4.06 Competitive Bidding

The investment officer shall obtain competitive bids from at least three brokers or financial institutions on all purchases and sales of investment instruments transacted on the secondary market. The requirement for competitive bids shall not apply to a) transactions with money market funds and local government investment pools (which are deemed to be made at prevailing market rates), b) treasury and agency securities purchased at issuance through an approved broker/dealer or financial institution, and c) fully insured certificates of deposit placed in accordance with the conditions prescribed in Section 2256.010(b) of the Act. In situations where the exact security being offered is not offered by other dealers, offers on the closest comparable investment may be used to establish a fair market price for the security. Quotes will be accepted either written or electronically, or a combination thereof. An exception to this rule may be made when time limitations preclude the bidding process.

The investment will be made with the broker/dealer offering the greatest return and quality to the City. If three bids/offers are solicited but three responses are not received within the time frame specified in the solicitation of the bid/offer, the Investment Officer may act based on the responses received as long as the solicitation of and failure to receive the bids/offers is documented. Any investments purchased must have the signature of at least two Investment Officers, when both are present.

4.07 Portfolio Diversification

The City will diversify its investments by security type, institution, and broker/dealer. Requests for bids/offers from broker/dealers shall rotate among approved broker/dealers

to ensure that the same brokers are not solicited for every bid/offer request, and to ensure competition among broker/dealers.

With the exception of U.S Treasury Securities and interest-bearing checking accounts that are fully collateralized, no more than 75% of the City's total investment portfolio will be invested in a single security type. If the City elects to participate in more than one investment pool, the total percent invested in all pools shall not exceed the maximum percent allowed.

Diversification requirements are as follows:

<u>Investment Type</u>	<u>Maximum Investment %</u>
Certificates of Deposit**	Up to 75%
US Treasury Bills/Notes	Up to 100%
Other US Government Securities	Up to 50%
Authorized Investment Pools	Up to 75% in total
CDARS Program	Up to 25%
No-Load MM Mutual Funds	Up to 50%
No-Load Mutual Funds	Per PFIA
Sweep Accounts/DDA***	Up to 100%

** FDIC coverage or fully collateralized

*** Fully collateralized at 102% of value

4.08 Electronic Funds Transfer

The City may use electronic means to transfer or invest all funds collected or controlled by the City.

4.09 Selling of Securities Before Maturity

While it is the City's intent to hold securities to maturity to ensure safety of principal, if the City needs to sell securities in order to meet disbursement needs or to take advantage of interest rates, the City Manager and the Director of Finance must both approve the sale of the security.

5.0 Arbitrage

Arbitrage rebate provisions require that the City compute earnings on investments from each issue of bonds on an annual basis to determine if a rebate to the IRS is required. The City is required to perform specific calculations relative to the actual yield earned on the investment of the funds and the yield that could have been earned if the funds had been invested at a rate equal to the yield on the bonds sold by the City. The regulations require extreme precision in the monitoring and recording facets of the investments, and particularly as it relates to yields and computations in order to ensure compliance. Failure

to comply can dictate that the bonds become taxable, retroactively from the date of issuance, or subject the City to severe penalties.

The City's investment position as it relates to arbitrage regulations is as follows: Investments on bond proceeds will be made with safety of principal and liquidity in mind, but with a competitive rate of return. When project timing and cash flows allow, bond proceeds may be invested in instruments allowed under Section 3.0, if the investment can be purchased solely with the individual bond proceeds, and not commingled with operating funds or multiple issues. All investments purchased with bond funds shall be documented clearly and reported to the City's arbitrage consultant for tracking and review. Arbitrage rebate calculations will be performed annually on all debt issues and funds set aside annually for any positive arbitrage. When present positive arbitrage will be re-bated to the IRS, as necessary.

6.0 Investment Reporting

The Investment Officers shall report to City Council on no less than a quarterly basis in accordance with the Act (2256.023). The report shall include a detailed listing of all purchases, sales, and payments and a description of each security held as well as a management summary information.

The report must be prepared and signed by all Investment Officers and contain a statement of compliance regarding the City's Investment Policy and the Act (2256.023).

Market prices used to determine market value in the investment reports shall be obtained from an independent source.

7.0 INVESTMENT COLLATERAL AND SAFEKEEPING

7.01 Collateral

The Investment Officer(s) or Investment Advisor shall ensure that all City funds in time and demand deposits, all uninsured collected balances plus accrued interest, if any, certificates of deposits and/or repurchase agreements are insured or collateralized consistent with the Public Funds Collateral Act (Texas Government Code 2257) and federal law as well as the then current bank depository contract. The City chooses to accept collateral based on the list of investments authorized under the Public Funds Investment Act. The right of collateral substitution may be granted with the approval of the City Manager or Finance Director. Also, the City Manager or the Finance Director may approve and release pledged collateral. The City shall request additional collateral in the event Investment Officer(s) deems that deposits or investments are not sufficiently protected by the pledged collateral.

The market value of the pledged securities used as collateral will equal 102% of the ledger balance of time and demand deposits, plus principal and accrued interest on certificates of

deposit, and repurchase agreements and be held by an independent party outside the bank's or counter-parties' holding company. Pledged collateral will be evidenced by original safekeeping receipts, which are held in the Federal Reserve Bank and is readily available to the City. The City's bank and/or third-party custodian will always be responsible for the monitoring and maintaining of margin levels.

7.02 Safekeeping

All pledged securities will be held by an independent third-party custodian selected by the City, with all securities held in the City of Richwood's name. The custodial safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70). Safekeeping receipts shall be maintained by the Investment Officer(s) and shall be available for review upon request.

8.0 INVESTMENT POLICY and INVESTMENT STRATEGY ADOPTION

The City's Investment Policy and Investment Strategy shall be adopted by resolution annually by the City Council. Any modifications made thereto must be approved by the City Council and documented by formal action.

CITY OF RICHWOOD

9.0 INVESTMENT STRATEGY

The City of Richwood shall adopt by resolution a separate written investment strategy for each of the funds under its control. For Investment purposes, the City shall use a “Pooled Fund Group” which means that all funds under the City’s control shall be treated as one fund with respect to its investment strategy.

9.01 Suitability

Investments are to be purchased based on the financial requirements of the City. The City of Richwood shall strive to maintain the level of investment of all fund balances, reserves and bond funds as close as possible to 100%. Any investment eligible in the Investment Policy is suitable for all City funds, including component units.

9.02 Safety of Principal

Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. All investments shall be of high quality with no perceived default risk. It is the City’s full intent, at the time of purchase, to hold all investments until maturity in order to ensure the return of all invested principal.

9.03 Liquidity

The City’s investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated. Liquidity shall be achieved by matching investment maturities with budgetary and economic cycles, and forecasted cash flow requirements. A portion of the portfolio will be maintained in liquid short-term securities that can be converted to cash if necessary, to meet disbursement requirements. Investment pools and money market mutual funds provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

9.04 Marketability

The City shall invest in securities that, if the need arises, can be liquidated before maturity. Investments will never be prematurely sold at less than book value plus accrued interest, without the approval of the Director of Finance and the City Manager.

9.05 Diversification

The City will diversify its investments by security type and by broker/dealer. Except for U.S. Treasury securities and fully collateralized demand deposit accounts, no more than 75% of the City's total investment portfolio will be invested in a single security type.

9.06 Yield

The investment portfolio shall obtain a competitive rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The City shall attempt to obtain an acceptable return provided that the requirements of safety and liquidity are first met. The yield of the one-year U.S. Treasury Bill shall be a yield objective or benchmark as well as benchmarked against an agency note with maturity, which approximates the weighted average maturity of the portfolio

10.0 GLOSSARY and ATTACHMENTS

GLOSSARY of Definitions

Accrued Interest: Term designating the interest due on a bond or other fixed income security that must be paid by the buyer of a security to its seller.

Agency: A security, almost always debt, issued by a corporation sponsored by the U.S. Government. Examples: bonds of the Tennessee Valley Authority.

Agency Notes: One to two-year obligations offered at a discount from par by U.S. Government Agencies, such as the Federal National Mortgage Association, the Federal Home Administration, and the Farm Credit System.

Bid: The price offered by a buyer of securities – when you are selling securities, you ask for a bid.

Broker: A broker brings buyers and sellers together for a commission.

Certificate of Deposit (CD): A time deposit with a specific maturity evidenced by a certificate.

Collateral: Evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Component Unit: Based on generally accepted account principles, the Richwood Economic Development Corporation, TIRZ #2, and the Development Authority of Richwood are considered component units of the City, and as such are included in the City's annual financial reports.

Confirmation: Commonly called a "confirm." The confirmation is a notice to a customer that payment is due on a purchase, or that net proceeds are available on a sale of securities. Federal securities law requires that a confirmation be sent promptly following each purchase and sale.

Conflict of Interest: Term used to describe a financial situation where a person prejudicially places personal affairs before those of constituents that the person is supposed to serve or represent.

Coupon: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

Current Maturity: Used to designate the remaining lifetime of an already outstanding bond.

Dealer: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

Delivery versus Payment: Delivery of securities first, with an exchange of money for the securities after delivery.

Derivatives: (a) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying indices or securities, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security.

Discount: The difference between the cost price of a security and its maturity value when quoted at lower than face value. A security selling below original offering price shortly after sale is also considered to be at a discount.

Discount Securities: Non-interest-bearing money market instruments that are issued at a discount and redeemed at maturity for full face value. Example: U.S. Treasury Bills.

Discount Yield: Measurement of return that computes interest on face value of security rather than on the dollar amount invested. Used in figuring yield on U.S. Treasury Bills.

Diversification: Dividing investment funds among a variety of securities offering independent returns.

Equivalent Bond Yield: Used to compare the discount yield on money market securities to the coupon yield on government bonds.

Face Value: The dollar amount that appears on the face of the bond certificate. It is the dollar amount the issuer promises to pay to the holder at maturity. Also called par value.

Federal Credit Agencies: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals. Examples: S&L's, small business firms, students, farmers, farm cooperatives.

Federal Deposit Insurance Corporation (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per depositor.

Federal Funds Rate: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

Federal Farm Credit Bank (FFCB): Fiscal agent for the Farm Credit System, a public government sponsored enterprise (GSE) created in 1916 to lend to agricultural and rural America. Funds for loans are obtained through the issuance of Farm Credit Debt Securities.

Federal Home Loan Bank (FHLB): Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions, and insurance companies. The mission of the FHLB is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac): Public government sponsored enterprise (GSE) created in 1970 to expand the secondary market for mortgages in the US. Along with other GSEs, Freddie Mac buys mortgages on the secondary market, pools them, and sells them as a mortgage-backed security to investors on the open market. This secondary mortgage market increases the supply of money available for mortgage lending and increases the money available for new home purchases.

Federal National Mortgage Association (FNMA or Fannie Mae): FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. FNMA is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

Federal Open Market Committee (FOMC): Consists of the seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

Federal Reserve System: The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

Financial Assets: Cash and other assets that, in the normal course of operations, will become cash.

Government National Mortgage Association (GNMA or Ginnie Mae): A fixed income security that represents an undivided interest in a pool of federally insured mortgages put together by GNMA. GNMA securities are commonly backed by FHA or VA mortgages.

Liquidity: A liquid assets is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable sizes can be done at those quotes.

Local Government Investment Pool (LGIP): An entity created under the public funds investment act to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are 1) preservation and safety of principal, 2) liquidity, and 3) yield.

Market Value: The price at which a security is trading and could presumably be purchased or sold.

Master Repurchase Agreement: A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establishes each party's rights in the transactions.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Money Market: The market in which short-term debt instruments (bills, commercial paper, etc.) with a one-year maturity or less, and often 30-days or less, are issued and traded.

Offer: The price asked by a seller of securities.

Overnight Repo: A repurchase agreement with expiration set for the following business day.

Par Value: The dollar amount that appears on the face of the bond certificate. It is the dollar amount the issuer promises to pay to the holder at maturity. Also, called face value.

Portfolio: Collection of securities held by an investor.

Primary Dealer: A designation given by the Federal Reserve System to commercial banks or broker/dealers who meet specific criteria, including capital requirements and participation in Treasury auctions.

Principal: The face amount (par value) of a debt security.

Rate of Return: The yield obtainable on a security based on its purchase price or its current market price. For bonds and notes, it is the coupon rate divided by the price.

Repurchase Agreement (REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.

Safekeeping: A services to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vault for protection.

Secondary Market: A market made for the purchase and sale of outstanding issues following the initial distribution.

Securities and Exchange Commission: Agency created by Congress to protect investors in security related transactions by administering securities legislation.

Sell: To transfer ownership for a monetary consideration. The term is used in conjunction with the disposition of stocks, bonds, or other financial assets.

Structured Notes: Notes issued by Government Sponsored Enterprises (FFCB, FHLB, FHLMC, FNMA, SLMA, etc.) and Corporations that have imbedded options (e.g.: call features, step-up coupons, floating rate coupons, derivative based returns) into their debt structure. Their market

performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

Treasury Bills: A non-interest-bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

Treasury Bonds: Long-term coupon bearing U.S. Treasury Securities issued as direct obligations of the U. S. Government and having initial maturities of more than 10 years.

Treasury Notes: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to ten years.

Uniform Net Capital Rule: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio.

ATTACHMENT A

CERTIFICATION BY BUSINESS ORGANIZATION

This certification is executed on behalf of City of Richwood (the Investor) and _____ (the Business Organization) pursuant to the Public Funds Investment Act, Chapter 2256, Texas Government Code (the Act) in connection with investment transactions conducted between the Investor and the Business Organization.

The undersigned Qualified Representative of the Business Organization hereby certifies on behalf of the Business Organization that:

1. The undersigned is a Qualified Representative of the Business Organization offering to enter into an investment transaction with the Investor as such terms are used in the Public Funds Investment Act, Chapter 2256, Texas Government Code and
2. The Qualified Representative of the Business Organization has received and reviewed the Investment Policy furnished by the Investor and
3. The Qualified Representative of the Business Organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment transactions conducted between the Business Organization and the Investor that are not authorized by the entity's investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or required an interpretation of subjective investment standards.
4. The Business Organization will rely upon instructions from only the persons authorized on behalf of the City of Richwood as stated in the Investment Policy and City's resolution designating investment officers.

Registered Principal or Authorized Representative:

Signature: _____
Name: _____
Title: _____
Date: _____

Broker Assigned to the Account:

Signature: _____
Name: _____
Title: _____
Date: _____

ATTACHMENT B

STATEMENT OF ETHICS & CONFLICTS OF INTEREST

Investment officer(s) for the City of Richwood shall refrain from personal business relationships with business organizations that could conflict with the proper execution of the investment programs of the City, or which could impact their ability to make objective and impartial investment decisions. This would apply only to personal business relationships with business organizations that been approved by City Council to conduct investment transactions with or on the behalf of the City of Richwood.

An Investment Officer is considered to have a personal business relationship with a business organization if:

1. The Investment Officer owns ten (10) percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business.
2. Funds received by the Investment Officer from the business organization exceeds ten (10) percent of the Investment Officer's annual gross income for the previous year.
3. The Investment Officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the Investment Officer.

_____ I do hereby certify that I **do not** have a personal business relationship with any business organization approved to conduct investment transactions with the City of Richwood, not am I related with the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City of Richwood as of the date of this statement.

_____ I do hereby certify that I **do** have a personal business relationship with any business organization approved to conduct investment transactions with the City of Richwood, not am I related with the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City of Richwood as of the date of this statement.

City Manager

Finance Director

Date

Date

ATTACHMENT C

APPROVED/AUTHORIZED LIST OF BROKER/DEALERS

APPROVED/AUTHORIZED LIST OF PUBLIC DEPOSITORIES

First National Bank of Lake Jackson
Brazos National Bank

**APPROVED/AUTHORIZED LIST OF
LOCAL GOVERNMENT INVESTMENT POOLS**

TexPool
TexStar
LOGIC

Certificates of deposit may be purchased from Texas depository institutions, which are not on the approved broker/list, as they are considered depository in nature. Certificates of deposit purchased from brokerage firms, however, must be on the approved broker/dealer list as they fall under the Public Funds Investment Act. All deposits over the FDIC limit must be collateralized.

RESOLUTION NO. 20-R-19

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, TEXAS, ADOPTING THE CITY OF RICHWOOD INVESTMENT POLICY FOR THE FISCAL YEAR 2019-2020 FOR THE INVESTMENT OF MUNICIPAL FUNDS; AND SETTING FORTH OTHER RELATED MATTERS.

WHEREAS, Chapter 2256 of the Texas Government Code requires the City Council to annually review its Investment Policy regarding the investment of City funds and funds under its control;

WHEREAS, the City Council of the City of Richwood, Texas desires to adopt its FY 2019-2020 Investment Policy pursuant to Chapter 2256 Texas Government Code, Public Funds Investment Act; and

WHEREAS, pursuant to the Public Funds Investment Act, the governing body of the City shall adopt a resolution stating it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, TEXAS, THAT:

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes as findings of fact.

Section 2. The FY 2019-2020 City of Richwood Investment Policy was reviewed by City Council, includes amendments since the last adoption and is hereby adopted as the investment policy of the City of Richwood, attached hereto as "Exhibit A".

Section 3. Open Meetings. It is hereby officially found and determined that the meeting at which this resolution was passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551, Texas Government Code.

PASSED AND APPROVED this the ____ day of _____, 2020.

THE CITY OF RICHWOOD, TEXAS

ATTEST

Steve Boykin, Mayor

Kirsten Garcia, City Secretary



2018 -
2019

INVESTMENT POLICY AND STRATEGY

APPROVED AND ADOPTED ON JULY 8, 2019

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CITY OF RICHWOOD INVESTMENT POLICY

1.0 INVESTMENT AUTHORITY AND SCOPE OF POLICY

1.01 Purpose

To establish and provide specific policy and guidelines for the conduct of the investment program of the City of Richwood.

1.02 Policy

It is the policy of the City of Richwood (the "City") to invest public funds in a manner, which will provide safety of principal while earning the highest reasonable market return in meeting the daily cash flow demands of the City. All funds will be invested in compliance with all federal, state and local statutes, rules and regulations and all Governmental Accounting Standards Board Statements, and related financial accounting standards.

This policy satisfies the requirement of Chapter 2256 of the Texas Government Code, Public Funds Investment Act (PFIA), hereinafter referred to as the "Public Funds Investment Act" or "PFIA" of "Act".

1.03 Scope

This Investment Policy shall apply to all the funds and investments of the City as well as any other funds held in custody by the City, and include the following funds:

1. General Fund
2. Special Revenue Funds
3. Capital Project Funds
4. Enterprise Funds
5. Trust & Agency Funds
6. Debt Service Funds
7. Internal Service Funds
8. Component Units, excluding those which have adopted a separate investment policy.
9. Any other funds or component units as created by the City.

These funds, as well as funds that may be created from time-to-time, shall be administered in accordance with the provisions of this policy. All funds invested under this policy shall be considered as a pooled group for investment purposes.

Deferred compensation and the retirement system assets the City set aside or holds for its employees are not subject to this policy.

1.04 Delegation of Investment Authority

The City Manager and the Director of Finance are hereby designated as Investment Officers for the City. The City may use other employees or the services of a contractor to aid the investment officer(s) in the execution of their duties. Otherwise, unless authorized by law, no other individual(s) has the authority to deposit, withdraw, transfer or manage the investments of the City. The City may designate a registered investment advisor to invest for the City and act as an additional Investment Officer. Authority granted to a person(s) to deposit, withdraw, invest, transfer or manage the City's investments is effective until rescinded by City Council or until termination of the person's employment or contract.

The Director of Finance is responsible for the management of the investment program. The Investment Officers are responsible for the daily operations of the investment function. The Director of Finance shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

1.05 Ethics and Conflict of Interest

Investment Officers shall refrain from personal business activities that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Investment Officers who have a personal business relationship with a business organization seeking to sell an investment to the City and who have anyone related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement (Attachment B) disclosing that personal interest to the Director of Finance, City Manager, the City Council and the Texas Ethics Commission.

An Investment Officer has a personal business relationship with a business organization if:

- 1) The investment officer owns 10% or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
- 2) Funds received by the investment officer from the business organization exceed 10% of the investment officer's gross income for the previous year; or
- 3) The investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

2.0 INVESTMENT OBJECTIVES

2.01 Objective

City investments shall be made in accordance with federal and state laws, this Investment Policy and Investment Strategy and ordinances of the City. The City's investment portfolio shall be designed with the objective of attaining a market rate of return in accordance with

its designated benchmark based on the City's cash flow requirements throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

2.02 Safety of Principal

The primary objective of the City's investment program is to ensure the safety of all funds. To attain this objective, it is the City's intent to invest in the safest types of securities, pre-qualify broker/dealers,, and advisors and to hold all investments until maturity in order to ensure the return of all invested principal unless as stipulated in Section 4.09 of the policy.

2.03 Liquidity

The City's investment should be based on a cash flow analysis, which will provide the liquidity necessary to pay all expected and unexpected obligations. Liquidity shall be achieved by matching investment maturities with budgetary and economic cycles. A portion of the portfolio will be maintained in liquid short-term investments that can be converted to cash, if necessary, to meet disbursement requirements. Investment pools and no-load money market mutual funds provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

2.04 Diversification

The City of Richwood shall diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of investments. Investment shall always be selected that provide for stability of income and reasonable liquidity.

2.05 Yield

It will be the objective of the City to earn a reasonable market yield throughout budgetary and economic cycles within the parameters imposed by its safety and liquidity objectives, investment strategies, and state and federal law. Return on investment is of secondary importance to safety and liquidity objectives. The yield and level of risk for the portfolio will be benchmarked against the yield of the one-year Treasury Bill during the comparable period as well as against an agency note with approximately the same maturity as the weighted average maturity of the portfolio.

2.06 Maturity

The portfolio shall be structured primarily to meet City obligations and secondarily to achieve a reasonable return of interest. The maximum allowable stated maturity of any individual investment owned by the City shall be five (5) years from date of purchase. The settlement date is considered the date of purchase. However, the City may collateralize its demand deposit accounts, certificates of deposits, and repurchase agreements using longer-dated investments not to exceed ten (10) years.

The maximum weighted average maturity based on the overall portfolio shall not exceed 36 months, or 1095 days.

2.07 Investment Training

City designated Investment Officers shall take and maintain training in accordance with the training requirements as set forth in the Act (Section 2256.008). An external auditor shall review documentation of annual training requirements annually.

2.08 Quality and Capability of Investment Management

Investment Officers always shall be cognizant of the standard of care and the investment objectives as set forth in the Act and the City's Investment Policy.

2.09 Investment Strategy

In accordance with the Act (2256.005(d)) a separate written investment strategy shall be developed for each portfolio/fund or pooled group of funds under the City's control. The strategy shall be reviewed on an annual basis with formal action by the City Council stating that the strategy has been reviewed and recording any changes made.

2.10 Cash Management

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability to the City for investment use. The City shall maintain a comprehensive cash management program that includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services.

3.0 AUTHORIZED INVESTMENTS

3.01 Authorized Investments

Authorized investments under this policy shall be limited to the instruments listed below as authorized and defined by the Public Funds Investment Act.

- A. Direct obligations of the United States or its agencies and instrumentalities.
- B. Direct obligations of the State of Texas or its agencies and instrumentalities
- C. Collateralized Certificates of Deposit of banks or savings banks doing business in Texas, collateralized to 102%, and guaranteed or insured by the Federal Deposit Insurance Corporation or its successor; or secured by obligations of the United State Government, including mortgage backed securities, which pass the bank test, but excluding those mortgage backed securities defined in Section 2256.009(b) of the Act.
- F. Constant dollar local government investment pools as defined by the Act (2256.016 and 2256.019) and approved by City Council resolution.
- G. AAA-rated, SEC registered no-load Money Market Mutual Funds and no-load mutual fund including funds that invest in commercial paper and as further defined in Sections 2256.013 and 2256.014 of the Act.

- H. Interest bearing bank deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) and that are fully collateralized at 102% of the ledger balance.
- J. Certificates of deposit through the Certificate of Deposit Account Registry Service (CDARS) program.

3.02 Certificates of Deposit

- A. Depository Certificates of Deposit (CD) may be purchased from any depository institution located in the State of Texas.
It is not necessary for a Texas depository institution to be on the City's approved broker/dealer list as CD's are considered depository in nature. Prior to purchase, however, all agreements with the depository institution must be completed prior to the purchase of a CD from the depository institution.
- B. Amounts purchased over the FDIC limit whether from a depository institution or brokerage firm must be collateralized.

3.03 Unauthorized Investments

Specifically, prohibited investments are:

1. Collateralized mortgage obligations (CMO), excluding Pools which invest in CMOs
2. Commercial Paper, excluding Pools which invest in Commercial Paper
3. All swaps including but not limited to even-basis swaps, interest rate swaps
4. Forwards and futures
5. Options
6. Foreign Exchange
7. Planned amortization classes (PAC)
8. Regular floaters tied to government securities
9. Investments with various interest rate caps, floors, and collars
10. Investment pools in which the City would own more than 10% of the market value of the pool
11. Any other investments that are not on the authorized investment list

3.04 Investments with Required Ratings

Investments with minimum required ratings such as investment pools and no-load mutual funds do not qualify as authorized investments during the period the investment does not have the minimum rating. Investment ratings shall be checked monthly online by an Investment Officer to ensure that the ratings have not been downgraded. The City shall take all prudent measures that are consistent with its investment policy to liquidate investments that do not have the minimum rating.

3.05 Exemptions for Existing Investments

Any investment currently held that does not meet the guidelines of this policy, but were authorized investments at the time of purchase, is not required to be liquidated; however,

the City shall take all prudent measures consistent with this Investment Policy to liquidate an investment that does not or no longer qualifies as an authorized investment.

