



## AGENDA

### City of Lucas City Council Meeting May 21, 2020

**7:00 PM**

**City Hall – Council Chambers  
665 Country Club Road – Lucas, Texas**

On March 16, 2020 Governor Abbott has suspended some provisions of the Open Meetings Act in response to the COVID-19 emergency. To comply with Government Abbott latest Executive Order, GA 18, and to practice safe distancing, Lucas City Council meetings will not be open to on-site visitors. In the interim, City Council meetings will be available through Ring Central Webinar from your computer or smartphone. **To join the meeting, go to <https://webinar.ringcentral.com/j/1496005696?pwd=SDFGcHF6WmdmOGFYTU5nYzByVjNXUT09> password 9727278999** you will be asked for your name and email address to join the meeting. By clicking on the link to join the meeting, the Ring Central software application will be downloaded to your computer.

If the public desires to speak during a specific agenda item, **they must email [shenderson@lucastexas.us](mailto:shenderson@lucastexas.us) by 4:30 pm on the day of the meeting.** The email must contain the person's name, address, phone number, and the agenda item(s) for which comments will be made.

*Notice is hereby given that a meeting of the Lucas City Council will be held on Thursday, May 21, 2020 at 7:00 pm at Lucas City Hall, 665 Country Club Road, Lucas, Texas 75002-7651 at which time the following agenda will be discussed. As authorized by Section 551.071 of the Texas Government Code, the City Council may convene into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any item on the agenda at any time during the meeting.*

### Call to Order

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- Roll Call
- Determination of Quorum
- Reminder to turn off or silence cell phones
- Pledge of Allegiance

### Citizen Input

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1. Citizen Input

### Community Interest

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*Pursuant to Section 5510415 of the Texas Government Code, the City Council may report on the following items: 1) expression of thanks, congratulations or condolences; 2) information about holiday schedules; 3) recognition of individuals; 4) reminders about upcoming City Council events; 5) information about community events; and 6) announcements involving imminent threat to public health and safety.*

2. Items of Community Interest

## **Consent Agenda**

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*All items listed under the consent agenda are considered routine and are recommended to the City Council for a single vote approval. If discussion is desired, an item may be removed from the consent agenda for a separate vote.*

3. Consent Agenda
  - A. Approval of the minutes of the May 7, 2020 City Council meeting. **(City Secretary Stacy Henderson)**
  - B. Approval of the City of Lucas Investment Report for quarter ending March 31, 2020. **(Finance Director Liz Exum)**

## **Regular Agenda**

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4. Consider an application for a site plan, landscape plan, and elevations submitted by property owner Walmart Real Estate on behalf of Ladera Properties consisting of an 11,838 square foot tenant occupied restaurant, to include a drive-through window and an outdoor dining space on a 1.426 acre tract of land in the William Snider Survey, Abstract Number 821, situated in the City of Lucas, Collin County, Texas, located at 2650 West Lucas Road, Lot 4, Block A of the Walmart Addition. **(Development Services Director Joe Hilbourn)**
5. Consider the request by Sue Blankenship on behalf of Inspiration to amend Article 2, Section 2.5 and Exhibit C of the approved Settlement and Release Agreement for the Inspiration development, to include increasing the lot count to 1,680 and decreasing the lot size from 10,000 square feet to 8,400 square feet for interior lots only, and to remove the requirement to either place restricted access gates or cul-de-sac at the northern and eastern entrances to the subdivision for a parcel of land located in the City of Lucas extraterritorial jurisdiction, Abstract A0799 Orpha Shelby Survey, Tract 3, being 74.327 acres. **(Development Services Director Joe Hilbourn)**
6. Consider removing vendor participation fees for the 2020 Farmers Market vendors by amending the City of Lucas Code of Ordinances, Appendix C Fee Schedule, Article 21 Parks and Recreation. **(Lucas Farmers Market Committee Chair Debra Guillemaud, City Manager Joni Clarke)**
7. Consider adopting Ordinance 2020-05-00912 approving Mid-Year Budget Adjustments for fiscal year beginning October 1, 2019 and ending September 30, 2020. **(Finance Director Liz Exum)**
8. Consider the Fiscal Year 20/21 budget calendar being proposed for the budget process. **(Finance Director Liz Exum)**
9. Consider the selection of the most qualified certified public accounting firm to perform the City's annual audit for fiscal year ending September 30, 2020, and for each of the four (4) subsequent fiscal years and authorize City Manager to negotiate the contract. **(Finance Director Liz Exum)**
10. Consider adopting Ordinance 2020-05-00913 amending the City's Code of Ordinances, Chapter 5, Fire Prevention and Protection, Article 5.02 Fire Marshal, Section 5.02.001 Officer created to report directly to the City Manager or designee. **(Development Services Director Joe Hilbourn)**

11. Consider authorizing the Mayor to enter into an Interlocal Cooperation Agreement with Collin County for Municipal Direct Expense Funding to receive funding as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) for expenses incurred between March 1 through December 30, 2020 related to COVID-19. (City Manager Joni Clarke)
12. Consider nominations of a primary and alternate member to the Regional Transportation Council. (Mayor Jim Olk)
13. Consider an appointment to fill a vacant position on the Planning and Zoning Commission. (Mayor Jim Olk)
14. Consider whether City Council, Planning and Zoning Commission, and meetings deemed necessary should continue to be held via video conference and/or allow participation in person with limited capacity and provide guidance to staff. (Mayor Jim Olk)

## **Executive Session Agenda**

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15. An Executive Session is not scheduled for this meeting.  
*As authorized by Section 551.071 of the Texas Government Code, the City Council may convene into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney regarding any item on the agenda at any time during the meeting. This meeting is closed to the public as provided in the Texas Government Code.*
16. Reconvene from Executive Session and take any action necessary as a result of the Executive Session.
17. Adjournment.

## **Certification**

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*I do hereby certify that the above notice was posted in accordance with the Texas Open Meetings Act on the bulletin board at Lucas City Hall, 665 Country Club Road, Lucas, TX 75002 and on the City's website at [www.lucastexas.us](http://www.lucastexas.us) on or before 5:00 p.m. on May 15, 2020.*

*Stacy Henderson, City Secretary*

*In compliance with the American with Disabilities Act, the City of Lucas will provide for reasonable accommodations for persons attending public meetings at City Hall. Requests for accommodations or interpretive services should be directed to City Secretary Stacy Henderson at 972.912.1211 or by email at [shenderson@lucastexas.us](mailto:shenderson@lucastexas.us) at least 48 hours prior to the meeting.*



# City of Lucas

## City Council Agenda Request

### May 21, 2020

Requester: Mayor Jim Olk

#### **Agenda Item Request**

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Citizen Input

#### **Background Information**

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NA

#### **Attachments/Supporting Documentation**

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NA

#### **Budget/Financial Impact**

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NA

#### **Recommendation**

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NA

#### **Motion**

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NA





# City of Lucas

## Council Agenda Request

### May 21, 2020

Requester: Mayor Jim Olk

#### **Agenda Item Request**

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2. Items of Community Interest.

#### **Background Information**

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NA

#### **Attachments/Supporting Documentation**

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NA

#### **Budget/Financial Impact**

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NA

#### **Recommendation**

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NA

#### **Motion**

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NA



# City of Lucas Council Agenda Request May 21, 2020

Item No. 03

Requester: City Secretary Stacy Henderson, Finance Director Liz Exum

## **Agenda Item Request**

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3. Consent Agenda:
  - A. Approval of the minutes of the May 7, 2020 City Council meeting.
  - B. Approval of the City of Lucas Investment Report for quarter ending March 31, 2020.

## **Background Information**

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NA

## **Attachments/Supporting Documentation**

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1. Minutes of the May 7, 2020 City Council meeting.
2. Quarterly Investment Report

## **Budget/Financial Impact**

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NA

## **Recommendation**

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City Staff recommends approval of the Consent Agenda.

## **Motion**

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I make a motion to approve the Consent Agenda as presented.



**City of Lucas  
City Council Meeting  
May 7, 2020  
Video Conference Meeting  
7:00 P.M.**

**City Hall - 665 Country Club Road – Lucas Texas**

**MINUTES**

**Call to Order**

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Mayor Olk called the video conference meeting to order at 7:00 p.m.

**City Councilmembers Present:**

Mayor Jim Olk  
Mayor Pro Tem Kathleen Peele  
Councilmember Wayne Millsap  
Councilmember Tim Baney  
Councilmember Steve Duke  
Councilmember Philip Lawrence  
Councilmember Debbie Fisher

**City Staff Present:**

City Manager Joni Clarke  
City Secretary Stacy Henderson  
Development Services Director Joe Hilbourn  
City Engineer Stanton Foerster

Mayor Olk determined that a quorum was present. Everyone was reminded to silence their cell phones and the Pledge of Allegiance was recited.

This meeting was conducted via video conference.

**Citizen Input**

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**1. Citizen Input.**

There was no citizen comment at this meeting.

**Community Interest**

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**2. Items of Community Interest.**

Mayor Olk noted that the City was still under a Declaration of Public Health Emergency that followed guidelines outlined by Governor Abbott's latest Executive Order. Mayor Olk noted that at this time City Council and Planning and Zoning meetings were still being held via Ring Central webinar.

Councilmember Fisher noted that Lovejoy High School would be having a drive-by graduation and parade on May 30 and hoped the City could show their support for the graduates.

## Consent Agenda

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### 3. Consent Agenda:

A. Approval of the minutes of the April 16, 2020 City Council meeting.

Mayor Olk noted that the minutes had been amended on Page 4.

**MOTION:** A motion was made by Mayor Pro Tem Peele, seconded by Councilmember Lawrence to approve the Consent Agenda as amended. The motion passed unanimously by a 7 to 0 vote.

## Regular Agenda

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4. **Consider the request by Sue Blankenship on behalf of Inspiration to amend Article 2, Section 2.5 and Exhibit C of the approved Settlement and Release Agreement for the Inspiration development, to include increasing the lot count to 1,680 and decreasing the lot size from 10,000 square feet to 8,400 square feet for interior lots only for a parcel of land located in the City of Lucas extraterritorial jurisdiction, Abstract A0799 Orpha Shelby Survey, Tract 3, being 74.327 acres.**

Mayor Olk stated that the applicant has requested this item be withdrawn and will be placed on the May 21, 2020 City Council agenda.

5. **Consider adopting Ordinance 2020-05-00911 amending the City's Code of Ordinances, Chapter 10, Subdivisions, Article 10.04 Stormwater Runoff Regulations and Control, Section 10.04.005 relating to deleting specific requirements for stormwater detention.**

Development Services Director Joe Hilbourn explained that the Planning and Zoning Commission has had several meetings to discuss drainage solutions in the City. At their March 12, 2020 meeting, the Commission recommended various changes to Section 10.04.005 related to stormwater drainage outlined in the agenda packet.

Mayor Olk noted that the revisions included removing exceptions regardless of the size of the development. Mayor Olk further explained that when parcels of land were being developed a stormwater detention study would be required and a detention pond would be required within the development to assist with drainage.

**MOTION:** A motion was made by Councilmember Fisher, seconded by Councilmember Lawrence to adopt Ordinance 2020-05-00911 amending the City's Code of Ordinances, Chapter 10, Subdivisions, Article 10.04 Stormwater Runoff Regulations and Control, Section 10.04.005 by deleting specific requirements for stormwater detention. The motion passed unanimously by a 7 to 0 vote.

6. **Discuss a report from Lakes Engineering regarding successes and complications of the Blondy Jhune Road project.**

Chris Meszler with Lakes Engineering discussed the project management summary report for the Blondy Jhune Road project. He shared some of the successes and challenges associated with the project noting that the project was an overall success and was completed within budget and before the scheduled completion date. Mr. Meszler noted that some of the larger challenges with the project included surveyor inaccuracies that caused a portion of the roadway to be built incorrectly and insufficient traffic control at times throughout the project. Mr. Meszler noted that with each challenge, the contractor was quick to address the concern appropriately as to not cause delays.

Mr. Meszler explained that while the project management team can point out areas of concern to the contractor, ultimately it was the contractors responsibility to determine if they wanted to proceed with their plans and specifications, and they would ultimately be responsible for any failures. Mr. Meszler noted that if there were any matters of safety noticed, Lakes would be able to stop critical components of the operation.

The Council discussed the type of concrete used for the roadway, drainage flow, as well as survey issues at the beginning of the project.

Councilmember Fisher stated that the report answered questions regarding the project and there were some challenges that could not be avoided. Councilmember Fisher asked if a survey was done before the project.

Mr. Meszler stated that a survey was not done before the project because depending on the length of time between when the survey was completed and when the project starts, weather and objects could have potentially moved causing the survey to be inaccurate. Mr. Meszler suggested that a survey could be completed before the project begins and then another survey taken before the project starts to ensure the survey is still accurate. The City Council approved conducting various surveys to ensure accuracy and there were no changes to the project site.

Mayor Pro Tem Peele expressed her appreciation for the consolidated report and noted that it was worthwhile having a project manager on site overseeing the construction details.

**7. Discuss a report from Lakes Engineering regarding successes and complications of the Stinson Road project.**

Mayor Pro Tem Peele asked if change orders were obtained with this project and if they were included in the budgeted cost.

Stanton Foerster, City Engineer stated that change orders are typical with a project and are included as part of the budgeted cost or contingency funds set aside for the project.

The Council discussed with Mr. Foerster the utility challenges with this project and if they were within City easements. Mr. Foerster confirmed the utilities were located within City easements.

Councilmember Fisher asked the speed limit for the roundabout area as she had received several complaints regarding the speed limit in that area.

Mr. Foerster stated the speed limit is posted at 15 mph and was designed to assist vehicles pulling trailers and therefore the speeds were lower. Mr. Foerster stated he would provide Councilmember Fisher with the design speed information for the roundabout.

The Council also discussed with Mr. Foerster landscaping for the roundabout as drivers cannot see across the roundabout area. Mr. Foerster confirmed that the roundabout was designed and landscaped in such a way so as to not provide for distractions in the turning area.

There was no formal action taken on this item it was for discussion purposes only.

#### **8. Receive a synopsis report on the Winningkoff Road Reverse Curve project.**

Mr. Foerster explained that cracks in the roadway were found several months after the project opened on the southern end of the reverse curve. Three different tests were conducted all with the same results, that proper lime amounts were not placed underneath the base of the roadway. The contractor was informed that the roadway needed to be fixed. Mr. Foerster noted that a portion of the roadway was removed until native soil was reached, and the subbase was examined. It was determined that the soil contained 15 to 30 percent moisture, and the area could withstand the weight of the road. Mr. Foerster explained that a new design was implemented, and eight cores samples were completed by three different groups that found marbling in the soil. City staff investigated to determine where the moisture may be coming from. When a walk through was conducted recently, cracking was found in three additional areas. The contractor will test these areas to see if there is another issue related to lime, and a new design has been completed for roadway repairs.

Mr. Foerster stated that to be cautious, staff would provide this information to the design engineer for the Winningkoff project to ensure they are aware of the challenges on the reverse curve.

Mayor Olk asked if more core sampling needed to be conducted on Winningkoff Road.

Mr. Foerster stated that he would conduct additional cores samples before the project begins.

Councilmember Baney asked if the same type of soil marbling was found on Winningkoff Road, would that delay the project.

Mr. Foerster stated that it took less than two weeks to repair the situation on the reverse curve, so he would not expect major delays on Winningkoff Road.

The Council was in agreement that the current project updates received from the City Engineer were acceptable and they would also like to see the summary report at the end of the project provided by the project management company, Lakes Engineering.

There was no formal action on this item, it was for discussion purposes only.

#### **9. Consider reprioritizing the Capital Improvement Projects.**

Mayor Olk explained that the Capital Improvement Projects were brought before the Council to consider priorities related to Winningkoff Road and the Stinson Road bridge. Consideration was being given to the bridge conditions and if they were structurally deficient.

Chris Meszler with Lakes Engineering stated that during a previous City Council meeting, there was a concern about the urgency to reconstruct the Stinson culvert at Muddy Creek because it was determined that the culvert was structurally deficient and functionally obsolete. The Snider Lane

culvert at White Rock Creek was determined to only be functionally obsolete. Mr. Meszler explained that structurally deficient and functionally obsolete were engineering terms and national set standards and noted that items rated structurally deficient could be improved with minor maintenance. Items declared functionally obsolete still function as designed but were not as efficient.

Mr. Meszler stated that the bridges are both structurally about the same, however, since the Stinson Road bridge holds more traffic, it was rated more crucially. Mr. Meszler stated that for prioritization purposes, the Snider Lane bridge poses more of a risk to the City due to the frequency of flooding that occurs, the amount of water over the bridge, and debris that flows into the bridge.

The Council discussed with Mr. Meszler the ratings of the bridges, how soon maintenance should be done, and proposing maintenance items that could be done to raise the structural rating.

The Council also discussed culvert maintenance needed on Winningkoff Road and Brookhaven Road.

Mayor Olk stated that maintenance items should be addressed, and any culverts that needed to be reconstructed could be placed on the Capital Improvement list.

The Council was in agreement that West Lucas Road was still a priority.

**MOTION:** A motion was made by Councilmember Millsap, seconded by Councilmember Baney to proceed with staff priorities as presented being ( 1) West Lucas Road; 2) Snider Lane Bridge), and proceed with the West Lucas Road project by reserving \$4,184,820 and allocate \$1,809,663 for potential future projects for the Snider Road Bridge or other projects to be determined. The motion passed unanimously by a 7 to 0 vote.

**10. Review Chapter 6 of the Comprehensive Plan Parks, Recreation and Open Space and discuss generating a possible Trail Survey and specify what questions should be included in the potential survey to input from citizens to clarify the desire for trails in the City of Lucas.**

Mayor Pro Tem Peele stated that she didn't believe the trails survey would give the City useful information to determine if trails were needed. Mayor Pro Tem Peele noted that if the City wanted additional park facilities, that item could be taken to the voters as a bond proposal.

Councilmember Baney believed there was value to a survey to determine if residents would like to have trails for walking, bike riding or equestrian riding.

The Council discussed the merits of a trails survey and what questions would be asked if a survey was conducted.

City Manager Joni Clarke stated that she would like to concentrate on the City's mapping system that would identify easements and right of way locations and then determine if a trail was feasible in a particular area. Ms. Clarke stated that the City should also consider funding sources as receiving grants for projects was difficult. Ms. Clarke stated that a consultant would be needed to assist with the mapping of the City to complete this project.

Mayor Olk stated that he would like to see a project plan of how much the mapping project would cost and how much time it would take to complete, and then determine if a Comprehensive Plan amendment and survey were needed.

The Council was in agreement to not conduct a survey at this time.

**11. Consider taking action regarding the Declaration of Local Disaster for Public Health Emergency for the City of Lucas issued March 26, 2020.**

Mayor Olk explained that Declaration for Public Health Emergency had been modified on May 6, 2020 to reflect the Governors current Executive Orders. Mayor Olk noted that the parks were open and promoting social distancing, but the playground area and the Community Center were still closed. City meetings were still being held as needed and remotely until Open Meetings Act provisions were discontinued.

Councilmember Duke encouraged the City Council to open meetings to the public.

Mayor Olk stated that citizens could attend City Council meetings, but at limited numbers due to the 25 percent capacity currently in effect with the Governor's Order.

There was no formal action taken on the Declaration.

**12. Consider appointments to fill a vacant position on the Planning and Zoning Commission and Parks and Open Space Board.**

Mayor Pro Tem Peele stated that she would like to nominate Dusty Kuykendall as an alternate member to the Planning and Zoning Commission.

Mayor Olk stated that he would like to speak with the Commission Chairman before making any appointments and bring this item back to the May 21, 2020 City Council meeting.

**MOTION:** A motion was made by Councilmember Baney, seconded by Councilmember Lawrence to promote Christel Parish from an alternate member position to a regular member position on the Parks and Open Space Board. The motion passed unanimously by a 7 to 0 vote.

The Alternate 2 position on the Parks and Open Space Board will remain vacant at this time.

## **Executive Session**

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**13. Executive Session.**

An Executive Session was not held at this meeting.

**14. Reconvene from Executive Session and take any action necessary as a result of the Executive Session.**

An Executive Session was not held at this meeting, and no action was taken.



## Adjournment

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### 15. Adjournment.

**MOTION:** A motion was made by Councilmember Millsap, seconded by Mayor Olk to adjourn the meeting at 9:16 pm. The motion passed unanimously by a 7 to 0 vote.

APPROVED:

ATTEST:

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Mayor Jim Olk

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Stacy Henderson, City Secretary

**CITY OF LUCAS  
QUARTERLY INVESTMENT REPORT**

Quarter Ended

March, 2020

Bank Account Name	Rating	December 31, 2019	March 31, 2020	Changes	Total Portfolio
ANB Pooled Cash	AAAm	\$5,011,281.23	\$4,269,402.99	-\$741,878.24	12.64%
ANB - Reserve General Fund	AAAm	\$3,000,000.00	\$3,000,000.00	\$0.00	8.88%
<b>Total Bank Accounts</b>		<b>\$8,011,281.23</b>	<b>\$7,269,402.99</b>	<b>-\$741,878.24</b>	<b>21.52%</b>
Interest Rate		0.20%	0.20%	\$0.00	
Weighted Average Life/Days(Balances assumed to have a one day maturity)		1	1	0	
<b>Pools</b>					
Logic - General Fund	AAAm	\$4,814,941.94	\$5,687,578.50	\$872,636.56	16.83%
Logic - Water Fund	AAAm	\$5,220,213.01	\$5,241,841.95	\$21,628.94	15.51%
Logic 2017 CO - General Fund	AAAm	\$857,052.05	\$7,916.33	-\$849,135.72	0.02%
Logic 2017 CO - Water Fund	AAAm	\$2,406,734.71	\$2,416,706.51	\$9,971.80	7.15%
Logic 2019 CO - General Fund	AAAm	\$7,602,256.41	\$7,633,754.90	\$31,498.49	22.59%
Logic 2019 CO - Water Fund	AAAm	\$1,460,036.02	\$1,466,085.38	\$6,049.36	4.34%
Interest Rate		1.8173%	1.4261%	-\$0.003912	
Weighted Average Life/Days(Balances assumed to have a one day maturity)		1	1	0	
Lone Star Invest - General Fund	AAAm	\$2,041,995.16	\$2,049,190.10	\$7,194.94	6.06%
Lone Star Invest- Water Fund	AAAm	\$767,154.16	\$769,857.22	\$2,703.06	2.28%
Interest Rate		1.6207%	1.1067%	-\$0.00514	
Weighted Average Life/Days(Balances assumed to have a one day maturity)		1	1	0	
Tex Pool - Debt Service Fund	AAAm	\$705,249.49	\$1,245,047.24	\$539,797.75	3.68%
Interest Rate		1.6226%	1.0034%	-\$0.00619	
Weighted Average Life/Days(Balances assumed to have a one day maturity)		1	1	0	
<b>Total Pools</b>		<b>\$25,875,632.95</b>	<b>\$26,517,978.13</b>	<b>\$642,345.18</b>	<b>78.48%</b>
<b>Total Bank Acct. and Pools</b>		<b>\$33,886,914.18</b>	<b>\$33,787,381.12</b>	<b>-\$99,533.06</b>	<b>100.00%</b>

The invested portfolio of the City of Lucas is in compliance with the Public Funds Investment Act and the City's Investment Policy and Strategies

  
Joni Clarke- City Manager

  
Liz Exum - Finance Director



# City of Lucas Council Agenda Request May 21, 2020

Item No. 04

Requester: Development Services Director Joe Hilbourn

## Agenda Item Request

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Consider an application for a site plan, landscape plan, and elevations submitted by property owner Walmart Real Estate on behalf of Ladera Properties consisting of an 11,838 square foot tenant occupied restaurant, to include a drive-through window and an outdoor dining space on a 1.426 acre tract of land in the William Snider Survey, Abstract Number 821, situated in the City of Lucas, Collin County, Texas, located at 2650 West Lucas Road, Lot 4, Block A of the Walmart Addition.

## Background Information

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Ladera Properties is requesting approval for use of the site as an 11,838 square foot tenant occupied restaurant building that will include a drive-through window and an outdoor dining space that requires a specific use permit. The lot is 1.426 acres and zoned for Commercial Business.

### Site data:

- Total site area: 62,290 square feet (1.43 acres)
- Impervious cover: 65% maximum allowed = 40,489 square feet
- Landscape area: 16,501 square feet
- Permeable paver area: 7,614 square feet
- Minimum pervious cover required: 35% or 21,801 square feet
  - Total pervious cover provided: 24,115
- Landscape area: 15% or 9,344 square feet minimum allowed
  - Landscape area provided: 19.5% or 12,182 square feet
- Interior parking lot area: 30,066 square feet
- Required Interior parking lot landscaping area: 5% minimum allowed or 1,503 square feet
  - Interior Parking lot landscaping area provided: 1,507.6 square feet

### Parking data:

- Retail: 5,141 square feet at a ratio of 1:200 = 26 spaces required
- Dental office: 2,364 square feet at a ratio of 1:300 = 8 spaces required
- Restaurant: 3,810 square feet, plus 1,905 square feet dining area
  - 1,905 square feet dining area at a ratio of 15 square feet per occupant = 127 occupants
  - 127 occupants at a ratio of 1:3 = 43 spaces required
- Total parking required: 77 spaces
  - Total parking provided: 82 spaces



# City of Lucas Council Agenda Request May 21, 2020

Item No. 04

## **Building data:**

- Leasable area: 11,315 square feet
- Riser room: 68 square feet
- Total building area: 11,383 square feet

## **Landscape data:**

Gross landscape Area: Minimum 15 percent of lot area to be landscaped – total lot area 62,106 feet.

- Required 9,316 square feet
  - provided 17,769 square feet

Parking lot interior landscaping: 1 tree required per 10 parking spaces - 92 spaces.

- Required 10 trees
  - provided 5 trees

Interior planting area for 29,008 square feet lot

- Required 5 percent, 1451 square feet
  - provided 5.7 percent, 1644 square feet

Parking lot perimeter landscaping: 1 tree and 8 shrubs required for every 20' linear feet – 325' linear feet

- Required 17 trees
  - provided 17 trees
- Required 130 shrubs
  - provided 130 shrubs

Landscape edge – West Lucas Road: 1 tree and 8 shrubs required for every 20' linear feet – 240' linear feet

- Required 12 trees, provided 12 trees
  - Required 96 shrubs, provided 96 shrubs

## **Attachments/Supporting Documentation**

1. Elevations
2. Landscape and Irrigation Plan
3. Material Board
4. Photometric Plan
5. Rendering 1, 2 & 3
6. Site Data



# City of Lucas Council Agenda Request May 21, 2020

Item No. 04

## **Budget/Financial Impact**

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NA

## **Recommendation**

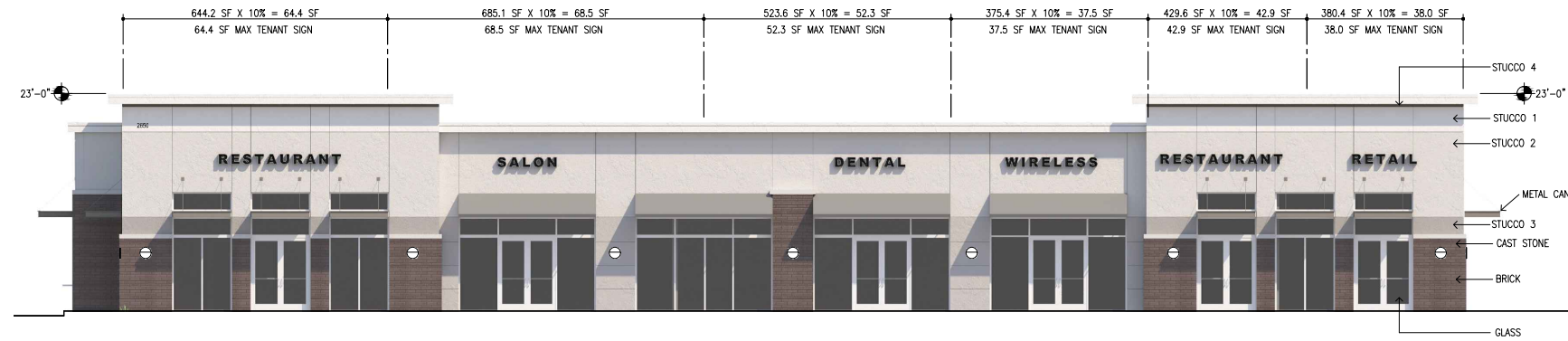
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Staff recommends approving the site plan, landscape plan and elevations as presented.

## **Motion**

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I hereby make a motion to approve/deny the site plan, landscape plan, and elevations submitted by Walmart Real Estate on behalf of Ladera Properties consisting of an 11,838 square foot tenant occupied restaurant, which will include a drive-through window and an outdoor dining space on a 1.426 acre tract of land located at 2650 West Lucas Road.



LIST OF MATERIALS:

STUCCO	1,550.3 SF	(50.8%)
BRICK	267.5 SF	(8.7%)
GLASS	1,038.6 SF	(34.2%)
METAL	74.4 SF	(2.6%)
FABRIC	116.4 SF	(3.8%)
		100%

**SOUTH ELEVATION (FRONT)** TOTAL SURFACE AREA = 3,047.2 SF



LIST OF MATERIALS:

STUCCO	1,306.3 SF	(73.1%)
BRICK	322.0 SF	(18.0%)
GLASS	122.8 SF	(6.8%)
METAL	38.0 SF	(2.1%)
FABRIC	0.0 SF	(0.0%)
		100%

**WEST ELEVATION** TOTAL SURFACE AREA = 1,789.1 SF

**FACADE NOTES:**

THESE FACADE PLANS ARE FOR CONCEPTUAL PURPOSES ONLY. ALL BUILDING PLANS REQUIRE REVIEW AND APPROVAL OF THE BUILDING INSPECTION DEPARTMENT.

ALL MECHANICAL UNITS SHALL BE SCREENED FROM PUBLIC VIEW.

WHEN PERMITTED, EXPOSED UTILITY BOXES AND CONDUITS SHALL BE PAINTED TO MATCH THE BUILDING.

ALL SIGNAGE AREAS AND LOCATIONS ARE SUBJECT TO APPROVAL BY THE BUILDING INSPECTION DEPARTMENT

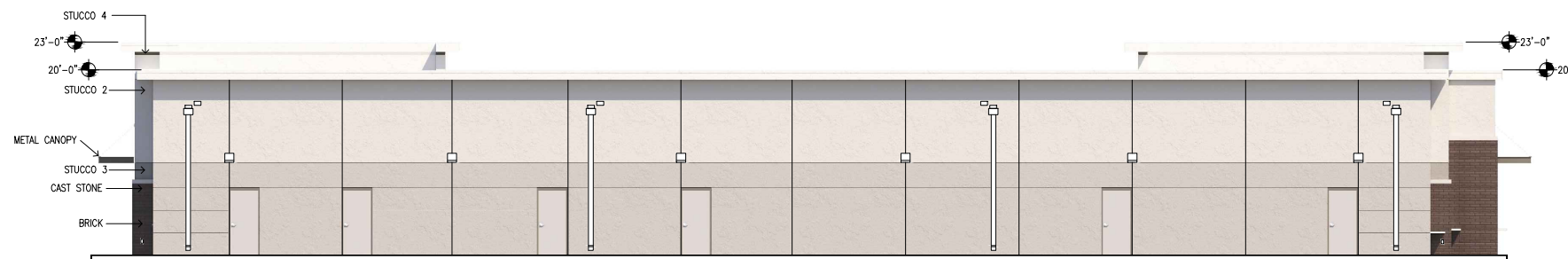
ROOF ACCESS SHALL BE PROVIDED INTERNALLY, UNLESS OTHERWISE PERMITTED BY THE BUILDING OFFICIAL.