4.0 INVESTMENT CONTROLS

4.01 Selection of Investment Broker/Dealers

The Investment Officers will maintain a list of financial institutions, primary broker/dealers, and local government investment pools authorized by the City Council to provide investment services to the City. Annually, the City Council will approve the list (Attachment C) of financial institutions and broker/dealers authorized to conduct business with the City. Investment Officers shall not conduct business with any firm not approved by City Council, except for the purchase of CD's from Texas depository institutions.

All financial institutions and broker/dealers who desire to become qualified bidders for investment services must fill out an application and return it to the City by the stated day and time. After review of all applicants, a list of selected financial institutions and broker/dealers will be prepared by the Investment Officers and reviewed by the Investment Committee. The following may be required with the application: most recent audited financial statement, list of local government clients, and statements of qualifications. Additions to the approved broker/dealer list will be made at a minimum bi-annually.

Criteria used in the selection of the authorized broker/dealers will include, but are not limited, to material litigation against the firm, regulatory status of the dealer, completed packet, references from local government clients, background and expertise in investment of public funds.

Up to ten firms shall be selected to appear on the City's approved list. If, after a firm is selected, they no longer qualify to appear on the City's approved dealer list, or provide services inconsistent with acceptable levels, the Investment Officers may recommend City Council to remove the firm from the approved list and replace it with a qualified firm.. Should an approved bank merge with or be acquired by another bank while on the City's approved list, the new bank must agree to meet the same collateralization and certification requirements, or the bank shall be removed from the approved list.

4.02 Certification

A written copy of this Investment Policy shall be presented to any firm seeking to engage in a financial transaction with the City. The authorized representative of the firm shall execute a written instrument substantially in the form of Attachment A of this Policy and to the effect that the representative has:

1. received and thoroughly reviewed the investment policy of the City; and
2. acknowledged that the organization has implemented reasonable procedures and controls in effort to preclude investment transactions that are not authorized by the

City's Investment Policy except to the extent that the authorization is dependent on an analysis of the makeup of the City's entire portfolio or requires interpretation of subjective investment standards.

The Investment Officer(s) may not transact business with any firm that has not executed and returned this certification. (2256.005(l)).

The City may contract with a registered investment advisor for the management of the City's portfolio. The advisor shall review the Policy and execute all transactions in accordance with the provisions and controls of the Policy.

4.03 Delivery vs. Payment Settlement

It shall be the policy of the City that all securities shall be purchased on a "Delivery vs. Payment" (DVP) basis, except for investment pools and mutual funds. By so doing, City funds are not released until the City or its approved custodian has received the securities purchased or pledged.

4.04 Internal Control and Annual Audit

The Director of Finance or designee shall establish a system of internal controls. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation of third parties, or imprudent actions by employees or Investment Officers of the City. Controls and managerial emphasis deemed most important include the following:

Imperative Controls:

- A. Safekeeping receipts and record management
- B. Documentation of investment bidding
- C. Written confirmations
- D. Reconciliation and comparisons of security receipts with investments and bank records
- E. Compliance with investment policies
- F. Accurate and timely reporting
- G. Adequate training and development of Investment Officers

Controls Where Practical

- A. Control of collusion
- B. Segregation of duties
- C. Clear delegation of authority
- D. Staying informed about market conditions, changes and trends that require adjustments in investment strategies.

The City, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to the City's established investment

policies. This annual audit shall be performed by an external auditor and will include formal review of the quarterly reports.

4.05 Standard of Care

Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

1. the investment of all funds over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and
2. whether the investment decision was consistent with the City's Investment Policy.

The Director of Finance and the Investment Officers are not personally responsible for changes in the market.

4.06 Competitive Bidding

The investment officer shall obtain competitive bids from at least three brokers or financial institutions on all purchases and sales of investment instruments transacted on the secondary market. The requirement for competitive bids shall not apply to a) transactions with money market funds and local government investment pools (which are deemed to be made at prevailing market rates), b) treasury and agency securities purchased at issuance through an approved broker/dealer or financial institution, and c) fully insured certificates of deposit placed in accordance with the conditions prescribed in Section 2256.010(b) of the Act. In situations where the exact security being offered is not offered by other dealers, offers on the closest comparable investment may be used to establish a fair market price for the security. Quotes will be accepted either written or electronically, or a combination thereof. An exception to this rule may be made when time limitations preclude the bidding process.

The investment will be made with the broker/dealer offering the greatest return and quality to the City. If three bids/offers are solicited but three responses are not received within the time frame specified in the solicitation of the bid/offer, the Investment Officer may act based on the responses received as long as the solicitation of and failure to receive the bids/offers is documented. Any investments purchased must have the signature of at least two Investment Officers, when both are present.

4.07 Portfolio Diversification

The City will diversify its investments by security type, institution, and broker/dealer. Requests for bids/offers from broker/dealers shall rotate among approved broker/dealers

to ensure that the same brokers are not solicited for every bid/offer request, and to ensure competition among broker/dealers.

With the exception of U.S Treasury Securities and interest-bearing checking accounts that are fully collateralized, no more than 75% of the City's total investment portfolio will be invested in a single security type. If the City elects to participate in more than one investment pool, the total percent invested in all pools shall not exceed the maximum percent allowed.

Diversification requirements are as follows:

<u>Investment Type</u>	<u>Maximum Investment %</u>
Certificates of Deposit**	Up to 75%
US Treasury Bills/Notes	Up to 100%
Other US Government Securities	Up to 50%
Authorized Investment Pools	Up to 75% in total
CDARS Program	Up to 25%
No-Load MM Mutual Funds	Up to 50%
No-Load Mutual Funds	Per PFIA
Sweep Accounts/DDA***	Up to 100%

** FDIC coverage or fully collateralized

*** Fully collateralized at 102% of value

4.08 Electronic Funds Transfer

The City may use electronic means to transfer or invest all funds collected or controlled by the City.

4.09 Selling of Securities Before Maturity

While it is the City's intent to hold securities to maturity to ensure safety of principal, if the City needs to sell securities in order to meet disbursement needs or to take advantage of interest rates, the City Manager and the Director of Finance must both approve the sale of the security.

5.0 Arbitrage

Arbitrage rebate provisions require that the City compute earnings on investments from each issue of bonds on an annual basis to determine if a rebate to the IRS is required. The City is required to perform specific calculations relative to the actual yield earned on the investment of the funds and the yield that could have been earned if the funds had been invested at a rate equal to the yield on the bonds sold by the City. The regulations require extreme precision in the monitoring and recording facets of the investments, and particularly as it relates to yields and computations in order to ensure compliance. Failure

to comply can dictate that the bonds become taxable, retroactively from the date of issuance, or subject the City to severe penalties.

The City's investment position as it relates to arbitrage regulations is as follows: Investments on bond proceeds will be made with safety of principal and liquidity in mind, but with a competitive rate of return. When project timing and cash flows allow, bond proceeds may be invested in instruments allowed under Section 3.0, if the investment can be purchased solely with the individual bond proceeds, and not commingled with operating funds or multiple issues. All investments purchased with bond funds shall be documented clearly and reported to the City's arbitrage consultant for tracking and review. Arbitrage rebate calculations will be performed annually on all debt issues and funds set aside annually for any positive arbitrage. When present positive arbitrage will be re-bated to the IRS, as necessary.

6.0 Investment Reporting

The Investment Officers shall report to City Council on no less than a quarterly basis in accordance with the Act (2256.023). The report shall include a detailed listing of all purchases, sales, and payments and a description of each security held as well as a management summary information.

The report must be prepared and signed by all Investment Officers and contain a statement of compliance regarding the City's Investment Policy and the Act (2256.023).

Market prices used to determine market value in the investment reports shall be obtained from an independent source.

7.0 INVESTMENT COLLATERAL AND SAFEKEEPING

7.01 Collateral

The Investment Officer(s) or Investment Advisor shall ensure that all City funds in time and demand deposits, all uninsured collected balances plus accrued interest, if any, certificates of deposits and/or repurchase agreements are insured or collateralized consistent with the Public Funds Collateral Act (Texas Government Code 2257) and federal law as well as the then current bank depository contract. The City chooses to accept collateral based on the list of investments authorized under the Public Funds Investment Act. The right of collateral substitution may be granted with the approval of the City Manager or Finance Director. Also, the City Manager or the Finance Director may approve and release pledged collateral. The City shall request additional collateral in the event Investment Officer(s) deems that deposits or investments are not sufficiently protected by the pledged collateral.

The market value of the pledged securities used as collateral will equal 102% of the ledger balance of time and demand deposits, plus principal and accrued interest on certificates of

deposit, and repurchase agreements and be held by an independent party outside the bank's or counter-parties' holding company. Pledged collateral will be evidenced by original safekeeping receipts, which are held in the Federal Reserve Bank and is readily available to the City. The City's bank and/or third-party custodian will always be responsible for the monitoring and maintaining of margin levels.

7.02 Safekeeping

All pledged securities will be held by an independent third-party custodian selected by the City, with all securities held in the City of Richwood's name. The custodial safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70). Safekeeping receipts shall be maintained by the Investment Officer(s) and shall be available for review upon request.

8.0 INVESTMENT POLICY and INVESTMENT STRATEGY ADOPTION

The City's Investment Policy and Investment Strategy shall be adopted by resolution annually by the City Council. Any modifications made thereto must be approved by the City Council and documented by formal action.

CITY OF RICHWOOD

9.0 INVESTMENT STRATEGY

The City of Richwood shall adopt by resolution a separate written investment strategy for each of the funds under its control. For Investment purposes, the City shall use a “Pooled Fund Group” which means that all funds under the City’s control shall be treated as one fund with respect to its investment strategy.

9.01 Suitability

Investments are to be purchased based on the financial requirements of the City. The City of Richwood shall strive to maintain the level of investment of all fund balances, reserves and bond funds as close as possible to 100%. Any investment eligible in the Investment Policy is suitable for all City funds, including component units.

9.02 Safety of Principal

Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. All investments shall be of high quality with no perceived default risk. It is the City’s full intent, at the time of purchase, to hold all investments until maturity in order to ensure the return of all invested principal.

9.03 Liquidity

The City’s investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated. Liquidity shall be achieved by matching investment maturities with budgetary and economic cycles, and forecasted cash flow requirements. A portion of the portfolio will be maintained in liquid short-term securities that can be converted to cash if necessary, to meet disbursement requirements. Investment pools and money market mutual funds provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

9.04 Marketability

The City shall invest in securities that, if the need arises, can be liquidated before maturity. Investments will never be prematurely sold at less than book value plus accrued interest, without the approval of the Director of Finance and the City Manager.

9.05 Diversification

The City will diversify its investments by security type and by broker/dealer. Except for U.S. Treasury securities and fully collateralized demand deposit accounts, no more than 75% of the City's total investment portfolio will be invested in a single security type.

9.06 Yield

The investment portfolio shall obtain a competitive rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The City shall attempt to obtain an acceptable return provided that the requirements of safety and liquidity are first met. The yield of the one-year U.S. Treasury Bill shall be a yield objective or benchmark as well as benchmarked against an agency note with maturity, which approximates the weighted average maturity of the portfolio

10.0 GLOSSARY and ATTACHMENTS

GLOSSARY of Definitions

Accrued Interest: Term designating the interest due on a bond or other fixed income security that must be paid by the buyer of a security to its seller.

Agency: A security, almost always debt, issued by a corporation sponsored by the U.S. Government. Examples: bonds of the Tennessee Valley Authority.

Agency Notes: One to two-year obligations offered at a discount from par by U.S. Government Agencies, such as the Federal National Mortgage Association, the Federal Home Administration, and the Farm Credit System.

Bid: The price offered by a buyer of securities – when you are selling securities, you ask for a bid.

Broker: A broker brings buyers and sellers together for a commission.

Certificate of Deposit (CD): A time deposit with a specific maturity evidenced by a certificate.

Collateral: Evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Component Unit: Based on generally accepted account principles, the Richwood Economic Development Corporation, TIRZ #2, and the Development Authority of Richwood are considered component units of the City, and as such are included in the City's annual financial reports.

Confirmation: Commonly called a "confirm." The confirmation is a notice to a customer that payment is due on a purchase, or that net proceeds are available on a sale of securities. Federal securities law requires that a confirmation be sent promptly following each purchase and sale.

Conflict of Interest: Term used to describe a financial situation where a person prejudicially places personal affairs before those of constituents that the person is supposed to serve or represent.

Coupon: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

Current Maturity: Used to designate the remaining lifetime of an already outstanding bond.

Dealer: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

Delivery versus Payment: Delivery of securities first, with an exchange of money for the securities after delivery.

Derivatives: (a) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying indices or securities, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security.

Discount: The difference between the cost price of a security and its maturity value when quoted at lower than face value. A security selling below original offering price shortly after sale is also considered to be at a discount.

Discount Securities: Non-interest-bearing money market instruments that are issued at a discount and redeemed at maturity for full face value. Example: U.S. Treasury Bills.

Discount Yield: Measurement of return that computes interest on face value of security rather than on the dollar amount invested. Used in figuring yield on U.S. Treasury Bills.

Diversification: Dividing investment funds among a variety of securities offering independent returns.

Equivalent Bond Yield: Used to compare the discount yield on money market securities to the coupon yield on government bonds.

Face Value: The dollar amount that appears on the face of the bond certificate. It is the dollar amount the issuer promises to pay to the holder at maturity. Also called par value.

Federal Credit Agencies: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals. Examples: S&L's, small business firms, students, farmers, farm cooperatives.

Federal Deposit Insurance Corporation (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per depositor.

Federal Funds Rate: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

Federal Farm Credit Bank (FFCB): Fiscal agent for the Farm Credit System, a public government sponsored enterprise (GSE) created in 1916 to lend to agricultural and rural America. Funds for loans are obtained through the issuance of Farm Credit Debt Securities.

Federal Home Loan Bank (FHLB): Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions, and insurance companies. The mission of the FHLB is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac): Public government sponsored enterprise (GSE) created in 1970 to expand the secondary market for mortgages in the US. Along with other GSEs, Freddie Mac buys mortgages on the secondary market, pools them, and sells them as a mortgage-backed security to investors on the open market. This secondary mortgage market increases the supply of money available for mortgage lending and increases the money available for new home purchases.

Federal National Mortgage Association (FNMA or Fannie Mae): FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. FNMA is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

Federal Open Market Committee (FOMC): Consists of the seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

Federal Reserve System: The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

Financial Assets: Cash and other assets that, in the normal course of operations, will become cash.

Government National Mortgage Association (GNMA or Ginnie Mae): A fixed income security that represents an undivided interest in a pool of federally insured mortgages put together by GNMA. GNMA securities are commonly backed by FHA or VA mortgages.

Liquidity: A liquid assets is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable sizes can be done at those quotes.

Local Government Investment Pool (LGIP): An entity created under the public funds investment act to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are 1) preservation and safety of principal, 2) liquidity, and 3) yield.

Market Value: The price at which a security is trading and could presumably be purchased or sold.

Master Repurchase Agreement: A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establishes each party's rights in the transactions.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Money Market: The market in which short-term debt instruments (bills, commercial paper, etc.) with a one-year maturity or less, and often 30-days or less, are issued and traded.

Offer: The price asked by a seller of securities.

Overnight Repo: A repurchase agreement with expiration set for the following business day.

Par Value: The dollar amount that appears on the face of the bond certificate. It is the dollar amount the issuer promises to pay to the holder at maturity. Also, called face value.

Portfolio: Collection of securities held by an investor.

Primary Dealer: A designation given by the Federal Reserve System to commercial banks or broker/dealers who meet specific criteria, including capital requirements and participation in Treasury auctions.

Principal: The face amount (par value) of a debt security.

Rate of Return: The yield obtainable on a security based on its purchase price or its current market price. For bonds and notes, it is the coupon rate divided by the price.

Repurchase Agreement (REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.

Safekeeping: A services to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vault for protection.

Secondary Market: A market made for the purchase and sale of outstanding issues following the initial distribution.

Securities and Exchange Commission: Agency created by Congress to protect investors in security related transactions by administering securities legislation.

Sell: To transfer ownership for a monetary consideration. The term is used in conjunction with the disposition of stocks, bonds, or other financial assets.

Structured Notes: Notes issued by Government Sponsored Enterprises (FFCB, FHLB, FHLMC, FNMA, SLMA, etc.) and Corporations that have imbedded options (e.g.: call features, step-up coupons, floating rate coupons, derivative based returns) into their debt structure. Their market

performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

Treasury Bills: A non-interest-bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

Treasury Bonds: Long-term coupon bearing U.S. Treasury Securities issued as direct obligations of the U. S. Government and having initial maturities of more than 10 years.

Treasury Notes: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to ten years.

Uniform Net Capital Rule: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio.

ATTACHMENT A

CERTIFICATION BY BUSINESS ORGANIZATION

This certification is executed on behalf of City of Richwood (the Investor) and _____ (the Business Organization) pursuant to the Public Funds Investment Act, Chapter 2256, Texas Government Code (the Act) in connection with investment transactions conducted between the Investor and the Business Organization.

The undersigned Qualified Representative of the Business Organization hereby certifies on behalf of the Business Organization that:

1. The undersigned is a Qualified Representative of the Business Organization offering to enter into an investment transaction with the Investor as such terms are used in the Public Funds Investment Act, Chapter 2256, Texas Government Code and
2. The Qualified Representative of the Business Organization has received and reviewed the Investment Policy furnished by the Investor and
3. The Qualified Representative of the Business Organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment transactions conducted between the Business Organization and the Investor that are not authorized by the entity's investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or required an interpretation of subjective investment standards.
4. The Business Organization will rely upon instructions from only the persons authorized on behalf of the City of Richwood as stated in the Investment Policy and City's resolution designating investment officers.

Registered Principal or Authorized Representative:

Signature: _____
Name: _____
Title: _____
Date: _____

Broker Assigned to the Account:

Signature: _____
Name: _____
Title: _____
Date: _____

ATTACHMENT B

STATEMENT OF ETHICS & CONFLICTS OF INTEREST

Investment officer(s) for the City of Richwood shall refrain from personal business relationships with business organizations that could conflict with the proper execution of the investment programs of the City, or which could impact their ability to make objective and impartial investment decisions. This would apply only to personal business relationships with business organizations that been approved by City Council to conduct investment transactions with or on the behalf of the City of Richwood.

An Investment Officer is considered to have a personal business relationship with a business organization if:

1. The Investment Officer owns ten (10) percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business.
2. Funds received by the Investment Officer from the business organization exceeds ten (10) percent of the Investment Officer's annual gross income for the previous year.
3. The Investment Officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the Investment Officer.

_____ I do hereby certify that I **do not** have a personal business relationship with any business organization approved to conduct investment transactions with the City of Richwood, not am I related with the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City of Richwood as of the date of this statement.

_____ I do hereby certify that I **do** have a personal business relationship with any business organization approved to conduct investment transactions with the City of Richwood, not am I related with the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City of Richwood as of the date of this statement.

City Manager

Finance Director

Date

Date

ATTACHMENT C

APPROVED/AUTHORIZED LIST OF BROKER/DEALERS

APPROVED/AUTHORIZED LIST OF PUBLIC DEPOSITORIES

First National Bank of Lake Jackson
Brazos National Bank

**APPROVED/AUTHORIZED LIST OF
LOCAL GOVERNMENT INVESTMENT POOLS**

TexPool
TexStar
LOGIC

Certificates of deposit may be purchased from Texas depository institutions, which are not on the approved broker/list, as they are considered depository in nature. Certificates of deposit purchased from brokerage firms, however, must be on the approved broker/dealer list as they fall under the Public Funds Investment Act. All deposits over the FDIC limit must be collateralized.



August 3, 2020

City of Richwood, Texas
Attention: Patricia Ditto
1800 N. Brazosport Blvd.
Richwood, Texas 77531

The following represents our understanding of the services we will provide City of Richwood, Texas.

You have requested that we audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Richwood, Texas, as of September 30, 2020, and for the year then ended and the related notes to the financial statements, which collectively comprise City of Richwood, Texas' basic financial statements as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit applicable to those basic financial statements.

Accounting principles generally accepted in the United States of America (U.S. GAAP), as promulgated by the Governmental Accounting Standards Board (GASB) require that the management's discussion and analysis, budgetary comparison information, and pension and other post-retirement benefit related information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, 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. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis.
- Budgetary Comparison Information.
- Schedule of Changes in Net Pension Liabilities and Related Ratios.
- Schedule of Pension Contributions.
- Schedule of Changes in Total Other Post Employment Benefit (OPEB) Liability and Related Ratios.

OFFICE LOCATIONS

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Supplementary information other than RSI will accompany City of Richwood, Texas' basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

- Combining and Individual Fund Statements and Schedules.

Auditor Responsibilities

We will conduct our audit in accordance with U.S. GAAS and, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

An audit also includes evaluating the appropriateness of accounting policies used, and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the basic financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, detected abuse, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards*.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we have identified during the audit. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs or withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

Other Services

We will also assist in preparing the financial statements and related notes of City of Richwood, Texas in conformity with U.S. GAAP. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. These services are limited to assisting in the preparation of the financial statements and related notes of City of Richwood, Texas. Our firm, in its sole professional judgement, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise City of Richwood, Texas with regard to financial preparation, but City of Richwood, Texas must make all decisions with regard to those matters.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of City of Richwood, Texas' compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. 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 error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
3. To provide us with:
 - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
 - ii. Additional information that we may request from management for the purpose of the audit; and
 - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
4. For including the auditor's report in any document containing financial statements that indicates that such financial statements have been audited by the entity's auditor;

5. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
6. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
7. For acceptance of non-attest services, including identifying the proper party to oversee non-attest work;
8. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials;
9. For the accuracy and completeness of all information provided; and
10. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited financial statements, or if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

With respect to any non-attest services, we will not assume management responsibilities on behalf of City of Richwood, Texas. However, we will provide advice and recommendations to assist management of City of Richwood, Texas in performing its responsibilities. Management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Reporting

We will issue a written report upon completion of our audit of City of Richwood, Texas' basic financial statements. Our report will be addressed to the governing body of City of Richwood, Texas. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Our firm may transmit confidential information that you provided us to third parties in order to facilitate delivering our services to you. For example, such transmissions might include, but not be limited to investment information for fair value testing. We have obtained confidentiality agreements with all our service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the work provided by any third-party service providers used under this agreement. By your signature below, you consent to having confidential information transmitted to entities outside the firm. Please feel free to inquire if you would like additional information regarding the transmission of confidential information to entities outside the firm.

Timing and Fees

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

The timing of our audit will be scheduled as follows:

Document internal control and preliminary tests	September 2020
Mail confirmations	October 2020
Perform year-end audit procedures	December 2020
Issue audit reports	February 2021

John K. Manning is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Pattillo, Brown & Hill, L.L.P.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees for these services will be at our standard hourly rates plus out-of-pocket cost (such as reports reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$43,900. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been

completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional cost.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

At the conclusion of our audit engagement, we will communicate to those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

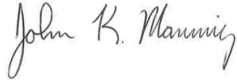
The audit documentation for this engagement is the property of Pattillo, Brown & Hill, L.L.P. and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulatory agencies pursuant to authority given to them by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Pattillo, Brown & Hill, L.L.P.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation. The regulatory agency may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,
Pattillo, Brown & Hill, L.L.P.



John K. Manning, CPA
Waco, Texas

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of City of Richwood, Texas by:

Name: _____

Title: _____

Date: _____



CPAs & Advisors

SYSTEM REVIEW REPORT

October 21, 2016

To the Partners of
Pattillo, Brown & Hill, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Pattillo, Brown & Hill, LLP (the firm) in effect for the year ended May 31, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*, audits of employee benefit plans, and audits performed under FDICIA.

In our opinion, the system of quality control for the accounting and auditing practice of Pattillo, Brown & Hill, LLP in effect for the year ended May 31, 2016, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Pattillo, Brown & Hill, LLP has received a peer review rating of *pass*.

Haddox Reid Eubank Betts PLLC



Audit Services RFQ

PRESENTED TO

City of Richwood, Texas

DATE

July 17, 2020

PATTILLO, BROWN & HILL

John K. Manning

401 West State Highway 6
Waco, TX 76710

127 254.772.4901 | JKManning@pbhcpa.com

EXPERT

TRUSTED

ADVISOR



July 17, 2020
City of Richwood, Texas
1800 Brazosport N.
Richwood, Texas 77531

Re: Audit Services RFQ

Pattillo, Brown and Hill, L.L.P. (PB&H) is pleased to have the opportunity to submit the accompanying proposal to provide professional audit services to the City of Richwood, Texas ("City") for the years ending September 30, 2020, 2021 and 2022 with an option to renew the contract for additional years.

We believe that our Firm possesses certain unique characteristics that are well-matched to the City's needs. We are a regional accounting firm that has been in existence since 1923.

- Our primary business is serving local governments in Texas and New Mexico. In addition to our experience with cities, we have extensive experience auditing other forms of local governments such as school districts, councils of government, counties, and special districts.
- We are committed to customer service and developing client relationships. We offer support throughout the year as a part of this engagement and will not charge additional fees for informal consultations.
- Our proposed service team for the City consists of seasoned professionals who work exclusively on local government engagements.
- Our firm is known for providing high quality services while meeting our client's time constraints, as such, we are committed to performing the engagement within the time parameters mentioned in the proposal.

Outlined in this proposal are key factors that distinguish our Firm from other providers of government services. Among these are the experience level of our service team with audits of cities, our Firm's commitment to providing services to the public sector and our engagement approach. We bring the high level of experience and expertise as larger, national accounting firms, but with the value inherent in local firms. We are committed to perform the work outlined the request for proposal within the time period required.