LIST OF MATERIALS:

STUCCO	1,349.1 SF	(75.4%)
BRICK	251.3 SF	(14.0%)
GLASS	151.8 SF	(8.5%)
METAL	36.9 SF	(2.1%)
FABRIC	0.0 SF	(0.0%)
		100%

**EAST ELEVATION** TOTAL SURFACE AREA = 1,789.1 SF



LIST OF MATERIALS:

STUCCO	2,614.3 SF	(91.3%)
BRICK	29.2 SF	(1.0%)
GLASS	0.0 SF	(0.0%)
METAL	220.9 SF	(7.7%)
FABRIC	0.0 SF	(0.0%)
		100%

**NORTH ELEVATION** TOTAL SURFACE AREA = 2,864.4 SF

**LUCAS, TEXAS**  
**DEVELOPER**

**LUCAS MULTI-TENANT BUILDING**  
**JCD HOLDINGS LLC**

**DONALD F.**  
**SOPRANZI**  
**AIA, LEED-AP**  
**ARCHITECT**

















LUCAS MULTI-TENANT BUILDING - MATERIAL SELECTIONS

DONALD F.  
SOPRANZI  
AIA, LEED-AP  
ARCHITECT

LUCAS MULTI-TENANT BUILDING  
JCD HOLDINGS LLC

LUCAS, TEXAS  
DEVELOPER









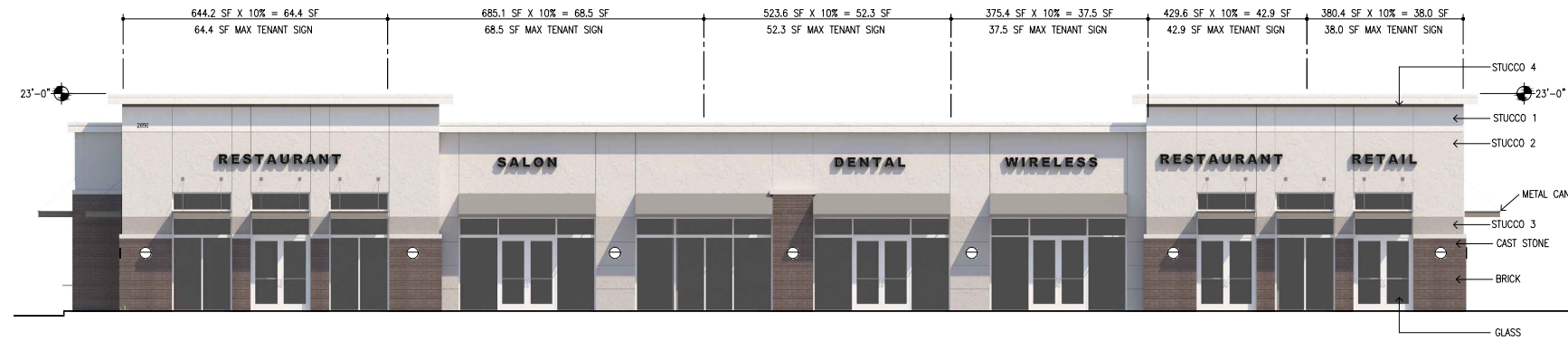
# LUCAS MULTI-TENANT BUILDING

DONALD F.  
SOPRANZI  
AIA, LEED-AP  
ARCHITECT

LUCAS MULTI-TENANT BUILDING  
JCD HOLDINGS LLC

LUCAS, TEXAS  
DEVELOPER





LIST OF MATERIALS:

STUCCO	1,550.3 SF	(50.8%)
BRICK	267.5 SF	(8.7%)
GLASS	1,038.6 SF	(34.2%)
METAL	74.4 SF	(2.6%)
FABRIC	116.4 SF	(3.8%)
		100%

**SOUTH ELEVATION (FRONT)** TOTAL SURFACE AREA = 3,047.2 SF



LIST OF MATERIALS:

STUCCO	1,306.3 SF	(73.1%)
BRICK	322.0 SF	(18.0%)
GLASS	122.8 SF	(6.8%)
METAL	38.0 SF	(2.1%)
FABRIC	0.0 SF	(0.0%)
		100%

**WEST ELEVATION** TOTAL SURFACE AREA = 1,789.1 SF

**FACADE NOTES:**

THESE FACADE PLANS ARE FOR CONCEPTUAL PURPOSES ONLY. ALL BUILDING PLANS REQUIRE REVIEW AND APPROVAL OF THE BUILDING INSPECTION DEPARTMENT.

ALL MECHANICAL UNITS SHALL BE SCREENED FROM PUBLIC VIEW.

WHEN PERMITTED, EXPOSED UTILITY BOXES AND CONDUITS SHALL BE PAINTED TO MATCH THE BUILDING.

ALL SIGNAGE AREAS AND LOCATIONS ARE SUBJECT TO APPROVAL BY THE BUILDING INSPECTION DEPARTMENT

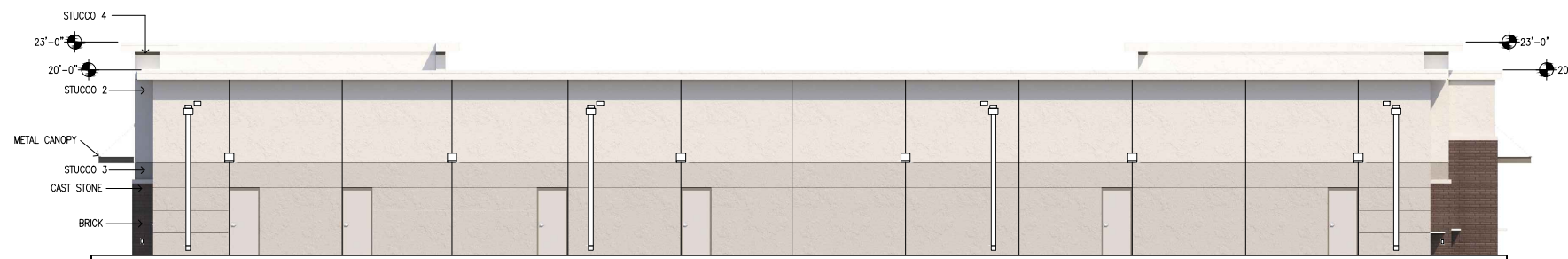
ROOF ACCESS SHALL BE PROVIDED INTERNALLY, UNLESS OTHERWISE PERMITTED BY THE BUILDING OFFICIAL.



LIST OF MATERIALS:

STUCCO	1,349.1 SF	(75.4%)
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METAL	36.9 SF	(2.1%)
FABRIC	0.0 SF	(0.0%)
		100%

**EAST ELEVATION** TOTAL SURFACE AREA = 1,789.1 SF



LIST OF MATERIALS:

STUCCO	2,614.3 SF	(91.3%)
BRICK	29.2 SF	(1.0%)
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FABRIC	0.0 SF	(0.0%)
		100%

**NORTH ELEVATION** TOTAL SURFACE AREA = 2,864.4 SF

**LUCAS, TEXAS**  
**DEVELOPER**

**LUCAS MULTI-TENANT BUILDING**  
**JCD HOLDINGS LLC**

**DONALD F.**  
**SOPRANZI**  
**AIA, LEED-AP**  
**ARCHITECT**





# City of Lucas

## City Council Agenda Request

### May 21, 2020

Item No. 05

Requester: Development Services Director Joe Hilbourn

#### **Agenda Item Request**

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Consider the request by Sue Blankenship on behalf of Inspiration to amend Article 2, Section 2.5 and Exhibit C of the approved Settlement and Release Agreement for the Inspiration development, to include increasing the lot count to 1,680 and decreasing the lot size from 10,000 square feet to 8,400 square feet for interior lots only, and to remove the requirement to either place restricted access gates or cul-de-sac at the northern and eastern entrances to the subdivision for a parcel of land located in the City of Lucas extraterritorial jurisdiction, Abstract A0799 Orpha Shelby Survey, Tract 3, being 74.327 acres.

#### **Background Information**

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The current Exhibit C of the Settlement and Release Agreement for the Inspiration development requires a minimum lot size of 10,000 square feet. Section 2.5 also requires the northern and eastern entrances to the subdivision to either have a restricted access gate or a cul-de-sac.

The current estimated lot count within Inspiration is approximately 1,634 homesites; which is less than the minimum allowable lot count (range of 1,705 to 2,058 lots per Exhibit B of the Agreement). With the proposed modification, the estimated lot count will be approximately 1,680 lots overall.

#### **Attachments/Supporting Documentation**

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1. Approved Settlement and Release Agreement
2. Location Map
3. Letter from Susan Blankenship on behalf of Inspiration, including Exhibit B and C
4. Location Map ~ Osage Lane

#### **Budget/Financial Impact**

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NA

#### **Recommendation**

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Staff was not able to negotiate any mitigation activities with the applicant; therefore, staff is requesting input from the City Council.

#### **Motion**

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Staff is seeking direction from the City Council on the request from Inspiration.





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## SETTLEMENT AND RELEASE AGREEMENT

**THIS SETTLEMENT AGREEMENT AND RELEASE** (this "Agreement") is entered into by Lavon 593 Land Investment Partners, LP ("Owner") and the City of Lucas, Texas ("Lucas"). Owner and Lucas are collectively referred to herein as the "Parties."

### Article I – Recitals

Circumstances which lead to this Agreement are as follows:

1.1 Owner owns approximately 593 acres of land in Collin County, Texas that is commonly known as Hanover's Lake Lavon project (the "Property"). The Property is described by metes and bounds on Exhibit A. A portion of the Property is within Lucas' extraterritorial jurisdiction ("ETJ").

1.2 Owner has taken steps to develop the Property, including filing a plan for development ("Plan for Development") with Lucas. A copy of that Plan for Development is attached as Exhibit B.

1.3 In early 2008, Owner initiated the process to create a water control and improvement district (the "District"). As part of that process, Owner sought consent from Lucas to create the District. Lucas did not consent to the District creation. Owner, after satisfying Texas Local Government Code Section 42.042 requirements, made application to the Texas Commission on Environmental Quality ("TCEQ") for creation of the District. The District was assigned TCEQ Control Number 11032008-D01.

1.4 In May 2008, Lucas passed Ordinance No. 2008-05-00612 adopting a Home Rule Charter.

1.5 On August 14, 2008, Lucas sent Owner a letter as "written notice of the City of Lucas's intent to annex your property."

1.6 On September 8, 2008, Owner filed suit against Lucas in the 380<sup>th</sup> Judicial District Court of Collin County, Texas as Cause No. 380-02778-2008 (the "Lawsuit"). The Lawsuit, among other things, requests a declaration that Lucas is without authority to annex the Property and that Owner has vested rights to develop the Property consistent with the Plan for Development. There is currently pending in the Court of Appeals, Fifth Judicial District, an interlocutory appeal filed by Lucas, which appeal is styled City of Lucas vs. Lavon 593 Land Investment Partners, LP, Case Number: 05-09-01049-CV (the "Appeal").

1.7 By letter dated August 4, 2009, Lucas, through its attorney Art Rodriguez, filed with the TCEQ a hearing request protesting Owner's efforts to create the District (the "District Creation Protest").

1.8 Lucas denies all claims made against it by Owner, and Owner denies all assertions by Lucas.



1.9 There are bona fide disputes between Owner and Lucas concerning the claims, assertions, and defenses made by or against such Parties in the Lawsuit.

1.10 The Parties desire to compromise and settle the disputes between them as set forth in this Agreement by compromise to avoid the uncertainties, inconvenience, and expense of further litigation. With respect to the Property, and without limiting the effect of this Agreement on the settlement of the disputes described herein, the Parties intend for this Agreement to be a development agreement as provided for by Section 212.172 of the Texas Local Government Code.

## Article II Release and Discharge

For and in consideration of the recitals set forth in Article I above and the representations, agreements, and covenants hereinafter contained, the adequacy and sufficiency of which are admitted, Lucas and Owner hereby agree as follows:

2.1 This Agreement shall be effective (the "Effective Date") as of September 17, 2009. The term of this Agreement (the "Term") shall be 15 years from the Effective Date.

2.2 Lucas acknowledges and agrees that Owner intends and has the right to develop the Property consistent with the Plan for Development attached as Exhibit B as such plan is modified by this Agreement.

2.3 Lucas acknowledges and agrees that the road alignments shown on the Plan for Development are generally consistent with Lucas' thoroughfare plan, and Lucas will not deny a permit or plat application for all or any part of the Property based on the failure to comply with Lucas' thoroughfare plan provided the proposed road alignments shown in connection with the permit or plat application are consistent with those shown on the Plan for Development and consistent with Collin County's thoroughfare plan. If, at the time a permit or plat application is filed with Lucas on all or any portion of the Property within Lucas' ETJ, there exists a difference between the road alignments shown on the Plan for Development and the road alignments shown on the Collin County thoroughfare plan, the Collin County thoroughfare plan alignments must be shown.

2.4 Within five business days of the Effective Date, Lucas will file with the TCEQ a letter withdrawing the District Creation Protest. Lucas will not file any further objection to and will not otherwise oppose, the District creation. Lucas will not make any objection to and will not otherwise oppose any efforts by Owner or others in support of a regional sewer plan to pump sewage from the Property to the North Texas Municipal Water District Wilson Creek Treatment Plant. Lucas will not make any objection to and will not otherwise oppose any discharge permit application to serve all or part of the Property that is filed with the TCEQ, including any such application filed by Owner, Owner's successor in interest to all or any part of the Property, or Wylie Northeast Special Utility District ("Wylie Northeast"). Lucas will not make any objection

to or otherwise oppose any application for a water or sewer certificate of convenience and necessity ("CCN") to serve the Property filed with the TCEQ by Wylie Northeast.

2.5 Notwithstanding the development regulations shown on the Plan for Development, when developed, those portions of the Property shown on Exhibit C (the "Large Lot Property") will be developed with single family residential homes on lots with a minimum lot area of 10,000 square feet and a minimum home size of 2,000 square feet. In addition, at Owner's option, the road aligns shown on the northern boundary and the eastern boundary of the northern most Large Lot Property shall include either a cul-de-sac or a restricted access gate limited to use by emergency service vehicles at the point where such roads exit the Property. All other development regulations shown on the Plan for Development are applicable to the Large Lot Property. No town home or multifamily uses are permitted to be constructed within Lucas' ETJ. All single family residential homes constructed within Lucas' ETJ will have a minimum homes size of 2,000 square feet.

2.6 Owner and Lucas agree that the portion of the Property that is within the ETJ of Lucas is subject to the City of Lucas Ordinances regulating plats and subdivisions and all development on such Lucas ETJ Property must be in accordance with this Agreement, the Plan for Development and such ordinances. The ordinances regulating plats and subdivisions are contained in Chapter 3 "Building Regulations" and Chapter 10 "Subdivision Regulations" of the Lucas City Code of Ordinances in effect on the Effective Date.

2.7 Lucas will not annex the Property during the Term.

2.8 Within five business days of the later of the date Lucas delivers to the TCEQ a letter withdrawing its District Creation Protest or the date this Agreement is recorded in the deed records of Collin County, Texas, Owner and Lucas will: (i) file in the Appeal an Agreed Motion to Dismiss and Agreed Order of Dismissal in the forms attached as Exhibits D and E; and (ii) Owner will file and cause to be entered in the Lawsuit the Agreed Motion to Dismiss and Agreed Order of Dismissal With Prejudice in the forms attached as Exhibits D and E.

2.9 As of the Effective Date, Owner and Lucas do hereby unconditionally, fully and completely release, acquit and forever discharge one another from any and all claims, demands, actions, causes of action, suits, liabilities, damages, losses, costs and expenses whatsoever (collectively "Claims"), known or unknown, accrued or unaccrued, in law or in equity relating to the Lawsuit, the claims and defenses in the lawsuit, and the facts and circumstances at issue in the Lawsuit; notwithstanding the foregoing or anything else in this Agreement, neither Owner nor Lucas release any rights, obligations, or defense created by, arising under, or reserved by this Agreement.

2.10 The Parties each covenant not to sue one another with respect to any claims released by this Agreement.

2.11 Lucas represents and warrants that this Agreement has been approved by the Lucas City Council in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual

executing this Agreement on behalf of Lucas has been duly authorized to do so. Owner represents and warrants that this Agreement has been approved by appropriate action of Owner, and that the individual executing this Agreement on behalf of Owner has been duly authorized to do so. Each party acknowledges and agrees that this Agreement is binding upon such party and enforceable against such party in accordance with its terms and conditions. Each party agrees that, with respect to the Property, this Agreement is a "development agreement" authorized by Section 212.172 of the Texas Local Government Code. Each party warrants that any action required to be taken in order for this Agreement to be binding on it has been duly and properly taken prior to the execution of this Agreement.

2.12 Each party further declares and represents that this Agreement contains and constitutes the entire agreement between the parties with respect to the subject matter hereof and terminates, supersedes, and replaces any and all prior arrangements, understandings, representations, promises, inducements, or other communications, whether written or oral between the parties. Each party declares and represents that no oral understandings, statements, promises, or inducements in addition to, consistent with, or contrary to the terms of this Agreement exist. This Agreement can only be amended in writing signed by both Parties hereto.

2.13 Each party acknowledges the contested and adversarial nature of the Lawsuit and the underlying claims in the Lawsuit, and each party acknowledges and agrees that this Agreement is being executed, and the consideration hereunder being given by each party, in settlement of disputed claims between the Parties and to avoid further trouble, litigation, hearings, discovery, expert fees, trials, costs, and expense, and that the fact of this Agreement shall not be taken in any way as an admission of fact or liability by either party.

2.14 The Parties agree that each will pay their own respective court costs and attorneys' fees in connection with the Lawsuit.

**2.15 THIS SETTLEMENT AGREEMENT, ANY DISPUTES WHICH MAY ARISE IN CONNECTION WITH THE INTERPRETATION OR ENFORCEMENT OF THE SETTLEMENT AGREEMENT, AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES GENERALLY SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS AND WITHOUT REGARD OR REFERENCE TO CHOICE OR CONFLICT OF LAW RULES.**

2.16 In all instances in which a party to this Agreement is required under this Agreement to do any act at a particular time or within a particular period of time, time is of the essence in the performance of such act.

2.17 Each party represents that such party has substantial experience in negotiating contracts, that this Agreement is the product of negotiations among the Parties, and that, therefore, no party to this Agreement shall be charged with having promulgated this Agreement.

2.18 If a dispute arises regarding this Agreement, including a dispute regarding its interpretation and enforcement, and litigation is required to resolve the dispute, this Agreement

will be deemed to be an Agreement made in accordance with and enforceable under Rule 11 of the Texas Rules of Civil Procedure.

2.19 All notices under this Agreement shall be in writing and delivered by certified mail, return receipt requested, at the addresses listed below:

Lucas: City of Lucas  
Attn: City Manager  
665 Country Club Road  
Lucas, Texas 75002

With a copy to: Nichols, Jackson, Dillard, Hager & Smith  
Attn: Joe Gorfida Jr.  
1800 Lincoln Plaza  
500 North Akard Street  
Dallas, Texas 75201

Owner: Lavon 593 Land Investment Partners, LP  
Attn: Richard E. LeBlanc  
5950 Berkshire Lane, Suite 1200  
Dallas, TX 75240

With a copy to: K&L Gates LLP  
Attn: Misty Ventura  
1717 Main, Suite 2800  
Dallas, Texas 75201

19. This Agreement may be executed in any number of original counterparts, on separate signature pages, each and all of which shall be deemed an original for all purposes, and all of which when taken together shall constitute one instrument. The following Exhibits are attached to this Agreement and are incorporated herein for all purposes:

- Exhibit A Metes and Bounds Legal Description of the Property
- Exhibit B Plan for Development
- Exhibit C Portions of the Property to be Developed with 10,000 square foot lots
- Exhibit D Form of Agreed Motion to Dismiss
- Exhibit E Form of Agreed Order of Dismissal With Prejudice

20. This Agreement shall be recorded in the deed records of Collin County, Texas. This Agreement shall run with the Property and shall be binding on and insure the benefit of the Parties and their successors and assigns.

[SIGNATURE PAGES FOLLOW]

Signed to be effective as of the Effective Date:

LAVON 593 LAND INVESTMENT PARTNERS, LTD.,  
a Texas limited partnership

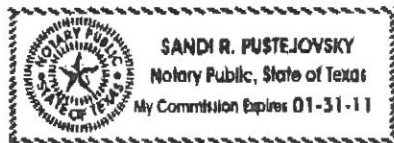
By: Lavon 593 GP Partners, Ltd.,  
a Texas limited partnership, its general partner

By: Hanover Services Group, Inc.,  
a Texas corporation, its general partner

By: *Richard E. LeBlanc*  
Name: *Richard E. LeBlanc*  
Title: *President*

STATE OF TEXAS §  
COUNTY OF *Dallas* §

This instrument was acknowledged before me on the *21<sup>st</sup>* day of September, 2009 by *Richard E. LeBlanc, President* of Hanover Services Group, Inc., a Texas corporation, general partner of Lavon 593 GP Partners, Ltd., a Texas limited partnership, general partner of Lavon 593 Land Investment Partners, Ltd., a Texas limited partnership, on behalf of said limited partnership.



*Sandi R. Pustejovsky*  
Notary Public, State of Texas

THE CITY OF LUCAS, TEXAS

By: Bill Goe  
Its: MAYOR

STATE OF TEXAS §  
COUNTY OF Collin §

This instrument was acknowledged before me on the 18 day of September, 2009 by Bill Carmickle, Mayor of The City of Lucas Texas, a Texas home rule city, on behalf of said city.

Jennifer Faircloth  
Notary Public, State of Texas



## Exhibit A

Metes and Bounds Legal Description of the Property

BEING A 592.744 ACRE TRACT OF LAND SITUATED IN THE LEROY FARMER SURVEY, ABSTRACT NO. 334, THE MARK MORRIS SURVEY, ABSTRACT NO. 561, THE ORPHA SHELBY SURVEY, ABSTRACT NO. 799, AND THE JOSIAH TURNHAM SURVEY, ABSTRACT NO. 919, COLLIN COUNTY, TEXAS, AND BEING ALL OF A CALLED 592.9988 ACRE TRACT OF LAND, DESCRIBED IN TRUSTEES DEED TO W.W. CARUTH, JR. AS RECORDED IN VOLUME 2684, PAGE 944, LAND RECORDS, COLLIN COUNTY, TEXAS, AS AFFECTED BY LAST WILL AND TESTAMENT OF W.W. CARUTH, JR. AS RECORDED IN COUNTY CLERK'S FILE NO. 92-0054539 REAL PROPERTY RECORDS OF COLLIN COUNTY, TEXAS, SAID 592.744 ACRE TRACT WITH BEARING BASIS BEING GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE, NAD83, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 3/4 INCH IRON ROD FOUND IN THE SOUTH LINE OF A 164.68 ACRE TRACT OF LAND DESCRIBED IN A DEED TO CONSOLIDATED PARTNERSHIP, LTD. AS RECORDED IN VOLUME 3433, PAGE 874, LAND RECORDS, COLLIN COUNTY, TEXAS;

THENCE, NORTH 89 DEGREES 12 MINUTES 19 SECONDS EAST, ALONG THE SOUTH LINE OF SAID 164.68 ACRE TRACT, A DISTANCE OF 3004.80 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-26" FOUND IN THE WEST LINE OF A TRACT OF LAND DESCRIBED AS TRACT NO. 4424 IN A DEED TO THE UNITED STATES OF AMERICA AS RECORDED IN VOLUME 736, PAGE 833, DEED RECORDS, COLLIN COUNTY, TEXAS;

THENCE, ALONG THE WEST LINES OF SAID UNITED STATES OF AMERICA TRACT, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 04 DEGREES 22 MINUTES 22 SECONDS EAST, A DISTANCE OF 756.97 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-25" FOUND FOR CORNER;

NORTH 65 DEGREES 28 MINUTES 27 SECONDS WEST, A DISTANCE OF 833.99 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER & BURGESS" SET FOR CORNER;

SOUTH 00 DEGREES 26 MINUTES 51 SECONDS WEST, A DISTANCE OF 549.35 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-23" FOUND FOR CORNER;

SOUTH 69 DEGREES 55 MINUTES 58 SECONDS WEST, A DISTANCE OF 1077.15 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-22" FOUND FOR CORNER;

SOUTH 50 DEGREES 39 MINUTES 17 SECONDS WEST, A DISTANCE OF 1405.27 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-21" FOUND FOR CORNER;

SOUTH 08 DEGREES 18 MINUTES 33 SECONDS EAST, A DISTANCE OF 73.65 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-20" FOUND FOR CORNER;

NORTH 88 DEGREES 26 MINUTES 57 SECONDS EAST, A DISTANCE OF 2464.68 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-19" FOUND FOR CORNER;

SOUTH 28 DEGREES 47 MINUTES 08 SECONDS WEST, A DISTANCE OF 2603.00 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-18" FOUND FOR CORNER;

SOUTH 89 DEGREES 28 MINUTES 49 SECONDS EAST, A DISTANCE OF 573.44 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER & BURGESS" SET FOR CORNER;



NORTH 49 DEGREES 05 MINUTES 38 SECONDS EAST, A DISTANCE OF 1752.84 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-16" FOUND FOR CORNER;

NORTH 61 DEGREES 25 MINUTES 18 SECONDS EAST, A DISTANCE OF 1093.35 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-15" FOUND FOR CORNER;

SOUTH 33 DEGREES 36 MINUTES 41 SECONDS EAST, A DISTANCE OF 1419.53 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-14" FOUND FOR CORNER;

SOUTH 65 DEGREES 00 MINUTES 17 SECONDS EAST, A DISTANCE OF 651.14 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-13" FOUND FOR CORNER;

SOUTH 43 DEGREES 36 MINUTES 57 SECONDS WEST, A DISTANCE OF 470.76 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-12" FOUND FOR CORNER;

NORTH 76 DEGREES 43 MINUTES 10 SECONDS WEST, A DISTANCE OF 1056.25 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-11" FOUND FOR CORNER;

SOUTH 29 DEGREES 18 MINUTES 01 SECOND WEST, A DISTANCE OF 903.25 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-10" FOUND FOR CORNER;

NORTH 78 DEGREES 51 MINUTES 09 SECONDS EAST, A DISTANCE OF 757.78 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-9" FOUND FOR CORNER;

SOUTH 06 DEGREES 19 MINUTES 32 SECONDS WEST, A DISTANCE OF 907.25 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-8" FOUND FOR CORNER;

SOUTH 75 DEGREES 00 MINUTES 06 SECONDS EAST, A DISTANCE OF 63.77 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-7" FOUND FOR CORNER;

NORTH 64 DEGREES 41 MINUTES 43 SECONDS EAST, A DISTANCE OF 806.05 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-6" FOUND FOR CORNER;

SOUTH 33 DEGREES 12 MINUTES 35 SECONDS EAST, A DISTANCE OF 297.17 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-5" FOUND FOR CORNER;

NORTH 83 DEGREES 36 MINUTES 01 SECOND EAST, A DISTANCE OF 255.23 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-4" FOUND FOR CORNER;

NORTH 41 DEGREES 14 MINUTES 52 SECONDS EAST, A DISTANCE OF 367.27 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-3" FOUND FOR CORNER;

NORTH 76 DEGREES 45 MINUTES 34 SECONDS EAST, A DISTANCE OF 1317.38 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-2" FOUND FOR CORNER;

SOUTH 10 DEGREES 01 MINUTE 29 SECONDS WEST, A DISTANCE OF 600.79 FEET TO A CORPS OF ENGINEERS MONUMENT STAMPED "4424-1" FOUND FOR CORNER;

SOUTH 65 DEGREES 03 MINUTES 22 SECONDS WEST, A DISTANCE OF 1718.75 FEET TO A CORPS OF ENGINEERS MONUMENT FOUND AT THE MOST NORTHERLY NORTHEAST CORNER OF A 19.338 ACRE TRACT OF LAND DESCRIBED AS TRACT B IN A DEED TO H. STEVEN HUFSTETLER AS RECORDED IN COLLIN COUNTY CLERK'S FILE NO. 93-0088439, LAND RECORDS, COLLIN COUNTY, TEXAS;

THENCE, NORTH 89 DEGREES 21 MINUTES 35 SECONDS WEST, ALONG THE NORTH LINE OF SAID TRACT B AND A 19.338 ACRE TRACT OF LAND DESCRIBED AS TRACT A IN A DEED TO H. STEVEN HUFSTETLER AS RECORDED IN COLLIN COUNTY CLERK'S FILE NO. 93-0088439, LAND RECORDS, COLLIN COUNTY, TEXAS, A DISTANCE OF 649.87 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER & BURGESS" SET FOR CORNER;

THENCE, SOUTH 00 DEGREES 17 MINUTES 42 SECONDS EAST, ALONG THE WEST LINE OF SAID TRACT A, A DISTANCE OF 1309.73 FEET TO A FENCE CORNER MARKING THE NORTHEAST CORNER OF ST. PAUL CATHOLIC CEMETERY (NO RECORD INFO FOUND);



THENCE, NORTH 89 DEGREES 30 MINUTES 12 SECONDS WEST, ALONG THE NORTH LINE OF SAID CEMETERY, A DISTANCE OF 299.40 FEET TO A FENCE CORNER;

THENCE, SOUTH 00 DEGREES 26 MINUTES 33 SECONDS EAST, WITH A FENCE ON THE WEST LINE OF SAID CEMETERY, A DISTANCE OF 285.89 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER & BURGESS" SET ON THE NORTH RIGHT-OF-WAY LINE OF ST. PAUL ROAD;

THENCE, SOUTH 89 DEGREES 41 MINUTES 31 SECONDS WEST, ALONG THE NORTH RIGHT-OF-WAY LINE OF SAID ST. PAUL ROAD, A DISTANCE OF 1790.28 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER & BURGESS" SET FOR CORNER;

THENCE, SOUTH 00 DEGREES 51 MINUTES 52 SECONDS EAST, A DISTANCE OF 4.00 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER & BURGESS" SET ON THE NORTH RIGHT-OF-WAY LINE OF F.M. 2514 (PARKER ROAD);

THENCE, SOUTH 89 DEGREES 08 MINUTES 08 SECONDS WEST, ALONG THE NORTH RIGHT-OF-WAY LINE OF SAID F.M. 2514, A DISTANCE OF 1571.30 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER & BURGESS" SET AT THE BEGINNING OF A CORNER-CLIP BETWEEN THE NORTH RIGHT-OF-WAY LINE OF SAID F.M. 2514 AND THE EAST RIGHT-OF-WAY LINE OF AZTEC TRAIL;

THENCE, NORTH 44 DEGREES 56 MINUTES 54 SECONDS WEST, ALONG SAID CORNER-CLIP, A DISTANCE OF 41.22 FEET TO A WOODEN MONUMENT FOUND ON THE EAST RIGHT-OF-WAY LINE OF SAID AZTEC TRAIL;

THENCE, NORTH 01 DEGREE 30 MINUTES 56 SECONDS WEST, ALONG THE EAST RIGHT-OF-WAY LINE OF SAID AZTEC TRAIL, A DISTANCE OF 1822.87 FEET TO A 5/8" IRON ROD FOUND AT THE SOUTHEAST CORNER OF A 10.00 ACRE TRACT OF LAND DESCRIBED IN A DEED TO NORMAN R. MORROW AND WIFE, LUZIA M. MORROW AS RECORDED IN VOLUME 1531, PAGE 279, LAND RECORDS, COLLIN COUNTY, TEXAS;

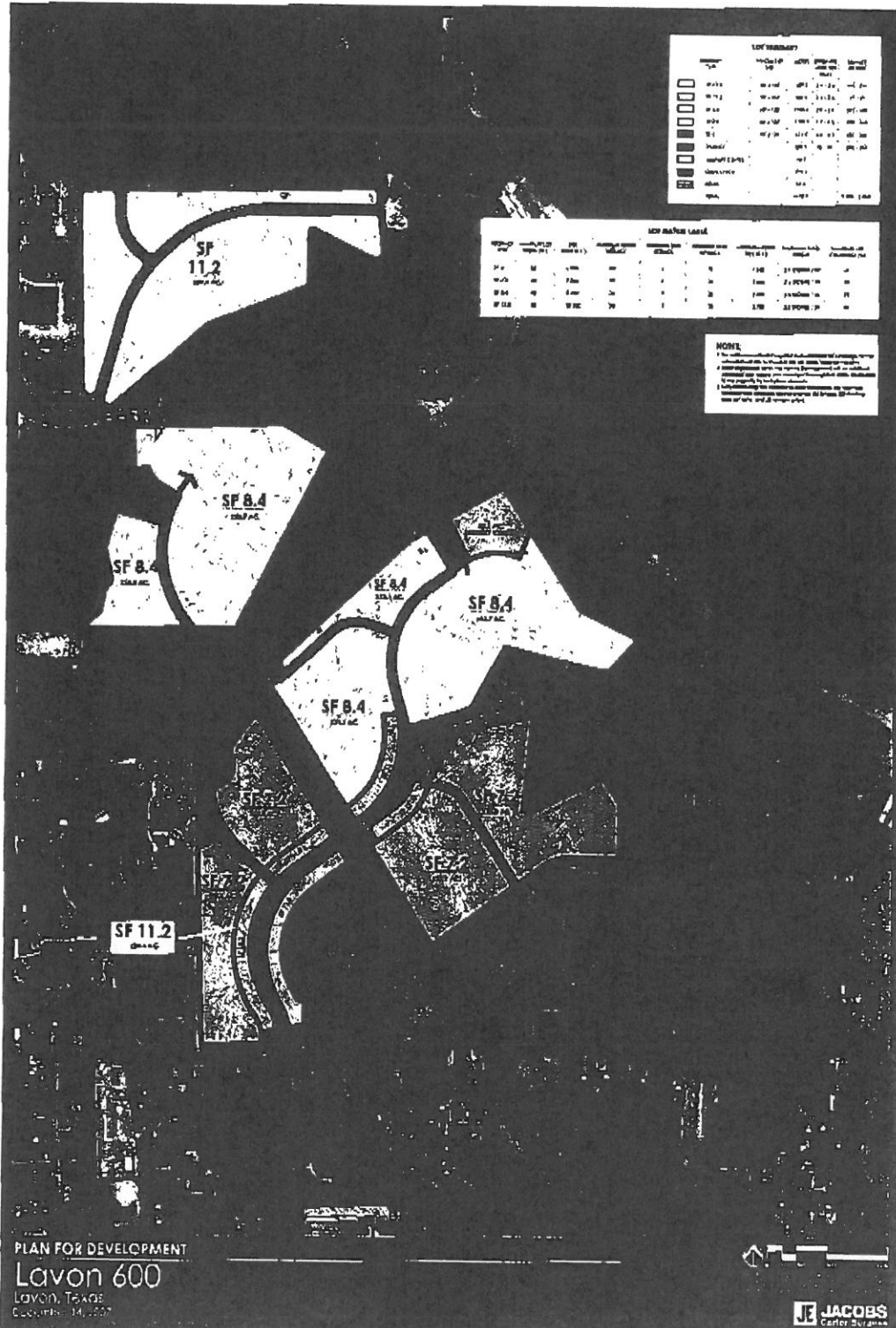
THENCE, NORTH 00 DEGREES 09 MINUTES 24 SECONDS WEST, ALONG THE EAST LINE OF SAID 10.00 ACRE TRACT AND THE EAST LINE OF A 41.391 ACRE TRACT OF LAND DESCRIBED IN A DEED TO EDWARD H. HOBBS AS RECORDED IN VOLUME 4191, PAGE 715, LAND RECORDS, COLLIN COUNTY, TEXAS, A DISTANCE OF 1886.05 FEET TO A 1" IRON ROD FOUND AT THE NORTHEAST CORNER OF SAID 41.391 ACRE TRACT;

THENCE, SOUTH 89 DEGREES 14 MINUTES 23 SECONDS WEST, ALONG THE NORTH LINE OF SAID 41.391 ACRE TRACT OF LAND, A DISTANCE OF 1111.20 FEET TO A 5/8" IRON ROD FOUND FOR CORNER;

THENCE, NORTH 01 DEGREE 00 MINUTES 20 SECONDS WEST, A DISTANCE OF 4428.92 FEET TO THE POINT OF BEGINNING AND CONTAINING 592.744 ACRES OF LAND, MORE OR LESS.

**Exhibit B**

**Plan for Development**



**Exhibit D**

Form of Agreed Motion to Dismiss

**Cause No. 380-02778-2008**

**LAVON 593 LAND INVESTMENT,  
PARTNERS, L.P.,**

**Plaintiff,**

**v.**

**CITY OF LUCAS,**

**Defendant.**

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**IN THE DISTRICT COURT**

**IN THE 380TH JUDICIAL DISTRICT**

**COLLIN COUNTY, TEXAS**

**MOTION TO DISMISS CLAIMS, WITH PREJUDICE**

Plaintiff Lavon 593 Land Investment Partners, L.P. ("Lavon") and Defendant City of Lucas ("Lucas") file this Motion to Dismiss all claims between Lavon and Lucas in this action, with prejudice to their refiling, and in support of this Agreed Motion show as follows:

1. Lavon and Lucas have settled the matters in dispute between them in this action pursuant to a written Settlement Agreement approved by Lucas' City Council on September 17, 2009 (the "Settlement Agreement").

2. In accordance with the Settlement Agreement, Lavon and Lucas request that the Court dismiss with prejudice all claims asserted by Lavon against Lucas, and all claims asserted by Lucas against Lavon, in this matter.

WHEREFORE, premises, considered, Lavon and Lucas request that the Court dismiss with prejudice all claims asserted between Lavon and Lucas in this matter pursuant to the form of Order submitted with this Motion.

Respectfully submitted,

---

Matthew Molash  
State Bar No. 14255300  
Misty Ventura  
State Bar No. 00795843  
John R. Hardin  
State Bar No. 24012784

**of K&L GATES LLP**  
1717 Main Street, Suite 2800  
Dallas, Texas 75201  
Telephone: 214-939-5500  
Facsimile: 214-939-5849

**ATTORNEYS FOR PLAINTIFF**

---

Joseph J. Gorfida, Jr.  
Kimberly R. Lafferty  
Nichols, Jackson, Dillard, Hager & Smith, L.L.P.  
1800 Lincoln Plaza  
500 North Akard  
Dallas, Texas 75201

**ATTORNEYS FOR DEFENDANT**

**CERTIFICATE OF SERVICE**

The undersigned certifies that a copy of the foregoing pleading was served on counsel for Defendant certified mail, return receipt requested, on September \_\_\_\_\_, 2009, as follows:

Donald H. Flanary, Jr.  
Donald H. Flanary, Jr. PLLC  
301 North Bradley Street  
McKinney, Texas 75069  
Certified # 7006 3450 0003 6178 3371

---

**Exhibit E**

Form of Agreed Order of Dismissal With Prejudice

**Cause No. 380-02778-2008**

**LAVON 593 LAND INVESTMENT,  
PARTNERS, L.P.,**

**Plaintiff,**

**v.**

**CITY OF LUCAS,**

**Defendant.**

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**IN THE DISTRICT COURT**

**IN THE 380TH JUDICIAL DISTRICT**

**COLLIN COUNTY, TEXAS**

**ORDER OF DISMISSAL WITH PREJUDICE**

Came on for consideration the Motion to Dismiss Claims of Lavon 593, With Prejudice filed by Plaintiff Lavon 593 Land Investment Partners, L.P. and Defendant City of Lucas, Texas. The Court, having considered the Motion, finds that it should be granted.

It is, therefore, ORDERED that all claims between Plaintiff Lavon 593 Land Investment Partners, L.P. and Defendant City of Lucas, Texas are hereby dismissed with prejudice, and that all costs are taxed against the party incurring those costs.

SIGNED this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_  
JUDGE PRESIDING

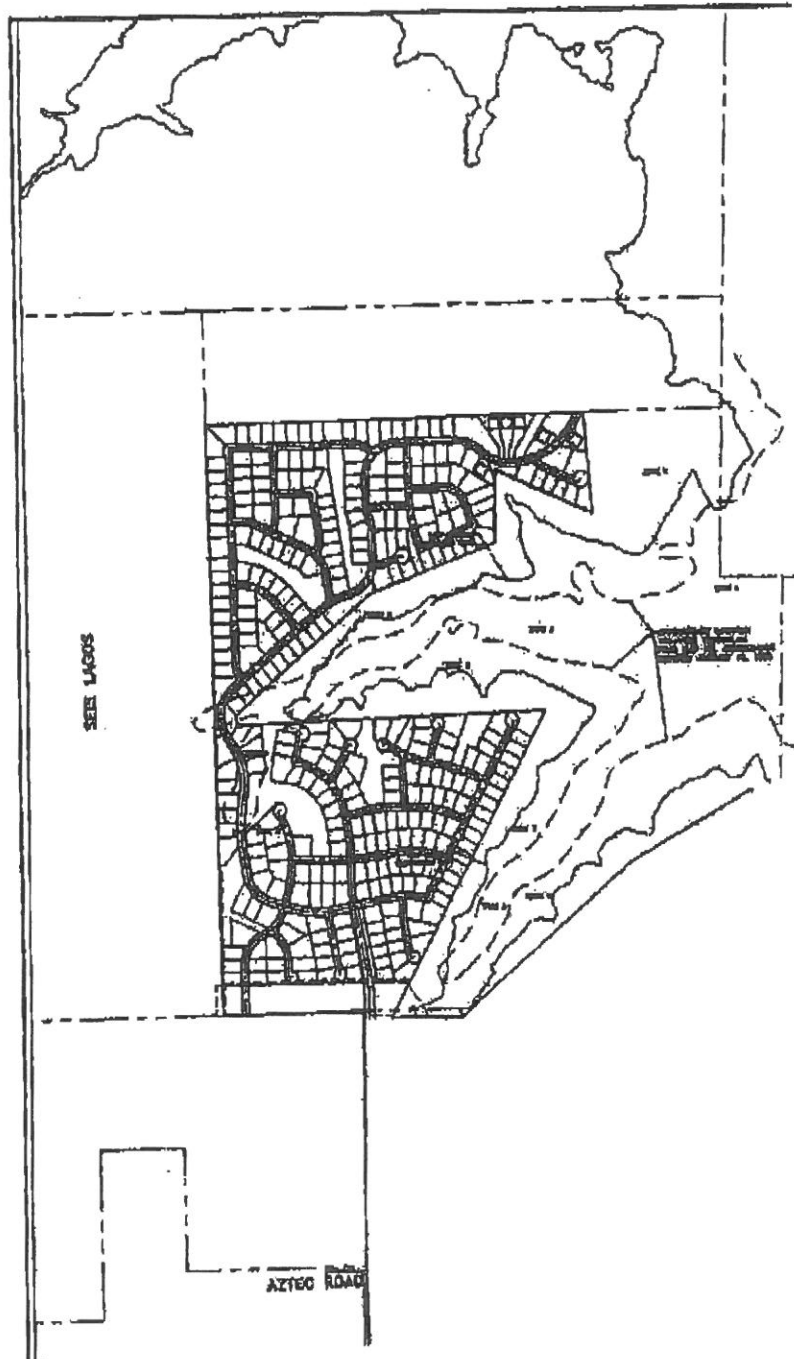
Filed and Recorded  
Official Public Records  
Stacey Kemp, County Clerk  
Collin County, TEXAS  
09/22/2009 08:36:48 AM  
\$78.00 TKING  
20090922001175920



A handwritten signature in cursive script, appearing to read "Stacey Kemp".

**Exhibit C**

**Portions of the Property to be Developed with 10,000 Square Foot Lots**



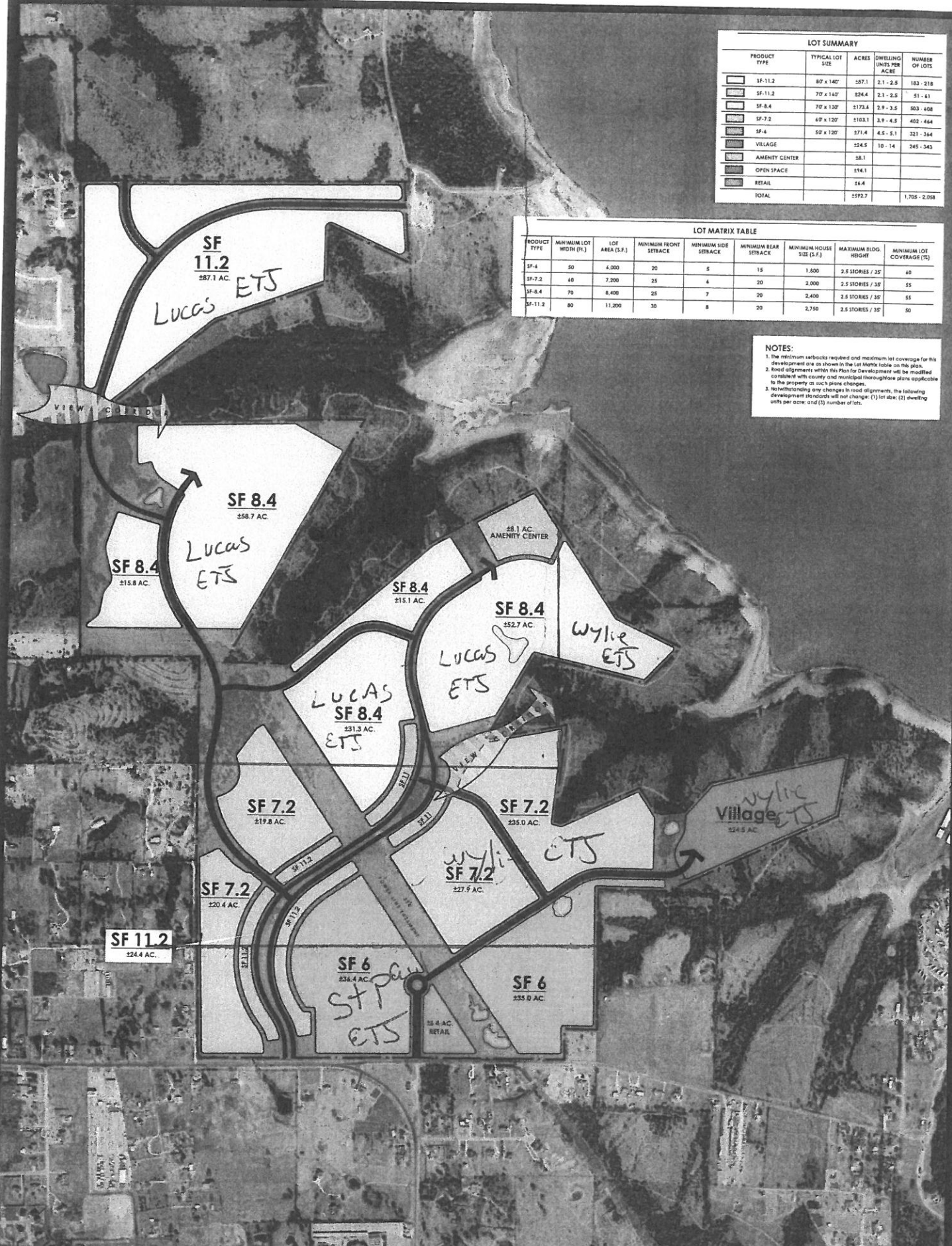


LOT SUMMARY				
PRODUCT TYPE	TYPICAL LOT SIZE	ACRES	DWELLING UNITS PER ACRE	NUMBER OF LOTS
SF-11.2	80' x 140'	287.1	2.1 - 2.5	183 - 218
SF-11.2	70' x 160'	224.4	2.1 - 2.5	51 - 61
SF-8.4	70' x 130'	217.4	2.9 - 3.5	503 - 408
SF-7.2	40' x 120'	210.1	3.9 - 4.5	402 - 464
SF-4	50' x 120'	271.4	4.5 - 5.1	321 - 344
VILLAGE		224.5	10 - 14	245 - 343
AMENITY CENTER		28.1		
OPEN SPACE		214.1		
RETAIL		24.4		
TOTAL		2592.7		1,705 - 2,059

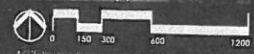
LOT MATRIX TABLE								
PRODUCT TYPE	MINIMUM LOT WIDTH (ft.)	LOT AREA (S.F.)	MINIMUM FRONT SETBACK	MINIMUM SIDE SETBACK	MINIMUM REAR SETBACK	MINIMUM HOUSE SIZE (S.F.)	MAXIMUM BLDG HEIGHT	MINIMUM LOT COVERAGE (%)
SF-4	50	4,000	20	5	15	1,500	2.5 STORIES / 35'	40
SF-7.2	40	7,200	25	4	20	2,000	2.5 STORIES / 35'	55
SF-8.4	70	8,400	25	7	20	2,400	2.5 STORIES / 35'	55
SF-11.2	80	11,200	30	8	20	2,750	2.5 STORIES / 35'	50

**NOTES:**

1. The minimum setbacks required and minimum lot coverage for this development are as shown in the Lot Matrix table on this plan.
2. Road alignments within this Plan for Development will be modified consistent with county and municipal thoroughfare plans applicable to the property on such plans changes.
3. Notwithstanding any changes in road alignments, the following development standards will not change: (1) lot size; (2) dwelling units per acre; and (3) number of lots.



PLAN FOR DEVELOPMENT  
**Lavon 600**  
 Lavon, Texas  
 December 14, 2007





# Location Map





April 6, 2020

Mr. Joe Hilbourn  
Development Service Director  
665 Country Club Road  
Lucas, TX 75002-7651

Re: Settlement and Release Agreement Dated on or about September 21, 2009

Dear Mr. Hilbourn:

The purpose of this letter is to request a modification to Exhibit C of the Settlement and Release Agreement for Inspiration, which requires the construction of a minimum lot size of 10,000 square feet.

The current estimated lot count within Inspiration is approximately 1,634 homesites; which is less than the minimum allowable lot count (Range of 1,705 to 2,058 lots per Exhibit B of the Agreement). With the proposed modification, the estimated lot count will be approximately 1,680 lots overall, which is still considerably less than the current allowable density.

We would propose to retain the minimum 10,000 square foot lots on the perimeter of the northern village (Paradise Village), adjacent to both Seis Lagos and Brockdale communities. We would proposed approval to allow for minimum 60' x 140' lot size (8,400 square feet). In addition, Paradise Village is intended to be an upscale Village within the Inspiration community. As such, Paradise Village is proposed to be a sub association within the master Inspiration Residential Association. The sub association will require front yard landscape maintenance, which will be provided by the sub association.

If the City is agreeable to the revision of the proposed lot sizes, per the attached revised Exhibit B and Exhibit C, please indicate such by signing below.

We appreciate your time and consideration.

Thank you,

*Sue A Blankenship*

Sue Blankenship on behalf of Phillip Huffines  
Managing Director  
Lavon Development, LLC  
Union Valley, L.P.

CITY OF LUCAS

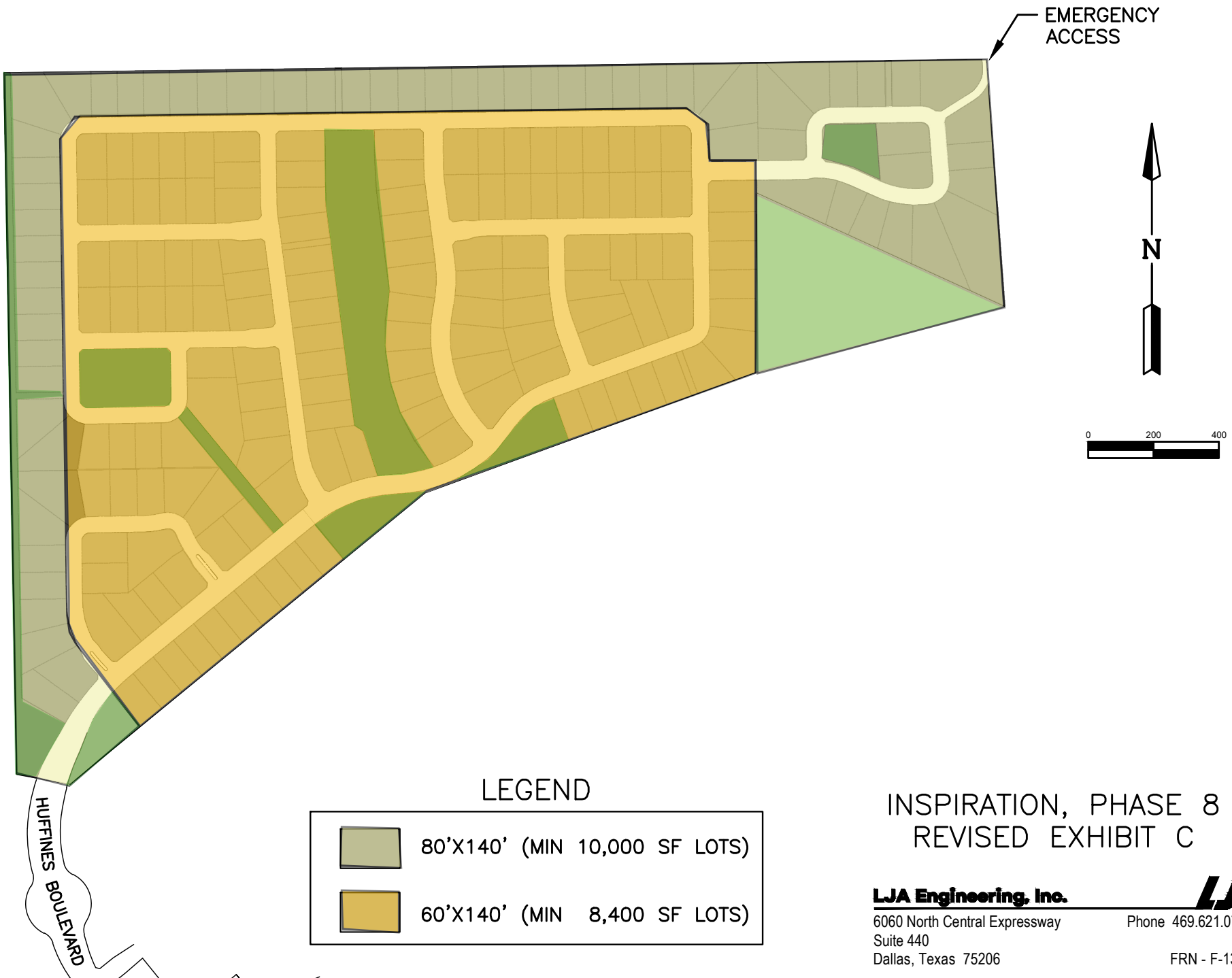
By: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_







Date/Time : 3/6/2020 9:19 AM User Name : Chase Scott  
Path Name : s:\ntx-land\0001\400 land\402 exhibits\revised exhibit c.dwg



### LEGEND

-  80'X140' (MIN 10,000 SF LOTS)
-  60'X140' (MIN 8,400 SF LOTS)

## INSPIRATION, PHASE 8 REVISED EXHIBIT C

**LJA Engineering, Inc.**

6060 North Central Expressway  
Suite 440  
Dallas, Texas 75206

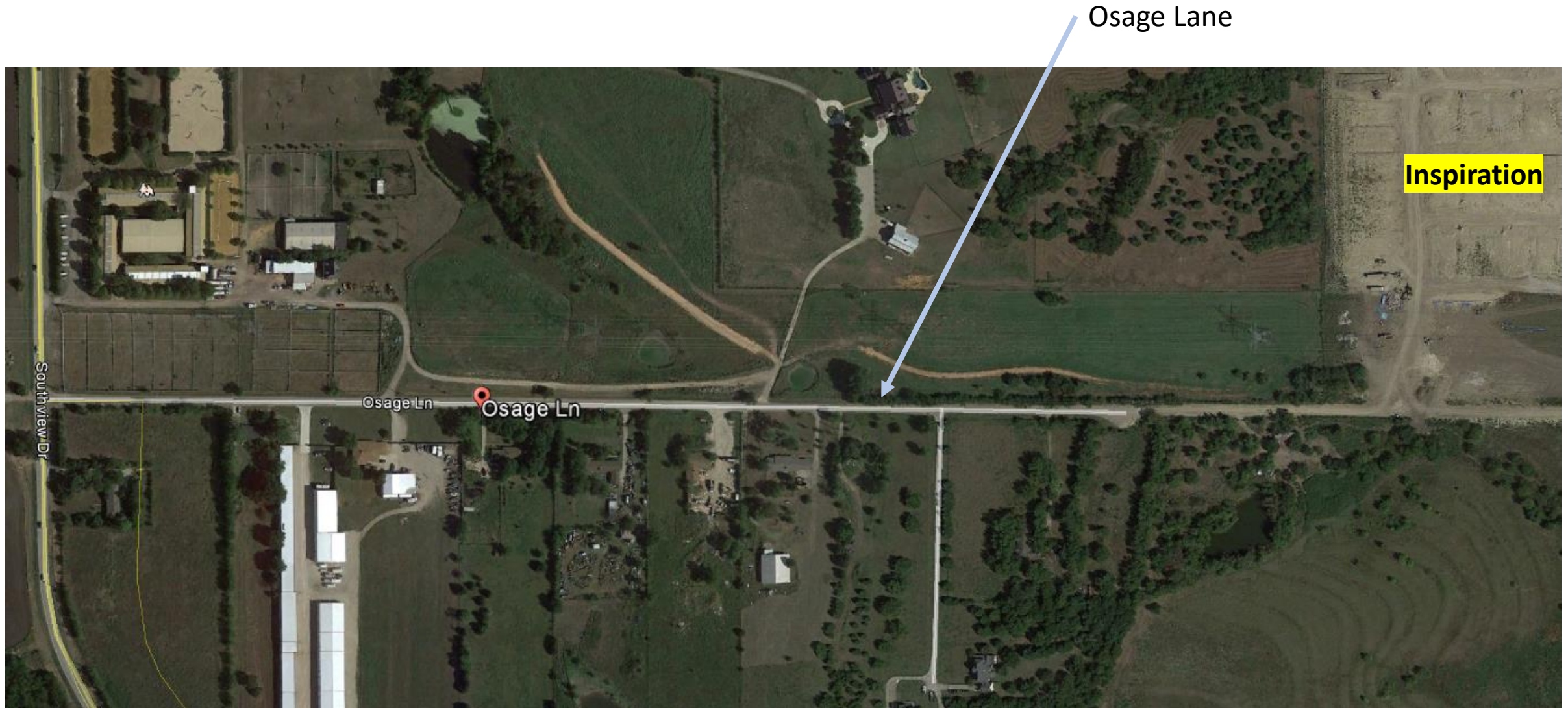
Phone 469.621.0710



FRN - F-1386



# Location Map





# City of Lucas Council Agenda Request May 21, 2019

Item No. 06

Requester: Lucas Farmers Market Committee Chair Debra Guillemaud  
City Manager Joni Clarke

## **Agenda Item Request**

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Consider removing vendor participation fees for the 2020 Farmers Market vendors by amending the City of Lucas Code of Ordinances, Appendix C Fee Schedule, Article 21 Parks and Recreation.

## **Background Information**

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At the December 5, 2019 City Council meeting, the City Council discussed establishing a vendor participation fee for each Farmers Market to be held in 2020. The Farmers Market schedule that was approved by the City Council includes the following dates:

- First Market of the 2020 Season on April 25 (Fourth Saturday in April)
- May 9 (Second Saturday in conjunction with Founders Day) and May 23 (Fourth Saturday)
- June 13 (Second Saturday) and June 27 (Fourth Saturday)
- July 11 (Second Saturday) and July 25 (Fourth Saturday)
- August 8 (Second Saturday) and August 22 (Fourth Saturday)
- September 12 (Second Saturday) and September 26 (Fourth Saturday)
- October 10 (Second Saturday)
- November (no market scheduled)
- December 4 (First Friday indoor Holiday Farmers Market at Country Christmas)

The City Council proposed establishing a \$20 vendor participation fee for each occurrence of the Farmers Market and waiving the fees established in Article 4.000 Health Department Section. 4.100 Commercial Business (such as the temporary food establishment fee in the amount of \$60) for farmers market vendors and continuing to accept temporary food establishment permits issued by other jurisdictions. The goal of the vendor participation fee is to cover the expenses of the market.

At the December 19, 2019 City Council meeting, the City Council adopted Ordinance 2019-12-00902 approving a participation fee of \$20.00 for each vendor during the Farmers Market season, excluding the markets associated with Founders Day and Country Christmas.

The Lucas Farmers Market Committee continues to strive to maintain a vendor mix that included 50% agricultural producers, 30% value added/cottage food vendors and 20% artisan vendors. The mission statement of the Lucas Farmers Market is to create a safe and pleasant social experience for our community and visitors by providing access to local farmers, food producers and artists.

In light of public health concerns associated with COVID-19, the City of Lucas cancelled the Farmers Market scheduled for the months of April and May. With the revised 2020 schedule indicated below and the anticipated lower attendance that may occur along with possible future cancellations, the Lucas Farmers Market Committee and City of Lucas administration is seeking



# City of Lucas Council Agenda Request May 21, 2019

Item No. 06

reconsideration of participation fees. The request focuses to assist local businesses in some challenging economic times due to COVID-19 and to reduce overhead in accepting payments and providing refunds or tracking credits with cancellations.

Revised 2020 Schedule:

- June 13 (Second Saturday) and June 27 (Fourth Saturday)
- July 11 (Second Saturday) and July 25 (Fourth Saturday)
- August 8 (Second Saturday) and August 22 (Fourth Saturday)
- September 12 (Second Saturday) and September 26 (Fourth Saturday)
- October 10 (Second Saturday)
- November (no market scheduled)
- December 4 (First Friday indoor Holiday Farmers Market at Country Christmas)

## **Attachments/Supporting Documentation**

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1. Minutes from the December 5, 2019 City Council agenda
2. Minutes from the December 19, 2019 City Council agenda

## **Budget/Financial Impact**

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Staff anticipates that each market will require two staff members from Public Works or Development Services to assist with logistics and parking from 6:30 am until 12:30 pm (6 hours) with an approximate cost of \$620 per market. One of the markets will be in conjunction with another city-sponsored event (Country Christmas) so no additional cost will be incurred. The projected cost necessary for staffing the markets would be \$620 per market 9 markets = \$5,580.

With the proposed participation fee of \$20 per market, the Farmers Market would need a commitment from 31 vendors per market to breakeven ( $\$20 \times 31 \times 9 = \$5,580$ ).

## **Recommendation**

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The Farmers Market Committee and City Manager recommends waiving participation fees for the 2020 farmers markets in light of the COVID-19 impact.

## **Motion**

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I make a motion to approve/deny amending the City of Lucas Code of Ordinances, Appendix C Fee Schedule, Article 21 Parks and Recreation to remove a per event vendor participation fee of \$20 for the 2020 farmers market season for 9 markets and waiving the fees established in Article 4.000 Health Department Section. 4.100 Commercial Business (such as the temporary food establishment fee in the amount of \$60) and waiving fees for markets associated with Country Christmas, and direct staff to bring back an ordinance amending the fee schedule at the next City Council meeting on the Consent Agenda.



City of Lucas  
City Council Meeting  
December 5, 2019  
7:00 P.M.

City Hall - 665 Country Club Road – Lucas Texas

**MINUTES**

**Call to Order**

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Mayor Olk called the meeting to order at 7:00 p.m.

**City Councilmembers Present:**

Mayor Jim Olk  
Mayor Pro Tem Kathleen Peele  
Councilmember Wayne Millsap  
Councilmember Tim Baney  
Councilmember Steve Duke  
Councilmember Debbie Fisher  
Councilmember Philip Lawrence

**City Staff Present:**

City Manager Joni Clarke  
City Secretary Stacy Henderson  
City Attorney Joe Gorfida  
Development Services Director Joe Hilbourn

Mayor Olk determined that a quorum was present. Everyone was reminded to silence their cell phones and the Pledge of Allegiance was recited.

**Citizen Input**

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**1. Citizen Input.**

There was no citizen input at this meeting.

**Community Interest**

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**2. Items of Community Interest.**

Students from Lovejoy High School introduced themselves that were taking part in a school government project.

Mayor Olk also noted the following upcoming events:

- Country Christmas was scheduled for Friday, December 6 from 6 - 9 pm
- The City was accepting donations for Toys for Tots, Allen Community Outreach, Senior Angel Tree and Lucas Veterinary Hospital
- The annual Fire-Rescue Awards Ceremony was scheduled for December 8 from 12:30 -2:30 pm at the Fire Station
- Registration for Light Up Lucas was taking place through December 12



Councilmember Fisher noted that the Friends of Lucas Fire-Rescue would be selling personalized bricks to be placed at the Fire Station as a fundraiser for the restoration of the City's 1949 fire truck, Ole Streaker.

## Consent Agenda

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### 3. Consent Agenda:

- A. Approval of the minutes of the November 21, 2019 City Council meeting.
- B. Consider approving Resolution R 2019-12-00492 designating the Allen American as the official newspaper of the City of Lucas.

**MOTION:** A motion was made by Councilmember Duke, seconded by Councilmember Lawrence to approve the Consent Agenda as presented. The motion passed unanimously by a 7 to 0 vote.

## Regular Agenda

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### 4. Consider the administration, financial impact and logistics regarding the proposed 2020 Lucas Farmers Market:

- A. Consider the staffing requirements and financial support to enable planning for the 2020 Lucas Farmers Market, establishing a schedule, discussion of the budgetary impact and provide guidance to the Lucas Farmers Market Committee and staff.
- B. Consider a request from the City of Lucas Farmers Market Committee to exempt participants from permitting fees for the 2020 Farmers Market as required per the City's Code of Ordinances, Article 4.000 Health Department, Section 4.100 Commercial Business.

Lucas Farmers Market Chairperson Debra Guillemaud stated that the two trial farmers markets held in October and November this year were well received and created a sense of community. Ms. Guillemaud stated that the Committee was recommending holding thirteen markets next year, two per month, and of those thirteen, two would coincide with the City's Founders Day event and Country Christmas event. There would be no markets held January through March or November.