As engagement partner, I am an authorized representative of the Firm and my signature binds PB&H to the terms and conditions specified in this proposal. This proposal is a firm and irrevocable offer for 90 days. I can be reached by phone at (254) 772-4901, by email at JKManning@pbhcpa.com or by mail at 401 West Highway 6, Waco, Texas 76710.

I am excited about the opportunity to serve the City. Please feel free to contact me should you have any questions regarding this proposal.

John K. Manning, CPA
PATTILLO, BROWN & HILL, L.L.P.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque



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COMMITMENT TO OUR CLIENTS

At Pattillo, Brown & Hill, we value all of our clients and put a high priority on customer service. The City of Richwood, Texas would not just be “another audit” for our firm. We understand that developing a strong and lasting relationship with your City will benefit our firm because we are in the business of performing audits of local governments, but we also understand that the benefits of this audit are limited if we do not provide you with a level of service that exceeds your expectations.

We also believe that this relationship has to be mutually beneficial. Because our client base per partner is much smaller than that of national accounting firms, our partners are much more actively involved with the performance of engagement procedures. Benefits to the City include having more experienced professionals performing the work and greater continuity from year to year. We believe our Firm's foundation is the partner relationships with our clients.

We believe it is essential to make our partners available to our clients at all times during the year. We have found that handling issues throughout the year, instead of only during the audit, makes for a cleaner audit and gives our clients peace of mind to know that the problem or situation has been resolved. Our Firm handles meetings, phone calls, in-house training and other requests from our clients at all times during the year. Our fee proposal is inclusive of all phone calls and conversations during the year. All that we ask is that some advanced knowledge of large requests be given in order to accommodate your needs.

Our proposed service team has thorough knowledge of government auditing and extensive experience auditing a variety of entities similar to the City. The team brings a wealth of experience in auditing Texas cities, and as such they are well versed in the intricacies of U.S. Government Accountability Office (GAO) Government Auditing Standards, and Uniform Guidance (2CFR200). If awarded the engagement, John K. Manning, CPA, and a team of experienced professionals will perform the City's audit. As mentioned earlier, our partners are much more actively involved with the performance of engagement procedures than larger national firms.

AUDIT PHILOSOPHY

We believe that a long-term professional relationship must be mutually beneficial to be of lasting value to either party. In the end, regardless of the amount of the fee, you are paying too much if you are not satisfied with the value or quality of service you received or the individuals who provide that service. Our goal in serving the City of Richwood, Texas will be to deliver timely, responsive service that meets your needs, exceeds your expectations, and produces value that exceeds our fees. We have achieved that goal in serving numerous clients, and we fully expect to achieve it in serving you.

This audit engagement will include an examination of all general operations, programs and grants of the City in accordance with Generally Accepted Government Audit Standards, the provisions of the federal Single Audit Act of 1984 (as amended in 1996), Uniform Guidance (CFR200), and, if applicable,

the State of Texas Uniform Grant Management Standards. The audit period is October 1, 2019 through September 30, 2020.

Our audit plan will be based on the risk assessment performed and impacted by key processes identified. This audit plan would cover the 2020 audit and would be revised in subsequent years based on changes to the City. An outline of these general procedures is as follows:

- Gather information about the entity and its environment that may be relevant in identifying risks of materials misstatement of the financial statements.
- Gather information to understand and evaluate the design and implementation of the entity's internal control system.
- Synthesize the information gathered, identify risks (both overall and specific risks) that could result in material misstatements of the financial statements, and develop an overall audit strategy.
- Assess the risks of material misstatement of the entity's financial statements after evaluating the entity's programs and controls.
- Develop appropriate responses (further audit procedures) to the risks identified considering the overall audit strategy and planning materiality.

NATIONAL RECOGNITION

The firm received national recognition from the American Institute of Certified Public Accountants (AICPA) as an official member of the esteemed G400 group, as well as being identified as one of the 500 largest in the United States, out of 44,000 in the nation. As a member of G400, Pattillo, Brown & Hill, L.L.P. will partner with the AICPA to increase our expertise as well as provide feedback and support to the accounting industry and to our valued clients.

In addition to the AICPA's recognition, PB&H is proud to have received the Single Audit Resource Center's (SARC's) Award for Excellence in Knowledge, Value, and Overall Client Satisfaction. This award is to recognize firms that provide outstanding services to their clients and is based on feedback provided to the SARC anonymously.

EXPERIENCE

We have in-depth experience, presently serving over 100 governmental clients, including many cities. Government audits continue to be the fastest growing segment of our client base. We are committed to serving this segment and continue to expand our department and the scope of services offered to governmental organizations. Our clients include many governmental organizations as is evidenced by the partial listing included in this proposal. For fiscal year 2019, approximately 50 of these clients were required to have "Single Audits" performed in accordance with Uniform Guidance (2CFR200). It is noteworthy that our workpapers have been examined in connection with several of these "Single Audits" by representatives of grant and/or cognizant agencies. In almost all circumstances, our supporting workpapers have earned excellent reviews.

VALUE AND EFFICIENCY

We recognize that clients expect the services rendered by their professional accounting firm to go beyond the financial statements. We understand the expectations of our clients and welcome the opportunity to serve not only as auditors, but also as advisors. Our approach places substantial emphasis on the need to thoroughly understand your operations. This audit approach allows us to contribute constructive suggestions regarding your internal controls, operating and accounting procedures, and other matters worthy of management's attention.

PROFILE OF PATTILLO, BROWN & HILL, L.L.P.

Pattillo, Brown & Hill, L.L.P. was founded in Waco in 1923 and has been in continuous existence since that time. We are a regional certified public accounting firm with offices in Waco, Temple, Houston and Hillsboro, Texas, and Albuquerque, New Mexico, with over 100 professional personnel. Our government audit department includes 4 partners, 3 managers, 30 professional staff, and 3 administrative staff. These professionals work almost exclusively on governmental engagements. It is our goal to provide personalized services of the highest quality to our clients. We have earned a reputation for professional excellence through our demonstration of quality work and sound financial advice. Our personnel have devoted many years developing knowledge in auditing, accounting and consulting services.

Our unyielding commitment to client service has resulted in the growth of our client base, positioning Pattillo, Brown & Hill, L.L.P. between the very large national accounting firms and smaller, locally oriented firms. We are large enough to have the resources and personnel to resolve even the most complex accounting or compliance issue, but small enough to give you the personalized service that our clients deserve. Richwood, Texas will be a significant and valued client at our Firm.

We have a department within our Firm dedicated to performing governmental audits and providing other consulting services to governmental entities and take pride in our technical expertise, client relations and our reputation of valued performance. We have in-depth experience, presently serving over 100 governmental entities. We have performed annual financial and compliance audits for many different municipal governments across the State of Texas.

COMMITMENT TO GOVERNMENT

Governmental audits continue to be the fastest growing segment of our client base. We are committed to achieve the highest standards in performing quality governmental audits. As evidence of this commitment, our proposed service team includes members of the following organizations:

- AICPA's Governmental Audit Quality Center
- Government Finance Officers Association (national)
- Government Finance Officers Association of Texas
- Special Review Committee of the GFOA
- Texas Association of Regional Councils



Many of our clients have elected to pursue the GFOA's Certificate of Achievement for Excellence in Financial Reporting on a regular basis. In all instances where we have been associated with this pursuit, our client has been awarded the certificate. Additionally, three members of your proposed audit team are currently GFOA Special Review Committee members.

COMPETENT, EXPERIENCED PERSONNEL

We consider well-trained and experienced professionals to be the single most important element necessary to providing the highest level of service to a client. We believe that we offer our clients a unique blend of technical expertise and responsiveness that is sometimes unavailable from larger firms who may be focused on more sizable engagements. We have identified for the City of Richwood, Texas an experienced and proven service team. As you can see from the resumes included in this proposal, your audit team will have significant experience serving governmental clients, including cities, and are actively involved in professional organizations that allow us to keep abreast of issues facing governmental organizations.

Pattillo, Brown & Hill, L.L.P. includes members with excellent professional qualifications as evidenced by the following:

- One former member served on the Texas State Board of Public Accountancy.
- One former member is past president of the Texas Society of CPAs.
- Several members are past chairmen and several are current chairmen or members of Committees of the Texas Society of CPAs including the Society's Government Accounting Standards Committee.
- Members are heavily involved in continuing professional education programs sharpening technical skills.
- Our Firm includes members of the Government Finance Officers Association of Texas.
- Active members of the Special Review Committee of the Government Finance Officers Association.

QUALIFICATIONS OF ASSIGNED PERSONNEL

Our proposed service team has thorough knowledge of government auditing and extensive experience auditing a variety of entities similar to the City. The team brings a wealth of experience in auditing Texas cities, and as such they are well versed in the intricacies of Generally Accepted Government Auditing Standards, and Uniform Grant Guidance. If awarded the engagement, John K. Manning and a team of experienced professionals will perform the City's audit. As mentioned earlier, our partners are much more actively involved with the performance of engagement procedures than larger national firms. The proposed personnel who will be working on the engagement are as follows:

- John K. Manning, CPA, Engagement Partner
- Paula Lowe, CPA, Concurring Partner
- Kent Willis, CPA, Manager
- Clayton Rogers, CPA, Senior Auditor
- Don Abel, CISSP, MCP, IT Specialist
- Staff auditors with experience working on local government audits

SIMILAR ENGAGEMENTS WITH THE CITY OF RICHWOOD

Below is a sample of audits performed by our Firm similar to the City of Richwood, Texas. Please feel free to contact any of the below mentioned references as you so desire.

City/Engagement Partner	Scope of Work	Fiscal Years	Total Hours	Name/Telephone
City of Denton* John K. Manning Paula Lowe	Audit and Federal Single Audit	2016-2019	800	Antonio Puente, Jr. Denton, Texas 940-349-7283 Antonio.puente@cityofdenton.com
City of Sherman* John K. Manning Paula Lowe	Audit and Federal Single Audit	2008-2012 2018-2019	600	Mary Lawrence City, Texas 903-892-7218 maryl@ci.sherman.tx.us
Town of Flower Mound* John K. Manning Paula Lowe	Audit and Federal Single Audit	2004-2019	600	Tammy Wilson Flower Mound, Texas 972-874-6478 tammy.wilson@flower-mound.com
City of Rosenberg* John K. Manning Paula Lowe	Audit and Federal Single Audit	2012-2019	450	Joyce Vasut Rosenberg, Texas 832-595-3350 jvasut@rosenbergtx.gov
City of Richmond* John K. Manning Paula Lowe	Audit and Federal Single Audit	2018-2019	450	Justin Alderete Richmond, Texas 832-759-5797 jalderete@richmondtx.gov

*Indicates that CAFR received the GFOA's Certificate of Achievement.

Below is a listing of various local governments audited by our office:

Cities

- Bastrop
- Forney
- La Porte
- Bee Cave
- Friendswood
- Leander
- Bellmead
- Grapevine
- Weatherford
- Burleson
- Haltom City
- Westworth Village
- Caldwell
- Hewitt
- Windcrest
- Colleyville
- Highland Village
- Marble Falls
- Columbus
- Hillsboro
- Midlothian
- Denton
- Huntsville
- Murphy
- Duncanville
- Jacksonville
- Nacogdoches
- El Campo
- Joshua
- San Marcos
- Fate
- Kennedale
- Terrell
- Flower Mound
- Krum

Counties

- Anderson
- Jasper
- Bastrop
- Jefferson
- Bowie
- Kaufman
- Cherokee
- Lampasas
- Collin
- Limestone
- Denton
- McLennan
- Falls
- Medina
- Galveston
- Navarro
- Grayson
- Orange
- Gregg
- Robertson
- Grimes
- Rockwall
- Harrison
- Tom Green
- Henderson
- Upshur
- Hood
- Wood

School Districts

- | | |
|--|---|
| <ul style="list-style-type: none"> • Aquilla • Bosqueville • Brownsville • Bruceville-Eddy • Bryan • Buckholts • China Spring • College Station • Corsicana. • Gatesville • Granbury • Groesbeck • Hays | <ul style="list-style-type: none"> • Hillsboro • Hubbard • Hudson • Hutto • Lancaster • Llano • Lorena • Midway • Moody • Salado • Schertz-Cibolo-Universal City ISD • West Orange-Cove |
|--|---|

Education Service Centers

- | | |
|---|--|
| <ul style="list-style-type: none"> • Education Service Center Region 1 | <ul style="list-style-type: none"> • Education Service Center Region 13 |
|---|--|

Councils of Governments

- | | |
|---|---|
| <ul style="list-style-type: none"> • Alamo Area Council of Governments • Brazos Valley Council of Governments • Concho Valley Council of Governments | <ul style="list-style-type: none"> • Heart of Texas Council of Governments • Houston-Galveston Area Council • Permian Basin Regional Planning Commission |
|---|---|

MHMR Centers

- | | |
|---|---|
| <ul style="list-style-type: none"> • The Harris Center for Mental Health and IDD | <ul style="list-style-type: none"> • Heart of Texas Region MHMR Center |
|---|---|

CLAIMS AND SUITS

Pattillo, Brown & Hill has not failed to complete any work that was awarded to it, and there are not any judgments, claims, arbitration proceedings or suits pending or outstanding against PB&H or partners. Additionally, PB&H has not filed any lawsuits or requested arbitrations with regard to contracts within the last five years.

EXTERNAL QUALITY CONTROL REVIEW

As an indication of our commitment to quality, we are a member firm of the National Peer Review Committee (formerly known as the Center for Public Company Audit Firms) Peer Review Program and the AICPA's Governmental Audit Quality Center (GAQC). Our firm has been a member of the peer review program for over 30 years. The GAQC requires member firms to establish policies and procedures specific to the firm's governmental audit practice to comply with the applicable professional standards and Center membership requirements. Additionally, member firms must have their governmental audits selected as part of the Firm's peer review.



We are required to undergo peer reviews every three years. We completed our most recent review in 2016 and received a rating of pass. In addition, we also received no "letter of comments," and therefore achieved the highest possible rating, obtained by only a small percentage of accounting firms across the nation. A copy of our most recent peer review report is included in this proposal. The review included a number of specific government engagements.

DESK AND FIELD REVIEWS

Because of the level of audits that we perform that requiring federal and state single audits and the number of clients that we serve receiving federal and state grant assistance, many of our clients have field and desk reviews performed on their audits at least annually. We are not aware of the specific number of these reviews that have been performed on our audits in the last three years, but there are no unresolved questions or findings resulting from the desk reviews. No disciplinary action has ever been alleged and no action is pending or has been undertaken against the Firm by the SEC, AICPA, Texas State Board of Public Accountancy, other federal or state regulatory agencies or professional organizations.

HADDOX
REID
EUBANK
BETTS PLLC

CPAs & Advisors

SYSTEM REVIEW REPORT

October 21, 2016

To the Partners of
Pattillo, Brown & Hill, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Pattillo, Brown & Hill, LLP (the firm) in effect for the year ended May 31, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*, audits of employee benefit plans, and audits performed under FDICIA.

In our opinion, the system of quality control for the accounting and auditing practice of Pattillo, Brown & Hill, LLP in effect for the year ended May 31, 2016, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Pattillo, Brown & Hill, LLP has received a peer review rating of *pass*.

Haddox Reid Eubank Betts PLLC

INDEPENDENCE

We confirm that we are independent with respect to the City of Richwood, Texas and all of its component units as defined by Government Auditing Standards. None of our partners, managers or staff has any direct or indirect financial interest in the City of Richwood, Texas' contracts, and no one assigned to the audit is related within a prohibited degree (as defined by nepotism law) to any employee of the City or to any of the Council or Board Members.

PROFESSIONAL RELATIONSHIPS WITH RICHWOOD, TEXAS

Pattillo, Brown & Hill has not provided audit services to the City of Richwood, Texas in the past five (5) years.

PRIOR ENGAGEMENTS WITH THE CITY OF RICHWOOD, TEXAS

In accordance with auditing standards generally accepted in the United States of America, as well as the U. S. General Accounting Officer's Government Auditing Standards (2018 revision), providing prior audit services does not impair our independence. We have not had a professional relationships or prior engagements with the City of Richwood, Texas within the last five years; however, we look forward to the opportunity to serve the City as it's professional audit firm.

LICENSED TO PRACTICE IN TEXAS

All persons assigned to supervision positions in your audit will be CPAs licensed to practice in Texas. Also, we are not under the terms of a public or private reprimand by the Texas State Board of Public Accountancy and/or licensing boards of other states.

STAFFING

To maintain the highest quality of technical understanding, each member of our government audit staff annually attends at least 40 hours of technical training directly related to auditing and accounting for local governments. With staff members working exclusively in this specialized field, they are properly equipped by attending specific training for this field and gaining experience relevant to audits of local governments.

We require our professional employees to complete a minimum of qualifying continuing professional education credits annually. We also encourage our personnel to pursue their certification as accountants and then to become actively involved in local and state professional organization activities. Included, as supporting information, is a schedule of resumes covering the qualifications of proposed staff, including partners, and senior who are expected to be used in the performance of this engagement. Each of the resumes indicates the individual's position in our Firm, including their education and type of experience.

All of these professionals are employed on a full-time basis. All key audit professionals are certified to practice in the State of Texas. Furthermore, all of the proposed professionals have significant experience auditing local governments, including Texas cities.

The proposed audit staff will not be replaced or substituted without the City's knowledge and consent.

Pattillo, Brown & Hill recruits statewide to fill its staffing needs. A major source for new staff has been Baylor University, University of Mary-Hardin Baylor and the University of Texas at Austin. Our staff does, however, come from a variety of schools and universities. Professional turnover rates in the Waco office for the past 24 months are less than 20 percent.

SPECIFIC WORK PLAN

Our audit approach consists of four key phases: preliminary audit planning, interim fieldwork, audit fieldwork, and final review and audit conclusion.

Preliminary Audit Planning

Preliminary audit planning will be performed each year prior to the beginning of on-site fieldwork. In this phase of the engagement, our firm will perform the following procedures:

- We will establish the terms of the engagement by issuing the City an engagement letter.
- We will review prior year engagement workpapers and financial statements to determine an initial audit strategy.
- Perform an initial assessment of risk based on the City's control environment.
- Determine nature, timing, and extent of risk assessment procedures to be performed during interim fieldwork.
- Determine planning materiality.
- Partner/Audit Manager will meet with the Finance Director about engagement details such as audit scheduling and auditor/auditee responsibilities.
- We will communicate with the Audit Committee/management about our initial audit plan and obtain any information they might provide about identified audit risks and other concerns.

Interim Fieldwork

Interim fieldwork will be performed each year primarily on-site at the City's facilities. We will perform the following procedures in this phase of the engagement:

- We will review and document our understanding of the City's centralized and decentralized accounting processes and will also evaluate the City's use of accounting software and overall information technology (IT) framework and internal controls.
- We will gain an understanding of the City's operations by reviewing, documenting and evaluating internal controls related to significant transaction classes and operating processes.
- We will gain an understanding of the City's significant operating relationships concerning component units and joint ventures, if applicable.
- We will perform a preliminary analysis of the City's federal and state grant awards and gain an understanding of the internal controls the City has in place for compliance with federal and state laws and regulations.
- Perform preliminary analytical procedures and document their effect on the audit plan.
- We will finalize our initial audit strategy and communicate with the City about specific documentation we will require for audit fieldwork.
- We will gain an understanding of the City's significant contractual relationships and evaluate the potential impacts of those contracts on the financial statements.

Audit Fieldwork

Audit fieldwork will be performed after year-end closing and will include a majority of the substantive testing to be performed during the engagement, including:

- Perform substantive tests of account balances, tests of controls, if necessary, and detailed analytical procedures.
- Perform tests of controls and compliance over major federal and/or state programs in accordance with Uniform Grant Guidance and the State of Texas Uniform Grant Management Standards.
- Complete fieldwork documentation.
- Draft financial statements and other reports, if applicable.
- Discuss audit findings and adjusting entries management.

Final Review and Audit Conclusion

This phase of the engagement will begin as audit fieldwork concludes. Activities to be completed during this phase of the engagement include:

- Perform final analytical review and document effect on audit conclusion.
- Evaluate the effects of past adjustments.
- Evaluate contingencies, subsequent events, and obtain legal representations.
- Review workpapers including a detailed review by the audit manager, engagement partner and technical reviewer.
- Provide single audit report and other materials to the management for review.
- Communicate any significant deficiencies, material weaknesses or other management comments.
- Present reports to Audit Committee and/or City Council.
- Maintain the confidentiality, safe custody, integrity, accessibility and retrievability of the workpapers.
- Assemble and retain the workpapers for a sufficient period of time (subject to monitoring review).

PROPOSED STAFF/HOURS FOR EACH SEGMENT

	Partner	Manager	Senior	Staff	Total
Risk Assessment	7	12	30	20	69
Single Audit	8	13	35	30	86
Cash and Investments	3	4	8	12	27
Receivables	2	2	8	10	22
Capital Assets	2	4	8	28	42
Accounts Payable	2	2	5	8	17
Accrued Liabilities	2	2	5	5	14
Long-term Liabilities	2	5	20	15	42
Net Position/Fund Balance	1	2	3	2	8
Revenues	4	5	19	15	43
Expenditures	4	5	19	15	43
	37	56	160	160	413

AUDIT SAMPLING

Our audit procedures include use of non-statistical sampling. Sampling will be performed for our tests of internal controls, compliance and financial statement amounts, utilizing approaches representative of populations tested. The extent to which we apply detailed audit procedures and sampling is based on materiality, evaluation of audit risks and internal controls and the characteristics of items comprising the account balance or class of transactions. Because our sample sizes are affected by many variables, a statement about sample sizes cannot be made in absolute terms. However, in practice, sample sizes usually begin with 40 for single audit tests of controls in order to plan the audit to obtain a low level of control risk.

DETERMINING LAWS AND REGULATIONS THAT WILL BE TESTED

Our consideration of audit risk in planning a governmental engagement is essentially an evaluation of the inherent risk of material errors or fraud in the government's financial statements. We will obtain an understanding of the possible financial statement effects of laws and regulations that have a direct and material effect on the determination of financial statement amounts and assess the audit risk associated with possible violations of such laws and regulations. We will consider laws and regulations that are generally recognized to have a direct and material effect on the determination of financial statement amounts.



Municipalities may be affected by many laws or regulations, including those related to securities trading, occupational safety and health, food and drug administration, environmental protection, equal employment and price fixing, or any other antitrust violations. If specific information comes to our attention that provides evidence concerning the existence of possible illegal acts that could have a material indirect effect on the financial statements, we will apply audit procedures specifically directed to ascertaining whether an illegal act has occurred.

PRELIMINARY ANALYTICAL PROCEDURES

Analytical procedures will be used in general planning to improve our understanding of the City's operations and to identify audit areas for increased attention. These procedures will be applied to assist in planning the nature, timing and extent of other auditing procedures. These procedures will include comparisons of account balances between accounting periods, ratio and trend analysis to improve our understanding of the City and its operations and to identify critical audit areas.

Preliminary analytical procedures will include, at a minimum, a comparison of current account balances to similar amounts in the prior annual period's financial statements and the current period's budget. Additionally, we believe a thoughtful consideration of expected relationships among account balances and periods by an experienced auditor is far more important than a mechanical comparison. We will consider these relationships and bring to bear other knowledge about the City and its operations.

ANALYTICAL PROCEDURES AS SUBSTANTIVE TEST

Our reliance on substantive tests to achieve an audit objective related to a particular assertion may be derived from tests of details, from analytical procedures, or from a combination of both. For some assertions, analytical procedures are effective in providing the appropriate level of assurance. For other assertions, however, analytical procedures may not be as effective or efficient as tests of details in providing the desired level of assurance. The expected effectiveness and efficiency of an analytical procedure in identifying potential misstatements depends on, among other things, the predictability of the relationship and the availability and reliability of the data used to develop the expectation.

ANALYTICAL PROCEDURES USED IN THE OVERALL REVIEW

The objective of analytical procedures used in the overall review stage of the audit is to assist us in assessing the conclusions reached and in the evaluation of the overall financial statement presentation. The overall review would generally include reading the financial statements and notes, considering the adequacy of evidence gathered in response to unusual or unexpected balances identified in planning the audit or in the course of the audit and unusual or unexpected balances, relationships that were not previously identified. Results of an overall review may indicate that additional evidence may be needed.

PERFORMANCE OF SUBSTANTIVE PROCEDURES

Substantive audit testing will be performed in areas where the effectiveness of process controls does not reduce risk to a relatively low level, or where substantive testing is more efficient.

EVALUATION OF INTERNAL CONTROLS

Our audit plan will be based on the risk assessment performed and impacted key processes identified. This audit plan would cover the FY 2020 audit and would be revised in subsequent years based on changes to the City of Richwood, Texas. For each key process included in the audit plan, we will perform the following audit work:

- Understand the accounting process in depth, including significant process controls in place to mitigate risk.
- Test significant control points to determine if controls are operating as designed.
- Compare processes and controls to “best practices” to determine their effectiveness.
- Report to management on the effectiveness of processes.
- Determine whether any residual audit risk remains and whether substantive audit tests are required.

Substantive audit testing will be performed in areas where the effectiveness of process controls does not reduce risk to a relatively low level, or where substantive testing is more efficient.

Our Firm is required to gain an understanding of the internal controls the City has over IT and general computer controls. As a critical system impacting the City's processes, it is important to control the IT processes underlying the City's EDP system. The key is to ensure that only managed and authorized changes and access to the functionality and data is allowed. The IT General Computing controls are focused on change management, access security and computer operations areas. At a high level, the change management process ensures that all changes to the systems go through a standardized process, whereby they are approved and tested by appropriate officials before being deployed in the City's operating environment. The access-security process ensures that only authorized individuals have appropriate access to the systems and underlying data. It also ensures that security layers (database, operating system, application, physical access to the servers, internal and external network layers) are appropriately controlled to avoid unauthorized access. The computer operations process ensures that back-end jobs are monitored and controlled. It also ensures that backups and recovery procedures are in place to be able to recover in case of rollback or disaster situations.

To achieve effective monitoring and auditing of the EDP system, with respect to IT General Computing Controls, it is necessary to extract the following from the system:

- System log of changes (application, database, reports)
- System log of access changes (end user, administrative – application and database)
- System log of changes to key configurations

The majority of EDP systems struggle, without an add-on module or third-party system, to be able to provide one or more of the details mentioned above. An alternative is to work closely with your IT Department to write custom scripts and extract data for these items.

SCOPE OF WORK TO BE PERFORMED

Pattillo, Brown & Hill, L.L.P. will express an opinion on the fair presentation of the basic financial statements, as well as the combining and individual fund financial statements in conformity with generally accepted accounting principles.

We will audit the basic financial statements, consisting of the government-wide statements and combining and individual fund financial statements for all fund types, including major and non-major funds. We will provide an "in-relation-to" statement on the combining and non-major fund type statements and supplementary schedules, based on the auditing procedures applied during the audit of the basic financial statements. We will not be required to audit the introductory or statistical section of the report; these sections will remain unaudited.

Our firm will perform certain limited procedures involving the management discussion and analysis, and required supplementary information required by the Governmental Accounting Standards Board, as mandated by generally accepted auditing standards.

Additionally, we will audit the information contained in the schedule of expenditures of federal and state awards when appropriate. This information will be subjected to the auditing procedures applied in the audit of the basic financial statements and in accordance to U.S. Government Accountability Auditing Standards, the Single Audit Act as amended in 1996, Uniform Guidance (2CFR200) and the State of Texas Uniform Grants Management Standards. If required, we will provide an opinion on the fair presentation of the schedule of expenditures of federal and state awards in relation to the basic financial statements taken as a whole.

STANDARDS TO BE FOLLOWED

The audit will be performed in accordance with:

- Generally accepted auditing standards, as adopted by the membership of the American Institute of Certified Public Accountants
- Standards for financial audits set forth in the U.S. Government Accountability Office (GAO) Government Auditing Standards (2018)
- Financial reporting standards as adopted by the Governmental Accounting Standards Board (GASB); and the Government Finance Officers Association to meet the requirements for the Certificate of Achievement for Excellence in Financial Reporting
- Provisions of Uniform Guidance (2CFR200), and/or the State of Texas Uniform Grant Management Standards (UGMS)
- Audit and Accounting Guide for State and Local Governments
- State and Federal laws or regulations
- An examination for compliance with procedures established by City Charter and City Ordinances.



REPORTS TO BE ISSUED

Following the completion of the audit of the fiscal year's financial statements, we will issue all reports currently required by State and Federal grantors, American Institute of Certified Public Accountants, Governmental Accounting Standards Board (GASB), and any other regulatory agencies.

In the required reports on internal controls, we will communicate any reportable conditions found during the audit to the City Manager. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions that are also material weaknesses shall be identified as such in the report.

Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the reports on internal controls.

A report shall also be issued on the supplementary schedule of federal and state financial assistance programs and the internal control structure used in administering those funds.

We will make an immediate, written report of all irregularities and illegal acts of which they become aware to the City Manager and Finance Director.

We agree to provide the City with information relating to regulation changes that would affect the City and its operation, such as timely notification of changes proposed or initiated by GASB, or GAO.

Additionally, we will present the comprehensive annual financial report at the February Council meeting and inform the City and Council of each of the following, and any other item as required by the regulatory agencies as noted above:

1. The auditor's responsibility under generally accepted auditing standards and government auditing standards.
2. Significant accounting policies.
3. Management judgments and accounting estimates.
4. Significant audit adjustments.
5. Our judgement about the quality of the City's accounting principles.
6. Other information in documents containing audited financial statements.
7. Disagreements with management.
8. Management consultation with other accountants.
9. Major issues discussed with management prior to retention.
10. Difficulties encountered in performing the audit.
11. Confirmation of independence.
12. Independence-related relationships between the firm and the City.



IDENTIFICATION OF ANTICIPATED POTENTIAL AUDIT PROBLEMS

It is of utmost priority to ensure your service team professionals are current with developments in industry practices, accounting releases and auditing requirements. In addition to a highly communicative environment and industry-specific training programs, the following facilitates our efforts in this regard:

- Our service team understands the issues relevant to municipalities. The combination of our Firm's resources, level of partner involvement and experienced team members provides an excellent service team of professionals capable of servicing the City's needs.
- To facilitate meeting your expectations and deadlines, we will meet with you during the planning phase of the engagement to obtain an understanding of the assistance the City will provide in performing the audit.
- Regular communication will be ongoing with City personnel, allowing for timely knowledge of significant matters as they arise. When we learn of matters the City may not be aware of, we will be active in conveying relevant information. Regular progress meetings will be scheduled with City personnel at times suitable to City staff.
- We are very much aware of federal and state grant requirements and accounting requirements affecting audits of municipalities. As with other issues that may arise, we will work with the City throughout the year to achieve the appropriate resolution. Our resources throughout the Firm, which continue to build in our government practice, will be utilized as appropriate.



To review a recent financial statement for one of clients, please visit the City of Weatherford or the City of Grapevine website at:

- City of Weatherford: <http://www.weatherfordtx.gov/> (click on Financial Transparency)
- City of Grapevine: <http://www.grapevinetexas.gov/> (click on Departments, Administrative Services, Accounting/Finance)

JOHN K. MANNING, CPA, ENGAGEMENT PARTNER

John will serve as the Engagement Partner and will supervise and direct all of our service to the City of Richwood, Texas. He will serve as the primary client contact for the engagement and will ensure its overall quality. John will ensure appropriate staffing, performance and timely completion of the engagement.

John is a CPA with 25 years of experience auditing local governments in the State of Texas. His practice is solely devoted to servicing local governments, such as cities, counties, school districts and other governmental entities. John has had partner and management level responsibility for hundreds of local government clients. He has spoken at regional GFOA meetings statewide, Texas Association of County Auditors Institute and been a TSCPA School District Annual Conference Committee member. John has just recently taught at the Governmental Accounting Academy in Houston, Texas for the Government Finance Officers Association of Texas.

Sample of Governmental Experience

- City of Rosenberg
- City of Richmond
- City of Cleburne
- City of Colleyville
- City of Nacogdoches
- City of Sherman
- City of Terrell
- Town of Flower Mound
- City of Murphy
- City of Haltom City
- City of Forest Hill
- Town of Prosper
- City of Deer Park
- City of Rowlett

Educational Background

BBA Accounting | University of Mary Hardin-Baylor

Continuing Professional Education

- Crawford and Associates – GASB and Governmental Audit Update – July 2020
- GAQC – 2020 State and Local Government Audit Planning Considerations
- GAQC – 2020 Annual Update Webinar
- GAQC – Commonly Asked Yellow Book Questions - 2020
- GAQC – The New Lease Standard – Webinar
- EdMIS – The New Lease Standard – Webinar
- GFOA Annual Governmental GAAP Update
- Now is the Time for Auditors to Get Ready for the Uniform Guidance Audit Requirements
- GAQC Web Event—Uniform Guidance for Federal Awards
- Audit Sampling in a Single Audit
- Fraud Considerations in a Governmental Audit
- Implementing GASB 68
- OMB Compliance Supplement and Proposed Single Audit Reforms
- Overview of the New GASB Pension Accounting Standards
- AICPA National Governmental Accounting and Auditing Update Conference

Professional Organizations

- American Institute of Certified Public Accountants
- Texas Society of Certified Public Accountants
- Government Finance Officers Special Review Committee
- Gulf Coast Government Finance Officers Association
- Texas Association of School Business Officials

PAULA LOWE, CPA, CONCURRING PARTNER

Paula will serve as the Concurring Partner and will supervise monitor and address accounting and compliance issues as they might arise. She will serve as an additional client contact for the engagement and will help to ensure its overall quality.

Paula is a CPA with 19 years of experience auditing local governments in the State of Texas. She concentrates exclusively on audits of local governments. She has extensive experience auditing municipalities, counties and Texas school districts. Paula has conducted numerous training seminars within PB&H and for local government organizations across the state.

Sample of Governmental Experience

- Bastrop County
- Cherokee County
- Cooke County
- Falls County
- Grimes County
- City of DeSoto
- City of Columbus
- City of Athens
- City of La Porte
- City of Waxahachie
- City of Highland Village
- City of Caldwell
- City of Bee Cave
- City of Jacksonville
- City of Schertz
- Hill County
- Lampasas County
- Navarro County
- Robertson County
- Wharton County
- City of North Richland Hills
- City of Friendswood
- City of Westworth Village
- City of Kyle
- City of Weatherford
- City of White Settlement
- City of Bastrop
- City of Glen Heights
- City of Columbus
- City of Rosenberg

Educational Background

BBA Accounting | Texas A&M University

Continuing Professional Education

- Now is the time for Auditors to Get Ready for the Uniform Guidance Audit Requirements
- Revenue Recognition in a State and Local Government Environment
- Audits of State and Local Governments: Common Risk Factors and Related Audit Responses
- Technology in Government: An Award Winning Example
- Implementing GASB 68—Session I: Down and Dirty with the Numbers
- Implementing GASB 68—Playing Nice with Others for a Smooth Implementation and Audit
- Making Sense of Deferred Outflows and Inflows of Resources
- Don't be the Last to Know Fraud Considerations in Governmental Entities and Single Audit
- OMB Compliance Supplement and Single Audit Reform
- Governmental Audit Quality Control Center Annual Webinar
- Texas Society of CPAs: Texas School District Accounting and Auditing Conference
- Group Audits a Look Back One Year Later and Lessons Learned

- Government Audit Quality Center (GAQC) - Annual Update
- Yellow Book Update—The General Accounting Standards
- A Walk-through of the AICPA's Clarity Audit Standards
- Emerging Issues in Government Accounting and Auditing
- Integrating IT Audit Specialist on the Audit Team

Professional Organizations

- American Institute of Certified Public Accountants
- Texas Society of Certified Public Accountants
- AICPA Advanced Single Audit Certificate
- Government Finance Officers Special Review Committee
- Texas Association of School Business Officials

KENT WILLIS, CPA, MANAGER

Kent is a CPA, licensed in the state of Texas with seven years of experience working solely in the areas of auditing and accounting for public sector entities. As the manager on the engagement, Kent will monitor and assist the senior auditor during the audit process and will be involved with the day-to-day operations of the engagement. Kent holds the Advanced Single Audit Certification from the AICPA.

Sample of Public Sector Experience

- City of Denton
- Alamo Area Council of Governments
- Town of Prosper
- Midway ISD
- City of Grapevine
- MHMRA of Harris County
- Belton ISD
- City of Westworth Village
- City of Jacksonville
- City of Haltom City
- Jefferson County
- Brazos Valley Council of Governments
- Bastrop County
- Galveston County

Educational Background

BBA Accounting | Texas A&M University

Masters in Accounting | Sam Houston State University

Continuing Professional Education

- Importance of Cybersecurity
- GASB 84 – Fiduciary Activities, Understanding the Impacts
- Yellow Book Update
- Generally Accepted Auditing Standards Update
- AICPA—Uniform Guidance for Federal Awards
- Governmental Audit Quality Center Annual Webcast Updates
- GFOA—The Accounting and Auditing Year in Review
- Financial Reporting for Local Governments
- Audit Watch—Level 4
- Audit Watch—Level 5
- GASB 75 OPEB Implementation: Accounting and Auditing Considerations
- GASB 77 Tax Abatements: Disclosures and Other Consideration
- Audit Sampling Considerations in a Single Audit
- Knowledge-Based Audits—Theory & Methodology
- Internal Controls—Understanding, Documenting & Testing

Professional Organizations

- Texas Society of Certified Public Accountants
- American Institute of Certified Public Accountants
- AICPA Advanced Single Audit Certificate

DON ABEL, CISSP, CISA, CRISC, IT SPECIALIST

Don Abel is our Director of Information Systems. He has over 20 years of experience in the Information Systems Field – Project Manager for IT projects, Network Administrator, IT consultant specializing in network security and administration and internal auditing. He is a Network and Security Analyst and auditor. Don will serve as part of the audit team to help determine the effect of information technology on the audit, understand the entity's controls and design and perform tests of controls and substantive tests. He will assist in determining what we may need from IT staff and their role in the audit and how to leverage IT and risk-based audit procedures to drive audit efficiency.

Certified Information Systems Security Professional (CISSP)

The CISSP certification is a globally recognized standard of achievement that confirms an individual's knowledge in the field of information security. CISSPs are information assurance professionals who define the architecture, design, management and/or controls that assure the security of business environments. This was the first certification in the field of information security to meet the stringent requirements of ISO/IEC Standard 17024.

Certified Information Systems Auditor (CISA)

The CISA certification is a globally recognized certification in the field of audit, control and security of information systems. CISA gained worldwide acceptance having uniform certification criteria, the certification has a high degree of visibility and recognition in the fields of IT security, IT audit, IT risk management and governance. Vacancies in the areas of IT security management, IT audit or IT risk management often ask for a CISA certification.

Certified in Risk and Information Systems Control (CRISC)

The CRISC certification is awarded by the Information Systems Audit and Control Association and aims to provide a common body of knowledge for information technology/systems risk management, and to recognize the knowledge of enterprise and IT risk that a wide range of IT and Business practitioners have acquired, as well as the capability to: design, implement and maintain information system (IS) controls and to mitigate IS/IT risks.

Educational Background

Business Information Systems | University of Mary-Hardin Baylor

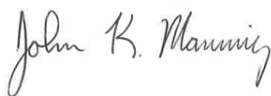
Name of Firm: Pattillo, Brown & Hill, L.L.P.

Certification that the person signing this proposal is entitled to represent the Firm and authorized to sign a contract with Richwood, Texas.

So Certified

Name: John K. Manning

Title: Partner

Signature: 

Date: July 17, 2020

TOTAL ALL-INCLUSIVE MAXIMUM PRICE FOR ANNUAL AUDIT:

Fiscal Year	Total All-Inclusive Maximum Price (\$)
2020	\$43,900
2021	\$43,900
2022	\$44,700

PROPOSED PRICE FOR FISCAL YEAR 2020

	Hours	Hourly rate (\$)	Total (\$)
Partner	37	180	\$6,660
Manager	56	120	\$6,720
Senior	160	95	\$15,200
Staff	160	80	\$12,800
	413		\$41,380
Out-of-pocket expenses			\$2,520
Total all-inclusive maximum price for fiscal year 2020 Audit			\$43,900

Our fee increases do not exceed 3% of the previous year's audit fees. At the time of extending the agreement, we would meet with the City and explain any expected increase that would exceed the 3% normal increase.

RATES FOR ADDITIONAL SERVICES

Our stated fees include all out-of-pocket expenses and will not be exceeded unless significant, new audit, accounting or regulatory requirements are imposed. We would discuss those factors prior to any audit work being performed.

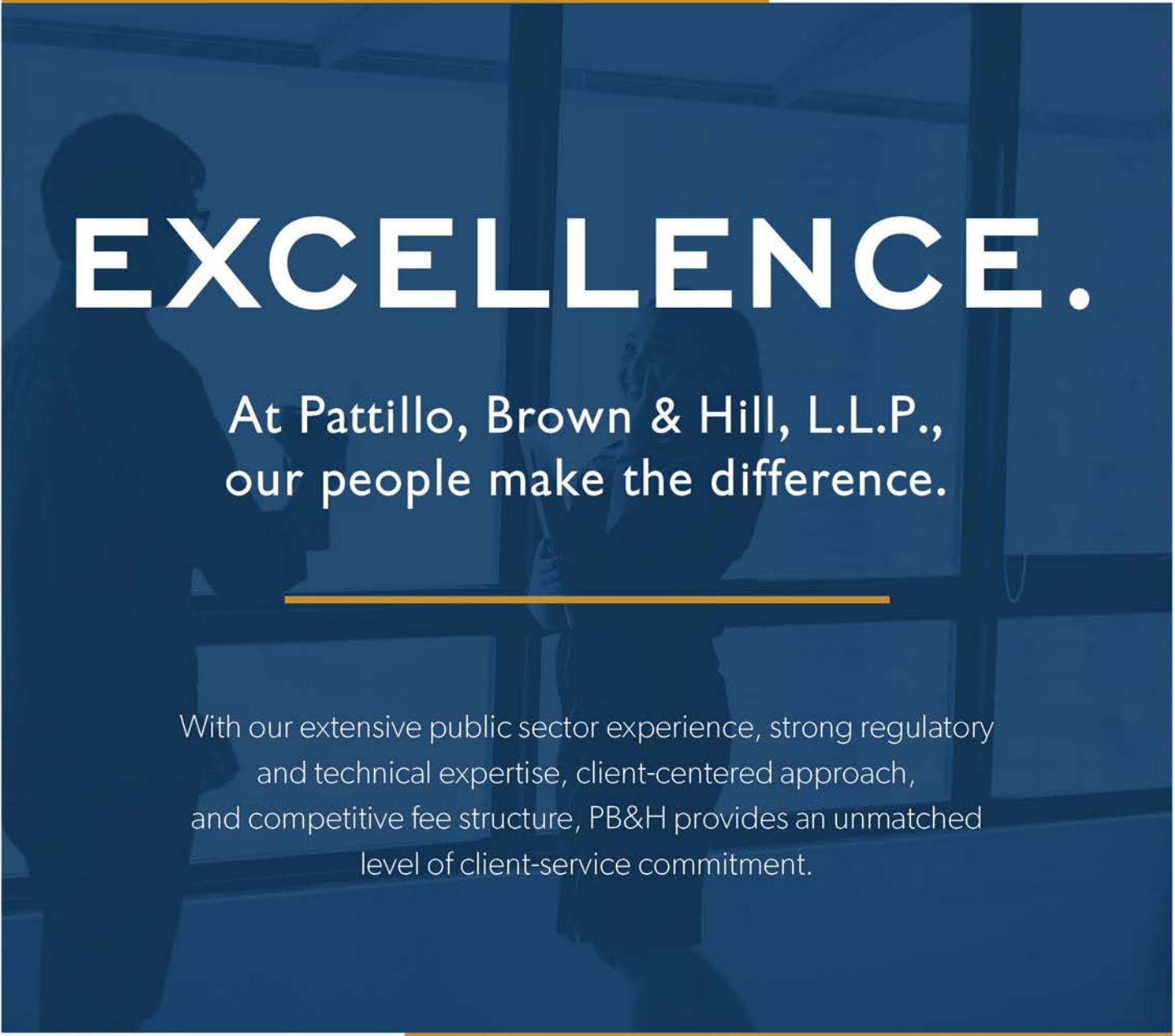
There will be no additional costs billed under this engagement. If it should become necessary for the City to request us to render any additional services to either supplement the services requested in this request for proposals or to perform additional work as a result of the specific recommendations included in any report issued during this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the City and PB&H and shall be performed at the same rates set forth below.

Partner	\$180
Manager	\$120
Senior	\$95
Staff	\$80

The rates are open for discussion and will depend upon the requested task. We would not start work or begin billing for work until we had agreed to the rates and terms with the City.

MANNER OF PAYMENT

Pattillo, Brown & Hill, L.L.P. accepts the preferred payment terms stated in the City's RFP.



EXCELLENCE.

At Pattillo, Brown & Hill, L.L.P.,
our people make the difference.

With our extensive public sector experience, strong regulatory and technical expertise, client-centered approach, and competitive fee structure, PB&H provides an unmatched level of client-service commitment.

PAULA LOWE, CPA

plowe@pbhcpa.com

TODD PRUITT, CPA

tpruitt@pbhcpa.com

JOHN K. MANNING, CPA

jkmanning@pbhcpa.com

CHRIS PRUITT, CPA

cpruitt@pbhcpa.com

QUALITY AUDIT & ACCOUNTING SERVICES



PATTILLO, BROWN & HILL, LLP

RESOLUTION NO. 20-R-22

A RESOLUTION OF RICHWOOD, TEXAS, AUTHORIZING PROFESSIONAL SERVICE PROVIDER SELECTION FOR COMMUNITY DEVELOPMENT BLOCK GRANT-MITIGATION (CDBG-MIT) PROGRAMS THROUGH THE TEXAS GENERAL LAND OFFICE (GLO).

WHEREAS, participation in CDBG-MIT programs requires implementation by professionals experienced in the administration/project delivery of federally-funded projects and creation of planning documents;

WHEREAS, in order to identify qualified and responsive providers for these services a Request for Proposals (RFP) process for administration and planning services has been completed in accordance with the GLO requirements;

WHEREAS, the proposals received by the due date have been reviewed to determine the most qualified and responsive providers for each professional service giving consideration to ability to perform successfully under the terms and conditions of the proposed procurement, integrity, compliance with public policy, record of past performance, and financial and technical resources

NOW, THEREFORE, BE IT RESOLVED:

- Section 1. That Grant Works is selected to provide application and project-related administration/project delivery services for CDBG-MIT program(s).
- Section 2. That any and all project-related services contracts or commitments made with the above-named service provider(s) are dependent on the successful negotiation of a contract with the service provider(s).

PASSED AND APPROVED this the 10th day of August, 2020

THE CITY OF RICHWOOD, TEXAS

ATTEST

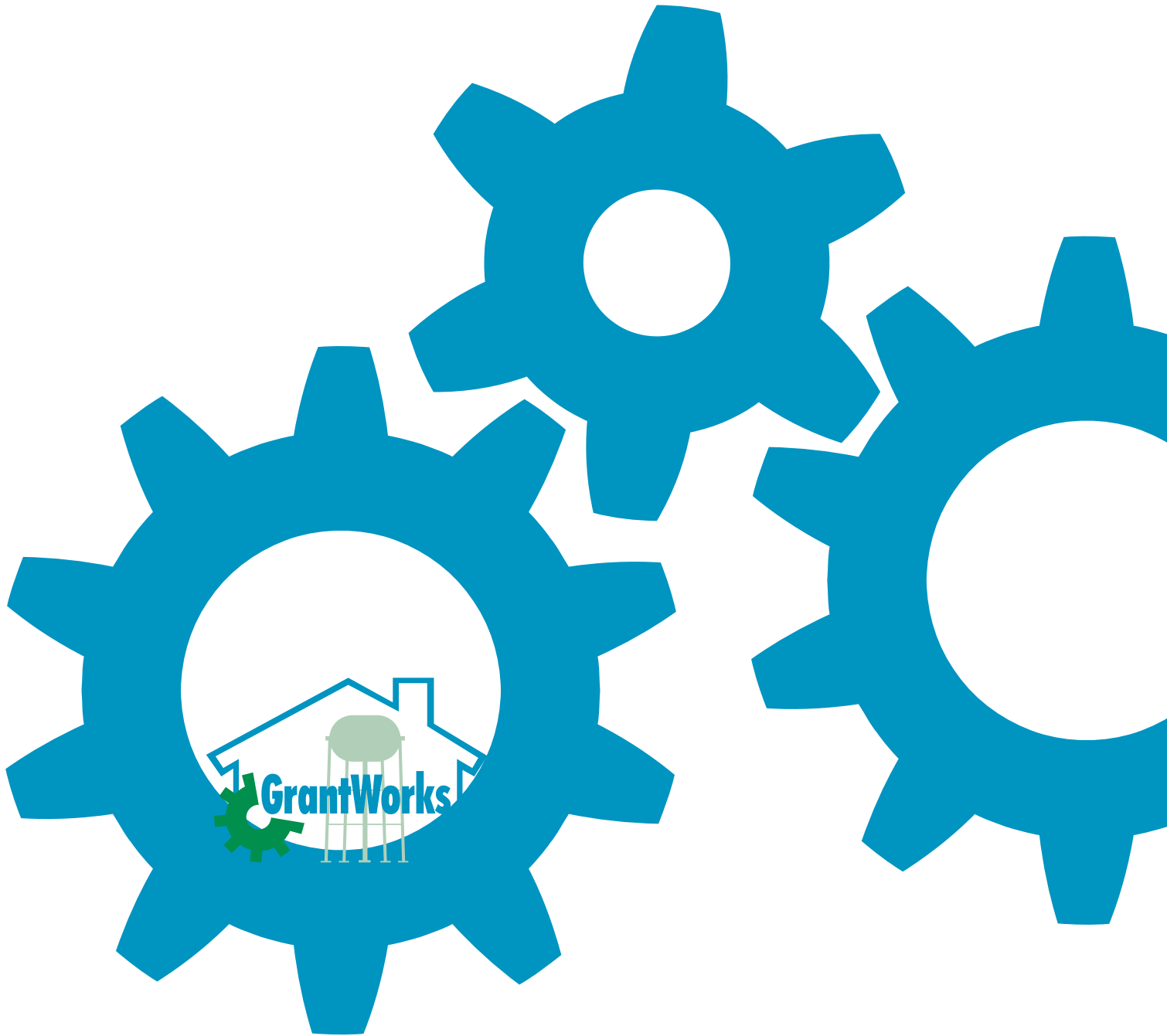
Steve Boykin, Mayor

Kirsten Garcia, City Secretary

**STATEMENT OF QUALIFICATIONS
GRANT ADMINISTRATION SERVICES**

City of Richwood

2020 CDBG-MIT



AUSTIN (HQ) | ABILENE | ALPINE | BIG SANDY | BEEVILLE | CORPUS CHRISTI
DALLAS | GALVESTON | HEBRONVILLE | HORSESHOE BAY | HOUSTON
HUNTSVILLE | KIRBYVILLE | MCALLEN | NEW ULM | PALESTINE
ROCKPORT | SAN ANGELO | VICTORIA



Bruce Spitzengel

2201 Northland Drive
Austin, TX 78756
512-420-0303
bruce@grantworks.net

July 21, 2020

The Honorable Steve Boykin
City of Richwood Mayor
1800 N. Brazosport Blvd.
Richwood, Texas 77531-2808

Re: City of Richwood RFP for CDBG-MIT

Dear Mayor Boykin,

Thank you for including GrantWorks in your Request for Proposals. Since 2009, GrantWorks' project managers, planners, and policy experts have developed and implemented over **\$530 million in CDBG Disaster Recovery and FEMA Hazard Mitigation programs for more than 100 Texas local governments**. We have the resources and expertise to begin assisting the City of Richwood immediately following contract signing and to successfully complete your projects in accordance with both state and federal requirements and the City's project schedule. We are ready to help generate and implement projects that meet GLO and HUD standards as well as the needs and wishes of the City.