Councilmember Fisher expressed her concern related to having two markets per month and the time needed from City staff to work the events and maintenance on park facilities.

Ms. Guillemaud discussed the farmers market report outlined in the Council packet noting items that could be changed to have the market be more efficient. Ms. Guillemaud noted that City staff assisted with traffic and ensuring the park facilities had enough electrical power for the event, which would be a reoccurring item for City staff.

Ms. Guillemaud discussed required permitting for food and produce vendors, and how the City accepted vendors that had supplied a food permit from another City. Ms. Guillemaud stated the Committee was requesting to waive temporary food establishment permit fees for the upcoming year as well waiving fees for vendors to participate in the market as way to establish the market in

2020. Ms. Guillemaud stated that she would like to keep fees as low as possible in order to help maintain the vendors for 2020.

Councilmember Fisher asked if other cities waived fees to participate in their farmers market.

Ms. Guillemaud stated that she was not aware of what other cities required, but understood that McKinney required a fee; however, they did not use a park facility to host their market and had to raise funds to hold the event.

Councilmember Fisher noted that some initial costs were a one-time expense; however, she was concerned that it would become a taxpayer funded event, and a vendor fee would be appropriate to cover the City's costs to hold the farmers market.

Councilmember Baney stated that he was in favor of waiving fees for the first year in order to grow participation and maintain a commitment from the vendors.

The City Council discussed options regarding the appropriate fees to charge vendors in order to recoup the City's cost to host the event.

Councilmember Fisher asked that the City review what costs would be incurred to provide additional electrical needs at the park. Mayor Olk suggested the City determine if the markets were successful before making any changes to the park.

The City Council discussed health permits and the cost associated with obtaining health permits.

Ms. Guillemaud stated that City ordinances require a temporary food establishment permit fee of \$60 per event, and there would be a small number of vendors that would require a temporary food establishment permit. Ms. Guillemaud asked that these fees be waived.

The City Council discussed proposing a \$20 vendor participation fee that would allow the City to recoup costs associated with the event. The Council was also in agreement that if the vendor did not have a temporary food establishment permit, one would be obtained through the City of Lucas; however, if the vendor had a permit from another city, that permit would be honored.

Councilmember Millsap expressed his concern about hosting thirteen markets and how much staff time that would require and asked that staff time be minimized as to not create a burden.

**MOTION:** A motion was made by Mayor Olk, seconded by Councilmember Baney to approve the 2020 market schedule, funding associated with staffing the 2020 market events, and have staff draft an ordinance to exempt participants that require a health inspection permitting fee from the 2020 markets, and establish a \$20 per event fee for all vendors for the 2020 markets. The motion passed unanimously by a 7 to 0 vote.

5. **Consider reappointments to the Parks and Open Space Board, Board of Adjustment, and Planning and Zoning Commission for a two-year term beginning January 2020 through December 31, 2021.**

**MOTION:** A motion was made by Councilmember Duke, seconded by Councilmember Fisher to reappoint the following board members outlined below for a two-year term

beginning January 2020 through December 31, 2021. The motion passed unanimously by a 7 to 0 vote:

- Board of Adjustment: Chris Bierman, Tom Redman, James Foster, and Michael Dunn
- Parks and Open Space Board: Kenneth Patterson, Bill Esposito, and Debra Guillemaud
- Planning and Zoning Commission: Peggy Rusterholtz, David Keer, and Tim Johnson

**6. Consider approving the Board Appointment Policy outlining City Council procedures for new board member appointments and existing board member reappointments.**

City Secretary Stacy Henderson reviewed the Board Appointment Policy with the Council and discussed recommended changes related to additional interview questions being included, adding the Technology Committee to the list of prospective applicants that may meet with City Council for interviews, and other verbal changes within the document.

The City Council directed the City Secretary to update the Policy with the proposed changes and bring back to the next City Council meeting on the Consent Agenda.

There was no formal action taken on this item.

**7. Consider approving Resolution R 2019-12-00493 approving the Collin County ExpressVote Universal Voting System to be used in all future elections held in the City of Lucas while contracting with Collin County Election Services.**

City Secretary Stacy Henderson explained that Collin County Elections had purchased new voting equipment and per the Texas Election Code, each governing body served by Collin County Elections must adopt the new voting system by Resolution.

**MOTION:** A motion was made by Councilmember Lawrence, seconded by Mayor Pro Tem Peele, to approve Resolution R 2019-12-00493 approving the Collin County ExpressVote Universal Voting System to be used in all future elections held in the City of Lucas while contracting with Collin County Election Services. The motion passed unanimously by a 7 to 0 vote.

**8. Consider adopting Ordinance 2019-12-00901 amending the City's Code of Ordinances, Article 1.09 Parks and Recreation, Section 1.09.062 and 1.09.063 regarding regulations relating to the use of park facilities, and discussion regarding the process for holding special events in the City of Lucas.**

Mayor Pro Tem Peele stated that the subcommittee, consisting of Councilmember Duke, Councilmember Fisher and herself met twice to review the policy and determined that a special events ordinance was not currently needed and would be revisited at a later date. Mayor Pro Tem Peele reviewed with the Council the recommended changes by the subcommittee for Article 1.09 Parks and Recreation.

The Council discussed allowing commercial activity in park facilities and if special event requests should be brought before the City Council for individual consideration. Councilmember Fisher expressed her concern that opening up park facilities to commercial activity would then reduce the amount of time park facilities would be available to Lucas residents. The Council also discussed the difficulty of how a commercial special event would be defined. The City Council determined that there would be limited commercial activity allowed in park facilities to Lucas residents only.

After review and recommendations from the subcommittee and City Councilmembers, the following changes were incorporated to Article 1.09:

Sec. 1.09.062 Conduct prohibited in parks

(C) **Lucas residents only may reserve** the city park facilities ~~may be reserved~~ for commercial recreational activity **daily** from 5:00 a.m. through 8:00 a.m. and from 7:00 p.m. through 9:00 p.m. The community center is not available for use for commercial recreational activity and may only be **reserved** ~~used~~ by **Lucas** ~~city~~ residents.

(D) A city facility use agreement must be completed and submitted ~~together~~ with the required fee ~~to the city manager for consideration~~ **as set forth in the City fee schedule**. The applicant must provide documentation demonstrating the vendor's liability insurance coverage in the amount of \$1,000,000.00 and must name the city as an additional insured on the certificate of insurance. **The applicant is responsible for any damage to the park facilities.**

E. The applicant may reserve the park facility ~~for~~ up to two months **in advance of the event** and must reapply for any subsequent use. If any park facility is left in a condition that is unacceptable to the city, the city reserves the right to not allow the vendor to use any of its facilities in the future;

Section 1.09.063 Reservation of Lucas Community Center

The Lucas Community Center shall only be reserved by individuals residing within the territorial limits of the city. Any city resident requesting a reservation of the Lucas Community Center shall provide proof of residency and submit a completed facility use agreement in the form approved by the city to the development services department for approval prior to reserving the facility. **Any damage to the facility by the applicant or the attendees shall be the responsibility of the applicant and the applicant shall bear the cost for the repair and/or replacement of any damage caused to the facility or property within the facility.**

**MOTION:** A motion was made by Councilmember Fisher, seconded by Councilmember Duke to adopt Ordinance 2019-12-00901 amending the City's Code of Ordinances, Article 1.09 Parks and Recreation, Section 1.09.062 and 1.09.063 regarding regulations relating to the use of park facilities with the amendments outlined above. The motion passed unanimously by a 7 to 0 vote.

9. **Consider establishing a policy, administrative guidelines and/or revise the City of Lucas' Code of Ordinances to create a process or procedure regarding requests for reasonable accommodation (i.e., modifications or exceptions under the Americans With Disabilities Act (ADA) and the Federal Fair Housing Act (FHA).**

City Attorney Joe Gorfida stated that the City does not currently have a mechanism in place to address accommodations under the Fair Housing Act or the Americans with Disabilities Act. Currently, City staff has no authority to waive those requirements and the Board of Adjustment does not have jurisdiction to hear requests for reasonable accommodation, as the Board can only determine requests based on hardship status.

Mr. Gorfida explained that a policy to address reasonable accommodations from the ADA or FHA requirements should be considered and recommended a policy be created that allowed City staff to make those determinations when they arise.

Mayor Pro Tem Peele suggested a permit application with an affidavit be created that would be signed and notarized by the individual requesting the accommodation stating the need for adjustment and acknowledged the adjustment was temporary while the requestor resided at that location. Mayor Pro Tem Peele suggested the application also note that there were no other known accommodations that would meet the requirements within City code, and the accommodations would be removed from the property when the individual no longer resided at that location. Mayor Pro Tem Peele also suggested a letter from a physician be provided as part of the application.

Mr. Gorfida stated that he would need to conduct additional research whether a letter from a physician could be required, and noted the application and affidavit was adequate.

Mayor Olk noted that if the accommodations were to be removed from the property once it was sold, information would have to be filed with the deed so that future property owners were aware the accommodation would have to be removed. Mayor Olk also asked that annual reporting be maintained for approved accommodations.

Mr. Gorfida stated that he would draft a policy and bring back to the Council for consideration.

There was no formal action taken on this item.

## Executive Session Agenda

### **10. An Executive Session is not scheduled for this meeting.**

An Executive Session was not held at this meeting.

## Adjournment


### **11. Adjournment.**

**MOTION:** A motion was made by Councilmember Millsap, seconded by Mayor Olk to adjourn the meeting at 8:24 pm. The motion passed unanimously by a 7 to 0 vote.

APPROVED:

  
Mayor Jim Olk

ATTEST:

  
Stacy Henderson, City Secretary







**City of Lucas  
City Council Meeting  
December 19, 2019  
7:00 P.M.**

**City Hall - 665 Country Club Road – Lucas Texas**

**MINUTES**

**Call to Order**

---

Mayor Olk called the meeting to order at 7:00 p.m.

**City Councilmembers Present:**

Mayor Jim Olk  
Mayor Pro Tem Kathleen Peele  
Councilmember Wayne Millsap  
Councilmember Tim Baney  
Councilmember Steve Duke  
Councilmember Debbie Fisher  
Councilmember Philip Lawrence

**City Staff Present:**

City Manager Joni Clarke  
City Secretary Stacy Henderson  
City Attorney Joe Gorfida  
Development Services Director Joe Hilbourn  
City Engineer Stanton Foerster

Mayor Olk determined that a quorum was present. Everyone was reminded to silence their cell phones and the Pledge of Allegiance was recited.

**Citizen Input**

---

**1. Citizen Input.**

There was no citizen input at this meeting.

**Community Interest**

---

**2. Items of Community Interest.**

Mayor Olk noted the following upcoming events:

- City offices closed for the Christmas and New Years Day holidays
- The City Council meeting for January 2, 2020 had been cancelled

**Consent Agenda**

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**3. Consent Agenda:**

- A. Approval of the minutes of the December 5, 2019 City Council meeting.

- B. Consider approving the Board Appointment Policy outlining City Council procedures for new board member appointments and existing board member reappointments.

**MOTION:** A motion was made by Mayor Pro Tem Peele, seconded by Councilmember Duke to approve the Consent Agenda as presented. The motion passed unanimously by a 7 to 0 vote.

## Regular Agenda

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4. **Consider a proposal from Forest Creek Estates Architectural Control Committee Member Andre Guillemaud regarding Forest Creek neighborhood entry signs located at Mary Lee Lane and Blondy Jhune.**

Andre Guillemaud, Forest Creek Estates Architectural Control Committee Member gave a presentation noting that there were two entry signs on the south end of Mary Lee Lane on the north side of Blondy Jhune Road. Both signs were located within the right of way 800 feet south of the Forest Creek neighborhood. Mr. Guillemaud stated that Forest Creek Estates did not have an active homeowners association, but did have an active Architectural Control Committee that was in favor of removing the two existing signs and replacing it with one new sign within Forest Creek Park located at the Orchard Gap entrance to the neighborhood. Mr. Guillemaud stated that the new sign would use an original name panel from one of the existing signs and was estimated to cost approximately \$6,000. Mr. Guillemaud stated that the Committee was requesting the City either fund the removal and reconstruction of the sign in the park location or if funding was not approved, allow the signs to remain in their current location.

Mayor Pro Tem Peele asked who would maintain the signage if it were moved to Orchard Gap Park. It was determined that the City would be required to maintain the sign due to its location within a City park if the new sign location was approved.

The Council discussed whether the existing signs were causing a line of sight concern at their current location. The City Engineer confirmed there were no concerns with blocking traffic at their current location.

Mayor Olk read an email from Michael Dunn, Director of the Tokalaun Homeowners Association that stated they were in favor of both signs being removed from their current location, and would prefer that one or both of them be relocated to a location more suitable within the Forest Creek Estates subdivision entrances. Mr. Dunn stated that currently the four homes located on that portion of Mary Lee Lane were not part of Forest Creek Estates and believe the signs are unsightly and serve no purpose at their current location. Mr. Dunn requested that the City remove both signs, store the cast stone name plates while the Forest Creek Estates Architectural Committee explore options to self-fund a new sign to be constructed at Orchard Gap Park.

Mayor Olk noted that the existing signage at Orchard Gap Park was in poor condition and should be considered for replacement. Mayor Olk suggested the Parks Board review what type of signage would be appropriate for park signage.

Mr. Guillemaud stated that the Architectural Committee would be in favor of the Orchard Gap Park sign stating Forest Creek Estates Park and would consider some shared responsibility.

The City Council was in agreement to defer this request to the Parks and Open Space Board January 28, 2020 agenda to determine what type of park signage would be appropriate and leave the current signs in place until a recommendation is brought forward to the City Council.

**5. Consider authorizing the City Manager to enter into a license agreement with William Wade Shipley for the use of a 60-foot by 1,320-foot right-of-way dedication to the east of his property located west of 2515 Orr Road and north of the homes on Stanford Drive.**

Development Services Director Joe Hilbourn gave a presentation explaining that Mr. Shipley owns property abutting an easement and was requesting use of the easement to acquire access to facilitate the sale of his lot. Mr. Shipley was proposing to use right of way dedicated for the future Forest Grove Road extension as access and utilities for his property. Mr. Hilbourn stated that currently, a non-exclusive access agreement is in place with the property owners at 2515 Orr Road to use the northern portion of the easement and Mr. Shipley would use the southern portion of the easement. Mr. Hilbourn stated that staff recommends use of the easement for access use only, but not for placement of utilities.

William Shipley stated he was present to answer any questions.

Justin Himmelreich, 2515 Orr Road expressed his concern regarding the shared easement and who would be responsible for various expenses, liability concerns, and aesthetic uniformity.

Mr. Hilbourn stated that two separate agreements would be in place for each property owner and the agreement would outline location of the right of way dedication.

Mayor Olk discussed with the Himmelreich's that matters of appearance or shared costs of the easement would be shared between the property owners.

**MOTION:** A motion was made by Mayor Pro Tem Peele, seconded by Councilmember Fisher, to authorize the City Attorney to draft a license agreement and authorize the City Manager to enter into a license agreement with William Shipley for use of a 60 x 1,320 right of way dedication for access only, no utilities located west of 2515 Orr Road, and amend the right of way license agreement with the Himmelreich's if necessary. The motion passed unanimously by a 7 to 0 vote.

**6. Consider adopting Ordinance 2019-12-00902 establishing vendor participation fees for the 2020 Farmers Market vendors by amending the City of Lucas Code of Ordinances, Appendix C Fee Schedule, Article 21 Parks and Recreation.**

Debra Guillemaud, Farmers Market Chairperson asked the Council to reconsider having no vendor fees for 2020 to assist in recruiting vendors and sustainability of the farmers market in 2020.

Councilmember Millsap stated that the City was creating a unique event and the dollars collected were nominal. Councilmember Millsap stated he was in favor of waiving fees for the first year.



Mayor Pro Tem Peele and Councilmember Lawrence stated they were in favor of charging a \$20 vendor fee.

Mayor Olk stated that he was in favor of waiving fees for the first year.

Councilmember Duke stated that he attended the farmers markets and spoke with many of the vendors regarding the City charging a fee for the next year to participate, and the feedback received from vendors was that a \$20 fee was minimal.

**MOTION:** A motion was made by Mayor Pro Tem Peele, seconded by Councilmember Lawrence to adopt Ordinance 2019-12-00902 approving a participation fee of \$20.00 for each vendor during the Farmers Market season, excluding the markets associated with Founders Day and Country Christmas. The motion passed by a 4 to 3 vote with Mayor Olk, Councilmember Millsap, and Councilmember Baney voting in opposition.

7. **Authorize the City Manager to enter into a professional services contract with Lakes Engineering, Inc. in the amount of \$754,185 for the design of the Snider Lane/White Rock Creek Bridge Project and to amend Fiscal Year 19-20 budget account 21-8210-491-135 Snider Lane/White Rock Creek Bridge.**

City Engineer Stanton Foerster stated that the Snider Lane Bridge between Susan Circle to Shady Lane was identified to be a priority safety improvement using funds established as part of the \$9,000,000 2019 Certificates of Obligation. Mr. Foerster stated that the estimated total cost of the bridge construction project would be approximately \$4 million.

Councilmember Fisher expressed her concern regarding funding design work for the bridge, then waiting several years before the construction of the bridge would take place and changes to the design could occur during that time. Councilmember Fisher stated that the Snider Lane Bridge was rated the highest between the Snider Lane bridge and the Stinson Road bridge.

Mr. Foerster discussed the flooding that had occurred on the Snider Lane bridge when heavy rains had occurred previously, emergency repairs that had been made to the bridge, and governmental funding that could be applied for given its location on Lake Lavon.

**MOTION:** A motion was made by Councilmember Millsap, seconded by Councilmember Baney to authorize the City Manager to enter into a professional services agreement with Lakes Engineering in the amount of \$754,185 for the design of the Snider Lane/White Rock Creek Bridge project and to amend Fiscal Year 19/20 budget account 21-8210-491-135. The motion passed by a 6 to 1 vote with Councilmember Fisher voting in opposition.

8. **Authorize the City Manager to enter into a professional services contract with Lakes Engineering, Inc. in the amount of \$802,115 for the design of the Stinson Road/Muddy**

**Creek Bridge Project and to amend the Fiscal Year 19-20 budget account 21-8210-491-134 Stinson Road/Muddy Creek Bridge.**

**MOTION:** A motion was made by Councilmember Baney, seconded by Councilmember Fisher to authorize the City Manager to enter into a professional services agreement with Lakes Engineering in the amount of \$802,115 for the design of the Stinson Road/Muddy Creek Bridge project and to amend Fiscal Year 19/20 budget account 21-8210-491-134. The motion passed unanimously by a 7 to 0 vote.

**9. Discuss regulating the takeoff and landing of aircraft in the City of Lucas with an exemption for medical and law enforcement purposes and provide staff direction on creating such ordinance.**

Councilmember Fisher explained that Uber was developing a commercial taxi helicopter service that was expected to begin in the Dallas area in 2023 and was already active in New York. Councilmember Fisher stated that currently helicopters were allowed to land in the City of Lucas in any space 64 x 64 square foot area or larger, and due to the lack of regulations in place and the large lot sizes in Lucas, helicopters could land on residential property. Councilmember Fisher noted that she recommended regulations be put in place before it became an issue and suggested helicopters be designated to only land in designated areas with an exemption for medical and law enforcement purposes.

The City Council discussed regulations of the City's noise ordinance, how other cities have addressed this concern, and regulations regarding the construction of heliports. City Attorney Joe Gorfida stated that currently heliports were not an allowed use in the Zoning Ordinance and would have to come before the City Council for permission.

There was no direction given to staff regarding creation of an ordinance at this time. No formal action was taken on this item.

**10. Consider Resolution R 2019-12-00494 expressing interest in forming a coalition of non-member customer entities of the North Texas Municipal Water District (NTMWD).**

City Manager Joni Clarke stated that she had recently attended a meeting hosted by the City of Rowlett that was interested in coordinating efforts with other customer cities of NTMWD. At the meeting, concerns were discussed regarding the take or pay contract and lack of representation for customer cities; therefore, a resolution was being requested from customer cities to gage interest in forming a coalition.

The City Council discussed the benefits of taking part in the coalition and concerns if the coalition was speaking on the City's behalf, even if they did not agree on various items.

Mayor Olk asked that a bullet point be added to the Resolution that stated the Coalition provide a representative to attend board meetings open to the public and report back to Coalition customer cities the actions and updates that occurred at those board meeting.

**MOTION:** A motion was made by Councilmember Millsap, seconded by Mayor Pro Tem Peele, to approve Resolution R 2019-12-00494 expressing interest in forming a coalition of non-member customer entities of the NIMWD with a bullet point added stating the Coalition provide a representative to attend board meetings open to the public and report back to Coalition customer cities board meeting actions or updates. The motion passed unanimously by a 7 to 0 vote.

**11. Consider amending Section 12.04.002 of the City of Lucas Code of Ordinances to remove W. Lucas Road west of FM 1378, specifically, as a designated truck route and discuss other locations and roadways needing signage to limit truck traffic.**

Councilmember Fisher stated that she had viewed truck traffic in neighborhoods such as Huntwick, that should not be allowed to travel through a neighborhood as a way to avoid traffic from other major roadways. Councilmember Fisher suggested “No Truck” signage be added on Forestview Drive west of Winningkoff and on Estelle Lane west of the Huntwick Addition neighborhood. Councilmember Fisher also stated that she did not request West Lucas Road be removed as a truck route.

City Engineer Stanton Foerster stated that all farm-to-market roadways are truck routes along with part of West Lucas Road. Mr. Foerster stated that additional “No Truck” signage could be added to West Lucas Road if needed.

Mayor Olk stated that he was not in favor of adding “No Truck” signage on West Lucas Road.

The City Council did not support removing West Lucas Road from the current truck route.

The City Council discussed the benefits of additional signage in neighborhoods, its effectiveness, and the addition of signage assisting law enforcement.

City Manager Joni Clarke stated that Staff would remove the existing no truck traffic signs and replace them with updated signs and have law enforcement watch the area to see if improvements have been noticed.

The City Council was in agreement to add “No Truck” signage in the Huntwick neighborhood.

## **Executive Session Agenda**

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**12. An Executive Session is not scheduled for this meeting.**

An Executive Session was not held at this meeting.

## **Adjournment**

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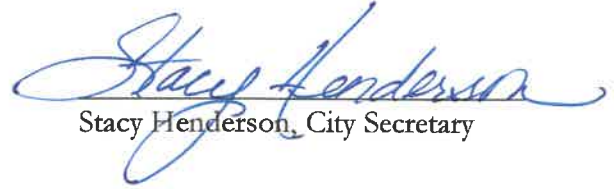
**13. Adjournment.**

**MOTION:** A motion was made by Councilmember Millsap, seconded by Councilmember Lawrence to adjourn the meeting at 8:53 pm. The motion passed unanimously by a 7 to 0 vote.

APPROVED:

  
\_\_\_\_\_  
Mayor Jim Olk

ATTEST:

  
\_\_\_\_\_  
Stacy Henderson, City Secretary





# City of Lucas Council Agenda Request May 21, 2020

Item No. 07

Requester: Finance Director Liz Exum

## Agenda Item Request

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Consider adopting Ordinance 2020-05-00912 approving Mid-Year Budget Adjustments for fiscal year beginning October 1, 2019 and ending September 30, 2020.

## Background Information

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The Finance Department has completed the review process with the City departments and the City Manager for the Mid-Year budget review. Adjustments are proposed to properly reflect actual trends in activity, line item transfers, and amendments approved at previous city council meetings. Expenditures in the FY 19-20 budget have been reduced for cancellation of events, travel, and lower costs resulting in savings for the year. A portion of the savings was reallocated to purchase items that would have been included in the FY 20-21 budget. The goal for the FY 20-21 budget is to be very conservative due to the unknown impact from COVID-19. Adjustments included the following:

• Revenue Adjustments (Schedule A)	\$164,682	increase
• Line Item Transfers (Schedule B)		
• Previously Approved City Council Items (Schedule C)	\$367,963	increase
• Department Savings & Reclassifications (Schedule D)	<u>(\$163,701)</u>	decrease
Total Net increase in expense	\$39,580	

The general fund projection for fiscal year 2019-2020 show excess revenue over expenditures in the amount of \$167,411. The water fund and debt service funds show excess revenue over expenditures in the amounts of \$58,335 and \$21,205, respectively. Reserve projections for fiscal year 2019-2020 (prior to GASB 54 requirements) are approximately \$7,503,109 (14 months in the General Fund) and \$5,935,574 (17 months in the Water Fund). Unrestricted reserves after the GASB 54 (6 month) requirement are approximately \$4,388,007 in the General Fund and \$3,768,260 in the Water Fund.

## Attachments/Supporting Documentation

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1. Ordinance 2020-05-00912 with Exhibit A detailing budget amendments for FY 2019-2020.
2. Schedule A – Revenue Adjustments
3. Schedule B - Line Item Transfers
4. Schedule C - Previously Approved City Council Items
5. Schedule D - Department Savings & Reclassifications
6. General Fund Reserve Trend
7. Water Fund Reserve Trend





**City of Lucas  
Council Agenda Request  
May 21, 2020**

Item No. 07

**Budget/Financial Impact**

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The financial impact to the budget is varied and is outlined in detail to be reviewed and discussed.

**Recommendation**

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Staff recommends approval of the FY 2019-2020 Mid-Year Budget Adjustments.

**Motion**

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I make a motion to adopt Ordinance 2020-05-00912 approving Mid-Year Budget Adjustments for Fiscal Year beginning October 1, 2019 and ending September 30, 2020.



**ORDINANCE 2020-05-00912  
[AMENDING FY 2019-2020 BUDGET]**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LUCAS, COLLIN COUNTY, TEXAS, AUTHORIZING CERTAIN BUDGET AMENDMENTS PERTAINING TO THE FISCAL YEAR 2019-2020 BUDGET; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City is required by the City Charter to approve a budget amendment by ordinance and upon approval such amendment shall become an attachment to the original budget; and

**WHEREAS**, a budget amendment has been prepared for certain appropriations and expenditures in the 2019-2020 budget and submitted to the City Council for approval, a true and correct copy of which is attached as Exhibit A.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUCAS, COLLIN COUNTY, TEXAS, THAT:**

**Section 1.** Pursuant to the City Charter requirements of the City of Lucas, Texas, in the year 2019-2020, a budget amendment attached as Exhibit A is hereby authorized and approved.

**Section 2.** This Ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Lucas, and it is accordingly so ordained.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LUCAS, COLLIN COUNTY, TEXAS, ON THIS 21ST DAY OF MAY, 2020.**

APPROVED:

\_\_\_\_\_  
Jim Olk, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Joseph J. Gorfida, Jr., City Attorney

\_\_\_\_\_  
Stacy Henderson, City Secretary

	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020
<b>REVENUE SUMMARY</b>				
<b>GENERAL FUND</b>				
PROPERTY TAXES	2,538,275	-	2,538,275	2,514,969
OTHER TAXES	1,506,000	-	1,506,000	898,410
FINES & FORFEITURES	1,430	-	1,430	1,428
LICENSES & PERMITS	576,620	-	576,620	242,957
FIRE DEPARTMENT REVENUE	905,044	(11,290)	893,754	458,679
FEES & SERVICE CHARGES	54,450	52,883	107,333	84,123
MISCELLANEOUS REVENUES	584,739	32,839	617,578	269,188
GF RESERVE FUNDING (TRANSFER IN)	100,000	56,625	156,625	-
<b>TOTAL GENERAL FUND REVENUE</b>	<b>6,266,558</b>	<b>131,057</b>	<b>6,397,615</b>	<b>4,469,754</b>
<b>WATER UTILITIES FUND</b>				
FEES & SERVICE CHARGES	4,743,563	39,000	4,782,563	2,219,959
BOND PROCEEDS			-	-
MISCELLANEOUS REVENUES	160,400	(50,000)	110,400	87,636
<b>TOTAL WATER UTILITIES FUND REVENUE</b>	<b>4,903,963</b>	<b>(11,000)</b>	<b>4,892,963</b>	<b>2,307,595</b>
<b>DEBT SERVICE FUND</b>				
PROPERTY TAXES	1,533,603	(12,000)	1,521,603	1,625,814
<b>TOTAL DEBT SERVICE FUND REVENUE</b>	<b>1,533,603</b>	<b>(12,000)</b>	<b>1,521,603</b>	<b>1,625,814</b>
<b>TECHNOLOGY FUND</b>				
TRANSFERS	-	56,625	56,625	-
<b>TOTAL TECHNOLOGY FUND</b>	<b>-</b>	<b>56,625</b>	<b>56,625</b>	<b>-</b>
<b>COMBINED REVENUE TOTALS</b>	<b>12,704,124</b>	<b>164,682</b>	<b>12,868,806</b>	<b>8,403,163</b>
<b>EXPENDITURES</b>				
<b>GENERAL FUND</b>				
CITY COUNCIL	24,140	10,125	34,265	7,282
CITY SEC	168,900	(7,434)	161,466	72,299
ADMIN/FINANCE	612,889	15,344	628,233	307,658
DEVELOPMENT SERVICES	485,603	(51,410)	434,193	164,245
PUBLIC WORKS - ENGINEERING	1,004,705	163,246	1,167,951	232,370
PUBLIC WORKS	664,940	(77,351)	587,589	121,650
PARKS	226,925	(20,364)	206,561	62,014
FIRE	2,276,365	46,479	2,322,844	1,122,388
NON-DEPARTMENTAL	704,966	(74,489)	630,477	-
GENERAL FUND RESERVE (TRANSFER OUT)	-	56,625	56,625	218,659
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>6,169,433</b>	<b>60,771</b>	<b>6,230,204</b>	<b>2,308,565</b>
<b>WATER UTILITIES FUND</b>				
WATER UTILITIES	3,851,321	83,941	3,935,262	1,732,986
WATER - ENGINEERING	162,621	2,926	165,547	58,366
<b>TOTAL WATER FUND EXPENDITURES</b>	<b>4,013,942</b>	<b>86,867</b>	<b>4,100,809</b>	<b>1,791,352</b>
<b>DEBT SERVICE</b>				
WATER UTILITIES	733,819	-	733,819	621,394
GENERAL FUND	1,500,398	-	1,500,398	1,215,621
<b>TOTAL DEBT SERVICE</b>	<b>2,234,217</b>	<b>-</b>	<b>2,234,217</b>	<b>1,837,015</b>
<b>TECHNOLOGY FUND</b>				
TECHNOLOGY FUND EXPENDITURES	-	56,625	56,625	-
<b>TOTAL TECHNOLOGY FUND EXPENDITURES</b>	<b>-</b>	<b>56,625</b>	<b>56,625</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>12,417,592</b>	<b>204,263</b>	<b>12,621,855</b>	<b>5,936,932</b>
<b>NET REVENUE LESS EXPENDITURES</b>	<b>286,532</b>	<b>(39,581)</b>	<b>246,951</b>	<b>2,466,231</b>

	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020
<b>SUMMARY BY FUND</b>				
<b>GENERAL FUND</b>				
REVENUE	6,266,558	131,057	6,397,615	4,469,754
EXPENDITURES	6,169,433	60,771	6,230,204	2,308,565
<b>NET REVENUE LESS EXPENDITURES</b>	<b>97,125</b>	<b>70,286</b>	<b>167,411</b>	<b>2,161,189</b>
<b>WATER UTILITIES FUND</b>				
REVENUE	4,903,963	(11,000)	4,892,963	2,307,595
EXPENDITURES	4,013,942	86,867	4,100,809	1,791,352
DEBT SERVICE	733,819	-	733,819	621,394
<b>NET REVENUE LESS EXPENDITURES</b>	<b>156,202</b>	<b>(97,867)</b>	<b>58,335</b>	<b>(105,151)</b>
<b>DEBT SERVICE FUND-GENERAL</b>				
REVENUE	1,533,603	(12,000)	1,521,603	1,625,814
EXPENDITURES	1,500,398	-	1,500,398	1,215,621
<b>NET REVENUE LESS EXPENDITURES</b>	<b>33,205</b>	<b>(12,000)</b>	<b>21,205</b>	<b>410,193</b>
<b>TECHNOLOGY FUND</b>				
REVENUE/TRANSFERS	-	56,625	56,625	-
EXPENDITURES	-	56,625	56,625	-
<b>NET REVENUE LESS EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET REVENUE LESS EXPENDITURES</b>	<b>286,532</b>	<b>(39,581)</b>	<b>246,951</b>	<b>2,466,231</b>