GrantWorks' 160+ employees have more than **1,000 years of combined experience** covering all aspects of federal and state grant management for both housing and infrastructure programs. Our team has extensive experience in CDBG-DR working for and with HUD, TDHCA, TDRA, GLO, and local governments in both public and private sector roles. We handle every aspect of CDBG-MIT implementation, including application and project development, environmental review, compliance with State and Federal regulations, and implementation of funded construction projects. Our goal is to free you and your staff from paperwork while providing you with the timely and accurate decision-making information you need.

This proposal includes the elements required in the City's RFP:

- A brief description and history of GrantWorks and our demonstrated experience in successfully completing the Tasks listed in the Scope of Work;
- GrantWorks' experience with federal programs and relevant agencies in accomplishing similar projects;
- References from past local government clients;
- GrantWorks' work performance and capabilities for developing grant applications and managing construction projects;
- Project approach
- Identification of employees proposed for the Scope of Work and their qualifications;
- GrantWorks' capacity to perform the scope of work including a statement of resources;
- Proposed cost of services;
- Required RFP Forms.

We can assist you in creating a well-run, efficient, and successful disaster recovery program that complies with all GLO and HUD requirements. Please keep in mind that our fees may be negotiated when reviewing and scoring the proposals submitted to the City. [We appreciate your consideration of our firm.](#)

Sincerely,

A handwritten signature in blue ink, appearing to read "Bruce J. Spitzengel".

Bruce J. Spitzengel
President

As a mid-sized, Texas-based firm, GrantWorks' Leadership Team is actively engaged in every project we undertake. The management and key staff included in this response will be integrally involved in every step along the way.

GrantWorks Company Description

GrantWorks was founded in La Porte, Texas by Bruce Spitzengel in 1979. For nearly 40 years, GrantWorks has been Texas' leading grant management firm specializing in state and federal grant programs. We are the foremost provider of disaster recovery, hazard mitigation, community development, housing, planning, transportation, and coastal grant program management for local governments in Texas, securing and administering more than \$1.3 billion in assistance for hundreds of localities through thousands of grant contracts. This includes more than \$530 million administered since 2009 in 100+ CDBG-Disaster Recovery (DR) awards benefiting 60 cities and counties.

GrantWorks is a **HUD Technical Assistance Provider for Texas** and is the grant administrator for four of the Texas General Land Office's largest CDBG-DR contracts: City of Galveston infrastructure, City of Houston infrastructure, Galveston Housing Authority multifamily rebuild, and the Galveston Rental Housing Replacement Program. The GrantWorks team includes staff with numerous certifications relevant to the administration of a disaster recovery program.

Certifications

- HUD Technical Assistance Providers
- Certified Floodplain Managers (CFM)
- Project Management Professionals (PMP)
- American Institute of Certified Planners (AICP)
- Geographic Information System (GIS) Level I and Level II
- Texas CDBG Certified Administrators
- Fair Housing, Leasing, and Management Issues Certificate
- Residential Mortgage Loan Originators (RMLO)
- TEEEX International Residential Code (IRC)
- Certified HOME Specialists

The GrantWorks team has more than 1,000 years of combined experience in administering state and federal grant programs with 160+ full-time employees, half of which work in our numerous field offices. **We have more than twenty project managers and AICP-certified planners skilled at implementing a wide variety of grant development projects.** Other specialized services we provide to our clients include:

CDBG Application development	Audit and monitoring support
CDBG beneficiary documentation	Hazard mitigation application and implementation
Federal and state procurement	Affordable housing financing and development
On-site Davis-Bacon labor standards	Housing elevation and buyout
Uniform Act compliance (acquisition)	Housing rehabilitation and reconstruction
Environmental review and clearance	City, County, and Hazard Mitigation planning
Mapping/GIS	Economic development

GrantWorks is dedicated to providing the best services and meeting the highest standards in all that we do. This is reflected in our numerous long-standing client relationships, our dedication to staff training and certification, and our involvement at every step of the disaster recovery process. Our firm is financially stable, adequately capitalized, and has the capacity to perform the functions required by this RFP.

Experience with Federally Funded Programs

GrantWorks provides grant administration, application, and project management services for a variety of state and federal grant programs. In particular, we have extensive expertise and success with federally funded construction programs.

Federal Infrastructure and Mitigation Programs

GrantWorks has applied for and implemented more than 1,200 federally funded housing, infrastructure, and mitigation projects through multiple programs. We are knowledgeable regarding program eligibility and requirements for a wide variety of infrastructure needs including water, sewer, streets, drainage, flood control, coastal protection, public buildings, parks, generators, and other facilities. We understand what is required to meet local needs for infrastructure in low-to-moderate income neighborhoods, on a system-wide basis, and to support local job creators.

Infrastructure

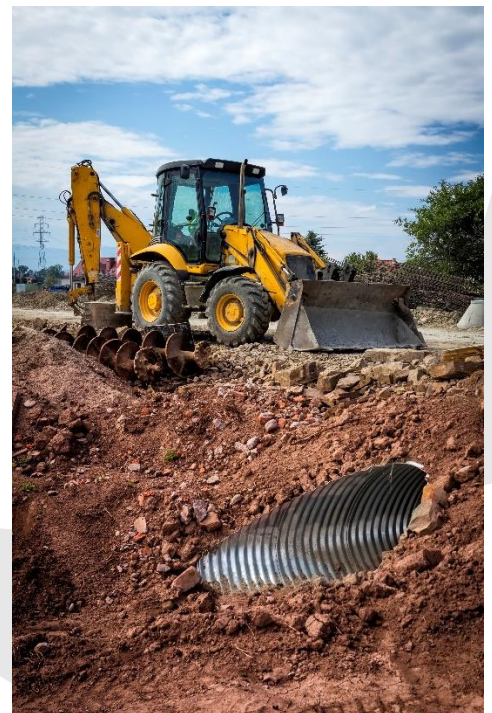
CDBG-Disaster Recovery and Texas Community Development Block Grant (TxCDBG) Program Texas General Land Office | Texas Department of Agriculture

- CDBG-DR—100+ contracts, \$530+ million **#1 in Texas**
- Managing largest Hurricane Ike infrastructure contract award in Texas, \$100 million for City of Galveston
- Managing largest housing project in Texas, \$65 million Galveston Housing Authority rebuild
- Managing the Galveston Rental Housing Replacement Program Phase One, a \$25 million single family rental housing development project
- TDA Disaster Relief Funds—74 projects administered, \$21+ million, including drainage restoration and single family housing elevation, reconstruction and buyouts in flood prone areas
- Community Development Fund—692 projects funded, \$231+ million
- Colonia Construction Fund—96 projects administered, \$44+ million
- Planning Grants—215 projects funded, completed or underway
- Colonia Planning Fund—42 projects completed or underway
- Texas Capital Fund (Economic Development) — 88 projects
- Texas Main Street/Downtown Revitalization Program —37 projects

Other Federal Infrastructure and Mitigation Experience

In addition to our extensive work with the CDBG program, GrantWorks also provides application and implementation services to local governments for infrastructure and planning projects with funded by:

- FEMA Hazard Mitigation Grant Program
- FEMA Public Assistance
- Coastal Impact Assistance Program
- Coastal Management Program
- USDA
- Economic Development Administration
- US Department of Transportation programs



CDBG-Disaster Recovery Project Experience

Aransas County and Rockport, Texas

Aransas County, the City of Rockport, and the Town of Fulton considered recovery needs as part of the County's Round 1 Method of Distribution. The County was one of only three to be declared a disaster area under both Hurricanes Ike and Dolly. Ike's impact was both storm surge (3-4 feet) and moderate rainfall (2-3") affecting coastal locations while Dolly's heavy rainfall (4-6") caused localized flooding throughout the County. Identified needs were prioritized using the following criteria: target area characteristics including low to moderate income concentration and regional impact, residential character, inadequate drainage, and colonia status; failure to function; impact on class members protected under fair housing law; conformance with local long-term plans; and regional (multi-jurisdictional) scope and benefit, as prioritized by HUD and the State for Pool competition projects.

GrantWorks assisted with two multijurisdictional projects involving the County and Rockport, totaling \$2 million in CDBG-DR funds. The projects installed new storm drain culverts and related drainage improvements as well as street repairs to reduce flooding and increase the capacity of the existing ditch system in South Rockport. GrantWorks also assisted the Town of Fulton with its \$155,403 award to complete street improvements on Fulton Beach Road, a primary access route for the area.

Jim Wells County, Texas

GrantWorks assisted Jim Wells County in successfully obtaining and administering CDBG-DR Ike/Dolly Round 1 and 2 funding following Hurricane Dolly. The County used Phase 1 funding to install backup generators with transfer switches to ensure continuous operation of the water plant and main lift station. Various drainage structures and channels were also overwhelmed by flood waters which flooded the primary access for the Rancho Alegre area as well as residential properties. In order to ensure the proper conveyance of storm water, the County used Phase 2 funds to remove and replace existing undersized culverts and associated appurtenances, and provide concrete slope protection and re-grade roadside ditches as needed.

In 2018, GrantWorks also assisted the County in securing two CDBG-DR 2015 Flood awards totaling \$1,635,500. These funds are earmarked to provide drainage and street improvements in the Rancho Alegre and Meadowview colonias.

San Patricio County and Aransas Pass, Texas

Following Hurricane Dolly, the County experienced severe flooding, which resulted in drainage infrastructure failure. Standing flood waters blocked a primary access road in Ingleside-on-the-Bay, and the storm surge damaged and collapsed Conn Brown Harbor's bulkhead in Aransas Pass. Failure of the shoreline protection system threatened the public health, safety, and welfare of all served by these facilities. The County used \$422,234 in Phase 1 funding to repair and replace the bulkhead and shoreline protection in Ingleside-on-the-Bay as well as replace Conn Brown Harbor's damaged bulkhead.

Flooding in the County's Peaceful Valley Neighborhood blocked the primary access for the area. In order to reduce risk of flooding, the County used \$1 million in Phase 2 funding to replace an existing low water crossing with a new concrete span bridge that allows water to be channelized under the roadway, reconstruct the roadway, and improve the existing drainage channel.



Refugio County, Texas

Since 1996, GrantWorks has managed disaster recovery, housing, coastal enhancement, transportation and community development projects in Refugio County. In the last three years we have provided FEMA Hazard Mitigation, HOME, CDBG-DR, Texas CDBG, and TxDOT Transportation Infrastructure Fund management services for the county. Current contracts include:

FEMA Hazard Mitigation: GrantWorks wrote an application for HMAP funding, attended the TDEM kick-off meeting, and developed a comprehensive hazards plan for the County and its participating jurisdictions. The plan was quickly approved by TDEM and FEMA in 2017.

HOME: GrantWorks completed the construction of 30 single family homes in both incorporated and unincorporated communities in the County, providing services including financial management, bidding, construction oversight, and inspections.

TxDOT TIF: GrantWorks wrote the application for funding, conducted environmental reviews, monitored labor standards compliance, coordinated the procurement of construction materials, assisted with documenting force account, completed quality assurance visits, and assisted in on-going financial reporting and requests for reimbursements for the county's sixteen road improvement projects.



Housing devastation in Bayside, Texas documented by local GrantWorks personnel on September 1, 2017.

Brazoria County, Texas

During Hurricane Ike, Brazoria County sustained nearly 8 hours of 75 to 110 mile per hour winds. According to the Disaster Impact Model developed by the Texas A&M, the estimated economic loss to Brazoria County for the 12 month period following Ike was \$1.8 billion.

GrantWorks coordinated 51 separate projects distributed among the County, three special utility districts and 21 incorporated cities. Coordination included preparing an application competition within the county, crafting eligible activities, meeting national objectives, and documenting beneficiaries. Projects funded in the first phase totaled over \$8 million and included generator installation, drainage and public facilities improvements. The second phase of CDBG-DR funding was used to reconstruct and elevate roadways, replace deteriorated sewer lines, and build emergency radio tower facilities.



Following the June 2016 flood event, GrantWorks assisted the County in developing its Method of Distribution, preparing applications for over \$16 million in housing and infrastructure improvements, and responding to General Land Office requests for information. More than 1,500 homes throughout Brazoria County were affected by the flood event (DR-4272). Many of these homes are located within the floodplain and require elevation above the base flood level. Projects also include significant drainage improvements in Holiday Lakes and desnagging Oyster Creek and Bastrop Bayou in order to reduce or eliminate hazardous conditions in the two tributaries. GrantWorks will play a key role throughout the course of these projects by providing CDBG-DR services to Brazoria County on a turn-key basis.

Galveston Housing Authority

After Hurricane Ike, the GHA received \$65 million in Round 2.2 funds from the Texas General Land Office. Those funds were used to build two mixed-income multifamily housing projects - The Cedars at Carver Park and The Villas on the Strand - and to construct the infrastructure necessary for these developments. The developments include 282 residential units, of which at least 51% are designated to house low-to-moderate income (LMI) residents. GrantWorks also used funds to prepare a Neighborhood Enhancement Plan in support of The Cedars development.

GrantWorks is also working with the GHA and GLO on a \$26 million project to construct or rehabilitate 97 single family rental housing units across Galveston Island. The units are reserved for low-to-moderate income households who receive Project Based Section 8 voucher assistance. The program includes acquisition of property, elevation and weather proofing to meet HUD and FEMA standards, and all related development and construction activities. GrantWorks oversees all aspects of the GRHRP including project delivery services for three (3) subrecipient developer-owner entities and their general contractors.



Houston, Texas

The City of Houston received \$26 million in CDBG-DR funds for street, tunnel, flood and drainage improvements in the redeveloped Near Northside (Hardy Yards). These improvements were used to restore and ensure the function of the road for primary access; construct a new street and storm drainage system in the Greater Fifth Ward-Brigham redevelopment area; and reconstruct the open ditch storm drainage system in the Greater Fifth Ward, Near Northside, and Old Spanish Trail/South Union neighborhoods. GrantWorks assisted with the applications and the management of these projects for the City.



Matagorda County, Texas

Matagorda County and GrantWorks worked to complete several projects following Hurricane Ike including approximately \$5 million in Round 1 for generator installation, bulkhead replacement, and beach restoration. Round 1 funds have been fully expended and administratively closed. In Round 2 of funding, approximately \$8 million was awarded to the County to reconstruct and elevate roadways, replace deteriorated sewer lines and build a shoreline protection system.

Texas City, Texas

Texas City was awarded several Disaster Recovery projects totaling \$22 million to mitigate flooding and loss of electrical power that occurred during Hurricane Ike. GrantWorks coordinated with the Texas General Land Office, project engineers, environmental consultants, and the city to construct the new emergency power sources at water and sewer facilities, flood control, and drainage infrastructure projects. GrantWorks also assisted the City with developing new projects when the original projects came in under budget.

Client References

Since 1983, GrantWorks has completed over 2,000 grant projects in more than 300 communities across the State. We take pride in our performance, helping to implement projects on time, within budget, and within state and federal requirements. The best way to evaluate our work performance is to speak to our clients.

Reference	Project Description	Project Amount	Contact
Refugio County, Texas FEMA PDM TXDOT TIF CDBG-DR	Bulkhead improvements, multi-jurisdiction mitigation plan, and road improvements	\$2.2 million	Robert Blaschke County Judge (361) 526-4434 judge.blaschke@gmail.com
Galveston Rental Housing Replacement Program CDBG-DR	Rehabilitation, property acquisition, elevation and weather proofing to meet HUD and FEMA standards	\$22 million	Deyna Sims-Hobdy Dir. of Development, GHHA (409) 765-1980 Beau Yarbrough CFO, DSW Homes (409) 682-2501
Brazoria County, Texas CDBG-DR	Generators, sewer, drainage, public facilities, roadway elevation, and emergency radio towers	\$16+ million	Nancy Friedenberg CDBG Program Director (979) 864-1860 nancyf@brazoria-county.com
Jim Wells County, Texas CDBG-DR	Drainage, flood control, generators	\$2.9 million	Juan Rodriguez County Judge (361) 668-5706 Juan.rodriguez@co.jim-wells.tx.us
Navasota, Texas CDBG-DR	Storm sewer flood and drainage and lift station electrical improvements	\$1.4 million	Brad Stafford City Manager (936) 825-6475 bstafford@navasotatx.gov
Port Lavaca, Texas CDBG-DR	Bulkhead and pier improvements	\$118,900	Jody Weaver City Engineer (361) 827-3601 jweaver@portlavaca.org
Stagecoach, Texas CDBG-DR	Dam improvement project and street and drainage improvements	\$1.4 million	Brenda Rutt City Secretary (281) 259-0224 office@stagecoachtexas.us

Additional CDBG-DR Experience

In addition to managing more than 1,000 CDBG projects since our founding, GrantWorks has applied for and managed 100+ CDBG-Disaster Recovery grants through the Texas General Land Office:

2018 Hurricane Harvey CDBG-DR through the GLO			
Subgrantee	Grant Amount	Subgrantee	Grant Amount
Alvin	\$1,012,332	Holiday Lakes	\$599,008
Angleton	\$154,439	Ingleside	\$1,954,326
Aransas County	\$53,860,274	Ingleside Buy-out	\$1,215,968
Aransas Pass	\$10,696,302	Iola	\$167,101
Austin County	\$4,301,175	Iowa Colony	\$131,675
Austin County Buy-out	\$1,655,654	Jackson County	\$840,270
Austwell	\$591,701	Jasper Buy-out	\$1,000,000
Bay City	\$287,006	Jasper County Buy-out	\$6,820,960
Bayside	\$720,132	Jones Creek	\$200,859
Bedias	\$167,101	Kirbyville	\$102,597
Bee County	\$100,645	La Ward	\$297,827
Brazoria County	\$10,931,586	Liberty County	\$4,921,503
Brookshire	\$252,637	Liberty County Buy-out	\$6,743,065
Brookside Village	\$999,834	Liverpool	\$191,486
Colorado County (MIC ZIP)	\$1,527,327	Matagorda Co (MIC ZIP)	\$6,948,605
Columbus	\$310,663	Mathis	\$100,000
Danbury	\$178,095	Milam County	\$510,000
Eagle Lake	\$220,089	Milam County Buy-out	\$1,325,839
East Bernard	\$157,563	Palacios	\$1,414,860
Edna	\$730,897	Patton Village	\$473,136
Fayette County Buy-out	\$8,913,618	Point Comfort	\$1,031,252
Fayette County	\$942,778	Polk County Buy-out	\$4,746,977
Freeport	\$193,271	Port Lavaca	\$5,113,395
Fulton	\$4,759,465	Refugio	\$8,419,112
Ganado	\$418,493	Refugio County (MIC ZIP)	\$11,957,845
Goliad	\$477,108	Richwood	\$602,578
Grimes County	\$334,202	Rockport	\$8,320,696
Grimes County Buy-out	\$1,512,129	Rosenberg	\$298,611
City of Hempstead	\$421,314	San Jacinto Co Buy-out	\$11,807,489
City of Hitchcock	\$1,463,149	San Patricio County	\$2,037,215

2018 Hurricane Harvey CDBG-DR through the GLO (Continued)			
Subgrantee	Grant Amount	Subgrantee	Grant Amount
Santa Fe	\$1,389,501	Waller County Buy-out	\$2,244,015
Seadrift	\$1,536,581	Waller County (MIC ZIP)	\$4,036,599
Sinton	\$475,228	Wallis	\$427,602
Somerville	\$167,101	West Columbia	\$159,795
Texas City	\$2,211,686	Wharton	\$1,650,172
Texas City Buy-out	\$2,270,138	Wharton Buy-out	\$1,693,784
Todd Mission	\$167,101	Wharton County	\$2,028,234
Victoria	\$6,056,722	Wharton County Buy-out	\$2,243,565
Victoria Buy-out	\$2,441,508	Woodloch	\$249,958
Victoria County	\$3,515,651	Woodsboro	\$1,245,322
Victoria County Buy-out	\$2,545,545	Yorktown	\$793,105
Walker County	\$4,445,805		

Note, some Harvey CDBG-DR projects are pending final approval by the GLO.

2015/2016 Floods			
Subgrantee	Grant Amount	Subgrantee	Grant Amount
Buffalo	\$923,191	Somerville	\$580,000
Clifton	\$2,894,980	Willacy County	\$1,403,000
Corsicana	\$4,000,000	Cross Plains	\$2,000,000
Dawson	\$996,500	Wharton (City)	\$2,000,000
Grimes County	\$2,866,457	Madisonville	\$2,000,000
Hubbard	\$2,410,589	Brookshire	\$2,000,000
Jewett	\$581,284	Grimes County	\$2,000,000
Jim Wells County	\$1,635,500	Navasota	\$2,000,000
Navasota	\$2,999,000	Madison County	\$2,000,000
Normangee	\$331,500	Austin County	\$2,000,000
Orange Grove	\$1,200,000	San Felipe	\$2,000,000
Premont	\$1,459,090	Wallis	\$2,000,000
Raymondville	\$992,850	Linden	\$2,000,000
Rice	\$606,500	Clifton	\$2,000,000

Ike/Dolly Round 2.2			
Subgrantee	Grant Amount	Subgrantee	Grant Amount
Alvin	\$2,159,644	Jim Wells County	\$1,000,000
Angleton	\$1,559,011	Kenedy County	\$1,000,000
Bayou Vista	\$805,119	Kleberg County	\$1,000,000
Bayside	\$125,069	La Porte	\$4,721,465
Brazoria	\$190,169	Leona	\$124,470
Brazoria County	\$8,095,357	Madison County	\$692,239
Brooks County	\$1,000,000	Matagorda County	\$3,576,278
Clarksville City	\$319,250	Milam County	\$234,504
Clute	\$1,664,451	Palacios	\$1,522,407
Escobares	\$1,000,000	Rockport/Aransas Co.	\$1,000,000
Falfurrias	\$1,000,000	Santa Fe	\$2,337,719
Freeport	\$1,539,279	Sweeny	\$235,860
Galveston	\$87,854,043	Texas City	\$13,277,159
Galveston HA	\$65,392,099	Tiki Island	\$258,788
Hempstead	\$158,424	Trinity	\$1,048,918
Hitchcock	\$6,134,606	Waller County	\$591,576
Houston	\$26,148,986	Wallis	\$750,000
Jamaica Beach	\$623,746	West Columbia	\$269,915

Ike/Dolly Round 2.1			
Subgrantee	Grant Amount	Subgrantee	Grant Amount
Alvin	\$719,881	Kleberg County	\$1,000,000
Angleton	\$519,670	La Porte	\$1,524,040
Aransas Pass	\$259,331	Matagorda County	\$651,315
Elkhart	\$610,943	Navasota	\$478,042
Freeport	\$554,001	Rockport/Aransas Co	\$1,000,000
Galveston	\$17,420,900	San Patricio County	\$1,000,000
Hitchcock	\$2,044,869	Santa Fe	\$779,240
Hughes Springs	\$94,755	Texas City	\$4,425,720

Ike/Dolly Round 1			
Subgrantee	Grant Amount	Subgrantee	Grant Amount
Alto	\$372,606	Los Fresnos	\$176,408
Bayou Vista	\$2,101,656	Madison County	\$491,138
Brazoria County	\$8,704,745	Matagorda County	\$4,787,320
Brooks County	\$75,000	Morgan's Point	\$574,391
Burleson County	\$1,636,262	Point Comfort	\$166,667
Calhoun Co	\$166,667	Port Aransas	\$405,306
Elkhart	\$267,995	Refugio County	\$75,000
Fulton	\$155,403	Robertson County	\$792,891
Galveston (Main WWTP)	\$75,423,000	San Patricio County	\$422,234
Grimes County	\$1,915,046	Santa Fe	\$2,738,741
Groesbeck	\$350,000	Seadrift	\$166,667
Hilshire Village	\$229,980	Texas City	\$4,614,680
Hitchcock	\$2,888,164	Tiki Island	\$1,722,664
Humble	\$574,664	Trinity	\$513,350
Jamaica Beach	\$2,195,385	Waller	\$229,980
Jim Wells County	\$252,270	Waller County	\$229,980
Kleberg County	\$185,263	Wallis	\$77,508
La Porte	\$1,632,495	Waskom	\$207,368
Leon County	\$1,213,683	Washington County	\$711,485

GrantWorks Work Performance and Capabilities

Since its founding in 1979, GrantWorks has grown to become the largest HUD community development, disaster recovery, and housing grant program management firm in Texas. The GrantWorks team has extensive experience in federal, state and local regulations applicable to recovery efforts and is dedicated to assist the City of Richwood in its recovery efforts.

GrantWorks is dedicated to providing the best services meeting the highest standards in all that we do. This is reflected in our numerous long-standing client relationships, our dedication to staff training and certification, and our continuous involvement at every step of the grant process. Hundreds of local governments have selected GrantWorks as their CDBG administrator over the years.