**FUND SUMMARIES - GOVERNMENTAL FUNDS**

COMBINED SUMMARY OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE

	GENERAL	DEBT SERVICE	CAPITAL IMPROVEMENTS	BROCKDALE ROAD IMPROV	DEVELOPERS IMPACT FEES (LOGAN FORD/5 OAKS)	IMPACT FEES	TOTAL GOVERNMENTAL
<b>BEGINNING FUND BALANCE</b>	<b>7,442,323</b>	<b>1,156,232</b>	<b>8,417,795</b>	<b>285,878</b>	<b>52,800</b>	<b>1,732,486</b>	<b>19,087,514</b>
PROPERTY TAXES	2,538,275	1,521,603					4,059,878
OTHER TAXES	1,506,000						1,506,000
FINES & FORFEITURES	1,430						1,430
LICENSES & PERMITS	576,620						576,620
FIRE DEPARTMENT REVENUE	893,754						893,754
FEES & SERVICE CHARGES	107,333						107,333
MISCELLANEOUS REVENUES	617,578		87,000	60,000			764,578
IMPACT FEE REVENUE (11-4500)						300,000	300,000
TRANSFER IN RESTRICTED FUND RESERVES/PROJ MGMT (11-1007-70)			358,290				358,290
TRANSFER IN RESTRICTED FUND RESERVES/3-2-17 CAPITAL (11-1007-50)			1,385,000				1,385,000
TRANSFER IN RESTRICTED FUND RESERVES/P WORKS GRADALL (11-1007-60)	156,625						156,625
TRANSFER IN RESTRICTED IMPACT FEES (11-1009)			1,548,806				1,548,806
<b>TOTAL REVENUES</b>	<b>6,397,615</b>	<b>1,521,603</b>	<b>3,379,096</b>	<b>60,000</b>	<b>-</b>	<b>300,000</b>	<b>11,658,314</b>
<b>EXPENDITURES</b>							
CITY COUNCIL	34,265						34,265
CITY SEC	161,466						161,466
ADMIN/FINANCE	628,233						628,233
DEVELOPMENT SERVICES	434,193						434,193
PUBLIC WORKS	587,589						587,589
PUBLIC WORKS - ENGINEERING	1,167,951						1,167,951
PARKS	206,561						206,561
FIRE	2,322,844						2,322,844
NON-DEPARTMENTAL	687,102						687,102
DEBT SERVICE PRINCIPAL		915,000					915,000
DEBT SERVICE INTEREST/BOND EXP		585,398					585,398
BROCKDALE ROAD MAINT.							-
CAPITAL ROADWAY PROJECTS			5,765,353			1,548,806	7,314,159
<b>TOTAL EXPENDITURES</b>	<b>6,230,204</b>	<b>1,500,398</b>	<b>5,765,353</b>	<b>-</b>	<b>-</b>	<b>1,548,806</b>	<b>15,044,761</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>167,411</b>	<b>21,205</b>	<b>(2,386,257)</b>	<b>60,000</b>		<b>(1,248,806)</b>	<b>(3,386,447)</b>
<b>ENDING FUND BALANCE</b>	<b>7,609,734</b>	<b>1,177,437</b>	<b>6,031,538</b>	<b>345,878</b>	<b>52,800</b>	<b>483,680</b>	<b>15,701,067</b>
<b>MINUS RESTRICTIONS AND TRANSFERS</b>							
IMPACT FEES						(483,680)	(483,680)
BROCKDALE ROAD IMPROVEMENTS				(345,878)			(345,878)
RESTRICTED FOR CAPITAL - GENERAL FUND (FY 19-20)NEW	(50,000)						(50,000)
TRANSFER OUT TO TECHNOLOGY FUND FEASIBILITY STUDY	(56,625)						(56,625)
DEBT SERVICE PAYMENTS		(1,179,437)					(1,179,437)
3RD PARTY (DEVELOPER) IMPACT FEES RESTRICTED (LOGAN FORD/5 OAKS)					(52,800)		(52,800)
CAPITAL IMPROVEMENT PROJECTS			(6,031,538)				(6,031,538)
UNASSIGNED FUND BALANCE	7,503,109	(2,000)	-	-	-	-	7,501,109
<b>TOTAL AMOUNT OF RESERVES PRIOR TO GASB 54 REQUIREMENT</b>	<b>7,503,109</b>	<b>(2,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,501,109</b>
AMOUNT IN DAYS OPERATING COST	434						433
AMOUNT IN MONTHS OPERATING COST	14						14
RESERVES FOR GASB 54 FUND BALANCE POLICY (50% OF CURRENT YR EXPENDITURES IN GENERAL FUND)	(3,115,102)						(3,115,102)
<b>TOTAL RESERVES AFTER GASB 54 REQUIREMENTS</b>	<b>4,388,007</b>						<b>4,386,007</b>
AMOUNT IN DAYS OPERATING COST	254						254
AMOUNT IN MONTHS OPERATING COST	8						8



**FUND SUMMARIES - PROPRIETARY**

COMBINED SUMMARY OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE

	WATER	CAPITAL IMPROVEMENTS	IMPACT /DEVELOP FEES	TOTAL PROPRIETARY
<b><u>BEGINNING BALANCE RESTRICTED/UNRESTRICTED</u></b>	6,715,622	3,861,290	-	10,576,912
WATER REVENUE	4,096,333			4,096,333
WASTE WATER REVENUE	51,230			51,230
TRASH REVENUE	635,000			635,000
MISCELLANEOUS REVENUES	110,400			110,400
REFUND NTMWD CAPITAL				-
IMPACT FEES			250,000	250,000
TRANSFER IN RESTRICTED FUND RESERVES/PROJ MGMT (51-1007-70)		69,946		69,946
TRANSFER IN RESTRICTED FUND BALANCE/3-2-17 CAPITAL (51-1007-50)		120,979		120,979
TRANSFER IN IMPACT FEES		250,000		250,000
TRANSFER IN WATER FUND RESERVES APPROVED WITH 2017 CO FUNDING		82,163		82,163
<b>TOTAL REVENUES</b>	<b>4,892,963</b>	<b>523,088</b>	<b>250,000</b>	<b>5,666,051</b>
<b><u>EXPENDITURES</u></b>				
WATER	3,323,282			3,323,282
TRASH	558,000			558,000
WASTEWATER	53,980			53,980
DEBT SERVICE PRINCIPAL	500,000			500,000
DEBT SERVICE INTEREST/BOND EXP	233,819			233,819
WATER - ENGINEERING	165,547			165,547
TRANSFER OUT TO FUND WATER PROJECT			250,000	250,000
CAPITAL PROJECTS WF		2,920,066		2,920,066
				-
<b>TOTAL EXPENDITURES</b>	<b>4,834,628</b>	<b>2,920,066</b>	<b>250,000</b>	<b>8,004,694</b>
<b>NET CHANGE IN BALANCE</b>	<b>58,335</b>	<b>(2,396,978)</b>	<b>-</b>	<b>(2,338,643)</b>
<b>ENDING BALANCE</b>	<b>6,773,957</b>	<b>1,464,312</b>	<b>-</b>	<b>8,238,269</b>
<b>MINUS RESTRICTED FOR:</b>				
DEBT SERVICE PAYMENTS	(500,000)			(500,000)
CUSTOMER DEPOSITS	(256,220)			(256,220)
CAPITAL IMPROVEMENTS - PROJECTS		(1,464,312)		(1,464,312)
TRSF TO CAPITAL FROM RESERVES	(82,163)			(82,163)
UNASSIGNED FUND BALANCE	5,935,574	-	-	5,935,574
<b>TOTAL AMOUNT OF RESERVES PRIOR TO GASB 54 REQUIREMENT</b>	<b>5,935,574</b>	<b>-</b>	<b>-</b>	<b>5,935,574</b>
AMOUNT IN DAYS OPERATING COST	500			500
AMOUNT IN MONTHS OPERATING COST	17			17
RESERVES FOR GASB 54 FUND BALANCE POLICY (50% OF CURRENT YR EXPENDITURES IN GENERAL FUND)	(2,167,314)			(2,167,314)
<b>TOTAL RESERVES AFTER GASB 54 REQUIREMENTS</b>	<b>3,768,260</b>	<b>-</b>	<b>-</b>	<b>3,768,260</b>
AMOUNT IN DAYS OPERATING COST	317			317
AMOUNT IN MONTHS OPERATING COST	11			11

**CAPITAL FUND SUMMARY****CAPITAL WATER PROJECTS:**

PROJ MGMT (125) ELEVATED WATER TOWER (21-8210-490-124)	69,946
ELEVATED WATER TOWER (21-8210-490-125)	1,147,091
SCADA SYSTEM (21-8210-490-127)	100,000
NORTH PUMP STATION (21-8210-490-128)	1,603,029
<b>TOTAL WF PROJECTS FY 19/20</b>	<b>2,920,066</b>

**PROJECT FUNDING - WATER:**

2017 CERTIFICATES OF OBLIGATION	(2,396,978)
2019-2020 IMPACT FEES	(250,000)
3-2-17 CAPITAL RESTRICTED FUND BALANCE FY 16-17 (51-1007-50)	(120,979)
FY 2018-2019 RESTRICTED PROJECT MGMT COSTS LOGIC (51-1007-70)	(69,946)
WATER FUND RESERVES APPROVED WITH 2017 CO FUNDING	(82,163)
<b>TOTAL WATER PROJECT FUNDING</b>	<b>(2,920,066)</b>

**CAPITAL ROADWAY AND GF PROJECTS:**

COUNTRY CLUB RD/ESTATES PKWY INTERSECTION (21-8210-491-126)	293,254
WINNINGKOFF FOREST VIEW/SNIDER LN (21-8210-491-127)	1,771,837
STINSON RD/PARKER TO BRISTOL PARK (21-8210-491-128)	1,158,761
B JHUNE RD/W BRIDGE/ WINNINGKOFF (21-8210-491-129)	592,840
PROJ MGMT (127) WINNINGKOFF FOREST VIEW/SNIDER LN (21-8210-491-131)	139,890
PROJ MGMT (128) STINSON RD/PARKER TO BRISTOL PARK (21-8210-491-132)	70,333
PROJ MGMT (129) B JHUNE RD/W BRIDGE/ WINNINGKOFF (21-8210-491-133)	148,068
STINSON RD/MUDDY CREEK BRIDGE (21-8210-491-134)	802,115
SNIDER LANE/WHITE ROCK CREEK BRIDGE (21-8210-491-135)	754,185
BROCKDALE RD REHABILITATION (21-8210-491-500)	34,070
<b>TOTAL GF PROJECTS FY 19/20</b>	<b>5,765,353</b>

**PROJECT FUNDING - GENERAL FUND:**

2017 CERTIFICATES OF OBLIGATION INTEREST (FUND 21)	(65,000)
2017 CERTIFICATES OF OBLIGATION	(851,957)
2019 CERTIFICATES OF OBLIGATION	(1,556,300)
3-2-17 CAPITAL RESTRICTED RESERVES (11-1007-50)/(21-4996)	(1,385,000)
2-21-19 RESTRICTED IMPACT FEES (11-1009) LONE STAR	(1,500,000)
FY 2018-2019 RESTRICTED PROJECT MGMT COSTS LOGIC (11-1007-70)/(21-4996)	(358,290)
IMPACT FEES	(48,806)
<b>TOTAL GENERAL FUND PROJECT FUNDING</b>	<b>(5,765,353)</b>

**TOTAL CAPITAL PROJECTS FY 19/20****8,685,419**

	2018-2019 ACTUAL	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020
<b>Impact/Development Fee Summary</b>					
<b>GENERAL FUND:</b>					
Beginning Balance General Fund (Restricted)	1,817,459	470,257	1,600,907	2,071,164	
<b>Revenue</b>					
Roadway Impact Fees(11-4500)	212,881	300,000		300,000	
Roadway Fees Brockdale(11-4989) Improv	42,605	60,000		60,000	
Contrib. Roadway Maint. Brockdale(11-4990)	100,000	-			-
<b>Total Revenues</b>	<b>355,486</b>	<b>360,000</b>	<b>-</b>	<b>360,000</b>	<b>-</b>
<b>Expenditures</b>					
Capital Projects Roadways		-	1,548,806	1,548,806	-
Brockdale Road Rehabilitation		-			-
Brockdale Road Maint.	101,781	-			-
<b>Total Expenditures</b>	<b>101,781</b>	<b>-</b>	<b>1,548,806</b>	<b>1,548,806</b>	<b>-</b>
<b>Total General Fund Restricted</b>	<b>2,071,164</b>	<b>830,257</b>	<b>52,101</b>	<b>882,358</b>	<b>-</b>
<b>Restricted for Developers Logan Ford/Five Oaks</b>	<b>52,800</b>	<b>22,000</b>	<b>30,800</b>	<b>52,800</b>	
<b>Restricted for Brockdale Road Maint.</b>	<b>8,079</b>	<b>8,079</b>		<b>8,079</b>	
<b>Restricted for Brockdale Capital Improvements</b>	<b>277,799</b>	<b>293,798</b>	<b>44,000</b>	<b>337,798</b>	
<b>Total 3rd Party Restricted</b>	<b>338,678</b>	<b>323,877</b>	<b>74,800</b>	<b>398,677</b>	<b>-</b>
<b>General Fund Ending Bal (Restricted for Roads)</b>	<b>1,732,486</b>	<b>506,380</b>	<b>(22,699)</b>	<b>483,681</b>	
<b>Total General Fund Restricted</b>	<b>2,071,164</b>	<b>830,257</b>	<b>52,101</b>	<b>882,358</b>	<b>-</b>
<b>WATER FUND:</b>					
Beginning Balance - Water Fund	(5,691,859)	(6,224,491)	532,632	(5,691,859)	
<b>Revenue</b>					
Water Impact Fees	188,869	250,000		250,000	
Development Fees -Sewer		-			-
<b>Total Revenues</b>	<b>188,869</b>	<b>250,000</b>	<b>-</b>	<b>250,000</b>	<b>-</b>
<b>Expenditures</b>					
Capital Projects - Water		-			-
Capital Projects- Sewer					-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Revenues less Expenditures</b>	<b>188,869</b>	<b>250,000</b>	<b>-</b>	<b>250,000</b>	<b>-</b>
<b>Water Fund Ending Balance</b>	<b>(5,502,990)</b>	<b>(5,974,491)</b>	<b>532,632</b>	<b>(5,441,859)</b>	<b>-</b>

11 - GENERAL FUND		2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>REVENUE</b>						
<b>PROPERTY TAXES</b>						
4011	PROPERTY TAXES	2,510,275		2,510,275	2,506,788	
4012	PROPERTY TAXES-DEL.	16,000		16,000	1,210	
4015	PROPERTY TAXES-P&I	12,000		12,000	6,971	
<b>TOTAL PROPERTY TAXES</b>		<b>2,538,275</b>	<b>-</b>	<b>2,538,275</b>	<b>2,514,969</b>	
<b>OTHER TAXES</b>						
4101	SALES TAX	730,000		730,000	444,352	
4101-100	SALES TAX STREETS	370,800		370,800	222,843	
4102	FRANCHISE-ELECTRICAL	330,000		330,000	193,732	
4103	FRANCHISE-TELEPHONE			-	2,777	
4104	FRANCHISE-CABLE	42,000		42,000	21,086	
4105	FRANCHISE-GAS	30,000		30,000	11,947	
4106	FRANCHISE-CABLE PEG	3,200		3,200	1,673	
<b>TOTAL OTHER TAXES</b>		<b>1,506,000</b>	<b>-</b>	<b>1,506,000</b>	<b>898,410</b>	
<b>FINES &amp; FORFEITURES</b>						
4202	COURT TECHNOLOGY FUND	20		20	12	
4203	COURT SECURITY FUND	15		15	9	
4204	COURT COST-CITY	20		20	15	
4205	FINES	1,160		1,160	1,236	
4206	COURT COST-STATE	160		160	120	
4208	STATE JURY FEE	20		20	12	
4212	JUDICIAL FEES-STATE	25		25	16	
4213	JUDICIAL FEES-CITY	2		2	2	
4218	INDIGENT DEFENSE FEE	8		8	6	
<b>TOTAL FINES &amp; FORFEITURES</b>		<b>1,430</b>	<b>-</b>	<b>1,430</b>	<b>1,428</b>	
<b>LICENSES &amp; PERMITS</b>						
4301	GEN CONTRACTOR REG.	20,000		20,000	7,065	
4361	ZONING REQUEST	1,200		1,200	-	
4362	SPECIFIC USE PERMITS	1,350		1,350	450	
4363	VARIANCE REQUEST	450		450	-	
4365	BLDG PERMITS-RESIDENTIAL	360,000		360,000	140,833	
4367	BLDG PERMITS-ACC.	20,000		20,000	11,264	
4368	BLDG PERMITS-REMODEL	7,200		7,200	4,736	
4369	BLDG PERMITS-COMM.	30,000		30,000	6,483	
4371	ELECTRICAL PERMITS	2,200		2,200	1,680	
4372	PLUMBING PERMITS	4,000		4,000	3,290	
4373	HEATING & A/C PERMITS	1,200		1,200	1,020	
4374	FENCE PERMITS	6,000		6,000	2,656	
4375	SWIMMING POOL PERMITS	22,000		22,000	14,125	
4376	WEIGHT LIMIT PERMITS	48,000		48,000	32,350	
4377	ROOF PERMITS	1,000		1,000	1,980	
4378	SPRINKLER SYST PERMITS	6,500		6,500	1,725	
4379	DRIVEWAY PERMIT	1,000		1,000	1,150	
4380	SIGN PERMIT	2,000		2,000	500	
4382	STORM WATER MGMT PERMIT	4,900		4,900	2,000	
4384	SOLICITATION PERMIT	120		120	30	
4390	PLANNED DEVELOPMENT			-	780	
4395	HEALTH SERVICE PERMITS	6,300		6,300	450	
4398	MISC LICENSES & PERMITS	1,200		1,200	390	
4611	FIRE SPRINKLER PERMIT	30,000		30,000	8,000	
<b>TOTAL LICENSES &amp; PERMITS</b>		<b>576,620</b>	<b>-</b>	<b>576,620</b>	<b>242,957</b>	
<b>FIRE DEPARTMENT REVENUE</b>						
4612	COUNTY FIRE DISTRICT	20,000	(11,290)	8,710	4,355	Adjust to actual
4613	SEIS LAGOS INTER-LOCAL	406,144		406,144	406,144	
4614	AMBULANCE SERVICES	100,000		100,000	41,062	
4615	LISD EMS SERVICE	8,100		8,100	7,118	
4999	FIRE DISTRICT TRANSFER IN	370,800		370,800	-	
<b>TOTAL FIRE DEPARTMENT REVENUE</b>		<b>905,044</b>	<b>(11,290)</b>	<b>893,754</b>	<b>458,679</b>	

11 -GENERAL FUND		2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>REVENUE</b>						
<b>FEES &amp; SERVICE CHARGES</b>						
4424	PLAT & REPLAT FEES	15,000		15,000	1,690	
4425	RE-INSPECTION FEES	5,000		5,000	2,550	
4426	FEES-BUILDING PROJECTS	7,200		7,200		
4427	PUBLIC IMPRV/3% INSPEC	27,000	52,883	79,883	79,883	Adjust to actual
4497	PUBLIC INFO. REQUESTS			-		
4498	MISC. FEES & CHARGES	250		250		
<b>TOTAL FEES &amp; SERVICE CHARGES</b>		<b>54,450</b>	<b>52,883</b>	<b>107,333</b>	<b>84,123</b>	
<b>MISCELLANEOUS REVENUE</b>						
4911	INTEREST INCOME	130,000	(35,000)	95,000	64,783	Adjust for trend
4914	INSURANCE CLAIM REIMB	-	1,964	1,964	1,964	Adjust to actual
4915	CHILD SAFETY INCOME	6,900		6,900	3,533	
4916	CREDIT CARD REVENUE	11,500	1,323	12,823	11,949	Adjust to actual
4917	CERTIFICATE APPL FEE BEER & WINE			-	60	
4918	PERMIT FEE BEER & WINE			-	60	
4920	FARMER MARKET EVENT FEE			-	1,400	
4931	RENTAL INCOME	79,800	6,000	85,800	48,160	Big Wave Wireless Facilites Agreement
4980	PARK DEDICATION FEES	80,000	41,000	121,000	121,000	Adjust to actual
4981	FACILITY RENTAL			-	200	
4985	GRANT REVENUES	12,505	15,000	27,505	9,624	HB 2604 Grant Funding Protec Clothing
4986	DONATIONS			-		
4990	BROCKDALE RD MAINT	-		-		
4991	STREET ASSESSMENTS			-		
4992	SALE OF ASSETS	3,000		3,000		
4995	REIMBURSEMENTS			-		
4997	MISCELLANEOUS	5,539	2,552	8,091	6,455	3-5-20 City Council appr \$1.7K F Creek contribution for new sign/adj to actual
4998	PILOT TRANSER IN	255,495		255,495		
<b>TOTAL MISCELLANEOUS REVENUE</b>		<b>584,739</b>	<b>32,839</b>	<b>617,578</b>	<b>269,188</b>	
4996	GF RESERVE FUNDING (TRANSFER IN))	100,000	56,625	156,625		CC APPROVED 2-20-20 TECH FEASIB
<b>***TOTAL REVENUES***</b>		<b>6,266,558</b>	<b>131,057</b>	<b>6,397,615</b>	<b>4,469,754</b>	



11 -GENERAL FUND CITY COUNCIL DEPARTMENTAL EXPENDITURES	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b><u>PERSONNEL SERVICES</u></b>					
6100-112 WORKERS' COMPENSATION	70		70	60	
6100-127 MEDICARE	220		220	74	
6100-127 UNEMPLOYMENT			-		
6100-468 CITY COUNCIL FEES	9,000		9,000	4,500	
<b>TOTAL PERSONNEL SERVICES</b>	<b>9,290</b>	<b>-</b>	<b>9,290</b>	<b>4,634</b>	
<b><u>MATERIALS &amp; SUPPLIES</u></b>					
6100-201 OFFICE SUPPLIES	-		-	18	
6100-204 FOOD/BEVERAGE	1,500		1,500	32	
6100-205 LOGO/UNIFORM			-		
6100-210 COMPUTER SUPPLIES	350		350		
6100-222 AUDIO/VISUAL	3,000	10,125	13,125		LIT from Elections/Eqp upgrade
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>4,850</b>	<b>10,125</b>	<b>14,975</b>	<b>50</b>	
<b><u>PURCHASED SERVICES:</u></b>					
6100-307 TRAINING & TRAVEL	3,500		3,500	275	
6100-309 PROFESSIONAL SERVICES	-		-		
<b>TOTAL PURCHASED SERVICES</b>	<b>3,500</b>	<b>-</b>	<b>3,500</b>	<b>275</b>	
<b><u>GENERAL &amp; ADMINISTRATIVE SERVICES</u></b>					
6100-441 APPRECIATION/AWARDS	6,000		6,000	2,062	
<b>TOTAL GENERAL &amp; ADMIN SERVICES</b>	<b>6,000</b>	<b>-</b>	<b>6,000</b>	<b>2,062</b>	
<b><u>NON-CAPITAL EXPENSE</u></b>					
6100-451 SOFTWARE, BOOKS, & CDS	500		500	261	
6100-452 HARDWARE & TELECOM	-		-		
6100-411 FURNITURE & EQUIPMENT	-		-		
<b>TOTAL NON-CAPITAL EXPENSE</b>	<b>500</b>	<b>-</b>	<b>500</b>	<b>261</b>	
<b>TOTAL CITY COUNCIL</b>	<b>24,140</b>	<b>10,125</b>	<b>34,265</b>	<b>7,282</b>	

11 -GENERAL FUND CITY SECRETARY DEPARTMENTAL EXPENDITURES	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>PERSONNEL SERVICES</b>					
6110-101 SALARIES - EXEMPT	77,964	2,351	80,315	40,064	COLA/Merit/FY 19-20
6110-103 SALARIES - TEMPORARY	-		-		
6110-112 WORKERS' COMPENSATION	275		275	260	
6110-113 LONGEVITY PAY	235		235	228	
6110-122 TMRS	9,993	306	10,299	4,796	COLA/Merit/FY 19-20
6110-123 GROUP INSURANCE	9,996		9,996	4,554	
6110-127 MEDICARE	1,135	34	1,169	587	COLA/Merit/FY 19-20
6110-129 LT DISABILITY	410		410	138	
6110-133 TELEPHONE ALLOWANCE	480		480	240	
<b>TOTAL PERSONNEL SERVICES</b>	<b>100,488</b>	<b>2,691</b>	<b>103,179</b>	<b>50,867</b>	
<b>MATERIALS &amp; SUPPLIES</b>					
6110-201 OFFICE SUPPLIES	1,100		1,100	1,091	
6110-204 FOOD/BEVERAGE	100		100		
6110-210 COMPUTER SUPPLIES	50		50		
6110-238 PRINTING & COPYING	12,800		12,800	3,948	
6110-239 RECORDS MANAGEMENT	4,500		4,500	728	
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>18,550</b>	<b>-</b>	<b>18,550</b>	<b>5,767</b>	
<b>PURCHASED SERVICES</b>					
6110-305 SOFTWARE SUPPORT & MAINT.	11,414		11,414	7,194	
6110-306 ADVERTISING/PUBLIC NOTICES	14,300		14,300	1,011	
6110-307 TRAINING & TRAVEL	4,163		4,163	1,697	
6110-309 PROFESSIONAL SERVICES	5,500		5,500	4,050	
6110-349 FILING FEES	2,200		2,200	221	
<b>TOTAL PURCHASED SERVICES</b>	<b>37,577</b>	<b>-</b>	<b>37,577</b>	<b>14,173</b>	
<b>GENERAL &amp; ADMINISTRATIVE SERVICES</b>					
6110-443 DUES/LICENSES	185		185		
6110-445 ELECTIONS	11,000	(10,125)	875	876	LIT to Audio/Visual/Eqp upgrade
6110-451 SOFTWARE, BOOKS & CD'S	1,100		1,100	616	
<b>TOTAL GENERAL &amp; ADMIN SERVICES</b>	<b>12,285</b>	<b>(10,125)</b>	<b>2,160</b>	<b>1,492</b>	
<b>NON-CAPITAL EXPENSE</b>					
6110-411 FURNITURE & FIXTURES			-		
<b>TOTAL NON-CAPITAL EXPENSE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TOTAL CITY SECRETARY</b>	<b>168,900</b>	<b>(7,434)</b>	<b>161,466</b>	<b>72,299</b>	

11 -GENERAL FUND ADMINISTRATION & FINANCE DEPARTMENTAL EXPENDITURES		2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>PERSONNEL SERVICES</b>						
6200-101	SALARIES - EXEMPT	244,500	16,358	260,858	129,723	COLA/Merit/CM Adj FY 19-20
6200-102	SALARIES - NON-EXEMPT	85,435	2,579	88,014	43,894	COLA/Merit FY 19-20
6200-111	OVERTIME	1,900		1,900	63	
6200-112	WORKERS' COMP	1,125		1,125	1,123	
6200-113	LONGEVITY PAY	1,485		1,485	1,480	
6200-122	TMRS	43,000	2,462	45,462	20,979	COLA/Merit/CM Adj FY 19-20
6200-123	GROUP INSURANCE	49,980	1,476	51,456	22,457	Reclass Teledoc from acct 309
6200-127	MEDICARE	4,820	275	5,095	2,561	COLA/Merit/CM Adj FY 19-20
6200-129	LT DISABILITY	1,443		1,443	547	
6200-133	TELEPHONE ALLOWANCE	1,380		1,380	690	
6200-141	CAR ALLOWANCE	2,400		2,400	1,200	
<b>TOTAL PERSONNEL SERVICES</b>		<b>437,468</b>	<b>23,150</b>	<b>460,618</b>	<b>224,717</b>	
<b>MATERIALS &amp; SUPPLIES</b>						
6200-201	OFFICE SUPPLIES	6,000		6,000	1,638	
6200-202	POSTAGE	1,700		1,700	147	
6200-203	SUBSCRIPTIONS	450		450	219	
6200-204	FOOD/BEVERAGE	2,200		2,200	704	
6200-205	LOGO/UNIFORM ALLOWANCE	800		800	343	
6200-210	COMPUTER SUPPLIES	350		350		
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>11,500</b>	<b>-</b>	<b>11,500</b>	<b>3,051</b>	
<b>PURCHASED SERVICES:</b>						
6200-302	AUDITING & ACCOUNTING	12,500		12,500	7,008	
6200-305	SOFTWARE SUPPORT/MAINT	17,250		17,250	2,580	
6200-307	TRAINING & TRAVEL	17,595	(6,330)	11,265	5,414	Travel cancellations
6200-309	PROFESSIONAL SERVICES	19,016	(1,476)	17,540	5,451	Reclass Teledoc to Group Insurance
6200-313	MAINTENANCE AGREEMENTS	5,400		5,400	2,696	
6200-318	TAX COLLECTION	2,600		2,600	2,364	
6200-319	CENTRAL APPRAISAL FEE	30,000		30,000	14,737	
6200-321	STATE COMPTROLLER (CT FEES)	300		300		
6200-322	CONTRACTS	7,600		7,600	3,600	
6200-323	CELL PHONE	1,300		1,300	579	
6200-324	INMATE BOARDING	750		750		
6200-325	LIABILITY INSURANCE	30,000		30,000	27,664	
<b>TOTAL PURCHASED SERVICES</b>		<b>144,311</b>	<b>(7,806)</b>	<b>136,505</b>	<b>72,093</b>	
<b>GENERAL &amp; ADMINISTRATIVE SERVICES</b>						
6200-441	APPRECIATION/AWARDS	4,400		4,400	635	
6200-442	TML MEMBERSHIP DUES	2,000		2,000	75	
6200-443	DUES/LICENSES	4,410		4,410	2,715	
6200-444	EMPLOYMENT SCREENING	2,200		2,200	335	
6200-445	CHILD SAFETY EXPENSE	500		500		
6200-497	CREDIT CARD FEES	6,100		6,100	4,037	
<b>TOTAL GENERAL &amp; ADMIN SERVICES</b>		<b>19,610</b>	<b>-</b>	<b>19,610</b>	<b>7,797</b>	
<b>NON-CAPITAL EXPENSE</b>						
6200-411	FURNITURE & FIXTURES	-	-	-	-	
6200-451	SOFTWARE	-	-	-	-	
<b>TOTAL NON-CAPITAL EXPENSE</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TOTAL ADMINISTRATION</b>		<b>612,889</b>	<b>15,344</b>	<b>628,233</b>	<b>307,658</b>	

11 - GENERAL FUND PUBLIC WORKS - ENGINEERING DEPARTMENTAL EXPENDITURES	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>PERSONNEL SERVICES</b>					
6209-101 SALARIES - EXEMPT	85,259	2,557	87,816	43,805	COLA/Merit FY 19-20
6209-103 SALARIES - TEMPORARY	10,000	6,720	16,720	2,415	LIT from Parks Seasonal
6209-112 WORKERS' COMPENSATION	290		290	280	
6209-113 LONGEVITY	235		235	234	
6209-122 TMRS	11,000	332	11,332	5,214	COLA/Merit FY 19-20
6209-123 GROUP INSURANCE	9,972		9,972	4,554	
6209-127 MEDICARE	1,390	37	1,427	635	COLA/Merit FY 19-20
6209-129 LT DISABILITY	446		446	151	
<b>TOTAL PERSONNEL SERVICES</b>	<b>118,592</b>	<b>9,646</b>	<b>128,238</b>	<b>57,288</b>	
<b>MATERIALS &amp; SUPPLIES</b>					
6209-201 OFFICE SUPPLIES	250		250	191	
6209-204 FOOD/BEVERAGE	1,000		1,000		
6209-208 MINOR APPARATUS	500		500		
6209-209 PROTECTIVE CLOTHING/UNIFOI	1,915		1,915	113	
6209-210 COMPUTER SUPPLIES	500		500	43	
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>4,165</b>	<b>-</b>	<b>4,165</b>	<b>347</b>	
<b>MAINTENANCE &amp; REPAIR</b>					
6209-232 VEHICLE MAINTENANCE	3,000	-	3,000	449	
<b>TOTAL MAINTENANCE &amp; REPAIR</b>	<b>3,000</b>	<b>-</b>	<b>3,000</b>	<b>449</b>	
<b>PURCHASED SERVICES</b>					
6209-307 TRAVEL/TRAINING	3,913		3,913	831	
6200-313 MAINTENANCE AGREEMENTS	1,500		1,500		
6209-309 PROFESSIONAL SERVICES	87,500	56,288	143,788	18,011	\$34 K Lee Engin Traffic S CC 9-5-19 \$12.7K Rollover FY 18-19 3-5-20 \$9.6K amend drainage study 3-5-20
6209-323 CELL PHONE	1,200		1,200	506	
6209-333 UTILITIES - WATER			-	2,527	
6209-334 STREET LIGHTING	5,000		5,000	623	
<b>TOTAL PURCHASED SERVICES</b>	<b>99,113</b>	<b>56,288</b>	<b>155,401</b>	<b>22,498</b>	
<b>GENERAL &amp; ADMINISTRATIVE SERVICES</b>					
6209-443 DUES/LICENSES	325		325	299	
<b>TOTAL GENERAL &amp; ADMIN SERVICES</b>	<b>325</b>	<b>-</b>	<b>325</b>	<b>299</b>	
<b>NON-CAPITAL EXPENSE</b>					
6209-411 FURNITURE & FIXTURES	500		500		
6209-416 IMPLEMENTS & APPARATUS	500		500		
6209-451 SOFTWARE	3,510		3,510	3,371	
6209-452 HARDWARE			-		
<b>TOTAL NON-CAPITAL EXPENSE</b>	<b>4,510</b>	<b>-</b>	<b>4,510</b>	<b>3,371</b>	
<b>CAPITAL OUTLAY</b>					
8209-301 IMPROVEMENTS ROADS	750,000	57,311	807,311	147,638	Bridge Repair Re-alloc FY 18-19
8209-420 EQUIPMENT			-		
8209-421 VEHICLES		40,000	40,000		CC appr 4-16-20 Trsf to vehicle
8209-433 SIGNS & MARKINGS	25,000		25,000	480	
8209-452 HARDWARE & TELECOM			-		
<b>TOTAL CAPITAL OUTLAY</b>	<b>775,000</b>	<b>97,311</b>	<b>872,311</b>	<b>148,118</b>	
<b>TOTAL PUBLIC WORKS - ENGINEERING</b>	<b>1,004,705</b>	<b>163,246</b>	<b>1,167,951</b>	<b>232,370</b>	