Understanding of CDBG and Familiarity with GLO

As a testament to our CDBG management expertise, GLO chose GrantWorks to directly administer several state-level grants. These include the of two economic development projects and the implementation of the Galveston Rental Housing Replacement Program. We have a proven track record of submitting high-quality, complete paperwork in a timely manner, and of finishing projects on schedule.

GrantWorks is familiar with the GLO Grant Administration Services Scope of Work for General, Infrastructure, Rental and Non-Rental Housing and has performed similar duties for FEMA and Texas HOME Programs. **The table below summarizes our experience with CDBG-DR activities across a variety of related federal programs:**

	CDBG-DR	Texas HOME	FEMA
Experience	100+ Projects \$530 million	500+ projects \$200 million	40+ projects \$30 million
Activities			
Local Communication	Yes	Yes	Yes
GLO Communication	Yes	N/A	Yes
Application Preparation	Yes	N/A	Yes
Project Scoping	Yes	Yes	Yes
Budgets and Financial Oversight	Yes	Yes	Yes
Environmental Services	Yes	Yes	Yes
Engineer Coordination	Yes	Yes	Yes
Acquisition Reporting	Yes	Yes	Yes
Procurement	Yes	Yes	Yes
Contractor Oversight	Yes	Yes	Engineer
Reimbursements	Yes	Yes	Yes
Quarterly Reports	Yes	Yes	Yes
Project Tracking	Yes	Yes	Yes
Project Closeout	Yes	Yes	Yes
Low or no monitoring findings	Yes	Yes	Yes

GrantWorks Project Approach

GrantWorks will work hand-in-hand with the City through every step of the CDBG-MIT grant process, ensuring that City priorities and goals are considered and successfully achieved.

GrantWorks' cost-effective strategy comprises the pre-award and post-award work flows described below, to ensure efficient management and regulatory compliance. We keep up-to-date on all available HUD and GLO guidance and requirements. Years of CDBG program experience and an organized project approach allow us to produce tangible, cost-efficient results. We tailor the process to your needs while adhering to the program-specific guidelines.

Project Approach for Infrastructure Projects

GrantWorks has earned an excellent reputation in its application and administration of Hurricanes Ike/Dolly Rounds 1, 2.1, and 2.2 Disaster Recovery funding. We excel in understanding and applying the CDBG program rules, LMI beneficiary documentation process, and eligibility criteria to the benefit of both the State and our client communities.

A grant administrator is primarily responsible for coordinating and expediting all grant activities. We strive to remain a cooperative, informed, and active member of your project implementation team. As such, we help keep projects on track and on time. Our core tasks include:

- Maintain regular contact with the project engineer, the local contact person, and construction contractors,
- Provide project engineers with an instruction and forms packet so they know up-front what information is required by the state agency,
- Assist in processing all invoices, contracts, and change orders received from the project engineer and contractors,
- Assist in reviewing workable solutions to resolve unexpected cost overruns, changes in construction activities or locations, or other issues that affect your project's eligibility and standing with the state and federal agencies; and
- Assist you in working with the state and federal agencies to resolve any issues that may arise with your grant application or funded project.

Pre-Award Activities

GrantWorks understands the urgency in recovering from the hurricane and flooding effects on the residents of the City of Richwood. **We propose to begin work immediately** on your CDBG-MIT application upon award. Our first step will be to conduct a project kickoff meeting with the City and other stakeholders to determine project objectives, scope, schedule and budget. We intend to assist the City with proactively preparing for CDBG-MIT funding.

Project Eligibility

GrantWorks will work with you and the project engineer to identify the project service area and to formulate a plan to document the beneficiary population using our in-house Geographic Information Systems (GIS) mapping capabilities and Census information wherever possible.

Develop Application

GrantWorks staff members have more than 1,000 years of combined experience in administering state and federal grant programs. We have secured and administered thousands of projects totaling more than \$1.3 billion in federal, state, and local assistance for hundreds of localities.

GrantWorks prepares application documents, qualifies target areas using Census data, and helps satisfy the criteria required for CDBG applications. We worked closely with local officials and GLO staff to create and qualify more than 150 separate project activities for CDBG-DR Ike/Dolly and 100+ project activities for CDBG-DR Harvey. Our expertise in Geographic Information Systems (GIS) mapping, project scoping and beneficiary documentation will help the City of Richwood quickly identify and prioritize its CDBG-MIT eligible projects.

- Develop thorough, detailed CDBG-MIT Applications that meet or exceed the General Land Office (GLO) and HUD expectations.
- Review documentation in order to avoid potential duplication of benefits issues.
- Coordinate with engineer.
- Submit the completed application to GLO by the deadline.
- Respond to all GLO Requests for Information.

Post-Award Activities

GrantWorks was selected to manage more than \$530 million in CDBG-DR funding by the GLO and 100+ Texas localities. Our project management staff is well-versed in HUD requirements, and many of our project managers have worked with the CDBG-DR program for nearly a decade.

Our project management team includes experts in procurement and bidding, contractor coordination, financial management, and other HUD grant management requirements. We use detailed document tracking systems and collaborate daily to ensure that your projects are on track and on time. GrantWorks will guide and assist with financial management, record keeping, scope changes, reporting, environmental clearance, acquisition, contract closeout, and other aspects of program implementation. We prepare all forms, notices, and agenda items and provide them to you in advance, and we will confirm that the City has received word from GLO that applications have been approved and obligated. Our core tasks include:

Project Management

Our team will assist you in creating a well-run, efficient, and successful CDBG-MIT program that complies with all state and federal reporting requirements. The GrantWorks Team understands that communication is a vital component of any successful project. We can provide the City of Richwood's elected officials, staff, and the public with regular updates as desired. Consistent communication and transparency help stakeholders understand the status of the program, thereby helping them feel more confident about the overall process.

- Maintain regular contact with the project engineer, the local contact person, construction contractors, and other parties
- Establish record keeping and filing system.
- Prepare start-up grant documents, forms, notices, and agenda items for review or action
- Prepare and upload quarterly reports and other required updates
- Assist with procurement and requirements such as those found in 2 CFR 200
- Assist in meeting civil rights and related requirements
- Assist with real property acquisition in compliance with state and federal law (URA)
- Track inquiries regarding grant completion dates
- Attend site visits and public meetings as needed

Financial Management

We ensure that local government recipients establish and maintain financial processes that are in compliance with state and federal regulations. As part of that, we create and maintain a grant ledger and help the City establish and maintain a reporting and record keeping system so that physical and digital copies of all documents are maintained locally. Our record keeping methods consistently receive high marks from state and federal monitors.

We initially review invoices and supporting draw documentation for program eligibility and benchmark conformance, determine whether contract budget revisions are needed, and confirm that quantities match contracts. We work proactively with all stakeholders to 1) avoid issues that may result in questioned costs or audit concerns and 2) to resolve any identified issues as quickly as possible.

- Assist with financial management including processing all invoices, contracts, and change orders received from the project engineer and contractors
- Assist in reviewing workable solutions to resolve unexpected cost overruns, changes in construction activities or locations, or other issues that affect your project's eligibility and standing with the state agency
- Facilitate milestone payments and ensure that all milestones are met before they are paid
- Deliver and route batches of project invoices with receipts on a periodic basis.
- Track invoice submittal and payment processing
- Ensure that the City is able to meet non-federal match requirements, if applicable

Construction Phase Management

The GrantWorks Team has provided construction phase management services for the CDBG-DR program, Non-entitlement CDBG program, TDEM/FEMA's Hazard Mitigation Program, and FEMA Public Assistance. Projects include more than 1,200 local government awards in the areas of infrastructure and housing rehabilitation.

Our project managers have extensive experience in reviewing contract/bid packages for compliance, monitoring contractor performance, reviewing change orders, and processing construction pay estimates.

- Provide project engineers with an instruction and forms packet so they know up-front what information is required by the state agency
- Review plans, bid documents and change orders for compliance with regulations and conformance with state contract
- Compile and review construction contract documents
- Oversee grant activities to ensure project adheres to established budget, scope, and schedule

Closeout and Archiving Files

GrantWorks will assist in reconciling financial data in all applicable systems, prepare the City for State and Federal audits, and be available to participate in future audits as necessary. We excel in maintenance of project files and proper documentation of all grant requirements.

- Assist in working with GLO to resolve any issues that may arise
- Perform internal reconciliation of records for each structure to ensure that receipts and invoices match
- Resolve any GLO or HUD issues and concerns
- Attend any scheduled state or federal audit visits
- Archive hard copy and electronic files

Performance Schedule

The GrantWorks Team has a proven track record of successfully completing projects on time and within budget. We have a deep bench of proficient and capable professionals who will work closely with the City and GLO to successfully reach all project schedule requirement and milestones.

GrantWorks intends to assist the City with proactively preparing for Disaster Recovery funding. GrantWorks will work closely with the City to determine its specific needs for implementing projects and the type of information which will best suit the client's end results.

We can adapt our workflow to meet the City's needs while meeting state and federal objectives and deadlines.

Capacity to Perform

The GrantWorks Team is supported by more than 50 grant management professionals with extensive disaster recovery experience. The resumes in Appendix A highlight the GrantWorks team members who will deliver the City's CDBG-MIT program and the depth of GrantWorks' capacity.

As the largest Texas-based firm principally dedicated to grant management for local governments, GrantWorks has both the staff and capacity to mobilize quickly to complete multiple simultaneous large scale projects and scopes of work.

Key Strengths and Benefits to the City of Richwood	
Experience with water, sewer, streets, housing reconstruction, and planning	✓
Knowledge of HUD CDBG programs and GLO tracking and reporting systems	✓
Work regularly with local codes and ordinances (subdivision, mobile home, flood plain, building code)	✓
Texas-based team with understanding of Federal and Texas statutes and regulations (Stafford Act, 2 CFR 200, Local Gov't Code)	✓

Our capacity extends to both the number as well as the quality of staff we bring to the table. Our considerable resources ensure that the City of Richwood receives the focused attention it deserves as it moves toward recovery. Our Team has administered CDBG and other disaster recovery programs for more than 20 years. Our leadership brings over 200 years combined experience working with these programs. The many state and federal programs we have worked with include CDBG/CDBG-DR, FEMA Public Assistance (PA), FEMA Hazard Mitigation (HMGP), Transportation Infrastructure Fund (TxDOT County Roads), Texas Historical Commission (THC), and Economic Development Administration. The breadth of our experience gives us a solid working knowledge of program-specific requirements and cross-cutting federal regulations including 2 CFR 200, the Stafford Act, and Supplemental Appropriations Bills.

Our local presence ensures that we are ready to act quickly and that all activities will be completed in a timely, efficient manner. Our Texas roots enable us to effectively and efficiently support both local governments and relevant State agencies and implement programs within both the federal and Texas statutory framework. Our team's experience with the City of Richwood and other nearby communities gives us familiarity with the people and procedures we will work with.

One of our many strengths is our ability to work well with a variety of local, state and federal stakeholders within the regulatory requirements of numerous state and federally funded programs. Our Proposal Team's members currently manage projects funded by more than a dozen state and federal agencies, including HUD and GLO. Our knowledgeable staff work closely with all stakeholders to ensure that each project is successfully completed.

The resumes in Appendix A provide more information about our staff and the breadth of experience that they bring to the Team.

Cost of Services: Administration Services (Infrastructure)

Indicate **No Cost Proposal** if your firm is not proposing for the services specified on this Cost of Services page.

The City of Richwood may apply for all, none, or any combination of the CDBG-MIT infrastructure programs listed below (see the Administration Services—Description of Programs in this RFP) and choose one or more service providers to implement awarded activities.

Maximum amount of grant funds firm is able and/or willing to manage: \$ No Maximum Amount

Indicate pricing for any/all CDBG-MIT programs for which firm is able and/or willing to provide specified services at the level of the total award amount.

ADMINISTRATIVE FEE SCHEDULE						
BASE Proposed Cost to Provide <u>All</u> Grant Administration Services	Total Award Amount					
General Administrative, Environmental, Construction Mgt, related Acquisition Duties (Not Buyout)						
Program	<\$249,999.99	\$250,000- \$749,999.99	\$750,000 - \$999,999.99	\$3,000,000	\$1,000,000 - \$24,999,999.99	\$25,000,000 - \$100,000,000
☐ Hurricane Harvey Mitigation (for declared counties)				8% Less \$7,500	8% Less \$7,500	6% Less \$7,500
☐ 2015 Floods Mitigation (for declared counties)				8% Less \$7,500		
☐ 2016 Floods Mitigation (for declared counties)				8% Less \$7,500		
☐ Regional Mitigation (for declared counties)	13% Less \$7,500	11% Less 7,500	10% Less 7,500		8% Less \$7,500	6% Less \$7,500

Proposed Cost to Provide Environmental Services will be deducted from the top Grant Administrative Fee Schedule	
Program	Fees
☐ Hurricane Harvey Mitigation (for declared counties)	\$7,500
☐ 2015 Floods Mitigation (for declared counties)	\$7,500
☐ 2016 Floods Mitigation (for declared counties)	\$7,500
☐ Regional Mitigation (for declared counties)	\$7,500
Proposed Cost to Provide Buyout Services Only (if needed as part of an infrastructure project these fees will be deducted proportionally from the Grant Admin Fee Schedule)	
Program	Fees
☐ Hurricane Harvey Mitigation (for declared counties)	12%
☐ 2015 Floods Mitigation (for declared counties)	12%
☐ 2016 Floods Mitigation (for declared counties)	12%
☐ Regional Mitigation (for declared counties)	12%

GrantWorks is prepared to negotiate the cost and scope of services prior to final selection, as allowed by State and Federal regulations. An administrative services contract will be executed between GrantWorks and the City only in the event of a CDBG-MIT award.

Required Forms and Statements

Small Business, MBE, Affirmative Action and Equal Employment Opportunity Information

GrantWorks is a small Texas-based corporation with 160+ full-time employees. Based on the US Small Business Administration guidelines, we are considered a Small Business Enterprise. All services performed by GrantWorks on behalf of local governments are provided without regard to race, national origin, religion, color, sex, age, familial status or disability. GrantWorks does not discriminate in employment opportunity in accordance with federal and local (City of Austin) laws.

Statement of No Conflicts of Interest

There are no existing or potential conflicts of interest to disclose.



SAM Search Results
List of records matching your search for :

Search Term : Grantworks, Inc.*
Record Status: Active

ENTITY	Grantworks, Inc.	Status: Active
DUNS: 963746466	+4:	CAGE Code: 5JH22 DoDAAC:
Expiration Date: 10/08/2020	Has Active Exclusion?: No	Debt Subject to Offset?: No
Address: 2201 Northland Dr	City: Austin	State/Province: TEXAS
ZIP Code: 78756-1117		Country: UNITED STATES

SAM Search Results
List of records matching your search for :

Search Term : Bruce Spitzengel*
Record Status: Active

No Search Results

CONFLICT OF INTEREST QUESTIONNAIRE**FORM CIQ****For vendor doing business with local governmental entity****This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.**

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of vendor who has a business relationship with local governmental entity.

N/A

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

N/A

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes☐ No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7 
Signature of Vendor doing business with the governmental entity

July 20, 2020

Date

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed;

or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

Certification Regarding Lobbying

(To be submitted with each bid or offer exceeding \$100,000)

The undersigned certifies, to the best of his or her knowledge and belief, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(c) The undersigned shall require that the language paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995).

The Contractor, GrantWorks, Inc., certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.



Signature of Contractor's Authorized Official

Bruce Spitzengel

Printed Name and Title of Contractor's Authorized Official

July 20, 2020

Date

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitations for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Included prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503

Disclosure of Lobbying Activities

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure)

Type of Federal Action: _____ a. contract _____ b. grant _____ c. cooperative agreement _____ d. loan _____ e. loan guarantee _____ f. loan insurance	Status of Federal Action: _____ a. bid/offer/application _____ b. initial award _____ c. post-award	Report Type: _____ a. initial filing _____ b. material change
Name and Address of Reporting Entity: _____ Prime _____ Subawardee Tier _____, if Known:		If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:
Congressional District, if known:		Congressional District, if known:
Federal Department/Agency:	7. Federal Program Name/Description: CFDA Number, if applicable: _____	
Federal Action Number, if known:	9. Award Amount, if known: \$	
10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI):	b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI):	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature:  Print Name: <u>Bruce Spitzengel</u> Title: <u>President</u> Telephone No.: <u>(512) 420-0303</u> Date: <u>7/20/20</u>	
Federal Use Only	Authorized for Local Reproduction Standard Form - LLL (Rev. 7-97)	

(To be completed by awarded vendor)

CERTIFICATE OF INTERESTED PARTIES		FORM 1295	
Complete Nos. 1 - 4 and 6 if there are interested parties. Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.		OFFICE USE ONLY	
1 Name of business entity filing form, and the city, state and country of the business entity's place of business.		Must file online at www.ethics.state.tx.us/File	
2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.			
3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.			
4	Name of Interested Party	Nature of Interest (check applicable)	
	City, State, Country (place of business)	Controlling	Intermediary
5 Check only if there is NO Interested Party. ☐			
6 UNSWORN DECLARATION			
My name is _____, and my date of birth is _____.			
My address is _____, _____, _____, _____, _____.			
(street) (city) (state) (zip code) (country)			
I declare under penalty of perjury that the foregoing is true and correct.			
Executed in _____ County, State of _____, on the _____ day of _____, 20____.			
(month) (year)			
_____ Signature of authorized agent of contracting business entity (Declarant)			
ADD ADDITIONAL PAGES AS NECESSARY			

Appendix A – Resumes

Bruce Spitzengel

President

PROFESSIONAL QUALIFICATIONS

Bruce has worked with grants since 1975, first as the planning director for Texas City, then as CDBG Manager for Pasadena, Texas. In 1979 he founded a Houston, Texas-based firm that eventually became GrantWorks. The firm has since grown to include 60+ employees in fourteen offices, with headquarters located in Austin, Texas. GrantWorks is the most successful provider of local government grant services in Texas due to Bruce's expertise in HUD/CDBG, HOME, planning, infrastructure development, affordable and fair housing, and application preparation.

Under Bruce's leadership, GrantWorks has grown to become a full service project management firm, specializing in contract administration, application preparation, technical assistance, beneficiary documentation, planning studies, land and infrastructure development, affordable housing development, and state and federal compliance. GrantWorks has secured and managed over \$1 billion in grant funding for 350+ local government clients.

In addition to business development, Bruce continues to play a direct role in creating federally funded projects including CDBG infrastructure, CDBG-Disaster Recovery, and multifamily affordable housing. Bruce has assisted countless communities in developing complicated CDBG projects; his significant knowledge base gained from over 40 years of grant and CDBG experience.

Bruce is particularly proud that in 2014 GrantWorks was designated by HUD as a Technical Assistance Provider resource for Texas.



EDUCATION

M.A. Geography,
Kansas State
University

B.A. Kansas State
College, Pittsburg

HIGHLIGHTS

Over 40 years of
experience with
HUD and CDBG
grants

Expert in
CDBG project
development,
needs identification
and infrastructure
projects



Eric Hartzell, AICP

Executive Vice President

PROFESSIONAL QUALIFICATIONS

Eric brings more than 22 years of leadership in the fields of community and economic development, disaster recovery, affordable housing and urban planning to his role as GrantWorks' chief project development officer. His duties include guiding the firm's steady growth while improving quality and scope of services. Aside from his executive functions, Eric continues to play a direct role in creating and implementing dozens of federally funded projects including CDBG infrastructure, CDBG-Disaster Recovery, multifamily affordable housing, single family reconstruction, comprehensive plans, and colonia improvements. Prior to his 20 years at GrantWorks, Eric served as a CDBG Regional Coordinator at the Texas Department of Housing & Community Affairs and a utility planner at the City of Austin.

Eric has assisted countless communities as they maneuver through complicated CDBG projects; his significant knowledge base gained from years of directing the GrantWorks main office in Austin, Texas as staff prepare and implement CDBG projects. GrantWorks is recognized by the General Land Office (GLO and the Texas Department of Agriculture (TDA for excellence in managing CDBG contracts for Hurricanes Ike and Dolly and the State Entitlement CDBG Program.

In 2014, GrantWorks was designated by HUD as a Technical Assistance Provider resource, in large part due to Eric's CDBG, housing, and planning proficiency.



EDUCATION

M.S. Community & Regional Planning,
University of Texas at Austin

B.S. Geography,
Ohio University

HIGHLIGHTS

Lead in developing more than \$125 million in CDBG Disaster Recovery project activities

Expert in CDBG project development, including beneficiary documentation

CERTIFICATIONS

American Institute of Certified Planners (AICP)



Martha Arosemena, AICP, PMP

Vice President

PROFESSIONAL QUALIFICATIONS

Martha is responsible for helping supervise and mentor GrantWorks' 15-member Hazard Mitigation and Disaster Recovery project management team. She also manages federal and state-funded projects, including the Galveston Housing Authority's \$65.5 million Disaster Recovery grant.

Martha is a TxCDBG certified administrator and has successfully managed over 90 federally funded projects, shepherding them through the entire grant administration cycle, from contract execution to State monitoring and closeout. Projects managed include public infrastructure, private property rehabilitation, renewable energy, and Disaster Recovery.

Martha's managerial efforts focus on ensuring that the quality of service provided to both internal and external stakeholders meets the highest standards and on Project Manager training and support.

PROJECT EXPERIENCE

Texas CDBG-DR Round 2.2, Galveston Housing Authority, Galveston, Texas, July 2013 – Present, \$65,482,099.00

The Galveston Housing Authority (GHA) received funding to replace two multifamily developments destroyed by Hurricane Ike. Martha provides grant administration services that includes but is not limited to reviewing and processing requests for reimbursement, and providing Davis-Bacon, Section 3, and programmatic technical assistance and guidance. Martha facilitates communication between the various State, the GHA, and the developer stakeholders, thereby ensuring that the team continues to move forward toward successful project completion.

Texas CDBG-DR Round 2.1, City of Rockport, Texas, 2012 – 2015, \$1,000,000.00

Martha provided project management services that helped shepherd the project from inception to completion. The project successfully finished on time and under budget.

Texas CDBG-DR Round 1, Jim Wells County, Alice, Texas, March 2010 – April 2013, \$252,270.00

Martha coordinated with the Texas General Land Office, project engineers, environmental consultants, and local and county representatives to procure and install two new emergency power generators in Premont, Texas. The project successfully completed on time and within budget.



EDUCATION

M.S. Community & Regional Planning,
University of Texas at Austin

B.A., Anthropology and Spanish,
University of Texas at Austin

HIGHLIGHTS

Expertise in federal programs, including CDBG-DR

Successfully managed over 90 CDBG-funded projects

Excellent written and verbal communication skills

CERTIFICATIONS

Certified Project Management Professional (PMP)

American Institute of Certified Planners (AICP)



Emily Phalan, AICP

Director of Community Development

Emily has led GrantWorks' Community Development Department since 2018 in the administration of more than 400 grant funded projects. In this role, she trains new employees on project management, develops internal procedures for implementation of agency regulations, and oversees department project manager support staff. She is TxCDBG certified and began working as a project manager in 2010.

Emily is experienced with public infrastructure construction, disaster recovery, parks, and coastal projects. Emily interprets government publications and regulations as they pertain to project implementation. Emily previously worked in planning. She holds a M.S. in Community & Regional Planning and B.A. in Geography from The University of Texas at Austin.

Cristal Funderburk

Assistant Director of Community Development

Cristal joined GrantWorks in 2011 and currently assists with internal process improvement, quality control, labor standards, and mentorship of all aspects of project management.

Cristal has successfully managed over 50 Federal and State projects totaling more than \$30 million for communities throughout Texas. She is experienced with public infrastructure construction, disaster recovery, housing rehabilitation and coastal projects. As a result of the training she received from GrantWorks' experienced staff, Cristal quickly developed the skill set to successfully manage the complexities of CDBG contracts and to effectively coordinate with local government and state agency contacts. She has also trained new employees in all aspects of project management responsibilities. She is TxCDBG certified in project administration and was promoted to Assistant Director in 2017.

Jeff Carrillo

Assistant Director of Community Development

Jeff assists communities with project implementation and internally provides day to day support for the Community Development Project Managers. Jeff is responsible for managing numerous CDBG-funded grants, including Community Development, Colonia, and Downtown Revitalization Programs through the Texas Department of Agriculture, and Disaster Recovery through the General Land Office. He has also managed Texas Infrastructure Fund grants through Texas Department of Transportation.

Jeff is a TxCDBG certified administrator and has successfully managed federally funded projects, shepherding them through the entire grant administration cycle, from contract execution to State monitoring and closeout. Projects managed include public infrastructure, private property rehabilitation, and Disaster Recovery.

Jeff's project management efforts focus on ensuring that the quality of service provided to both internal and external stakeholders meets the highest standards, and was promoted to Assistant Director in 2018.

Amanda Hoque

Senior CD Project Manager

Amanda is a Community Development Project Manager. Prior to joining GrantWorks, Amanda was employed by the Institute for Sustainable Communities as a Research Assistant. She earned her MS in Urban and Regional Planning and a BS in Community Development from Texas A&M University.

Ana Gomez-Sanchez

CD Project Manager

Ana is a Community Development Project Manager. Prior to joining GrantWorks, Ana worked for CohnReznick as a Disaster Response and Recovery Consultant focusing on FEMA Hazard Mitigation Projects. Prior to CohnReznick, Ana worked for the United Nations World Food Programme (UN WFP) as a Vulnerability Assessment Officer at the Latin American and the Caribbean Regional Bureau in Panama. While with WFP, she oversaw the implementation of field assessments for response and recovery operations in over 11 countries in the region. Ana holds a Master's Degree in Community and Regional Planning from the University of Texas at Austin and a Bachelor's Degree in Political Science from Florida State University in Tallahassee.