11 - GENERAL FUND PUBLIC WORKS - OPERATIONS DEPARTMENTAL EXPENDITURES		2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>PERSONNEL SERVICES</b>						
6210-102	SALARIES - NON-EXEMPT	112,715	(16,426)	96,289	38,215	COLA/Merit FY 19-20 LIT to Parks Summer Help
6210-104	SALARIES - NON-EXEMPT PT	18,720	5,632	24,352	7,793	LIT from 6210-102 add't hrs
6210-111	OVERTIME	4,500	(3,500)	1,000	-	LIT to Parks Summer Help
6210-112	WORKERS' COMPENSATION	5,175		5,175	1,944	
6210-113	LONGEVITY	718		718	660	
6210-122	TMRS	17,500	287	17,787	5,611	COLA/Merit FY 19-20
6210-123	GROUP INSURANCE	29,988		29,988	8,247	
6210-127	MEDICARE	1,980	32	2,012	677	COLA/Merit FY 19-20
6210-129	LT DISABILITY	590		590	120	
<b>TOTAL PERSONNEL SERVICES</b>		<b>191,886</b>	<b>(13,975)</b>	<b>177,911</b>	<b>63,267</b>	
<b>MATERIALS &amp; SUPPLIES</b>						
6210-201	OFFICE SUPPLIES	550		550	73	
6210-204	FOOD/BEVERAGE	800		800		
6210-206	FUEL & LUBRICANTS	11,000		11,000	1,632	
6210-208	MINOR APPARATUS	5,000	(4,000)	1,000	2,222	LIT 5-8-20 Scag Mower
6210-209	PROTECTIVE CLOTHING/UNIFORMS	9,560		9,560		
6210-210	COMPUTER SUPPLIES	250		250		
6210-211	MEDICAL SUPPLIES	250		250		
6210-214	CLEANING SUPPLIES	1,000		1,000	99	
6210-223	SAND/DIRT	1,500		1,500	528	
6210-224	ASPHALT/BASE/CONC/CULVERT	22,000		22,000	23,797	
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>51,910</b>	<b>(4,000)</b>	<b>47,910</b>	<b>28,351</b>	
<b>MAINTENANCE &amp; REPAIR</b>						
6210-231	FACILITY MAINTENANCE	11,500		11,500	2,366	
6210-232	VEHICLE MAINTENANCE	10,800		10,800	4,534	
6210-233	EQUIPMENT MAINTENANCE	9,050		9,050	414	
6210-234	WASTE DISPOSAL	4,000		4,000	999	
6210-298	MAINTENANCE & PARTS - MISC	3,000		3,000	300	
<b>TOTAL MAINTENANCE &amp; REPAIR</b>		<b>38,350</b>	<b>-</b>	<b>38,350</b>	<b>8,613</b>	
<b>PURCHASED SERVICES</b>						
6210-307	TRAVEL/TRAINING	3,599	(3,000)	599	280	LIT 5-8-20 Scag Mower
6210-309	PROFESSIONAL SERVICES	5,000	(2,000)	3,000		LIT 5-8-20 Scag Mower
6210-323	CELL PHONE	3,500		3,500	517	
6210-331	UTILITIES, ELECTRIC	6,000		6,000	2,218	
6210-346	EQUIPMENT RENTAL	4,000	(2,000)	2,000	361	LIT 5-8-20 Scag Mower
<b>TOTAL PURCHASED SERVICES</b>		<b>22,099</b>	<b>(7,000)</b>	<b>15,099</b>	<b>3,376</b>	
<b>GENERAL &amp; ADMINISTRATIVE SERVICES</b>						
6210-443	DUES/LICENSES	400		400	325	
<b>TOTAL GENERAL &amp; ADMIN SERVICES</b>		<b>400</b>	<b>-</b>	<b>400</b>	<b>325</b>	
<b>NON-CAPITAL EXPENSE</b>						
6210-411	FURNITURE & FIXTURES			-		
6210-416	IMPLEMENTS & APPARATUS			-		
6210-433	SIGNS & MARKINGS	12,000	(2,000)	10,000	3,968	LIT 5-8-20 Scag Mower
<b>TOTAL NON-CAPITAL EXPENSE</b>		<b>12,000</b>	<b>(2,000)</b>	<b>10,000</b>	<b>3,968</b>	
<b>CAPITAL OUTLAY</b>						
8210-420	EQUIPMENT	284,595	(95,376)	189,219	13,750	\$(85K) CC appr 4-16-20 Trsf to veh (\$24K) rvs overage from Gradall b \$13K LIT 5-8 Scag Mower CC appr 4-16-20 Trsf to vehicle
8210-421	VEHICLES	63,700	45,000	108,700		
<b>TOTAL CAPITAL OUTLAY</b>		<b>348,295</b>	<b>(50,376)</b>	<b>297,919</b>	<b>13,750</b>	
<b>TOTAL PUBLIC WORKS</b>		<b>664,940</b>	<b>(77,351)</b>	<b>587,589</b>	<b>121,650</b>	



11 -GENERAL FUND PARKS DEPARTMENT DEPARTMENTAL EXPENDITURES		2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>PERSONNEL SERVICES</b>						
6211-103	SALARIES - NON-EXMPT TEMP	20,160	9,780	29,940	3,161	(\$6.7K) LIT to PW Engineering \$16.5K LIT from 6210-102
6211-112	WORKERS COMP	600		600	600	
6211-127	MEDICARE	300		300	46	
<b>TOTAL PERSONNEL SERVICES</b>		<b>21,060</b>	<b>9,780</b>	<b>30,840</b>	<b>3,807</b>	
<b>MAINTENANCE &amp; REPAIR</b>						
6211-233	EQUIPMENT MAINTENANCE	4,500		4,500		
<b>TOTAL MAINTENANCE &amp; REPAIR</b>		<b>4,500</b>	<b>-</b>	<b>4,500</b>	<b>-</b>	
<b>PURCHASED SERVICES</b>						
6211-322	CONTRACTS (MOWING)	57,500		57,500	15,455	
6211-331	UTILITIES, ELECTRIC	2,000		2,000	739	
6211-333	UTILITIES, WATER	10,000		10,000	5,493	
<b>TOTAL PURCHASED SERVICES</b>		<b>69,500</b>	<b>-</b>	<b>69,500</b>	<b>21,687</b>	
<b>SPECIAL EVENTS</b>						
6211-444	FOUNDERS DAY	30,000	(29,972)	28	28	Event cancellation
6211-445	SERVICE TREE PROGRAM	3,200		3,200		
6211-446	KEEP LUCAS BEAUTIFUL	4,550	(3,000)	1,550	200	Cancellation of conference
6211-447	COUNTRY CHRISTMAS	10,000		10,000	10,325	
6211-448	PARK EVENTS	11,000	(3,000)	8,000	3,932	Cancellation of events
<b>TOTAL SPECIAL EVENTS</b>		<b>58,750</b>	<b>(35,972)</b>	<b>22,778</b>	<b>14,485</b>	
<b>NON-CAPITAL OUTLAY</b>						
6211-417	PARK IMPROVEMENTS	50,000	4,100	54,100	22,035	3-5-20 CC appr F Creek Sign
6211-418	PARK IMPROVEMENTS- USACE			-		
<b>TOTAL NON- CAPITAL OUTLAY</b>		<b>50,000</b>	<b>4,100</b>	<b>54,100</b>	<b>22,035</b>	
<b>CAPITAL OUTLAY</b>						
8211-417	PARK IMPROVEMENTS	23,115	1,728	24,843		LIT Roof Replacement 8211-417
<b>TOTAL CAPITAL OUTLAY</b>		<b>23,115</b>	<b>1,728</b>	<b>24,843</b>	<b>-</b>	
<b>TOTAL PARKS</b>		<b>226,925</b>	<b>(20,364)</b>	<b>206,561</b>	<b>62,014</b>	

11 - GENERAL FUND DEVELOPMENT SERVICES DEPARTMENTAL EXPENDITURES		2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>PERSONNEL SERVICES</b>						
6212-101	SALARIES - EXEMPT	47,741	1,432	49,173	24,526	COLA/Merit FY 19-20
6212-102	SALARIES - NON-EXEMPT	214,469	(31,197)	183,272	88,015	COLA/Merit FY 19-20/Promotion Savings temp assignment of two postitions to fire depart for 2 mos.
6212-111	OVERTIME	11,200		11,200	5,328	
6212-112	WORKERS' COMPENSATION	2,200		2,200	1,205	
6212-113	LONGEVITY PAY	1,420		1,420	1,418	
6212-122	TMRS	35,500	(1,231)	34,269	14,031	COLA/Merit FY 19-20 Savings temp assignment of two postitions to fire depart for 2 mos.
6212-123	GROUP INSURANCE	44,982	(6,500)	38,482	16,258	Savings temp assignment of two postitions to fire depart for 2 mos.
6212-127	MEDICARE	3,965	86	4,051	1,690	COLA/Merit FY 19-20
6212-129	LT DISABILITY	1,350		1,350	378	
6212-131	UNEMPLOYMENT					
<b>TOTAL PERSONNEL SERVICES</b>		<b>362,827</b>	<b>(37,410)</b>	<b>325,417</b>	<b>152,849</b>	
<b>MATERIALS &amp; SUPPLIES</b>						
6212-201	OFFICE SUPPLIES	5,500		5,500	831	
6212-203	SUBSCRIPTIONS	350		350		
6212-204	FOOD/BEVERAGE	500		500		
6212-205	LOGO/UNIFORM ALLOWANCE	2,400		2,400	1,105	
6212-206	FUEL & LUBRICANTS	5,200		5,200	2,494	
6212-210	COMPUTER SUPPLIES	250		250		
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>14,200</b>	<b>-</b>	<b>14,200</b>	<b>4,430</b>	
<b>MAINTENANCE &amp; REPAIR</b>						
6212-232	VEHICLE MAINTENANCE	6,900		6,900	1,398	
<b>TOTAL MAINTENANCE &amp; REPAIR</b>		<b>6,900</b>	<b>-</b>	<b>6,900</b>	<b>1,398</b>	
<b>PURCHASED SERVICES:</b>						
6212-305	SOFTWARE SUPPORT/MAINTENANCE	1,900		1,900		
6212-307	TRAINING & TRAVEL	12,197	(6,000)	6,197	1,879	Travel cancellations
6212-309	PROFESSIONAL SERVICES	14,600	(7,000)	7,600	50	Savings from surveying not needed
6212-313	MAINTENANCE AGREEMENTS	100		100	1,201	
6212-323	CELL PHONE	3,200		3,200		
<b>TOTAL PURCHASED SERVICES</b>		<b>31,997</b>	<b>(13,000)</b>	<b>18,997</b>	<b>3,130</b>	
<b>GENERAL &amp; ADMINISTRATIVE SERVICES</b>						
6212-443	DUES/LICENSES	3,029		3,029	205	
6212-450	COMPUTER HARDWARE	5,150		5,150	127	
6212-451	SOFTWARE, BOOKS & CD'S	1,600		1,600	1,500	
6212-452	STORM WATER MGMT EXPENSE	8,500	(1,000)	7,500	606	Cancelled spring cleanup event
<b>TOTAL GENERAL &amp; ADMINISTRATION SERVICES</b>		<b>18,279</b>	<b>(1,000)</b>	<b>17,279</b>	<b>2,438</b>	
<b>CAPITAL OUTLAY</b>						
8212-420	EQUIPMENT			-		
8212-451	COMPUTER SOFTWARE	51,400		51,400		
8212-452	COMPUTERS			-		
8212-421	VEHICLES			-		
<b>TOTAL CAPITAL OUTLAY</b>		<b>51,400</b>	<b>-</b>	<b>51,400</b>	<b>-</b>	
<b>TOTAL DEVELOPMENT SERVICES</b>		<b>485,603</b>	<b>(51,410)</b>	<b>434,193</b>	<b>164,245</b>	

11 - GENERAL FUND

FIRE DEPARTMENT

DEPARTMENTAL EXPENDITURES

	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>PERSONNEL SERVICES</b>					
6300-101 SALARIES - EXEMPT	253,101	7,612	260,713	130,052	COLA/Merit FY 19-20
6300-102 SALARIES - NON EXEMPT FF/EMS	753,534	19,070	772,604	378,973	COLA/Merit FY 19-20
6300-103 SAL - NON EXEMPT TEMP	3,600	(3,600)	-		Savings budget reduction
6300-106 CERTIFICATION FEES	12,360	(4,000)	8,360	3,270	Reduced due to vacancies/new hires
6300-111 SALARIES - OVERTIME	123,716	18,100	141,816	63,096	Vacancies/paramedic school for new hire
6300-112 WORKERS' COMPENSATION	49,500		49,500	44,650	
6300-113 LONGEVITY PAY	2,500		2,500	2,784	
6300-122 TMRS	147,000	5,822	152,822	63,936	COLA/Merit FY 19-20/Vacancies/new hire
6300-123 GROUP INSURANCE	159,936		159,936	65,067	Vacancies/paramedic school for new hire
6300-127 MEDICARE	16,660	650	17,310	8,918	COLA/Merit FY 19-20/Vacancies/new hire
6300-128 OTHER RETIREMENT	51,120		51,120	3,816	
6300-129 LT DISABILITY	5,290		5,290	1,624	
6300-131 UNEMPLOYMENT				34	
6300-133 TELEPHONE ALLOWANCE	600		600	300	
<b>TOTAL PERSONNEL SERVICES</b>	<b>1,578,917</b>	<b>43,654</b>	<b>1,622,571</b>	<b>766,520</b>	
<b>MATERIALS &amp; SUPPLIES</b>					
6300-201 OFFICE SUPPLIES	2,250	(450)	1,800	679	Savings budget reduction
6300-202 POSTAGE	400		400	164	
6300-203 SUBSCRIPTIONS	140		140		
6300-204 FOOD/BEVERAGE	6,550	(1,000)	5,550	2,747	Savings budget reduction
6300-205 LOGO/JUNIFORM ALLOWANCE	22,350		22,350	10,733	
6300-206 FUEL & LUBRICANTS	19,000		19,000	6,705	
6300-207 FUEL - PROPANE/(natural gas)	1,800		1,800	606	
6300-208 MINOR APPARATUS	7,950		7,950	721	
6300-209 PROTECTIVE CLOTHING	29,520		29,520	12,075	
6300-210 COMPUTER SUPPLIES	1,300		1,300	453	
6300-211 MEDICAL & SURGICAL SUPPL	28,000		28,000	10,131	
6300-214 SUPPLIES - FD	4,000		4,000	1,014	
6300-215 DISPOSABLE MATERIALS	6,050		6,050		
6300-227 PREVENTION ACTIVITIES	6,600	(1,725)	4,875	126	Savings budget reduction
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>135,910</b>	<b>(3,175)</b>	<b>132,735</b>	<b>46,154</b>	
<b>MAINTENANCE &amp; REPAIR</b>					
6300-231 FACILITY MAINTENANCE	13,900	800	14,700	5,394	Load of gravel for back pad station area
6300-232 VEHICLE MAINTENANCE	27,049	5,780	32,829	16,444	Re-alloc FY 2018-2019 Hail Damage
6300-233 EQUIPMENT MAINT	12,550		12,550	3,943	
<b>TOTAL MAINTENANCE &amp; REPAIR</b>	<b>53,499</b>	<b>6,580</b>	<b>60,079</b>	<b>25,781</b>	
<b>PURCHASED SERVICES</b>					
6300-302 FIRE DEPT RUN REIMBURS.	77,820	(8,000)	69,820	27,180	Reduced number of volunteers
6300-302.1 LISD GAME COVERAGE	6,210		6,210	2,855	
6300-303 TELEPHONE	3,700		3,700	2,105	
6300-304 INTERNET	6,600		6,600	2,375	
6300-307 TRAINING & TRAVEL	37,578	(6,706)	30,872	5,800	Travel cancellation
6300-309 PROFESSIONAL SERVICES	116,709	(4,274)	112,435	61,139	LIT Slab/Concrete acct 8300-200
6300-310 SCBA	25,490		25,490	284	
6300-312 PARAMEDIC SCHOOL	1,000	(1,000)	-		No graduates this fiscal year
6300-313 MAINTENANCE AGREEMENTS	16,300		16,300	13,043	
6300-316 911 DISPATCH	79,000		79,000	78,454	
6300-323 CELL PHONE	9,090		9,090	4,197	
6300-325 LIABILITY INSURANCE	20,000		20,000	17,493	
6300-331 UTILITIES, ELECTRIC	27,000		27,000	8,929	
6300-333 UTILITIES, WATER	4,000		4,000	2,218	
6300-337 PAGER SERVICE	700		700		
6300-346 EQUIPMENT RENTAL	450		450		
6300-349 EMS/EQP NOTE PAY INT	-		-		
6300-350 EMS EQUIP FINAN PRINC	-		-		
<b>TOTAL PURCHASED SERVICES</b>	<b>431,647</b>	<b>(19,980)</b>	<b>411,667</b>	<b>226,072</b>	
<b>GENERAL &amp; ADMINISTRATIVE SERVICES</b>					
6300-441 APPRECIATION/AWARDS	4,200	(400)	3,800	1,770	Savings budget reduction
6300-443 DUES/LICENSES	7,003	(300)	6,703	4,703	Savings budget reduction
6300-447 EMERGENCY MANAGEMENT SERV	13,439		13,439	12,563	
6300-448 REHAB TRAINING & EQUIPMENT	2,000	(500)	1,500		Savings budget reduction
6300-451 SOFTWARE, BOOKS & CD'S	4,700		4,700	500	
<b>TOTAL GENERAL &amp; ADMINISTRATIVE SERVICES</b>	<b>31,342</b>	<b>(1,200)</b>	<b>30,142</b>	<b>19,536</b>	

11 -GENERAL FUND FIRE DEPARTMENT		2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>DEPARTMENTAL EXPENDITURES</b>						
<b>NON-CAPITALIZED EXPENSE</b>						
6300-411 FURNITURE & FIXTURES				-		
6300-420 EQUIPMENT				-		
6300-452 HARDWARE & TELECOM		20,050		20,050	9,725	
				-		
<b>TOTAL NON-CAPITALIZED EXPENSE</b>		<b>20,050</b>	<b>-</b>	<b>20,050</b>	<b>9,725</b>	
<b>CAPITAL OUTLAY</b>						
8300-200	BUILDING IMPROVEMENTS	25,000	20,600	45,600	28,600	\$4.2K LIT Slab/Concrete acct 8300-200 \$16.3K Two rolling grille doors for bay
8300-411	FURNITURE & FIXTURES			-		
8300-416	IMPLEMENTS & APPARATUS			-		
8300-420	EQUIPMENT			-		
8300-421	VEHICLES			-		
8300-452	HARDWARE & TELECOM			-		
<b>TOTAL CAPITAL OUTLAY</b>		<b>25,000</b>	<b>20,600</b>	<b>45,600</b>	<b>28,600</b>	
<b>TOTAL FIRE</b>		<b>2,276,365</b>	<b>46,479</b>	<b>2,322,844</b>	<b>1,122,388</b>	

11 -GENERAL FUND GENERAL ADMINISTRATION - NON-DEPA DEPARTMENTAL EXPENDITURES	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>PERSONNEL SERVICES</b>					
6999-109 TMRS - COLA					
6999-110 PERFORMANCE/INCENTIVE PA	65,925	(60,261)	5,664		COLA/Merit FY 19-20
6999-130 LT DISABILITY					
<b>TOTAL PERSONNEL SERVICES</b>	<b>65,925</b>	<b>(60,261)</b>	<b>5,664</b>	<b>-</b>	
<b>MAINT &amp; SUPPLIES</b>					
6999-214 CLEANING SUPPLIES	1,500		1,500	700	
6999-231 FACILITY MAINT	30,400	(1,728)	28,672	7,487	LIT Roof Replacement 8211-417
<b>TOTAL MAINT &amp; SUPPLIES</b>	<b>31,900</b>	<b>(1,728)</b>	<b>30,172</b>	<b>8,187</b>	
<b>PURCHASED SERVICES</b>					
6999-303 TELEPHONE	11,500		11,500	4,521	
6999-305 IT SUPPORT/MAINT	72,292		72,292	36,146	
6999-306 SOFTWARE MAINTENANCE	17,484		17,484	8,002	
6999-308 CLEANING & PEST CONTROL	18,300		18,300	6,999	
6999-309 PROFESSIONAL SERVICES	4,320		4,320	4,220	
6999-310 LEGAL SERVICES	150,000	(50,000)	100,000	21,731	Adjust for lower trend
6999-323 STREAKER RESTORATION		37,500	37,500		Funds Match Friends of LFR CC 10-17
6999-326 LAW ENFORCEMENT	250,000		250,000	107,201	
6999-331 ELECTRICITY	8,400		8,400	2,747	
6999-333 WATER	600		600	313	
6999-336 ANIMAL CONTROL	35,000		35,000	17,000	
6999-499 COVID-19 EXPENSE			-		
<b>TOTAL PURCHASED SERVICES</b>	<b>567,896</b>	<b>(12,500)</b>	<b>555,396</b>	<b>208,880</b>	
<b>NON-CAPITAL EXPENSE</b>					
6999-411 FURNITURE	-		-		
6999-451 SOFTWARE	12,800		12,800	1,528	
6999-452 HARDWARE, TELECOM	26,445		26,445	64	
<b>TOTAL NON-CAPITALIZED EXPENSE</b>	<b>39,245</b>	<b>-</b>	<b>39,245</b>	<b>1,592</b>	
<b>CAPITAL OUTLAY</b>					
8999-200 BUILDING IMPROVEMENTS	-		-	-	
8999-420 EQUIPMENT	-		-	-	
<b>TOTAL CAPITAL OUTLAY</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TRANSFERS</b>					
6999-999 TRANSFER FROM RESERVES	-	56,625	56,625		- CC Approved 2-20-20 Trsf to Fund 12 Technology Fund
<b>TOTAL GF TRANSFERS OUT</b>	<b>-</b>	<b>56,625</b>	<b>56,625</b>	<b>-</b>	
<b>TOTAL NON-DEPARTMENTAL</b>	<b>704,966</b>	<b>(17,864)</b>	<b>687,102</b>	<b>218,659</b>	

21 - CAPITAL IMPROVEMENTS	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>REVENUES</b>					
<b><u>FEES &amp; SERVICE CHARGES</u></b>					
4404 INTERGOV/3RD PARTY REV	-	-	-	-	
<b>TOTAL FEES &amp; SERVICE CHARGES</b>	-	-	-	-	
<b><u>BOND PROCEEDS</u></b>					
4800 BOND PROCEEDS	-	-	-	-	
4810 BOND ISSUE PREMIUM	-	-	-	-	
<b>TOTAL BOND PROCEEDS</b>	-	-	-	-	
<b><u>MISCELLANEOUS REVENUE</u></b>					
4911 INTEREST INCOME	120,000	(33,000)	87,000	75,039	Adjust for Trend
4914 INSURANCE PROCEEDS	-	-	-	-	
<b>TOTAL MISCELLANEOUS REV</b>	<b>120,000</b>	<b>(33,000)</b>	<b>87,000</b>	<b>75,039</b>	
<b><u>TRANSFERS FROM GENERAL FUND</u></b>					
4996 TRANSFER FROM GF RESERVES	-	-	-	-	
<b>TOTAL TRANSFERS</b>	-	-	-	-	
<b>***TOTAL REVENUES***</b>	<b>120,000</b>	<b>(33,000)</b>	<b>87,000</b>	<b>75,039</b>	



21 - CAPITAL IMPROVEMENTS  
 PUBLIC WORKS  
 DEPARTMENTAL EXPENDITURES

	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>CAPITAL OUTLAY</b>					
8210-490-124 PROJ MGMT 125 -ELEV WATER TWR	34,973	34,973	69,946	14,988	FY 18-19 Re-allocated
8210-490-125 ELEVATED WATER TOWER		1,147,091	1,147,091		FY 18-19 Re-allocated
8210-490-127 SCADA SYSTEM PROJECT		100,000	100,000		FY 18-19 Re-allocated
8210-490-128 NORTH PUMP STATION PROJECT		1,603,029	1,603,029	44,611	Lamarc Construc CC approved 9-5-19
8210-491-123 WINNINGKOFF ROAD REVERSE CURVE			-		
8210-491-124 STINSON RD W LUCAS INTERSECTION			-		
8210-491-126 COUNTRY CLUB RD/ESTATES PKWY INTERSECTION		293,254	293,254		FY 18-19 Re-allocated
8210-491-127 WINNINGKOFF RD(FOREST VIEW TO SNIDER LN)		1,771,837	1,771,837	8,723	FY 18-19 Re-allocated
8210-491-128 STINSON RD (PARKER RD TO BRISTOL PARK)		1,158,761	1,158,761	826,405	FY 18-19 Re-allocated
8210-491-129 BLONDY JHUNE RD (WEST BRIDGE TO WINNINGK)		592,840	592,840	269,599	FY 18-19 Re-allocated
8210-491-130 PARKER RD-CIMARRON TRAIL TURN LANE			-		
8210-491-131 PROJ MGMT 127 - WINNINGKOFF RD	139,890		139,890	21,801	
8210-491-132 PROJ MGMT 128 - STINSON RD	104,918	(34,585)	70,333	70,332	FY 18-19 Re-allocated
8210-491-133 PROJ MGMT 129 - BLONDY JHUNE RD	139,890	8,178	148,068	96,847	FY 18-19 Re-allocated
8210-491-134 STINSON RD/MUDDY CREEK BRIDGE		802,115	802,115	86,829	Lakes Design CC approved 12-19-19
8210-491-135 SNIDER LANE/WHITE ROCK CREEK BRIDGE		754,185	754,185	59,179	Lakes Design CC approved 12-19-19
8210-491-500 BROCKDALE RD REHABILITATION		34,070	34,070	7,797	FY 18-19 Re-allocated
<b>TOTAL CAPITAL OUTLAY</b>	<b>419,671</b>	<b>8,265,748</b>	<b>8,685,419</b>	<b>1,507,111</b>	
<b>TOTAL PUBLIC WORKS</b>	<b>419,671</b>	<b>8,265,748</b>	<b>8,685,419</b>	<b>1,507,111</b>	

51 - WATER UTILITIES FUND

REVENUES		2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>FEES &amp; SERVICE CHARGES</b>						
4461	WATER REVENUE	3,909,333		3,909,333	1,754,412	
4462	WATER TAPS & BORES			-		
4463	PENALTY & INTEREST	35,000		35,000	19,825	
4467	WATER METER	140,000		140,000	59,767	
4468	WATER METER REPAIRS	9,000		9,000	3,025	
4469	WASTEWATER FEES	51,230		51,230	58,775	
4470	REREAD/CHARTING	100		100	225	
4478	TRASH SERVICE	596,000	39,000	635,000	321,360	Barnes Rate Change CC 9-19-19
4497	FH METER RENTAL INC	2,900		2,900	2,570	
4498	MISC. FEE AND CHARGES	-		-		
4499	WATER LINES/FEES DEVEL	-		-		
<b>TOTAL FEES &amp; SERVICE CHARGES</b>		<b>4,743,563</b>	<b>39,000</b>	<b>4,782,563</b>	<b>2,219,959</b>	
<b>BOND PROCEEDS</b>						
4800	BOND PROCEEDS	-	-	-	-	
4810	BOND ISSUE PREMIUM	-		-	-	
<b>TOTAL BOND PROCEEDS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>MISCELLANEOUS REVENUE</b>						
4911	INTEREST INCOME	150,000	(50,000)	100,000	87,249	Adjust for trend
4912	RETURN CHECK CHARGE	400		400	275	
4913	NTMWD REFUND	10,000		10,000		
4914	INSURANCE CLAIM REIMB	-		-		
4915	MISC REV -SALES TAX DISC	-		-	112	
4992	SALE OF ASSETS	-		-		
4996	WF RESERVE FUNDING (USE OF)	-		-		
<b>TOTAL MISCELLANEOUS REVENUE</b>		<b>160,400</b>	<b>(50,000)</b>	<b>110,400</b>	<b>87,636</b>	
<b>*** TOTAL REVENUES ***</b>		<b>4,903,963</b>	<b>(11,000)</b>	<b>4,892,963</b>	<b>2,307,595</b>	

51 - WATER FUND- Operations

		2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>DEPARTMENTAL EXPENDITURES</b>						
<b>PERSONNEL SERVICES</b>						
6400-101	SALARIES - EXEMPT	173,516	8,985	182,501	91,127	COLA/Merit/CM Adj FY 19-20
6400-102	SALARIES - NON-EXEMPT	250,495	7,505	258,000	130,371	COLA/Merit FY 19-20
6400-106	CERTIFICATION FEES	6,300		6,300	1,890	
6400-110	PERFORMANCE/INCENTIVE PAY	17,630	(14,932)	2,698		COLA/Merit FY 19-20
6400-111	OVERTIME	51,726		51,726	10,440	
6400-112	WORKERS' COMPENSATION	10,700		10,700	9,440	
6400-113	LONGEVITY PAY	2,500		2,500	2,402	
6400-122	TMRS	62,500	2,144	64,644	26,717	COLA/Merit/CM Adj FY 19-20
6400-123	GROUP INSURANCE	74,970		74,970	33,658	
6400-127	MEDICARE	6,995	239	7,234	3,345	COLA/Merit/CM Adj FY 19-20
6400-129	LT DISABILITY	2,157		2,157	724	
6400-141	CAR ALLOWANCE	2,400		2,400	1,200	
<b>TOTAL PERSONNEL SERVICES</b>		<b>661,889</b>	<b>3,941</b>	<b>665,830</b>	<b>311,314</b>	
<b>MATERIALS &amp; SUPPLIES</b>						
6400-201	OFFICE SUPPLIES	800		800	407	
6400-202	POSTAGE	2,000		2,000		
6400-204	FOOD/BEVERAGE	800		800	67	
6400-206	FUEL & LUBRICANTS	14,000		14,000	4,055	
6400-208	MINOR APPARATUS	1,500		1,500	928	
6400-209	PROTEC CLOTHING/UNIFORMS	8,775		8,775	2,290	
6400-210	COMPUTER SUPPLIES	300		300		
6400-211	MEDICAL SUPPLIES	250		250		
6400-212	CHEMICALS	6,000		6,000	858	
6400-222	OTHER SUPPLIES	1,500	(1,500)	-		LIT 5-8-20 Enclosed Trailer
6400-223	SAND/DIRT	1,000		1,000		
6400-224	ASPHALT/FLEXBASE/CONCRETE	3,000		3,000	102	
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>39,925</b>	<b>(1,500)</b>	<b>38,425</b>	<b>8,707</b>	
<b>MAINTENANCE &amp; REPAIR</b>						
6400-230	REPAIRS & MAINT. - EQUIP.	2,500		2,500	1,565	
6400-231	FACILITY MAINTENANCE	3,000		3,000	1,765	
6400-232	VEHICLE/EQP MAINT.	5,850		5,850	823	
6400-233	REPAIR & MAINT WTR FACILITIES	163,000		163,000	33,282	
<b>TOTAL MAINTENANCE &amp; REPAIR</b>		<b>174,350</b>	<b>-</b>	<b>174,350</b>	<b>37,435</b>	
<b>PURCHASED SERVICES:</b>						
6400-237	TRASH SERVICES	528,000	30,000	558,000	276,180	Barnes Rate Change CC appr 9-19-19
6400-302	AUDITING & ACCOUNTING	12,500		12,500	7,008	
6400-303	TELEPHONE	7,200		7,200	2,936	
6400-304	UB PROCESSING	25,000		25,000	10,804	
6400-305	SOFTWARE SUPPORT/MAINT	26,500		26,500	7,520	
6400-307	TRAINING & TRAVEL	10,735	(8,000)	2,735	63	LIT 5-8-20 Enclosed Trailer
6400-309	PROFESSIONAL SERVICES	24,000	(2,000)	22,000	14,787	LIT 5-8-20 Enclosed Trailer
6400-310	LEGAL SERVICES	-	50,000	50,000	7,500	CC approved 3-5-20 PUC Legal Fees Coalition NTMWD
6400-313	MAINTENANCE AGREEMENTS	5,400		5,400	1,652	
6400-315	WATER - NTMWD	1,910,914		1,910,914	955,456	
6400-316	WASTEWATER NTMWD	53,980		53,980	41,615	
6400-323	CELL PHONE	5,000		5,000	2,082	
6400-325	LIABILITY INSURANCE	20,200		20,200	17,668	
6400-331	ELECTRICITY	75,000		75,000	21,809	
6400-333	UTILITIES, WATER	400		400		
6400-346	EQUIPMENT RENTAL	4,000	(3,000)	1,000		LIT 5-8-20 Enclosed Trailer
<b>TOTAL PURCHASED SERVICES</b>		<b>2,708,829</b>	<b>67,000</b>	<b>2,775,829</b>	<b>1,367,080</b>	
<b>GENERAL &amp; ADMIN SERVICES/TRANSFERS</b>						
6400-443	DUES/LICENSES	333		333		
6400-999	PILOT TRANSFER OUT	255,495		255,495		
<b>TOTAL GENERAL &amp; ADMIN SERVICES/TRANSFERS</b>		<b>255,828</b>	<b>-</b>	<b>255,828</b>	<b>-</b>	
<b>NON-CAPITAL EXPENSE</b>						
6400-411	FURNITURE	-		-	-	