Anthony Gonzales

CD Project Manager

Anthony is a Community Development Project Manager. He has extensive experience managing projects with the Health and Human Services Commission and the Capital Area Metropolitan Planning Organization. He earned his B.S. in Geography from Texas State University. Prior to his professional career, Anthony served as a US Army Infantryman in Operation Iraqi Freedom and Operation Enduring Freedom.

Brice Bloomer

Environmental Specialist

Brice joined GrantWorks in 2019 to work on housing environmental reviews in the HOME and Community Development Departments. Directly after college, Brice began his career conducting NEPA reviews and environmental compliance at an environmental consulting firm in Austin. He earned his BS in Environmental Studies and a minor in Parks and Natural Resource Management from Texas A&M University in College Station.

Cesar Acosta

CD Project Manager

Working Cesar is a Community Development Project Manager. Prior to joining GrantWorks, Cesar was employed by Evolve Austin as a Deputy Field Director. He earned his MS in Community and Regional Planning from the University of Texas at Austin and a BA in Political Science from the University of Arizona.

Hillary Sotello

Community Development & Recovery Housing Manager

Hillary joined GrantWorks as a CD Infrastructure Project Manager and transitioned to her current role as Community Development & Recovery Housing Manager in 2019. Prior to joining GrantWorks, Hillary worked in commercial building construction in project management. She earned her BS in Geography from the University of Texas at Austin.

Jennifer Horton

CD Project Manager

Prior to joining GrantWorks, Jenny managed a Quality and Risk Analyst Team with Accenture, as well as serving as the team's lead analyst. Jenny has many years of experience in management, administration, and coordination in the public, private, and nonprofit sectors. She holds a Master of Science in Social Work with a focus on Community Administrated Leadership from the University of Texas in Austin, as well as a Nonprofit Governance portfolio from the Lyndon B. Johnson School of Public Affairs. She has been serving with GrantWorks as a Community Development Project Manager since 2018.

Jerry Carvajal

Director of West Texas Services

Jerry has been a project manager for GrantWorks since 1997 and is the Director of West Texas Services due to his extensive experience in that region. Jerry is a TxCDBG certified administrator and has completed more than 50 CDBG projects. Jerry worked previously as the City of Alpine CD Director and City Manager. He is fluent in Spanish and holds a M.S. in Public Administration and B.S. in History from Sul Ross State University.

Jill Hooks

CD Labor Standards Specialist

Jill joined GrantWorks in 2018 working in the Community Development Department. She is a Federal Davis-Bacon Labor Standards specialist to support TxCDBG projects. She has over 12 years of experience working in the field of labor standards. Previously, Jill worked as a Project Manager and Labor Standards Officer with Traylor & Associates in Tyler, Texas.

John Groberg

CD Project Manager

John is a Community Development Project Manager. Prior to joining GrantWorks, John accrued 10 years of Project Management experience in the field of geophysical exploration, working on projects throughout the Continental US, Alaska, South America, and Asia. John also spent several years as a Project Manager in the field of commercial construction.

Justin Thornton

Environmental Specialist

Justin joined GrantWorks in 2019 to support the Community Development Department. Prior to joining GrantWorks, Justin was employed by Trileaf Corporation as an Environmental Scientist. He holds a B.S. in Geology with an emphasis in Geophysics from Louisiana State University.

Karen Blaney

CD Project Manager

Wording Karen is a Community Development Project Manager. Prior to joining GrantWorks, Karen worked on a broad spectrum of sustainability and infrastructure projects with the University of Texas at Austin, SPEER, and the City of Austin Watershed Protection Department. Born in San Antonio, Karen holds an MA from Pennsylvania State University and a BA from Austin College in Sherman, TX.

Matthew Russo

CD Project Manager

Matthew is a Community Development Project Manager. Prior to joining Grantworks, Matthew worked as a Program Administrator for Goodwill Central Texas. He earned his MA in Public Administration from Wright State University and a BA in History from The Ohio State University.

Melissa Brightwell, PMP

CD Project Manager/Labor Standards Specialist

Melissa is a Community Development Project Manager and Labor Standards Specialist. Melissa is TxCDBG certified in project administration and has attended DOL's Prevailing Wages Seminar. Prior to joining GrantWorks, Melissa worked as a project manager for a global medical device consulting firm, specializing in compliance with FDA regulations. She holds a BBA in International Business from the University of Texas at Austin and a PMP Certificate from the Project Management Institute.

Michele Goerke

Senior CD Project Manager

Michele is experienced in coordinating federally funded projects, working directly with the local government contact, state and federal funding agencies along with third-party project engineer and any other stakeholders. She is experienced as a grant writer and is a specialist in economic development projects including the Texas Capital Fund, Main Street, Downtown Revitalization, and Economic Development Administration programs. Michele has been a project manager for GrantWorks since 2013.

Missy Carugati

CD Project Manager

Missy is a Community Development Project Manager. She has two Bachelor's degrees in Art and Science from UNT and Texas State and has worked on projects relating to environmental issues, water resources, and traffic data. Missy previously worked at TxDOT as a Planner in the Transportation Programming and Planning Department working on data analysis for Traffic. Prior to this, Missy worked as a project manager for Water Rights Division at TCEQ. In her spare time, she educated kids and families about nature and the environment through adventurous activities.

Nancy Pearsall

CD Coordinator

Nancy joined GrantWorks in 2018 to support the Community Development team. Prior to that time, she served as a grants and prospect research manager at KLRU-TV (Austin PBS), St. Edward's University, Integral Care and Special Olympics Texas. Nancy holds a certificate of completion from the Grantsmanship Center training program and a B.A. in Studio Art from UT-Austin.

Nicholas Armstrong

CD Project Manager

Nicholas is a Project Manager in the Community Development Department. Prior to joining Grant Works in 2019, he was employed as a Real Estate Development professional and Urban Planner. Nicholas holds an MS in Community and Regional Planning from the University of Texas at Austin School of Architecture and a BA in Political Science from Loyola University New Orleans.

Rachel Thomas

Environmental Specialist

Rachel is an Environmental Specialist. She earned her MS in Community and Regional Planning from the University of Texas at Austin and a BA in Geography and Sustainability from Miami University.

Robin Sisco, RMLO

CD Project Manager

Robin has over 27 years of experience in public service in Texas since receiving her Masters of Public Administration in 1992. The majority of her career has been spent working with state and federal grant programs, and she has successfully supervised in excess of \$40 million in grant projects for over 60 local governments. Robin has written and managed community development, economic development, disaster recovery, housing, and planning grants through the CDBG Program and Texas HOME Program. Robin holds a B.A. in Psychology from the University of Texas at Austin and a M.P.A. from Texas Tech University. She is also a licensed Residential Mortgage Loan Originator, License #441391.

Robert Davila

CD Project Manager

Robert is a Community Development Project Manager. He was previously employed at the Texas A&M Transportation Institute where he worked on projects involving pedestrian and bike crash analyses in Central Texas. He attended the University of Texas at Austin for both undergrad and graduate school, earning his MS in Community and Regional Planning and a BA in Urban Studies.

Rosie Daly

CD Project Manager

Rosie is a Community Development Project Manager. Prior to joining GrantWorks, Rosie was employed by Goodwill Industries of Central Texas as a Program Administrator. She earned her BA from Hope College in Holland, MI and has over 10 years of experience in grant funded project implementation and program management.

Ryan Sunvison

CD Project Manager

Ryan is a Community Development Project Manager. Prior to joining GrantWorks, Ryan was employed by the Texas Commission on Environmental Quality (TCEQ) as an Environmental Investigator. He earned his BS in Environmental Studies from Texas A&M University.

Suzy Riley

Environmental Specialist

Suzy has been an Environmental Specialist with GrantWorks since 2017. Previously, she was employed with GrantWorks as a Community Development Project Manager. Suzy earned her MS in Community and Regional Planning from the University of Texas at Austin.

Vicki Spiess

CD Project Manager

Vicki began her career with Kerbow and Associates Consulting in 1991 where she managed over 200 grants including Community Development, Disaster Recovery, Texas Capital Fund, and Urgent Need projects. Vicki joined the GrantWorks team in 2013 and she continues to manage contracts from her New Ulm office. Vicki is TxCDBG Certified and holds a B.A. from Sam Houston State University.

MEMORANDUM

To: The Honorable Mayor and Members of the Richwood City Council

From: Kirsten Garcia, City Secretary

Date: August 4, 2020

Subject: CCPD FY 20-21 Proposed Budget

Section 363.203-363.205 of the Local Government Code governs the budget adoption process of CCPD funds. CCPD revenues are generated from a percentage of the 8.25% sales and use tax and can only be used for crime prevention and Police Department related expenses. Approved expenditures in CCPD Funds do not affect property tax.

CCPD is required to hold a public hearing on their proposed budget no later than 100 day before the date of each fiscal year begins. (This would be June 23 or before based on our Fiscal year calendar). - **This was held on June 23, 2020.**

City Council is required to hold a separate public hearing on the proposed CCPD budget no later than the 45th day before the fiscal year begins. (This would be August 15 or before based on our Fiscal Year calendar.) - **The public hearing is being held today 8/10/2020.**

City Council must then approve or reject the budget no later than the 30th day before the fiscal year begins. (September 1) **The Council must either approve or reject the budget as a whole.**

If rejected, the two boards (CCPD and City Council) must meet in a joint session to discuss and amend the proposed budget before the beginning of the fiscal year. (October 1)

NOTICE OF PUBLIC HEARING

Notice is hereby given that a Public Hearing will be held before the City Council of the City of Richwood for the purpose of considering the Fiscal Year 2019-2020 Proposed Crime Control and Prevention District (CCPD) Budget. CCPD revenues are generated from a percentage of the 8.25% sales and use tax and can only be used for crime prevention and Police Department related expenses.

Anyone seeking to give or receive information on this topic should be present via teleconference or web +1 (872) 240-3212 and enter access code: 957-762-421 or visit <https://global.gotomeeting.com/join/957762421> on Monday, August 10, 2019 at 6:00 p.m. before the City Council.

Kirsten Garcia
City Secretary

RESOLUTION NO. 20-R-23

WHEREAS, on August 10, 2020, the City Manager of the City of Richwood submitted the proposed Budget for the City of Richwood Fiscal Year 2020-2021 to the City Council; and

WHEREAS, on August 10, 2020, the City Manager of the City of Richwood filed with the City Secretary the proposed Budget for the City of Richwood Fiscal Year 2020-2021; and

WHEREAS, in accordance with the Texas Local Government Code, Section 102.006, the City Council must set a public hearing on the proposed Budget and the City Council must provide for public notice of the date, time and location of the hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, TEXAS:

That a public hearing on the proposed Budget for the City of Richwood Fiscal Year 2020-2021 is set for August 24, 2020, at 6:00 p.m. at City Hall, 1800 N Brazosport Blvd, Richwood, Texas.

The notice of such hearing shall be published at least ten (10) days before the date of the public hearing.

That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public as required by law and that public notice of the time, place and purpose of said meeting was given as required.

PASSED AND APPROVED this 10th day of August, 2020.

Steve Boykin, Mayor

ATTEST:

Kirsten Garcia
City Secretary

ORDINANCE NO. 20-468

AN ORDINANCE ORDERING AN ELECTION TO BE HELD IN THE CITY OF RICHWOOD, ON TUESDAY, NOVEMBER 3, 2020, FOR THE PURPOSE OF ELECTING CERTAIN OFFICERS FOR THE CITY OF RICHWOOD; PROVIDING THAT ALL PERSONS DESIRING TO HAVE THEIR NAME PLACED ON THE OFFICIAL BALLOT AS A CANDIDATE FILE AN APPLICATION NOT LATER THAN FEBRUARY 14, 2020, PROVIDING THAT ALL DULY QUALIFIED RESIDENT ELECTORS SHALL BE QUALIFIED TO VOTE; APPROVING A JOINT ELECTION AGREEMENT WITH BRAZORIA COUNTY; AND PROVIDING FOR SEVERABILITY.

WHEREAS, the City of Richwood is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Texas Local Government Code; and

WHEREAS, Section 41.001 of the Texas Election Code (the "Code") specifies that the first Saturday in May shall be a uniform election date; and

WHEREAS, all of the City of Richwood and its voting precincts are located within Brazoria County only; and

WHEREAS, by this Ordinance, it is the intention of the City Council to adopt all requirements of an Election Order and Notice of Election in accordance with state law, and authorize a contract with Brazoria County for joint election services.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, TEXAS:

Section 1. That an election is hereby ordered and shall be held in and throughout the City of Richwood, Texas, on the 3rd day of November, 2020, being the first Tuesday in November, between the hours of 7 a.m. and 7 p.m.. Voting will be held at the Richwood City Hall, 1800 Brazosport Blvd., Richwood, Texas. Voting will also be conducted at all of the Vote Centers in Brazoria County, Texas that are listed on Exhibit A.

Section 2. That early voting by personal appearance will begin on October 13, 2020 and end on October 30, 2020. Early voting locations are attached as Exhibit B.

Section 3. That the election is ordered for the purpose of electing the following officers for the City:

Council member Positions One, Four and Five

Section 4. That any person having the qualifications set out in Section 3.02 of the Charter of the City of Richwood for Council member positions one, four and five may file an application to have his or her name placed on the official ballot as a candidate. Said application shall be accompanied by a loyalty affidavit of the candidate as prescribed by Section 141.031 of the Texas Election Code and said application shall be filed with the City Secretary as prescribed by Section 143.006 of the Texas Election Code not earlier than January 15, 2020 and not later than February 14, 2020.

Section 5. That said election shall be held in accordance with the Constitution and laws of the State of Texas and the Charter of the City of Richwood, and all duly qualified resident electors of the City of Richwood, Texas, shall be qualified to vote.

Section 6. JOINT ELECTION AGREEMENT APPROVED: The Mayor is authorized to execute the Joint Election Agreement between Brazoria County and Richwood. In the event of a conflict between this Ordinance and the Contract, the Contract shall control.

Section 7. NOTICES: This Ordinance shall serve as the Order of Election (as required by Section 3.001 of the Texas Election Code).

Section 8. NECESSARY ACTIONS: The Mayor or the City Secretary of the City of Richwood, in consultation with the City Attorney as needed, are hereby authorized and directed to take any and all actions necessary to comply with the provisions of the Texas Election Code and the Contract in carrying out and conducting the election, whether or not expressly authorized herein.

Section 9. If any part or portion of this ordinance shall be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect or impair any remaining portions or provisions of this ordinance.

Section 10. This ordinance shall be in full force and effective immediately after its passage.

PASSED AND APPROVED on this 10th day of August, 2020.

Steve Boykin, Mayor

ATTEST:

Kirsten Garcia, City Secretary

APPROVED AS TO FORM:

Matthew Allen, City Attorney

EXHIBIT A
POLLING PLACES – MAY 2, 2020 – VOTE CENTERS

Home Pct #	Polling Place	Precincts that formerly voted at this Location
1	East Annex (Old Walmart), 1524 E Mulberry, Angleton	1, 42, 56
2	Pct 4 Building, 121 N 10th St, West Columbia	2, 10
4	Brazoria Library, 620 S Brooks, Brazoria	4, 32
7	Freeport Library, 410 Brazosport Blvd, Freeport	7, 17
8	Oyster Creek City Hall, 3210 FM 523, Oyster Creek	8
12	Drainage District No. 4 Building, 4805 W Broadway, Pearland	12, 26
14	Sweeny Community Center, 205 W Ashley Wilson Rd, Sweeny	14
15	Danbury Community Center, 6115 5th St, Danbury	15
19	Clute Event Center, 100 Parkview Dr, Clute	19, 48
23	Lake Jackson Civic Center, 333 Hwy 332 East, Lake Jackson	22, 23, 30, 43, 45
24	Richwood City Hall, 1800 N Brazosport Blvd, Richwood	24
29	Westside Event Center, 2150 Countryplace Pkwy, Pearland	27, 29, 54
36	Pearland Recreation Center, 4141 Bailey Rd, Pearland	13, 36, 47
39	Alvin Library, 105 S Gordon, Alvin	16, 34, 39
40	North Annex, 7313 Corporate Dr, Manvel	11, 40, 53, 63, 64
44	Silverlake Recreation Center, 2715 Southwyck Pkwy, Pearland	44, 58, 60, 62
46	Tom Reid Library, 3522 Liberty Dr, Pearland	28, 46
67	Pearland Westside Library, 2803 Business Center Dr #101, Pearland	50, 59, 67, 68
ONLY OPEN FOR LOCAL ELECTIONS IF THE CITY HAS AN ELECTION		
6	Liverpool City Hall, 8901 CR 171, Liverpool	6, 57
9	Bonney Annex Building, 19025 FM 521, Bonney	9, 21
20	Jones Creek Comm House, 7207 Stephen F Austin Rd, Jones Creek	20
25	Hillcrest Village Municipal Bldg, 200 W Timberlane, Alvin	25, 35
38	Surfside Beach City Hall, 1304 Monument Dr, Surfside Beach	38
CLOSING 2019		
3	Nolan Ryan Center, 2925 South Bypass 35, Alvin	3
33	Mims Community Center, 4283 FM 521, Brazoria	33
61	First Church of Pearland, 1850 Broadway, Pearland	51, 52, 61
CLOSED FOR LOCAL ELECTION		
55	West Annex, 451 N Velasco, Angleton	31, 55
CLOSED DUE TO FLOOD DAMAGE -		
5	Holiday Lakes City Hall, 195 N Texas Ave, Holiday Lakes	5

EXHIBIT B

EARLY VOTING BRANCH POLLING PLACES *LOS SITIOS DE VOTACIÓN AUXILIARES PARA VOTACIÓN ADELANTADA*

Early voting by personal appearance will be conducted at the following locations:

La votación adelantada en persona se llevará a cabo en los siguientes sitios de esta manera:

Angleton (Main)	East Annex, 1524 E Mulberry
Alvin	Alvin Library, 105 S Gordon
Brazoria	Brazoria Library, 620 S Brooks
Freeport	Freeport Library, 410 Brazosport Blvd
Lake Jackson	Lake Jackson Library, 250 Circle Way
Manvel	North Annex, 7313 Corporate Dr
Pearland East	Tom Reid Library, 3522 Liberty Dr
Pearland West	Westside Event Center, 2150 Countryplace Pkwy
Shadow Creek	Pearland Westside Library, 2803 Business Center Dr #101
Sweeny	Sweeny Community Center, 205 W Ashley Wilson Rd
West Columbia	Precinct 4 Building 2, 121 N 10 th St

DATES AND HOURS:

FECHAS Y HORAS

April 22-26	8 AM - 5 PM
April 27	7 AM - 7 PM
April 29-30	7 AM - 7 PM



AGENDA MEMORANDUM ITEM # VI.A

CONTACT: Kirsten Garcia, City Secretary

SUBJECT: November General Election

SUMMARY: Approval of Ordinance calling for the November 13, 2020 General Election and approving a joint election with Brazoria County

BACKGROUND INFORMATION:

This year's May 3, 2020 General Election was postponed by Governor's order due to the COVID-19 Pandemic. City Council must now call for an election to take place in November for Council Positions 1, 4 and 5.

ISSUE:

No issues, this is a formality that must be done by statute.

FISCAL IMPACT: We will budget funds in FY 20/21 budget for two elections this year. One held in November and then again in May.

RECOMMENDATION: Council to approve the Ordinance.

Thank you,

A handwritten signature in blue ink that reads "K. Garcia".

Kirsten Garcia

MEMORANDUM

To: The Honorable Steve Boykin, Mayor and Members of the Richwood City Council

From: Patricia Ditto, Deputy Finance Director

Date: August 10, 2020

Subject: Propose Tax Rate - Record Vote

Consider and record vote for proposed tax rate of \$0.670204, our current tax rate, which is an increase of 10.79% above the No New Revenue Tax Rate for the City of Richwood for the 2020-2021 Fiscal Year to be adopted at a future meeting.

Statute requires the language be posted on the agenda. Staff will be presenting two options for tax rate, the No New Revenue Tax Rate and the Voter Approval Tax Rate. Both are a reduction in tax rate from the 2019 tax rate of \$.670204. Staff will also present the option to keep the same tax rate.

Whichever rate is decided, Council must use the following language in the motion for the record vote:

"I move to propose a tax rate of \$.670204, which will result in a tax rate increase of 10.79% above the No New Revenue Tax Rate."

The record vote will determine the maximum rate that will be used in publications and cannot be exceeded in adoption. Council will vote on the adopted tax rate at a later meeting. The adopted tax rate can be lower than the current rate of \$.670204.

BRAZORIA COUNTY APPRAISAL DISTRICT
STATE OF TEXAS
COUNTY OF BRAZORIA

2020 CERTIFIED ESTIMATE OF TAXABLE VALUE

CITY OF RICHWOOD

In compliance with Section 26.01(a-1) of the State Property Tax Laws, "submission of rolls to taxing units," notice is hereby given to-wit:

ESTIMATED TAXABLE VALUE FOR 2020

TOTAL TAXABLE VALUE \$311,836,885

ESTIMATED TAXABLE VALUE FOR THE 2020 STILL UNDER PROTEST

(properties still under protest)

B.C.A.D. APPRAISED VALUE

*VALUE CLAIMED BY OWNER

\$34,778,527

\$31,996,245

SUMMARY

ESTIMATED TAXABLE VALUE FOR 2020 \$311,836,885

*ESTIMATED TAXABLE VALUE FOR 2020 UNDER PROTEST \$31,996,245

NET TAXABLE VALUE \$343,833,130

I, Cheryl Evans, Chief Appraiser for the Brazoria County Appraisal District, do hereby certify the correctness of the certified estimate.

Cheryl Evans
Cheryl Evans, Chief Appraiser

July 23, 2020
Date

Taxing Units Other Than School Districts or Water Districts

2020 Tax Rate Calculation Worksheet

Date: 07/29/2020 07:15 PM

2020 CITY OF RICHWOOD

(979) 265-2082

Taxing Unit Name

1800 N. Brazosport Blvd, Richwood, TX, 77531

Taxing Unit Address, City, State, ZIP Code

Phone (area code and number)

<https://richwoodtx.gov/beta/>

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller For 50-859 *Tax Rate Calculation Worksheet for School Districts*.