51 - WATER FUND- Operations

	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>DEPARTMENTAL EXPENDITURES</b>					
6400-416	IMPLEMENTS & APPARATUS	-	-	-	
6400-420	EQUIPMENT - WATER	-	-	-	
6400-452	COMPUTER HARDWARE	10,500	10,500	8,450	
<b>TOTAL NON-CAPITAL EXPENSE</b>					
	<b>10,500</b>	<b>-</b>	<b>10,500</b>	<b>8,450</b>	<b>-</b>
<b>CAPITAL OUTLAY</b>					
8400-420	EQUIPMENT - WATER	-	14,500	14,500	- LIT 5-8-20 Enclosed Trailer
8400-421	VEHICLE	-	-	-	
<b>TOTAL CAPITAL OUTLAY</b>					
	<b>-</b>	<b>14,500</b>	<b>14,500</b>	<b>-</b>	
<b>TOTAL WATER UTILITIES</b>					
	<b>3,851,321</b>	<b>83,941</b>	<b>3,935,262</b>	<b>1,732,986</b>	

## 51 - WATER FUND- Engineering

DEPARTMENTAL EXPENDITURES	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b><u>PERSONNEL SERVICES</u></b>					
6409-101 SALARIES - EXEMPT	85,259	2,557	87,816	43,805	COLA/Merit FY 19-20
6409-112 WORKERS' COMPENSATION	290		290	280	
6409-113 LONGEVITY PAY	235		235	234	
6409-122 TMRS	11,000	332	11,332	5,214	COLA/Merit FY 19-20
6409-123 GROUP INSURANCE	9,972		9,972	4,554	
6409-127 MEDICARE	1,654	37	1,691	600	COLA/Merit FY 19-20
6409-129 LT DISABILITY	446		446	151	
<b>TOTAL PERSONNEL SERVICES</b>	<b>108,856</b>	<b>2,926</b>	<b>111,782</b>	<b>54,838</b>	
<b><u>MATERIALS &amp; SUPPLIES</u></b>					
6409-201 OFFICE SUPPLIES	1,500		1,500	251	
6409-204 FOOD/BEVERAGE	500		500		
6409-208 MINOR APPARATUS	500		500		
6409-209 PROTEC CLOTHING/UNIFORMS	1,350		1,350		
6409-210 COMPUTER SUPPLIES	500		500		
<b>TOTAL MATERIALS &amp; SUPPLIES</b>	<b>4,350</b>	<b>-</b>	<b>4,350</b>	<b>251</b>	
<b><u>MAINTENANCE &amp; REPAIR</u></b>					
6409-232 VEHICLE MAINTENANCE	2,000	-	2,000		
<b>TOTAL MAINTENANCE &amp; REPAIR</b>	<b>2,000</b>	<b>-</b>	<b>2,000</b>	<b>-</b>	
<b><u>PURCHASED SERVICES:</u></b>					
6409-305 SOFTWARE SUPPORT & MAINT	550		550		
6409-307 TRAINING & TRAVEL	240		240		
6409-309 PROFESSIONAL SERVICES	35,800		35,800		
6409-323 CELL PHONE	1,200		1,200	249	
<b>TOTAL PURCHASED SERVICES</b>	<b>37,790</b>	<b>-</b>	<b>37,790</b>	<b>249</b>	
<b><u>GENERAL &amp; ADMIN SERVICES/TRANSFERS</u></b>					
6409-443 DUES/LICENSES	1,125		1,125	100	
<b>TOTAL GENERAL &amp; ADMIN SERVICES/TRANSF</b>	<b>1,125</b>	<b>-</b>	<b>1,125</b>	<b>100</b>	
<b><u>NON-CAPITAL EXPENSE</u></b>					
6409-411 FURNITURE	500		500		
6409-416 IMPLEMENTS & APPARATUS	5,000		5,000		
6409-452 HARDWARE & TELECOM	3,000		3,000	2,928	
<b>TOTAL NON-CAPITAL EXPENSE</b>	<b>8,500</b>	<b>-</b>	<b>8,500</b>	<b>2,928</b>	<b>-</b>
<b><u>CAPITAL OUTLAY</u></b>					
8400-452 HARDWARE & TELECOMM			-		
<b>TOTAL CAPITAL OUTLAY</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TOTAL WATER UTILITIES</b>	<b>162,621</b>	<b>2,926</b>	<b>165,547</b>	<b>58,366</b>	

51 - WATER UTILITIES FUND

DEPARTMENTAL EXPENDITURES		2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
<b>DEBT SERVICE</b>						
7900-214	2007 CERT OF OBLIG-PRINCIPAL	120,000		120,000	120,000	
7900-215	2007 CERT OF OBLIG-INTEREST	39,738		39,738	21,144	
7900-216	2007 GO REFUNDING- PRINCIPAL	110,000		110,000	110,000	
7900-217	2007 GO REFUNDING- INTEREST	9,964		9,964	6,016	
7900-218	2011 CERT OF OBLIG-PRINCIPAL	105,000		105,000	105,000	
7900-219	2011 CERT OF OBLIG-INTEREST	57,950		57,950	29,763	
7900-222	2017 CERT OF OBLIG-PRINCIPAL	115,000		115,000	115,000	
7900-223	2017 CERT OF OBLIG-INTEREST	79,275		79,275	40,500	
7900-224	2019 CERT OF OBLIG-PRINCIPAL	50,000		50,000	50,000	
7900-225	2019 CERT OF OBLIG-INTEREST	46,293		46,293	23,771	
7900-298	BOND ISSUE COSTS	600		600	200	
<b>TOTAL DEBT SERVICE</b>		<b>733,819</b>	<b>-</b>	<b>733,819</b>	<b>621,394</b>	
<b>TOTAL DEBT SERVICE</b>		<b>733,819</b>	<b>-</b>	<b>733,819</b>	<b>621,394</b>	



59 - DEBT SERVICES FUND

DEPARTMENTAL EXPENDITURES	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
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REVENUES

PROPERTY TAXES

4011	PROPERTY TAXES	1,499,103		1,499,103	1,612,129
4012	PROPERTY TAXES-DELINQUENT	5,500		5,500	328
4015	PROPERTY TAXES-P&I	5,000		5,000	3,973
4911	INTEREST INCOME	24,000	(12,000)	12,000	9,384 Adjust for trend
<b>TOTAL PROPERTY TAXES</b>		<b>1,533,603</b>	<b>(12,000)</b>	<b>1,521,603</b>	<b>1,625,814</b>

<b>TOTAL REVENUES</b>	<b>1,533,603</b>	<b>(12,000)</b>	<b>1,521,603</b>	<b>1,625,814</b>
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EXPENDITURES

DEBT SERVICE

7900-214	2007 CERT OF OBLIG-PRINCIPAL	90,000		90,000	90,000
7900-215	2007 CERT OF OBLIG-INTEREST	30,813		30,813	16,363
7900-216	2007 GO REFUNDING- PRINCIPAL	225,000		225,000	225,000
7900-217	2007 GO REFUNDING- INTEREST	22,278		22,278	13,254
7900-218	2011 CERT OF OBLIG-PRINCIPAL	160,000		160,000	160,000
7900-219	2011 CERT OF OBLIG-INTEREST	89,700		89,700	46,050
7900-220	2015 CERT OF OBLIG-PRINCIPAL	120,000		120,000	120,000
7900-221	2015 CERT OF OBLIG-INTEREST	43,500		43,500	22,650
7900-222	2017 CERT OF OBLIG-PRINCIPAL	230,000		230,000	230,000
7900-223	2017 CERT OF OBLIG-INTEREST	158,700		158,700	81,075
7900-224	2019 CERT OF OBLIG-PRINCIPAL	90,000		90,000	90,000
7900-225	2019 CERT OF OBLIG-INTEREST	239,408		239,408	120,829
7900-298	BOND SALE EXPENSES	1,000		1,000	400
<b>TOTAL DEBT SERVICE</b>		<b>1,500,398</b>	<b>-</b>	<b>1,500,398</b>	<b>1,215,621</b>

12 - TECHNOLOGY FUND

DEPARTMENTAL EXPENDITURES	2019-2020 ORIGINAL BUDGET	2019-2020 MID-YR BUDGET ADJUSTMENTS	2019-2020 AMENDED BUDGET	2019-2020 YTD ACTUAL AS OF 3/31/2020	DESCRIPTION
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*REVENUES*

**TRANSFERS FROM GENERAL FUND**

4996 TRANSFER FROM GF RESERVES	-	56,625	56,625	-	CC APPROVED 2-20-20
<b>TOTAL PROPERTY TAXES</b>	-	<b>56,625</b>	<b>56,625</b>	-	
<b>TOTAL TRANSFERS</b>	-	<b>56,625</b>	<b>56,625</b>	-	

*EXPENDITURES*

**PURCHASED SERVICES**

6800-309 PROFESSIONAL SERVICES	-	56,625	56,625	-	FEASIBILITY STUDY CC APPROVED 2-20-20
<b>TOTAL TECHNOLOGY FUND</b>	-	<b>56,625</b>	<b>56,625</b>	-	

City of Lucas  
Schedule A - Revenue Adjustments  
FY 2019-2020 Mid-Year Budget

Account #	Account Name	Amount	Description
<b>General Fund</b>			
4612	County Fire District	\$ (11,290)	Adjust to actual
4427	Public Improv/Inspections	\$ 52,883	Adjust to actual
4911	Interest Income (Fund 11)	\$ (35,000)	Adjusted for lower interest rates
4914	Insurance Proceeds	\$ 1,964	Adjust to actual
4916	Credit card revenue	\$ 1,323	Adjust to trend
4931	Rental Income	\$ 6,000	Big Wave Wireless Facilities agreement
4980	Park Dedication Fees	\$ 41,000	Adjust to actual
4985	Grant Revenues	\$ 15,000	HB 2064 Grant funding for protective clothing
4997	Miscellaneous Income	\$ 2,552	\$1.7K Contribution for Forest Creek Estates Sign/GCEC Capital Contribution
4996	GF Reserves Transfer	\$ 56,625	Transfer in reserves for Magellan Broadband Network Feasibility Study
	Total General Fund 11	<u>\$ 131,057</u>	
<b>Technology Fund</b>			
4996	Transfer in	\$ 56,625	Transfer in reserves for Magellan Broadband Network Feasibility Study
	Total Technology Fund 12	<u>\$ 56,625</u>	
<b>Water Fund</b>			
4478	Trash Service	\$ 39,000	Adjusted for change in Barnes Contract pricing
4911	Interest Income (Fund 51)	\$ (50,000)	Adjusted for lower interest rates
	Total Water Fund 51	<u>\$ (11,000)</u>	
<b>Debt Service Fund</b>			
4911	Interest Income (Fund 59)	\$ (12,000)	Adjusted for lower interest rates
	Total Debt Service Fund 59	<u>\$ (12,000)</u>	
<b>Total - All funds excluding capital improvement fund</b>		<u>\$ 164,682</u>	
<b>Capital Improvement Fund</b>			
4911	Interest Income (Fund 21)	\$ (33,000)	Adjusted for lower interest rates
	Total Capital Improvement Fund 21	<u>\$ (33,000)</u>	

City of Lucas  
 Schedule B - Line Item Transfers  
 FY 2019-2020 Mid-Year Budget

Dept. #	Dept. Name	Account #	Account Name	Amount	Description
<b>General Fund</b>					
6100	City Council	222	Audio/Visual	\$ 10,125	3-27-20 Transfer from City Secretary Elections acct for equipment upgrade
6110	City Secretary	445	Elections	\$ (10,125)	3-27-20 Transfer from City Secretary Elections acct for equipment upgrade
6200	Finance/Admin	123	Group Insurance	\$ 1,476	Reclass Teledoc to group insurance
6200	Finance/Admin	309	Professional Services	\$ (1,476)	Reclass Teledoc from professional services
6209	PW Engineering	103	Salaries Non-Exempt Temp	\$ 6,720	10-1-20 LIT to PW Engineering for administrative support
6210	Public Works	Various	Personnel Services	\$ (16,500)	4-23-20 LIT to Parks summer and PT public works overage due to position vacancy
6210	Public Works	208	Minor Apparatus	\$ (4,000)	5-8-20 LIT reclass to equipment for the purchase of Scag Mower
6210	Public Works	307	Travel	\$ (3,000)	5-8-20 LIT reclass to equipment for the purchase of Scag Mower
6210	Public Works	309	Professional Services	\$ (2,000)	5-8-20 LIT reclass to equipment for the purchase of Scag Mower
6210	Public Works	346	Equipment Rental	\$ (2,000)	5-8-20 LIT reclass to equipment for the purchase of Scag Mower
6210	Public Works	433	Signs & Markings	\$ (2,000)	5-8-20 LIT reclass to equipment for the purchase of Scag Mower
8210	Public Works	420	Equipment	\$ 13,000	5-8-20 LIT reclass to equipment for the purchase of Scag Mower
6211	Parks	103	Salaries Non-Exempt Temp	\$ 16,500	4-23-20 LIT to Parks summer and PT public works overage due to position vacancy
6211	Parks	103	Salaries Non-Exempt Temp	\$ (6,720)	10-1-20 LIT to PW Engineering for administrative support
8211	Parks	417	Park Improvements	\$ 1,728	11-6-19 LIT to 6999-231 Facility Maint. for roof repair
6300	Fire Dept.	309	Professional Services	\$ (4,274)	12-2-19 LIT Slab/Carport
8300	Fire Dept.	200	Building Improvements	\$ 4,274	12-2-19 LIT Slab/Carport
6110	City Secretary	Various	Personnel Costs	\$ 2,691	COLA/Merit Adjustments FY 19-20
6200	Finance/Admin	Various	Personnel Costs	\$ 14,807	COLA/Merit Adjustments FY 19-20
6209	PW Engineering	Various	Personnel Costs	\$ 2,926	COLA/Merit Adjustments FY 19-20
6210	Public Works	Various	Personnel Costs	\$ 2,525	COLA/Merit Adjustments FY 19-20
6212	Develop. Services	Various	Personnel Costs	\$ 6,774	COLA/Merit Adjustments FY 19-20
6300	Fire Dept.	Various	Personnel Costs	\$ 30,538	COLA/Merit Adjustments FY 19-20
6999	Non - Dept.	110	Performance/Incentive	\$ (60,261)	COLA/Merit Adjustments FY 19-20
6999	Non - Dept.	231	Facility Maint	\$ (1,728)	11-6-19 LIT to 6999-231 Facility Maint. for roof repair
			Total General Fund 11	<u>\$ -</u>	
<b>Water Fund</b>					
6400	Water Ops	Various	Personnel Costs	\$ 12,006	COLA/Merit Adjustments FY 19-20
6409	Wtr Engineering	Various	Personnel Costs	\$ 2,926	COLA/Merit Adjustments FY 19-20
6400	Water Ops	110	Performance/Incentive	\$ (14,932)	COLA/Merit Adjustments FY 19-20
6400	Water Ops	222	Other Supplies	\$ (1,500)	5-8-20 LIT reclass to equipment for the purchase of Enclosed Trailer
6400	Water Ops	307	Travel	\$ (8,000)	5-8-20 LIT reclass to equipment for the purchase of Enclosed Trailer
6400	Water Ops	309	Professional Services	\$ (2,000)	5-8-20 LIT reclass to equipment for the purchase of Enclosed Trailer
6400	Water Ops	346	Equipment Rental	\$ (3,000)	5-8-20 LIT reclass to equipment for the purchase of Enclosed Trailer
8400	Water Ops	420	Equipment	\$ 14,500	5-8-20 LIT reclass to equipment for the purchase of Enclosed Trailer
			Total Water Fund 51	<u>\$ -</u>	
			<b>Total - All funds</b>	<u><u>\$ -</u></u>	

City of Lucas  
Schedule C - Previously Approved City Council Items  
FY 2019-2020 Mid-Year Budget

Dept. #	Dept. Name	Account #	Account Name	Amount	Description
<b>General Fund</b>					
6200	Finance/Admin	Various	Personnel Costs	\$ 6,867	11-21-19 CM Contract Adjustment
6209	PW Engineering	309	Professional Services	\$ 34,000	9-5-19 Lee Engineering Traffic Study
6209	PW Engineering	309	Professional Services	\$ 12,703	3-5-20 FY 18-19 Re-allocation capital improvements/operating costs
6209	PW Engineering	309	Professional Services	\$ 9,585	3-5-20 amend drainage study Birkhoff
8209	PW Engineering	301	Equipment	\$ 57,311	3-5-20 FY 18-19 Re-allocation capital improvements/operating costs
8209	PW Engineering	421	Vehicles	\$ 40,000	4-16-20 Transfer budget from public works equipment to vehicle
8210	Public Works	421	Vehicles	\$ 45,000	4-16-20 Transfer budget from public works equipment to vehicle
8210	Public Works	420	Equipment	\$ (85,000)	4-16-20 Transfer budget from public works equipment to vehicle
6211	Parks	417	Park Improvements	\$ 4,100	3-5-20 Forest Creek Estates Sign
6300	Fire Dept.	232	Vehicle Maint.	\$ 5,780	3-5-20 FY 18-19 Re-allocation capital improvements/operating costs hail damage
6999	Non Dept.	323	Streaker Restoration	\$ 37,500	10-17-19 Streaker Restoration
6999	Non Dept.	999	Transfer from	\$ 56,625	2-20-20 Magellan Broadband Network Feasibility Study
			Total General Fund 11	<u>\$ 224,471</u>	
<b>Technology Fund</b>					
6800	Technology	309	Professional Services	\$ 56,625	2-20-20 Magellan Broadband Network Feasibility Study
			Total Technology Fund 12	<u>\$ 56,625</u>	
<b>Water Fund</b>					
6400	Water Ops	Various	Personnel Costs	\$ 6,867	11-21-19 CM Contract Adjustment
6400	Water Ops	237	Trash Services	\$ 30,000	9-19-19 Adjusted for change in Barnes Contract pricing
6400	Water Ops	310	Legal Fees	\$ 50,000	3-5-20 PUC Legal Fee Coalition NTMWD
			Total Water Fund 51	<u>\$ 86,867</u>	
<b>Total - All funds excluding capital improvement fund</b>				<u>\$ 367,963</u>	
<b>Capital Improvement Fund</b>					
8210	Water Projects	490-124	Project Mgmt.	\$ 34,973	3-5-20 FY 3-5-20 FY 18-19 Re-allocation capital improvements/operating costs
8210	Water Projects	490-125	Elevated Water Tower	\$ 1,147,091	3-5-20 FY 3-5-20 FY 18-19 Re-allocation capital improvements/operating costs
8210	Water Projects	490-127	Scada System	\$ 100,000	3-5-20 FY 3-5-20 FY 18-19 Re-allocation capital improvements/operating costs
8210	Water Projects	490-128	North Pump Station	\$ 1,603,029	9-5-19 Lamarc Construction
8210	Road/Bridge Proj	491-126	CC/Estates Parkway	\$ 293,254	3-5-20 FY 3-5-20 FY 18-19 Re-allocation capital improvements/operating costs
8210	Road/Bridge Proj	491-127	Winningkoff Rd P2	\$ 1,771,837	3-5-20 FY 3-5-20 FY 18-19 Re-allocation capital improvements/operating costs
8210	Road/Bridge Proj	491-128	Stinson Rd	\$ 1,158,761	3-5-20 FY 3-5-20 FY 18-19 Re-allocation capital improvements/operating costs
8210	Road/Bridge Proj	491-129	Blondy Jhune Rd	\$ 592,840	3-5-20 FY 3-5-20 FY 18-19 Re-allocation capital improvements/operating costs
8210	Road/Bridge Proj	491-132	Proj Mgmt Stinson	\$ (34,585)	3-5-20 FY 3-5-20 FY 18-19 Re-allocation capital improvements/operating costs
8210	Road/Bridge Proj	491-133	Proj Mgmt Blondy Jhune	\$ 8,178	3-5-20 FY 3-5-20 FY 18-19 Re-allocation capital improvements/operating costs
8210	Road/Bridge Proj	491-134	Stinson Bridge	\$ 802,115	12-19-19 Lakes Design
8210	Road/Bridge Proj	491-135	Snider Bridge	\$ 754,185	12-19-19 Lakes Design
		491-500	Brockdale Rd Rehab	\$ 34,070	3-5-20 FY 18-19 Re-allocation capital improvements/operating costs
			Total Capital Fund 21	<u>\$ 8,265,748</u>	

City of Lucas  
 Schedule D - Department Savings & Reclassifications  
 FY 2019-2020 Mid-Year Budget

Dept. #	Dept. Name	Account #	Account Name	Amount	Description
6200	Finance/Admin	307	Travel	\$ (3,760)	Texas City Mgmt. Assoc conference cancellation
6200	Finance/Admin	307	Travel	\$ (1,570)	Texas Municipal Human Resource Assoc. conference cancellation
6200	Finance/Admin	307	Travel	\$ (1,000)	Finance local training cancellation
8210	Public Works	420	Equipment	\$ (23,376)	Excess overage from original Gradall budget used to purchase Skid Steer Crack Seal Machine, and Two Trucks
6211	Parks	444	Founders Day	\$ (29,972)	Cancellation of Founders Day event
6211	Parks	446	Park Events	\$ (3,000)	Cancellation of annual conference - Keep Texas Beautiful
6211	Parks	448	Park Events	\$ (3,000)	Cancellation of various parks special events
6212	Devel Services	102	Salary Non-Exempt	\$ (35,684)	Savings from temporary assignment of two positions to Fire Department for two months during staffing shortage and code enforcement position vacancy
6212	Devel Services	122	TMRS	\$ (2,000)	Savings from temporary assignment of two positions to Fire Department for two months
6212	Devel Services	123	Group Insurance	\$ (6,500)	Savings from temporary assignment of two positions to Fire Department for two months
6212	Devel Services	307	Training	\$ (6,000)	Travel cancellation
6212	Devel Services	309	Professional Services	\$ (7,000)	Review costs/surveying not needed
6212	Devel Services	452	Storm Water Mgmt.	\$ (1,000)	Cancelled Spring Cleanup Event
6300	Fire Dept.	103	Sal -Temp	\$ (3,600)	Reduced budget for temporary position
6300	Fire Dept.	106	Cert Fees	\$ (4,000)	Reduction due to vacancies and replacement of new hires
6300	Fire Dept.	111	OT	\$ 3,100	Coverage needed for Anthony's paramedic school
6300	Fire Dept.	111	OT	\$ 15,000	Coverage during three position loss Fire Dept. vacancy
6300	Fire Dept.	122	TMRS	\$ 403	Coverage needed for Anthony's paramedic school
6300	Fire Dept.	122	TMRS	\$ 1,950	Coverage during three position loss Fire Dept. vacancy
6300	Fire Dept.	127	Medicare	\$ 218	Coverage during three position loss Fire Dept. vacancy
6300	Fire Dept.	127	Medicare	\$ 45	Coverage needed for Anthony's paramedic school
6300	Fire Dept.	201	Office Supplies	\$ (450)	Reviewed budget/found savings
6300	Fire Dept.	204	Food/Beverage	\$ (1,000)	Reviewed budget/found savings
6300	Fire Dept.	227	Prevention	\$ (1,725)	Reviewed budget/found savings
6300	Fire Dept.	231	Facility Maint	\$ 800	Load of gravel for back pad and station area
6300	Fire Dept.	302	VER Stipends	\$ (8,000)	Reduced number of volunteers
6300	Fire Dept.	307	Travel	\$ (6,706)	Travel cancellation
6300	Fire Dept.	312	Paramedic School	\$ (1,000)	No graduates for paramedic school this fiscal year
6300	Fire Dept.	441	Apprec	\$ (400)	Reviewed budget/found savings
6300	Fire Dept.	443	Dues/License	\$ (300)	Reviewed budget/found savings
6300	Fire Dept.	448	Rehab	\$ (500)	Reviewed budget/found savings
8300	Fire Dept.	200	Bldg. Improv	\$ 16,326	Two rolling apparatus grille doors for bay
6999	Non - Dept.	310	Legal Fees	\$ (50,000)	Adjusted budget for trend
<b>Total Savings General Fund</b>				<b>\$ (163,701)</b>	



City of Lucas  
 General Fund Reserves by Fiscal Year

	Actual 2013-2014	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Projected 2019-2020
<b>Unassigned Fund Balance per Audit Report</b>	<b>\$ 5,867,875</b>	<b>\$ 6,203,973</b>	<b>\$ 7,545,674</b>	<b>\$ 8,774,909</b>	<b>\$ 7,380,496</b>	<b>\$ 7,442,323</b>	<b>\$ 7,442,323</b>
Adjusted For:							
Projected Excess Fund Balance FY 19-20							\$ 167,411
Additional Restrictions:							
Capital Project funding approved at (3-2-17) City Council Meeting Brockdale Roadway Improvements	\$ (47,935)	\$ (102,935)	\$ (140,335)	\$ (199,570)	\$ (1,385,000)		\$ -
FY 19-20 Transfer for Feasibility Study Technology Fund 12 Reserve for Capital Outlay			\$ (50,000)	\$ (100,000)			\$ (56,625) \$ (50,000)
<b>Reserve Balance Prior to GASB 54 Requirement</b>	<b>\$ 5,819,940</b>	<b>\$ 6,101,038</b>	<b>\$ 7,355,339</b>	<b>\$ 7,090,339</b>	<b>\$ 7,380,496</b>	<b>\$ 7,442,323</b>	<b>\$ 7,503,109</b>
<b>Reserve Balance in Operating Months</b>	<b>16.7</b>	<b>17.1</b>	<b>19.3</b>	<b>16.5</b>	<b>16.9</b>	<b>14.9</b>	<b>14</b>
50% Current Year General Fund Expenditures (6 months)	\$ (2,089,807)	\$ (2,143,890)	\$ (2,286,670)	\$ (2,583,535)	\$ (2,624,410)	\$ (3,009,319)	\$ (3,115,102)
<b>Reserve Balance After GASB 54 Requirement</b>	<b>\$ 3,730,133</b>	<b>\$ 3,957,148</b>	<b>\$ 5,068,669</b>	<b>\$ 4,506,804</b>	<b>\$ 4,756,086</b>	<b>\$ 4,433,005</b>	<b>\$ 4,388,007</b>
<b>Reserve Balance in Operating Months</b>	<b>10.7</b>	<b>11.1</b>	<b>13.3</b>	<b>10.5</b>	<b>10.9</b>	<b>8.9</b>	<b>8.0</b>
<b>Restricted during Fiscal Year Audit:</b>							
Capital Outlay ( \$50K per year) (11-1007-60)					\$ 150,000	\$ 200,000	\$ 150,000
Ambulance Donation (11-1001-65)					\$ 100,000	\$ -	\$ -
Restricted Impact Fees						\$ 1,785,286	\$ 483,680
Brockdale Roadway Improvements (11-1001-60)					\$ 245,054	\$ 285,878	\$ 235,194
Project Mgmt (11-1007-70)						\$ 358,290	
Capital Project Funding approved (3-2-17)(11-1007-50)					\$ 1,385,000	\$ 1,385,000	
<b>Reserve Restricted per Audit Report</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,880,054</b>	<b>\$ 4,014,454</b>	<b>\$ 868,874</b>

City of Lucas  
Water Fund Reserves by Fiscal Year

	Actual 2013-2014	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Projected 2019-2020
<b>Unrestricted Cash Balance per Audit Report</b>	<b>\$ 3,382,193</b>	<b>\$ 4,295,531</b>	<b>\$ 5,579,746</b>	<b>\$ 5,548,487</b>	<b>\$ 5,996,412</b>	<b>\$ 6,215,622</b>	<b>\$ 6,215,622</b>
Adjusted For:							
Projected Excess Fund Balance FY 19-20							\$ 58,335
Additional Restrictions:							
Capital Project funding approved at (3-2-17) City Council Meeting				\$ (120,979)			
Customer Deposits	\$ (209,565)	\$ (223,300)	\$ (239,250)	\$ (245,600)	\$ (247,600)	\$ (256,220)	\$ (256,220)
FY 18-19 Transfer for Capital Projects							\$ (82,163)
<b>Reserve Balance Prior to GASB 54 Requirement</b>	<b>\$ 3,172,628</b>	<b>\$ 4,072,231</b>	<b>\$ 5,340,496</b>	<b>\$ 5,181,908</b>	<b>\$ 5,748,812</b>	<b>\$ 5,959,402</b>	<b>\$ 5,935,574</b>
<b>Reserve Balance in Operating Months</b>	<b>13</b>	<b>15</b>	<b>19</b>	<b>16</b>	<b>18</b>	<b>18</b>	<b>17</b>
50% Current Year General Fund Expenditures (6 months)	\$ (1,397,368)	\$ (1,605,672)	\$ (1,656,470)	\$ (1,897,744)	\$ (1,949,722)	\$ (1,983,894)	\$ (2,167,314)
<b>Reserve Balance After GASB 54 Requirement</b>	<b>\$ 1,775,260</b>	<b>\$ 2,466,559</b>	<b>\$ 3,684,026</b>	<b>\$ 3,284,164</b>	<b>\$ 3,799,090</b>	<b>\$ 3,975,508</b>	<b>\$ 3,768,260</b>
<b>Reserve Balance in Operating Months</b>	<b>7</b>	<b>9</b>	<b>13</b>	<b>10</b>	<b>12</b>	<b>12</b>	<b>11</b>
<b>Restricted during FY 17-18 audit:</b>							
Capital Project Funding approved (3-2-17)(51-1007-50)					\$ 120,979	\$ 120,979	
Project Mgmt (51-1007-70)						\$ 69,945	
Reserve Restricted per Audit Report	\$ -	\$ -	\$ -	\$ -	\$ 120,979	\$ 190,924	\$ -



# City of Lucas Council Agenda Request May 21, 2020

Item No. 08

Requester: Finance Director Liz Exum

## Agenda Item Request

Consider the Fiscal Year 20/21 budget calendar being proposed for the budget process.

## Background Information

The following fiscal year 20/21 budget calendar is being proposed for the fiscal year budget process.