Water districts as defined under Water Code Section 49.001(1) should use Comptroller Form 50-858 Water District Rollback Tax Rate Worksheet. All other taxing units should use Comptroller Form 50-856 Tax Rate Calculation, Taxing Units Other Than School Districts.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

STEP 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both year.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operation taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Rate Activity	Amount/Rate
1.	2019 total taxable value. Enter the amount of 2019 taxable value on the 2019 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (will deduct taxes in Line 17).	\$300,420,973
2.	2019 tax ceilings. Counties, cities and junior college districts. Enter 2019 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step	\$0
3.	Preliminary 2019 adopted taxable value. Subtract Line 2 from Line 1.	\$300,420,973
4.	2019 total adopted tax rate	\$.670204
5.	2019 taxable value lost because court appeals of ARB decisions reduced 2019 appraised value:	
	A. Original 2019 ARB values:	\$0
	B. 2019 values resulting from final court decisions:	\$0
	C. 2019 value loss. Subtract B from A.[3] 223	\$0
6.	2019 taxable value subject to appear under Chapter 42, as of July 25.	
	A. 2019 ARB certified value	

Line	No-New-Revenue Rate Activity	Amount/Rate
		0
	B. 2019 disputed value:	0
	C. 2019 undisputed value Subtract B from A	0
7.	2019 Chapter 42-related adjusted values. Add Line 5 and 6	0
8.	2019 taxable value, adjusted for court-ordered reductions. Add Line 3 and Line 7	\$300,420,973
9.	2019 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2019. Enter the 2019 value of property in deannexed territory.[4]	\$0
10.	2019 taxable value lost because property first qualified for an exemption in 2020. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2020 does not create a new exemption or reduce taxable value.	
	A. Absolute exemptions. Use 2019 market value:	\$1,560
	B. Partial exemptions. 2020 exemption amount or 2020 percentage exemption times 2019 value:	\$685,000
	C. Value loss. Add A and B. ⁶	\$686,560
11.	2019 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2020. Use only properties that qualified in 2020 for the first time; do not use properties that qualified in 2019.	
	A. Use 2019 market value:	\$0
	B. 2020 productivity or special appraised value:	\$0
	C. Value loss. Subtract B from A.	\$0
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$686,560
13.	Adjusted 2019 taxable value. Subtract Line 12 from Line 8	\$299,734,413
14.	Adjusted 2019 taxes. Multiply Line 4 by Line 13 and divide by \$100	\$2,008,832
15.	Taxes refunded for years preceding tax year 2019. Enter the amount of taxes refunded by the district for tax years preceding tax year 2019. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019. [8]	\$1,855
16.	Taxes in tax increment financing (TIF) for tax year 2019 Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0.[9]	\$0
17.	Adjusted 2019 levy with refunds and TIF adjustment. Add Lines 14, and 15, subtract Line 16.	\$2,010,687
18.	Total 2020 taxable value on the 2020 certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.[11]	
	A. Certified values	\$311,836,885
	B. Counties Include railroad rolling stock values certified by the Comptroller's office	\$0
	C. Pollution control and energy storage system exemption Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property	\$0
	D. Tax increment financing Deduct the 2020 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2020 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below.[12]	\$0

Line	No-New-Revenue Rate Activity	Amount/Rate
	E. Total 2020 value Add A and B, then subtract C and D	\$311,836,885
19.	Total value of properties under protest or not included on certified appraisal roll. [13]	
	A. 2020 taxable value of properties under protest The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest [14]	\$31,996,245
	B. 2020 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll.[15]	\$0
	C. Total value under protest or not certified. Add A and B.	\$31,996,245
20.	2020 tax ceilings. Counties, cities and junior colleges enter 2020 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step.	\$0
21.	2020 total taxable value. Add Lines 18E and 19C. Subtract Line 20C.	\$343,833,130
22.	Total 2020 taxable value of properties in territory annexed after Jan. 1, 2019. Include both real and personal property. Enter the 2020 value of property in territory annexed. [18]	\$0
23.	Total 2020 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2019. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2019 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2020. [19]	\$11,425,600
24.	Total adjustments to the 2020 taxable value. Add Lines 22 and 23.	\$11,425,600
25.	Adjusted 2020 taxable value. Subtract Line 24 from Line 21.	\$332,407,530
26.	2020 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100.	\$.604886 /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2020 county NNR tax rate	

[1]Tex. Tax Code Section

[2]Tex. Tax Code Section

[3]Tex. Tax Code Section

[4]Tex. Tax Code Section

[5]Tex. Tax Code Section

[6]Tex. Tax Code Section

[7]Tex. Tax Code Section

[8]Tex. Tax Code Section

[9]Tex. Tax Code Section

[10]Tex. Tax Code Section

[11]Tex. Tax Code Section

[12]Tex. Tax Code Section

[13]Tex. Tax Code Section

[14]Tex. Tax Code Section

[15]Tex. Tax Code Section

[16]Tex. Tax Code Section

[17]Tex. Tax Code Section

[18]Tex. Tax Code Section

[19]Tex. Tax Code Section

[20]Tex. Tax Code Section

[21]Tex. Tax Code Section

STEP 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

1. Maintenance and Operations (M&O) Tax Rate: The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.

2. Debt Rate: The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter Approval Tax Rate Activity	Amount/Rate
28.	2019 M&O tax rate. Enter the 2019 M&O tax rate.	\$.552396
29.	2019 taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the No-New-Revenue Tax Rate Worksheet.	300,420,973
30.	Total 2019 M&O levy. Multiply Line 28 by Line 29 and divide by \$100	1,659,513
31.	Adjusted 2019 levy for calculating NNR M&O rate. Add Line 31E to Line 30.	1,661,148
	A. 2019 sales tax specifically to reduce property taxes. For cities, counties and hospital districts, enter the amount of additional sales tax collected and spent on M&O expenses in 2019, if any. Other taxing units, enter 0. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent	0
	B. M&O taxes refunded for years preceding tax year 2019. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019	1,635
	C. 2019 taxes in TIF: Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0	0
	D. 2019 transferred function: If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in E below. The taxing unit receiving the function will add this amount in E below. Other taxing units enter 0.	0
	E. 2019 M&O levy adjustments. Add A and B, then subtract C. For taxing unit with D, subtract if discontinuing function and add if receiving function	1,635
32.	Adjusted 2020 taxable value. Enter the amount in Line 25 of the No-New-Revenue Tax Rate Worksheet.	332,407,530
33.	2020 NNR M&O rate (unadjusted) Divide Line 31 by Line 32 and multiply by \$100.	0.499732
34.	Rate adjustment for state criminal justice mandate. Enter the rate calculated in C. If not applicable, enter 0.	0.000000
	A. 2020 state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	0
	B. 2019 state criminal justice mandate Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies	0

Line	Voter Approval Tax Rate Activity	Amount/Rate
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
35.	Rate adjustment for indigent health care expenditures Enter the rate calculated in C. If not applicable, enter 0	0.000000
	A. 2020 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state assistance received for the same purpose	0
	B. 2019 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state assistance received for the same purpose	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
36.	Rate adjustment for county indigent defense compensation Enter the lessor of C and D. If not applicable, enter 0	0.000000
	A. 2020 indigent defense compensation expenditures Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state grants received by the county for the same purpose	0
	B. 2019 indigent defense compensation expenditures Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state grants received by the county for the same purpose	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100	0.000000
37.	Rate adjustment for county hospital expenditures. Enter the lessor of C and D, if applicable. If not applicable, enter 0.	0
	A. 2020 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2019 and ending on June 30, 2020	0
	B. 2019 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2018 and ending on June 30, 2019	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100	0.000000
38.	Adjusted 2020 NNR M&O rate. Add Lines 33, 34, 35, 36, and 37	0.499732
39.	2020 voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit If the taxing unit qualifies as a special taxing unit, multiply Line 38 by 1.08 -or- Other Taxing Unit If the taxing unit does not qualify as a special taxing unit, multiply Line 38 by 1.035. -or- Taxing unit affected by disaster declaration If the taxing unit is located in an area declared as disaster area, the governing body may direct the person calculating the voter-approval rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval rate in this manner until the earlier of 1) the second year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, and 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply Line 38 by 1.08. [27]	0.517222
40.	Total 2020 debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, 227 (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses.	

Line	Voter Approval Tax Rate Activity	Amount/Rate
	A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. Enter debt amount	384,794
	B. Subtract unencumbered fund amount used to reduce total debt.	0
	C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none)	0
	D. Subtract amount paid from other resource	0
	E. Adjusted debt Subtract B, C and D from A	384,794
41.	Certified 2019 excess debt collections Enter the amount certified by the collector.	0
42.	Adjusted 2020 debt Subtract Line 41 from Line 40E	384,794
43.	2020 anticipated collection rate. . If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%	101.51
	A. Enter the 2020 anticipated collection rate certified by the collector	101.51
	B. Enter the 2019 actual collection rate	103.25
	C. Enter the 2018 actual collection rate	101.51
	D. Enter the 2017 actual collection rate	101.65
44.	2020 debt adjusted for collections. Divide Line 42 by Line 43.	379,070
45.	2020 total taxable value. Enter the amount on Line 21 of the No-New-Revenue Tax Rate Worksheet.	343,833,130
46.	2020 debt rate Divide Line 44 by Line 45 and multiply by \$100.	0.110248
47.	2020 voter-approval tax rate	0.627470
48.	COUNTIES ONLY	
STEP 3 NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales tAx to Reduce Property Taxes		

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
49.	Taxable sales. For taxing units that adopted the sales tax in November 2019 or May 2020, enter the Comptroller's estimate of taxable sales for the previous four quarters. Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2019, skip this line.	0
50.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. Taxing units that adopted the sales tax in November 2019 or in May 2020. Multiply the amount on Line 49 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95[3] -or- Taxing units that adopted the sales tax before November 2019. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	0
51.	2020 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	
52.	Sales tax adjustment rate. Divide Line 50 by Line 51 and multiply by \$100.	
53.	2020 NNR tax rate, unadjusted for sales tax.[35] Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	
54.	2020 NNR tax rate, adjusted for sales tax. 228 Subtract Line 52 from Line 55.	
55.	2020 voter-approval tax rate, unadjusted for sales tax.[36] Enter the rate from	

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
	Line 47 or Line 48 as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i>	
56.	2020 voter-approval tax rate, adjusted for sales tax. Subtract Line 52 from Line 55.	

[37]Tex. Tax Code Section [38]Tex. Tax Code Section

STEP 4: Additional Rollback Protection for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Activity	Amount/Rate
57.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). [6] Enter the amount certified in the determination letter from TCEQ. The taxing unit shall provide its tax assessor collector with a copy of the letter.[7]	\$0
58.	2020 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>	
59.	Additional rate for pollution control. Divide Line 57 by Line 58 and multiply by \$100.	0.000000
60.	2020 voter-approval tax rate, adjusted for pollution control. Add Line 59 to one of the following lines (as applicable): Line 47, Line 48 (counties) or Line 56 (taxing units with the additional sales tax).	

[37]Tex. Tax Code Section

[38]Tex. Tax Code Section

STEP 5: Voter-Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate before the unused increment rate for the prior three years.[39] In a year where a special taxing unit adopts a rate above the voter-approval tax rate by applying any portion of the unused increment rate, the unused increment rate for that year would be zero. Consult with legal counsel to ensure appropriate calculation of the unused increment rate.

For each tax year before 2020, the difference between the adopted tax rate and voter-approval rate is considered zero, therefore the unused increment rate for 2020 is zero.[40]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [41]

Line	Activity	Amount/Rate
61.	2019 unused increment rate. Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
62.	2018 unused increment rate. Subtract the 2018 actual tax rate and the 2018 unused increment rate from the 2018 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
63.	2017 unused increment rate. Subtract the 2017 actual tax rate and the 2017 unused increment rate from the 2017 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
64.	2020 unused increment rate. Add Lines 61, 62 and 63.	0.000000
65.	2020 voter-approval tax rate, adjusted for unused increment rate. Add Line 64 to one of the following lines (as applicable): Line 47, Line 48 (counties), Line 56 (taxing units with the additional sales tax) or Line 60 (taxing units with pollution control).	0.000000

STEP 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no=new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.[42]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [41]

Line	Activity	Amount/Rate
66.	Adjusted 2020 NNR M&O tax rate. Enter the rate from Line 38 of the <i>Voter-Approval Tax Rate Worksheet</i>	0.499732
67.	2020 total taxable value Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>	343,833,130
68.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 67 and multiply by \$100.	0.145419
69.	2020 debt rate Enter the rate from Line 46 of the <i>Voter- Approval Tax Rate Worksheet</i>	0.110248
70.	De minimis rate Add Lines 66, 68 and 69.	0.755399

STEP 7: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate 0.604886

Voter-Approval Tax Rate 0.627470

De minimis rate 0.755399

STEP 8: Taxing Unit Representative Name and Signature

print here

Printed Name of Taxing Unit Representative

Ro'Vin Garrett, PCC

sign here

Taxing Unit Representative

Digitally signed by Ro'Vin Garrett, PCC

DN: cn=Ro'Vin Garrett, PCC, o=Brazoria County, ou=Tax Assessor-Collector, email=roving@brazoria-county.com, c=US

Date: 2020.07.29 19:18:05 -05'00'

2020 Governing Body Summary

Comparison of This Year's M & O Tax Levy with Last Year's M & O Tax Levy CITY OF RICHWOOD

Date: 07/29/2020

Last Year's M & O Tax Levy**: \$1,661,148

DESCRIPTION OF TAX RATE*	TAX RATE PER \$100	2020 M & O LEVY GENERATED
<u>Debt Rate You MUST ADOPT</u>	\$0.110248	
No New Revenue Tax Rate as 2020 Tax Rate NO TAX INCREASE	M & O Rate \$0.494638 Debt Rate \$0.110248 Total Tax Rate \$0.604886	\$1,700,729
Voter Approval Tax Rate as 2020 Tax Rate is a TAX INCREASE – NO ELECTION REQUIRED	M & O Rate \$0.517222 Debt Rate \$0.110248 Total Tax Rate \$0.627470	\$1,778,381
De Minimis Tax Rate as 2020 Tax Rate - You can adopt a rate up to the De Minimis Rate. Exceeds Voter Approval Rate. No Election required, but possible petition to call election.	M & O Rate \$0.645151 Debt Rate \$0.110248 Total Tax Rate \$0.755399	\$2,218,243
Last Year's Tax Rate as 2020 Tax Rate EXCEEDS VOTER APPROVAL RATE BUT NOT DE MINIMIS RATE. No Election required, but possible petition to call election.	M & O Rate \$0.559956 Debt Rate \$0.110248 Total Tax Rate \$0.670204	\$1,925,314
Proposed Tax Rate to generate \$1,660,000 revenue for M & O as per information sheet. This is below the No New Revenue Rate and is a TAX DECREASE	M & O Rate \$0.482793 Debt Rate \$0.110248 Total Tax Rate \$0.593041	\$1,660,002

* These figures are provided as estimates of possible outcomes resulting from varying the tax rate.

Please be aware that these are only estimates and should not be used alone in making budgetary decisions.

**Last year's tax levy is calculated using Texas Property Tax Code's definition of "last year's levy".

***This year's M & O tax levy is calculated using line 21 of the No New Revenue Tax Rate Worksheet.

RESOLUTION NO. 20-R-18

WHEREAS, the City Manager of the City of Richwood submitted to the City Council on August 10, 2020, the appraisal roll showing the certified property values as received from the Brazoria County appraisal district showing the total appraised and taxable values of all property and the No New Revenue tax rate and Voter Approval tax rate as calculated by the Brazoria County Tax Assessor/Collector; and submitted the proposed tax rate for the City of Richwood Fiscal Year 2020-2021 ; and

WHEREAS, in accordance with the Texas Tax Code, Section 26.05, one public hearing must be held on the proposed tax rate increase and the City Council must provide for public notice of the date, time, and location of the hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, TEXAS:

That a public hearing on the proposed Tax Rate of no more than \$0.670204, which would increase taxes above the No New Revenue tax rate by 10.79%, for the City of Richwood Fiscal Year 2020-2021 is set for September 14, 2020, at 6:00 p.m. at City Hall, 1800 N Brazosport Blvd, Richwood, Texas

The notice of such hearings shall be published as required by law.

And further, that the City Council of the City of Richwood will vote to adopt the proposed Tax Rate of \$0.670204, which would increase taxes above the No New Revenue tax rate by 10.79%, on September 14, 2020 at 6:00 p.m. at City Hall, 1800 N Brazosport Blvd, Richwood, Texas.

PASSED AND APPROVED this 10^h day of August, 2020.

Steve Boykin, Mayor

ATTEST:

Kirsten Garcia
City Secretary

MEMORANDUM

To: Richwood City Council

From: Clif Custer

Date: July 28th, 2020

Subject: Condemnation Process for acquisition of easements

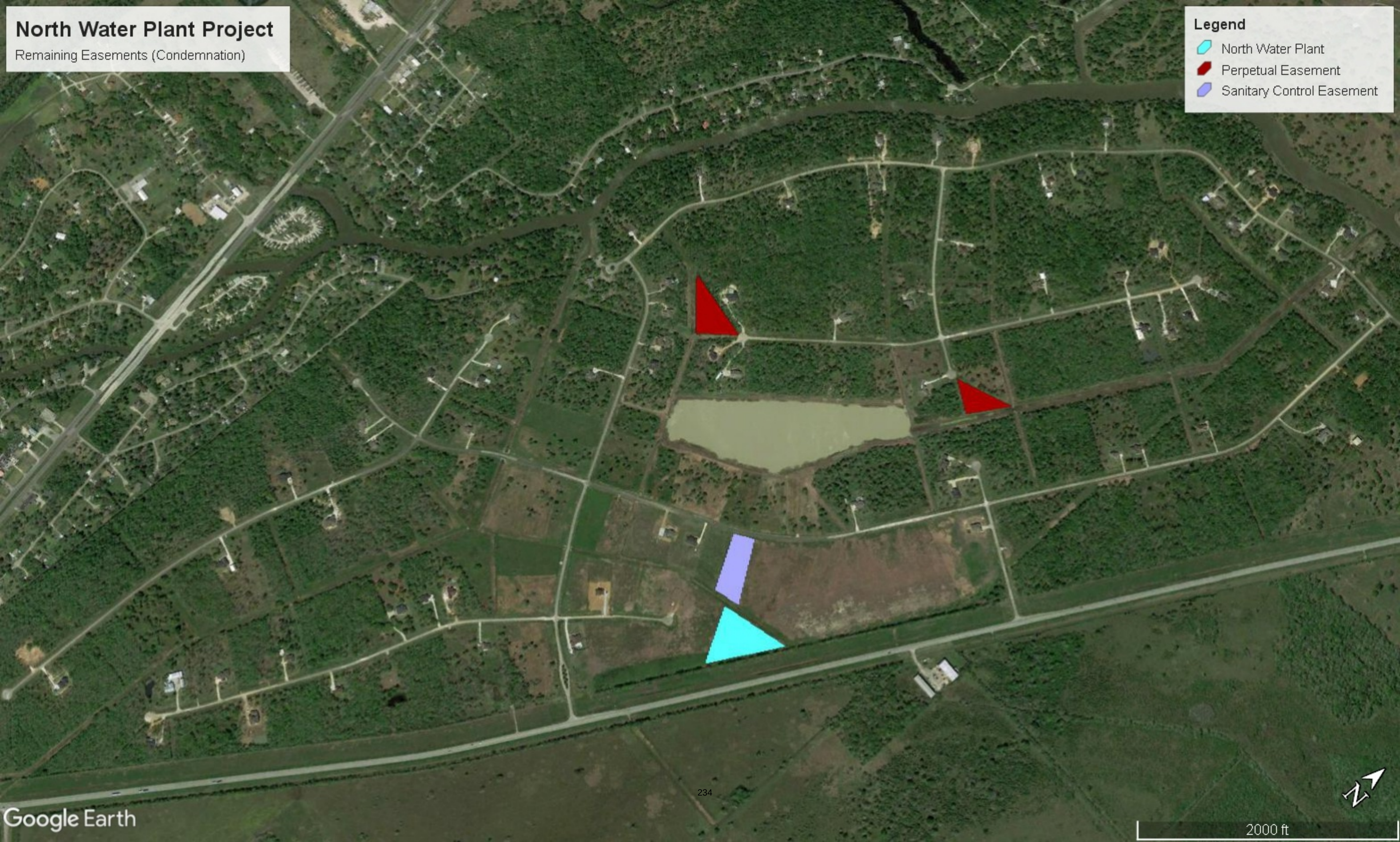
There will be a presentation and explanation to City Council regarding remaining North Water Plant Easements Richwood must acquire. These easements are important to the functions of the North Water Plant. I am requesting a motion from City Council to allow Cordoba Law firm to acquire any remaining necessary easements through the Condemnation Process.

North Water Plant Project

Remaining Easements (Condemnation)

Legend

- North Water Plant
- Perpetual Easement
- Sanitary Control Easement





AGENDA MEMORANDUM

ITEM # CONSENT

CONTACT: Kirsten Garcia, City Secretary

SUBJECT: Resolution amending the overtime pay policy in the personnel policy

SUMMARY: Consider approving a resolution to amend policy #502 and delete policy # 1303 in the personnel policy.

BACKGROUND INFORMATION:

Historically, during a disaster declaration, any employees actively engaged in actual work for the City is compensated at a rate of 1.5 their regular rate as per policy #1303 in the personnel policy.

ISSUE:

This was still in effect during the disaster declared due to the COVID-19 pandemic and was implemented. Council has directed staff to revise this policy, as we have learned from COVID-19 that not every disaster is the same.

A committee of 5 was convened: Council member Katie Johnson, Mayor Boykin, Officer Jarrett Skelton, Eric Foerster and me. We decided to completely remove policy #1303, which currently dictates Compensation to employees during emergency closures and modify policy #502 regarding overtime pay.

The policy amendment is specific in language that during the first seven (7) days of a disaster declaration, the Mayor or City Manager, may decide to compensate employees at a premium rate. After that, once Council decides to extend the said declaration, the premium pay will need to be reapproved by council within that resolution extending the disaster declaration.

"In the event of a city closure, catastrophic event, or disaster declaration , the City Manager or Mayor, may authorize employees, exempt (their salary shall be converted to its hourly equivalent) and non-exempt, who are required to work to be compensated at one and one-half (1 ½) times their hourly rate for the duration of the emergency for all documented time during which they actually worked. City Council will review and determine whether to reauthorize the staff's premium pay status with each extension of the city closure."

FISCAL IMPACT: In the event of a disaster, this policy will incur overtime expenditures. FEMA recognizes these expenditures as reimbursable labor costs if we have a standing policy in place.

While it may take some time to see reimbursement, as we have seen in the past, the City will have an opportunity to recoup those costs.

RECOMMENDATION: Council to approve Resolution

Thank you,

A handwritten signature in blue ink that reads "K. Garcia". The signature is written in a cursive, flowing style.

Kirsten Garcia

POLICY AND PROCEDURE MANUAL

Section: Wages and Hourly Information
Policy: Overtime
Policy #: 502
Effective: April 2014
Revised: August 2020

OVERTIME

All overtime compensation for City Employees shall be paid in accordance with the current Federal and State regulations. Unless otherwise provided, overtime will be paid at time and one-half for hours in excess of established work periods.

Any overtime for the Employee will be subject to approval by the Department Head or the City Manager.

In the event of a city closure, catastrophic event, or disaster declaration, the City Manager or Mayor, may authorize employees, exempt (their salary shall be converted to its hourly equivalent) and non-exempt, who are required to work to be compensated at one and one-half (1 ½) times their hourly rate for the duration of the emergency for all documented time during which they *actually worked*. City Council will review and determine whether to reauthorize the staff's premium pay status with each extension of the city closure.

The term "actually worked" means time actively engaged in physical or mental exertion related to the City's business (at the direction and control of the Department Head or City Council) either on the City's premises or actively engaged in the same manner in the City's business off-premises at the direction and control of the Department Head or the City Council. The term "actually worked" shall include "stand-by" and "stand-by"/sleep-time as recognized under the Fair Labor Standard Act (FLSA) only in instances where the employee is required by his/her Department Head (or City Council) to stay on City premises engaged to wait on instructions to work and the employee does, in fact, stay and/or sleep on the City premises.

The maximum number of work hours which may be recorded for any workday is 24 hours during the first 72 hours of the emergency closure and 18 hours per day thereafter

RESOLUTION NO. 20-R-21

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, TEXAS, ADOPTING AMENDMENTS TO POLICY 502 OF THE PERSONNEL POLICY OF THE CITY OF RICHWOOD AND CHANGING THE CLAUS REGARDING DISASTER PAY FOR CITY OF RICHWOOD EMPLOYEES, AND ALSO REMOVING POLICY 1303 FROM THE POLICY AND PROCEDURE MANUAL FOR THE CITY OF RICHWOOD.

WHEREAS, the City of Richwood, Texas has historically had a disaster policy in place for Emergency Closing of City Offices that granted overtime compensation,

WHEREAS, the City Council of the City of Richwood, Texas finds it necessary for processing to amend the current overtime policy and delete the policy regarding emergency closing of City offices.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RICHWOOD, TEXAS, THAT:

Section 1. Policy 502 of the Personnel Policy of the City of Richwood, Texas is hereby adopted as attached.

Section 2. Policy 1303 of the Personnel Policy of the City of Richwood, Texas is hereby deleted.

Section 3. The change in pay schedule will be effective August 10, 2020

PASSED AND APPROVED this the 10th day of August, 2020.

THE CITY OF RICHWOOD, TEXAS

ATTEST

Steve Boykin, Mayor

Kirsten Garcia, City Secretary

Reconciliation of Sales Tax Revenue Fund 25 Transportation

FISCAL YEAR	SALES TAX REVENUE -STREETS BOOKED TO GENERAL FUND	STREETS EXPENSE PAID OUT OF GENERAL FUND	REMAINING BALANCE
15-16	\$105,094.67	\$87,752.71	\$ 17,341.96
16-17	\$ 99,908.95	\$80,647.51	\$ 19,261.44
17-18	\$126,882.71	\$50,741.25	\$ 76,141.46
18-19	\$121,450.12	\$77,080.42	\$ 44,369.70
TOTAL	\$453,336.45	\$296,221.89	\$157,114.56

- **FISCAL YEAR 2019 – FUND 25 TRANSPORTATION IS CREATED AS A RESTRICTED FUND.**
- **20% OF SALES TAX REVENUES ARE EARMARKED FOR STREETS.**
- **THE ABOVE CHART REFLECTS SALES TAX REVENUE COLLECTED AND STREET EXPENSE PAID WHILE CONTAINED WITHIN THE GENERAL FUND.**
- **A TRANSFER TO FUND 25 TRANSPORTATION FROM GENERAL FUND WILL BE MADE ONCE APPROVED FOR THE SALES TAX REVENUE COLLECTED.**
- **AN ADDITIONAL TRANSFER WILL BE MADE FROM TRANSPORTATION TO GENERAL FUND FOR EXPENDITURES MADE FOR STREETS M&R OVER PREVIOUS 4 YEARS**

RESOLUTION 2020-R-20

A RESOLUTION AMENDING THE FISCAL YEAR 2019-2020 BUDGET TO INCREASE BUDGET OF RICHWOOD TRANSPORTATION FUND TO ALLOCATE VOTER-APPROVED SALES TAX REVENUE RECEIVED IN FISCAL YEAR 2016 THROUGH FISCAL YEAR 2019

WHEREAS, the City of Richwood City Council adopted a budget for the City of Richwood, Texas, for the fiscal year 2019-2020 in September 2019;

WHEREAS, under Ordinance NO. 19-44, May 4, 2019, voters approved the reauthorization of 20% of sales and use tax dedicated for the use of streets maintenance and repair;

WHEREAS, 20% of revenue collected from sales and use tax was not transferred from the General Fund where it is recognized as revenue, to the Transportation Fund as restricted funds for streets maintenance and repair from FY16 – FY19;

WHEREAS, the FY20 budget was adopted with the understanding these funds from sales tax dedicated to Streets would be transferred to the Transportation Fund into an expendable line item.

WHEREAS, expenditures were made from the General Fund for streets maintenance and repair, decreasing the amount of sales and use tax available for transfer to the Transportation Fund

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF RICHWOOD, TEXAS HEREBY AMENDS THE FISCAL YEAR 2019-2020 BUDGET AS FILED WITH THE CITY SECRETARY AS FOLLOWS:

General Fund

Transfer to Transportation Fund – Sales tax revenue	(453,336.45)
Transfer from Transportation Fund - Expenditures	<u>296,221.89</u>
NET INCREASE (DECREASE)	(157,114.56)

Transportation Fund

Transfer from General Fund – Sales tax revenue	453,336.45
Transfer to General Fund – Expenditures	<u>(296,221.89)</u>
NET INCREASE (DECREASE)	157,114.56

PASSED AND APPROVED on this 10th day of August, 2020.

Steve Boykin, Mayor

ATTEST:

Kirsten Garcia, City Secretary