### BUDGET CALENDAR

<i>Day</i>	<i>Date</i>	<i>Time</i>	<i>Description</i>
Friday	July 10, 2020	N/A	Budget Workbook delivered to City Council
Thursday	July 16, 2020 (regular meeting)	6 pm	Budget Workshop Set the public hearing for the City and Fire District for FY 20/21 budget (Thursday September 3).
Thursday	August 20, 2020 (regular meeting)	7 pm	Discuss FY 20/21 budget Discuss tax rate; take record vote for publication in newspaper. Schedule 1 public hearing for tax rate if needed. (Thursday September 3). *
Thursday	August 20, 2020	7 pm	Publish notice in the Allen American regarding public hearing for budget for the city and fire district scheduled for September 3.
Thursday	August 27, 2020	7 pm	Publish notice in the Allen American regarding public hearing for tax rate scheduled for September 3. *
Thursday	September 3, 2020 (regular meeting)	7 pm	Public hearing on tax rate (if needed). * Public hearing on budget.
Thursday	September 3, 2020 (regular meeting)	7 pm	Pass Ordinance adopting FY 20/21 Budget (record vote) Pass Ordinance setting the tax rate (record vote)

Deadline changes amended by Senate Bill 2 passed during the 86<sup>th</sup> legislation session requires the taxing unit to hold the meeting to adopt the tax rate no later than the seventh day after the public hearing. This proposed calendar calls for adopting the budget and tax rate immediately after the public hearing. In order to adopt the budget and tax rate at a later date, a special meeting will need to be called and held within the seven-day time requirement.

\*If the city adopts the no-new-revenue (old effective) tax rate or less, no public hearing on the tax rate is required.



**City of Lucas  
Council Agenda Request  
May 21, 2020**

**Attachments/Supporting Documentation**

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NA

**Budget/Financial Impact**

---

NA

**Recommendation**

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Staff recommends approval of the proposed budget calendar.

**Motion**

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I make a motion to approve/deny the City of Lucas fiscal year 20/21 budget calendar.



# City of Lucas Council Agenda Request May 21, 2020

Item No. 09

Requester: Finance Director Liz Exum

## **Agenda Item Request**

---

Consider the selection of the most qualified certified public accounting firm to perform the City's annual audit for fiscal year ending September 30, 2020, and for each of the four (4) subsequent fiscal years and authorize the City Manager to negotiate the contract.

## **Background Information**

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Section 6.01 of the City of Lucas Home Rule Charter (Audit and Examination of City Books and Accounts) states: "The same firm or certified public accountant shall complete no more than five (5) consecutive annual audits." The City has used the same audit firm for five consecutive years and recently sent out a proposal for auditing services. Advertisements for auditing services were published in the Allen American newspaper on Thursday, April 9 and Thursday, April 16. The City also published the RFQ on the City's website. Staff did not receive any requests from the advertisements that were run in the newspaper or website. Seven companies were contacted by email on April 16 and a reminder was sent out on May 5 to see if there was any interest in completing an RFQ for audit consideration. The seven companies contacted were:

- BKD CPAs Advisors
- Crowe LLP
- Jaynes Reitmeier Boyd, Therrell PC
- LaFollett and Abbott, PLLC
- Pattillo, Brown & Hill, LLP
- Scott, Singleton, Fincher, and Company
- Whitley Penn LLP

One company (LaFollett & Abbott, PLLC) out of the seven requested an RFQ packet to complete and submitted the proposal by the required cutoff date of May 8, 2020 by 2 pm. LaFollett had previously submitted a proposal to the City during the request for proposal process that occurred for the 2015-2019 audit season and was highly rated during our review process. Evaluation factors for this audit included experience in government and municipal accounting, responsiveness to terms and conditions including scheduling, and commitment to government accounting and auditing. The proposal is attached and listed below for City Council review.

## **Attachments/Supporting Documentation**

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1. LaFollett & Abbott, PLLC





# City of Lucas Council Agenda Request May 21, 2020

Item No. 09

## **Budget/Financial Impact**

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The Professional Services Procurement Act states that a city may not use traditional competitive bidding procedures to obtain the services of certified public accountants. The city must select the most highly qualified provider and negotiate a fair and reasonable price. Staff believes that we have budgeted sufficient funds for these services.

## **Recommendation**

---

After careful evaluation of the firm's proposal, experience, primary focus on government audits, and customer service led to our recommendation. Staff would like to recommend LaFollett & Abbott, PLLC to perform the City's annual audit for the fiscal year ending September 30, 2020, and for each of the four (4) subsequent fiscal years.

## **Motion**

---

I make a motion to approve/deny the selection of LaFollett & Abbott, PLLC for the performance of the City's annual audit for fiscal year end September 30, 2020, and for each of the four (4) subsequent fiscal years and authorize the City Manager to negotiate the contract.



**LaFollett and Company PLLC**  
Certified Public Accountants

***Response to the City of Lucas  
Request for Qualifications #021-20  
Professional Auditing Services***



**Firm Name: LaFollett & Company PLLC**  
**Mailing Address: P O Box 717, Tom Bean Texas 75489**  
**Authorized Agent: Susan K. LaFollett, CPA**  
**Phone Number: (903) 546-6975**  
**Email: [susan.lafollett@lafollettcpa.com](mailto:susan.lafollett@lafollettcpa.com)**

“I hereby certify that I have read all items of the RFQ# 021-20 and fully understand the requirements listed herein. I certify that I am an authorized agent of the proposing auditor empowered to submit the bid and authorized to sign a contract with the City of Lucas.”

  
\_\_\_\_\_  
Susan K. LaFollett CPA

**Submitted: May 8, 2020**



## ***EXECUTIVE SUMMARY***

May 8, 2020

To the Finance Director, Council, and Management of the  
City of Lucas, Texas  
665 Country Club Road  
Lucas, Texas 75002

Dear Finance Director, Council, and Management:

Thank you for your request for our proposal to perform professional auditing services for the City of Lucas, Texas (the City) for the fiscal years ending September 30, 2020 through 2024. The enclosed proposal represents a firm and irrevocable offer for ninety (90) days.

Our proposal for auditing the City of Lucas will be in accordance with *Generally Accepted Auditing Standards* (GAAS), *Government Audit Standards* (the Yellow Book), the American Institute of Certified Public Accountants (AICPA), and as necessary, the Single Audit Act under the Uniform Guidance. We'll also prepare the Comprehensive Annual Financial Report (CAFR) in the prescribed format necessary for the City to receive the Government Finance Officers Association's (GFOA) *Certificate of Achievement for Excellence in Financial Reporting* (the certificate).

We believe that awarding the engagement to us will have numerous advantages to your City. We are a local firm that is located in North Texas and as such are available to meet with you any time for RFP interviews and or audit meetings throughout the process. We are currently engaged as the independent auditor for numerous municipalities that follow Government Auditing Standards. Also, we have extensive experience performing audits that require a single audit under the Uniform Guidance. So if your federal awards do reach the threshold in a given year, we will be able to thoroughly conduct the single audit, as needed. We prepare the draft CAFR for multiple cities and they have received the GFOA's certificate for all years submitted. In addition, we have a good working knowledge of your INCODE software.

A unique quality of engaging our firm is that you will know your audit team ahead of time with no last minute substitutions. Our firm audit team consists of five professional auditors that will include a partner onsite to lead the team during fieldwork. The engagement team will be Susan K. LaFollett CPA, Partner, Keri Goodwin, Senior, Sophie Packard, Senior, Mattie Atkins, Intern, and Priscilla Clark, Intern. Ms. LaFollett is the founder of the firm and she has twenty two plus years of auditing experience. She is the Past President of the Sherman Rotary Club and a very active member of the community. Ms. Goodwin will be the acting senior on the engagement; she has a B.B.A. in Accounting, six years of auditing experience, and is a CPA Candidate. Ms. Packard has a M.S.A. in Accounting, two years of auditing experience, and is a CPA Candidate. Ms. Atkins is pursuing a B.B.A in Accounting at Texas A&M University Commerce Honors Program and has one busy season of auditing experience. Ms. Clark is pursuing a B.B.A in Accounting at Texas A&M University Commerce Honors Program, while working as an intern.

The City of Lucas will be a very important client to our firm as we continue to grow our audit practice. We have rotated off several other larger cities that prepare a CAFR and now have the capacity to take on new engagements like the City of Lucas, Texas. We are 100% committed to completing the audit within the time period specified in the RFQ and have included a proposed audit schedule based on the requirements. We will work diligently with City staff to perform work timely and to exceed the City's expectations on service. We believe that our experienced team can assist the City to achieve the GFOA certificate each year.

Please give serious consideration to our proposal noting our experience with the local governments that issue a CAFR. This is not a sideline activity for us as our firm specialty is the audits of local governments. The firm's record with all regulatory and licensing, and professional organizations is totally unblemished. We are committed to quality and are members of the American Institute of CPAs, Texas Society of CPAs, and Government Finance Officers Association.

Ms. Susan K. LaFollett, CPA is the individual signing the transmittal letter. Ms. LaFollett is authorized to represent and bind the firm and to enter into a contract with the City.

If you have any questions about our proposal, please do not hesitate to contact Ms. LaFollett.

Sincerely,

A handwritten signature in cursive script that reads "LaFollett & Company PLLC".

**LaFollett & Company PLLC**  
Certified Public Accountants

**TECHNICAL PROPOSAL FOR THE CITY OF LUCAS**  
**FOR THE FISCAL YEARS ENDING**  
**SEPTEMBER 30, 2020 THROUGH 2024**

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## **TECHNICAL PROPOSAL FOR THE CITY OF LUCAS**

This proposal has been written to respond to the "Request for Qualifications"(RFQ #021-20) for professional auditing services for the City of Lucas, Texas (the City). It has been written specifically for the City. This proposal is valid for ninety days past the RFQ closing date.

### **Firm Background, Principle Officers, Prior Experience and Resumes**

#### **FIRM QUALIFICATIONS AND EXPERIENCE**

##### ***Independence***

The second general standard for governmental auditing states that the auditor should maintain an attitude of independence in both fact and appearance. The firm of LaFollett & Company PLLC has no direct or indirect financial interest in the City and its component units or other interest that could affect the independence of the firm as defined by the U.S. General Accounting Office's Government Auditing Standards.

##### ***Independence and Nonaudit Services***

The 2018 Yellow Book standards are effective beginning in FY20 and they require our firm to more closely identify nonaudit services, evaluate the related threats to independence posed by performing these nonaudit services for the City, and have safeguards in place to ensure our independence is not impaired. The preparation of the draft Certified Annual Financial Report (CAFR) is a nonaudit service that the City has requested that the audit firm perform. Threats posed by this service potentially include self-review and management decisions. As a result, we have implemented safeguards to overcome these identified threats to independence as they relate to the nonaudit services, in order to be independent, and thus able to perform your audit. As you most likely know, the City is required to assume all management responsibilities; oversee these nonaudit services by designating an official, preferably within senior management, who possesses suitable skill, knowledge, or experience to evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services by reviewing and approving the complete CAFR draft.

##### ***Firm Background and Expertise***

LaFollett & Company PLLC was founded by Susan K. LaFollett CPA in 2009, when she took over the leadership of the firm Gregg & Company CPA's. Later the firm became LaFollett & Abbott PLLC to better reflect the current ownership and key professionals. Then in May 2019 the firm returned to its roots and is once again known as LaFollett & Company PLLC.

LaFollett & Company PLLC is a local CPA firm located in Tom Bean, Texas, which is near Sherman, Texas. We specialize in performing audits of governmental and nonprofit organizations, as well as single audits. Governmental and not for profit audits are not just sideline or "fill-in" engagements, they are the Firm's specialty and comprise all of the Firm's current audit engagements.

LaFollett & Company PLLC has extensive experience performing single audits in accordance with the Uniform Guidance and Uniform Grants Management Standards of the State of Texas and standards issued by the General Accounting Office (GAO). We have experience in working with cities that use INCODE software and are familiar with how you're accounting system works and the related reports. We prepare the draft comprehensive annual financial reports (CAFR's) for multiple cities that have received the GFOA certification for excellence in financial reporting for each year submitted.

#### ***Firm Size***

The firm's governmental audit staff consists of one full-time CPA, two full-time professional audit staff, and three part-time professional audit staff. The firm also has a tax practice that consists of one part-time CPA and two full-time tax preparers. We also, have several CPA's that assist the firm on a contract basis, as needed. Please visit [www.lafollettcpa.com](http://www.lafollettcpa.com) and check us out on Facebook @lafollettcpa.

#### ***Peer Review***

When known as LaFollett & Abbott PLLC we received the highest rating of "pass" on our peer review dated August 28, 2017 under the AICPA Peer Review Program. A copy of the report is at **Attachment F**. LaFollett & Company PLLC will undergo our peer review in the fall of 2020 and the results of that will be forwarded to you when available.

#### ***Disciplinary Action***

No accountants employed by the Firm nor the Firm itself have ever been reprimanded or received other disciplinary action by the Texas State Board of Public Accountancy, the AICPA, the SEC, or the TSCPA and no disciplinary actions are pending with the State Board, regulatory bodies, or professional organizations.

#### ***Federal and State Desk Reviews***

The firm does have regular desk reviews by various Federal and State agencies that relate to audits performed under Uniform Guidance. None of the desk reviews have resulted in any findings that require corrective action

#### ***Pending and Settled Litigation***

The Firm has never experienced any settled litigation nor are there any pending litigation matters.

## **PARTNER, SUPERVISORY, AND STAFF QUALIFICATIONS, EXPERIENCE**

### ***Proposed Audit Team***

The audit team for the audit of the City of Lucas, Texas will have the following members:

#### **Susan K. LaFollett CPA, Partner**

Ms. LaFollett, Partner of LaFollett & Company PLLC, will assume the overall responsibility for the conduct of the engagement. She will coordinate the activities of the project, allocate administrative support where required, and direct any supplemental activities, as needed, for ensuring the completion of the audit within the time and cost restraints.

Ms. LaFollett has 22 plus years of professional training, and audit experience. She has directed audits of not-for-profit organizations and governmental entities, including the Single Audit Act under the Uniform Guidance since the firm's inception... She represents a commitment of the highest level of the firm's management. Susan has worked for several other firms as well as a "big four" public accounting firm, Coopers & Lybrand. Ms. LaFollett will coordinate planning and provide a review of all fieldwork and the CAFR draft to ensure quality control. She will work 60 hours of the proposed budget. For more information and a complete list of recent audits, see her resume at **Attachment B**.

#### **Keri Goodwin, Audit Senior**

Keri Goodwin, Audit Senior, will assume the responsibility of senior in-charge of this engagement. She graduated from Texas A&M University Commerce in August 2015, with a Bachelor of Business Administration, Accounting. Keri will attend Texas A&M University Commerce beginning in the fall of 2020 to pursue a Master's of Science in Accounting as part of her CPA candidacy requirements.

Ms. Goodwin has 6 years of audit experience with LaFollett & Company PLLC and has gained an extensive knowledge of audit requirements and procedures. Keri will perform the planning and the evaluation of internal controls. She will lead and direct other staff members during the fieldwork. Keri will conduct the testing of capital assets and prepare the draft CAFR. She will work 115 hours of the proposed budget. For more information and a complete list of recent audits, see her resume at **Attachment B**.

#### **Sophie Packard, Audit Senior**

Sophie Packard, Audit Senior, graduated from Texas A&M University at Commerce in December 2018, with a Master's of Science in Accounting. Ms. Packard earned her Bachelor of Arts in Political Science and Biology from Austin College in 2014. Sophie will attend Southern Methodist University beginning in fall 2020 to pursue an M.B.A. as part of her CPA candidacy requirements.

Ms. Packard has 2 years audit experience with LaFollett & Company PLLC and has already gained a strong knowledge of audit requirements and procedures. Sophie will conduct the testing of debt and pensions/OPEB balances. She will work 60 hours of the proposed budget. For more information and a complete list of recent audits, see her resume at **Attachment B**.

**Mattie Atkins, Intern**

Mattie Atkins, Intern, is pursuing a Bachelor of Business Administration, Accounting at Texas A&M University Commerce Honors Program and expects to graduate in May 2021 with enough hours to sit for the CPA exam. Ms. Atkins has 1 years audit experience with LaFollett & Company PLLC and has gained a solid knowledge of basic audit requirements and procedures. Mattie will conduct the testing of revenues and payroll and provide support on the draft CAFR. She will work 80 hours of the proposed budget.

**Priscilla Clark, Intern**

Priscilla Clark, Intern, is pursuing a Bachelor of Business Administration, Accounting at Texas A&M University Commerce Honors Program and expects to graduate in May 2022 with enough hours to sit for the CPA exam. Ms. Clark has just started at LaFollett & Company PLLC and is currently assigned to several audits of local governments. Priscilla will conduct the testing of cash and liabilities and provide support on the draft CAFR. She will work 40 hours of the proposed budget.

***Licenses to Practice***

We affirm that LaFollett & Company PLLC and the firms audit partner, Susan K. LaFollett CPA is properly licensed to practice in Texas and in good standing with the State Board of Public Accountancy. Please see **Attachment I** for a copy of our firm license and **Attachment J** for a copy of Susan K. LaFollett’s individual license from the Texas State Board of Public Accountancy.

***Continuing Professional Education***

All members of the audit team receive continuing professional education (CPE) including Governmental Auditing Standards (GAS) CPE’s. All members currently meet the GAS CPE requirements for performing governmental audits.

***Staff Assignments over Engagement Term***

Senior staff members are committed to the firm and firm growth long-term. We anticipate the same staff will be on this engagement for the entire term. Our team may rotate duties each year but will all be active for the entire engagement term. If a staff member does leave our firm, they will be replaced by a person of equal quality. We will notify the City about any staffing changes.

## **SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENTAL ENTITIES**

The following are examples of governmental audits performed by the Firm with Susan K. LaFollett CPA as part of the audit team within the last five years:

<u>City:</u>	<u>Contact:</u>
<u>Client</u> City of Bridgeport (GFOA certified Governmental CAFR)	<u>Contact</u> Mike Halsema, Finance Director 940-683-3424 mhalsema@cityofbridgeport.net
Eagle Advantage Schools, Inc. (G.A.S. and Single Audits)	Angie McDonald, Superintendent 214-276-5800 amcdonald@advantageisd.org
City of Princeton (GFOA certified Governmental CAFR)	Carron Prigmore, Director of Finance 972-734-2416 Cprigmore@princetontx.us
Trophy Club Municipal Utility District (G.A.S)	Steven Krolczyk, Finance Manager 682-831-4692 skrolczyk@tcmud.org

Also, refer to **Attachment A** for a list of recent audit engagements performed by the firm that are similar in nature to the audit of the City of Lucas, Texas.

## **OTHER**

### ***Information Technology***

We have the capability to audit computerized systems and utilize various testing techniques. One such example is to export certain transactions into Excel and using mathematical models in identifying unusual transactions. We are very familiar with INCODE software. We will perform an evaluation of internal controls over the City's IT processes and evaluate risks.

## **Scope and Audit Approach**

### ***Specific Audit Approach***

The audit will be performed in accordance with standards issued by *Government Auditing Standards* and the American Institute of Certified Public Accountants.

The Firm's audit philosophy is to provide the highest quality audit possible in the most efficient manner with minimal interference in the day-to-day operations of the client's administrative staff.



Past experience has shown that frequent and open conversation between our Firm's staff and the City's staff is the best way to accomplish this objective.

## **PHASES OF AUDIT WORK:**

### ***Phase I - All Audit Team Members (16 hours)***

After a briefing with management, LaFollett & Company PLLC will:

- a. Obtain and review necessary background information relative to the audit and send a comprehensive pre-audit checklist to management.
- b. Have all members of the audit team review the Generally Accepted Auditing Standards.
- c. Make arrangements for the entrance conference.
- d. Arrange to have all books and records available for review upon arrival at the City.
- e. Review internal policies and procedures for data entry and reporting in the accounting software.

We will require the assistance of the City staff for compiling our audit requests, but most requests should be similar to requests made by your former auditors.

### ***Phase II - Audit Partner & Staff (48 hours)***

We will begin the preliminary on-site work and conduct the entrance conference. We will observe the City's operations to become familiar with its specific procedures. We will establish procedures for discussing any material audit exceptions or noncompliance with state or federal laws and regulations.

### ***Phase III - Audit Partner & Senior (24 hours)***

We will review the internal control structure of the City. The amount of audit testing that our auditors need to perform is directly affected by their assessment of control risk. Our purpose of assessing the control risk is not designed to detect errors, irregularities, fraud or abuse. However, we use a system for assessing the control risk that is a significant advance over traditional prevention and detection of material errors and irregularities. It is applied in considering each significant class of transactions and related assets involved in the audit.

- Our approach consists of the following steps:
  - Considering the types of errors and irregularities that could occur.
  - Determining the accounting control procedures that should prevent or detect such errors and irregularities.
  - Determining whether the necessary control procedures are being followed satisfactorily.
  - Evaluating any weaknesses and determining the nature, timing, and extent of our audit procedures.

This approach allows our auditors to pinpoint areas having weak controls and to extend testing only to those areas. In this way, the evaluation of weaknesses in internal control is more exact and the testing of the accounting records becomes more effective and efficient.

**Audit Sampling Plan** - Our audit sampling plan is a method of obtaining efficient, mathematically valid samples from accounting records. The objectives are to obtain statistically reliable tests of accounting records and to reduce the amount of time required for detail testing. We have used the plan extensively and successfully in governmental audits. We believe that it is the most valid method available for sampling accounting records as well as the easiest and most practical to apply.

In applying the audit-sampling plan to accounting records, the auditor considers the detailed evaluations of internal controls to determine the extent of tests. Documents and related records supporting the individual items selected by the sampling plan are examined using traditional auditing methods. Deficiencies of both monetary and procedural importance are then statistically computed and evaluated. This approach allows the auditor to determine the appropriate testing required for each area and to select a small statistically valid sample from the accounting records to evaluate quantitatively the results.

#### ***Phase IV - All Audit Team Members (189 hours)***

In this phase we will review and test selected asset, liability, fund balances, revenue, and expense accounts. We will determine if the City can provide reasonable assurance that revenues received and matching expenditures are in compliance with applicable state/federal grant guidelines.

We will examine accounting records and other documents to determine if year-end financial balances are materially correct. Cash and debt balances will be confirmed with third parties. Audit differences will be evaluated by the Firm and discussed with the City as they arise.

#### ***Identification of Anticipated Potential Audit Problems***

During the course of the audit, we will discuss any audit findings and instances of noncompliance where appropriate with the City to avoid any surprises at the exit conference or in the draft audit report.

***Phase V - All Audit Team Members (12 hours)***

At the completion of the engagement, a final review of all working papers will be performed in our office. This overriding review is performed to ensure that the final product of our engagement adheres to the highest quality technical standards that can be obtained from any public accounting firm. An exit conference will be scheduled with the City.

***Phase VI – Partner, Senior, & Staff (60 hours)***

In this phase we ask the City to consider posting the proposed audit adjusting journal entries. After both parties agree on the posted journal entries, the City will provide the cover page, letter of transmittal, organizational chart, list of principle officers, portions of the MD&A, and the data for the statistical tables. Our firm will begin preparing auditor reports and the draft of the CAFR.

After receiving the City CAFR information, we will review the CAFR for GAAP compliance, completeness, and accuracy. We will address any concerns raised and perform any needed revisions. If the City elects to submit the CAFR to the GFOA, a certification review of the CAFR will be performed. A clean PDF of the CAFR and related letters will be provided to management. Auditor will bind and prepare the CAFR unless management decides to perform this function.

***Phase VII – Firm Partner & Senior (6 hours)***

We will discuss audit results and recommendations with management and present all required communications, such as:

1. Auditor's responsibility under generally accepted auditing standards
2. Significant accounting policies
3. Management judgments and accounting estimates
4. Significant audit adjustments
5. Other information in documents containing audited financial statements
6. Disagreements with management or difficulties encountered in performing the audit
7. Management consultation with other accountants

We will subsequently present audit results and recommendations with the full City Council.

## **Proposed Schedule**

June 2020	Engagement letter received and an entrance conference is scheduled.
June- July 2020	Audit firm communicates with predecessor auditor to obtain and review prior year's working papers.
August 2020	Audit request list is provided to the City. Entrance conference with City staff and Audit team to discuss questions or issues so that City can finalize and close the year. Firm gains understanding of City operations, processes, and performs internal control evaluations and walkthrough procedures. Firm performs interim fieldwork.
October 12, 2019	City will deliver requested confirmations to auditors.
November 16, 2020	City will upload all requests and final trial balance to Google Drive. Firm performs planning and preliminary procedures in office so that we are ready to complete fieldwork.
December 7-11, 2020	Firm is onsite to perform audit fieldwork. We request that the City be flexible and prepared to provide additional requests via Google Drive and conduct meetings via Zoom or by phone with audit firm in the event the pandemic is still an issue. The City financial balances are examined and compliance requirements under <i>Government Auditing Standards</i> are assessed.
December 18, 2020	Exit conference with City management is held to review preliminary findings and adjustments. Fieldwork will be completed. Adjustments are posted to the trial balance as agreed to by the Firm and City. City provides Statistical Section of the CAFR to Firm.
December 2020	Creation of a draft version of the Comprehensive Annual Financial Report (CAFR) begins for the Firm. City will provide their other portions of the CAFR.
January 21, 2021	A complete draft of the CAFR and any management letter is given to City for review. Partner & Senior will meet with City management to discuss these drafts.
January 31, 2021	Auditor provides the City with final clean PDF copies of the CAFR and other letters.
February 2021	Bound copies of the CAFR are delivered to City and Firm Partner presents the audited CAFR to the City Council.

## **Additional Data and Other Information**

### ***Audit References and Recommendations***

We are confident that our audit references at **Attachment C** and letters of recommendation at **Attachment D** can attest that we work hard to meet all audit deadlines and strive to make the audit process as painless as possible for all involved.

### ***Review of Official Statements & Other Services***

We are capable and prepared to provide other services and letters, as requested by the City.

### ***New Pronouncements***

The Government Audit Standards Board (GASB) and Governmental Accounting Office (GAO) have issued numerous new pronouncements and guides that will require implementation during the audit engagement term. Several of the effective dates may be delayed by one year due to the pandemic. This is in exposure date and should be confirmed soon. Please note the following new items and their effective:

- 2018 Yellow Book – FY20
- GASB 84 Fiduciary Activities - FY20
- GASB 90 Majority Equity Interests – FY20
- GASB 87 Leases – FY21
- GASB 89 Accounting for Interest Cost Incurred before end of Construction Period - FY21
- GASB 91 Conduit Debt Obligations – FY21
- GASB 92 Omnibus – FY22
- GASB 93 Replacement of Interbank Offered Rates –FY22

We are prepared to assist the City with implementation of these new pronouncements. We have and or will take training on each topic from the AICPA and or GFOA on each topic and recommend that City staff do the same so that they understand the issue and requirements. We can then work together to ensure that the new pronouncements are properly and timely implemented. We prefer not to take the lead because that could impair our independence for a nonaudit service, as noted above.

### ***Insurance***

We have general liability insurance, workers compensation insurance, and professional liability insurance. If engaged and before the commencement of any work, we will review all insurance requirements in the RFQ and retain proper coverage in all areas. Further we will provide proof to the City.

We have enclosed **Attachment H** to assure the City that we take professionalism very seriously and have the professional liability insurance to back it up. We noted that we will have to increase our coverage and are willing and able to do so. We will provide the City with the undated proof of increased coverage upon engagement.

***Concluding Remarks***

***The City of Lucas, Texas will be VERY Important to Our Firm!***

Since we are a growing CPA firm, the City of Lucas would not just be another city on a long list of municipalities to audit during busy season. You would in fact be a top priority client. Providing quality audit service to a City such as Lucas is vital to the growth of LaFollett & Company, PLLC and given the opportunity, our service to you would reflect that fact.



**PARTIAL LIST OF RECENT AUDITS PERFORMED BY LAFOLLETT & COMPANY  
PLLC**

**Governmental Audits**

City of Anna, Texas  
City of Bridgeport, Texas  
City of Aubrey, Texas  
City of Princeton, Texas  
City of Sachse, Texas  
City of Haslet, Texas  
City of Pottsboro, Texas  
Trophy Club Municipal Utility District  
Texoma Workforce Solutions  
City of Gunter, Texas  
City of Van Alstyne, Texas  
City of Oak Point, Texas  
City of Tom Bean, Texas  
City of Howe, Texas  
City of Bells, Texas  
City of Collinsville, Texas  
City of Whitewright, Texas

**Not For Profit Audits**

Goodwill Industries of Northeast Texas, Inc.  
Meals on Wheels of Texoma, Inc. (Uniform Guidance)  
Texoma Christian School, Inc.  
Grayson County Health Clinic, Inc.  
Four Rivers Outreach, Inc.  
Right From the Start Nutrition, Inc. (Uniform Guidance)  
Your Health Clinic, Inc.  
Eagle Advantage Schools, Inc. (Uniform Guidance)  
Gateway Charter Academy, Inc. (Uniform Guidance)  
Grayson County Children's Advocacy Center, Inc.  
Greater Texoma Health Clinic, Inc.

**SUSAN K. LAFOLLETT CPA, PARTNER**

**CERTIFIED PUBLIC ACCOUNTANT**

CPA Certificate number 057088 from the Texas State Board of Accountancy – September 1991

**EDUCATION/HONORS**

Graduated from University of Texas at Dallas (UTD) in August 1988, Bachelor of Science in Business Administration with a concentration in accounting

Accounting Excellence Award from the Educational Foundation of Texas Societies of Certified Public Accountants – May 1988

Treasurer and Member, National Accounting Honor Society of UTD – 1987 to 1988

**POSITION IN FIRM:**

Partner

**YEARS IN PUBLIC ACCOUNTING:**

Twenty two (22) plus years

**WORK HISTORY**

Ms. LaFollett spent the first four years of her career at the big four firm of Coopers & Lybrand in Dallas, Texas. She was employed from September 1988 to September 1992 and advanced to the title of Audit Supervisor. During this experience, she worked as a member on the audit staff in the Emerging Business Services Group, which primarily served fast growing entrepreneurial type entities. She was responsible for all phases of the audit engagement including planning, risk assessment, evaluation of internal controls, and financial statement preparation. Ms. LaFollett's duties also included training and supervising members of the audit team.

Ms. LaFollett was employed as an Audit Senior by Adami, Lindsey, Keller & Associates in Sherman, Texas from September 1992 to October 1993. She was responsible for all phases of the audit engagement. The majority of the audit engagements were municipalities and not for profit entities.

Ms. LaFollett was employed by Gregg and Company CPA's in Tom Bean, Texas from January 2004 to September 2009, as an Audit Supervisor. She was responsible for all phases of the audit engagement. The majority of the audit engagements were municipalities and not for profit entities.

**SUSAN K. LAFOLLETT CPA, PARTNER**

**WORK HISTORY (continued)**

In 2009, Ms. LaFollett established LaFollett & Company PLLC, Certified Public Accountants, in Tom Bean, Texas. In 2013, the firm name changed to LaFollett & Abbott PLLC to reflect the firm's leadership at that time. In 2019, the firm name returned to LaFollett & Company PLLC to better reflect the firm's current leadership and expanding capabilities.

Ms. LaFollett oversees the firm's tax, consulting, and audit practice. The tax practice performs tax services for business, nonprofit, and individual customers. The consulting practice includes Medicare and Medicaid cost reports. The audit practice specializes in the audits of local governments and not-for-profit organizations. She has extensive knowledge of Generally Accepted Accounting Principles, Generally Accepted Auditing Standards, Governmental Auditing Standards, the Yellow Book, the Single Audit Act, and the Uniform Guidance. Ms. LaFollett has over 22 years of auditing experience in public accounting. She has overseen independent financial audits for municipalities, charter and private schools, not for profit entities, corporations and partnerships. The majority of these recent audits were performed under Governmental Auditing Standards, the Yellow Book, and Uniform Guidance.

**PROFESSIONAL ORGANIZATIONS**

Member of American Institute of Certified Public Accountants

Member of Texas Society of Certified Public Accountants

Member of Government Finance Officers Association

Past President of Sherman Rotary Club

Treasurer of Texoma Practice Management Group

Past Treasurer of Achievers Practice Management Group of Dallas, Texas

**AUDITS PERFORMED WITH THE FIRM**

**Governmental Audits:**

City of Anna, Texas (GFOA Certified CAFR)

City of Aubrey, Texas (Yellow Book)

City of Bridgeport, Texas (GFOA Certified CAFR)

City of Bells, Texas

City of Collinsville, Texas

City of Gunter, Texas

City of Haslet, Texas (Yellow Book)

City of Howe, Texas

City of Muenster, Texas

City of Oak Point, Texas

City of Pottsboro, Texas (Yellow Book)

City of Princeton, Texas (GFOA Certified CAFR)

City of Sachse, Texas (GFOA Certified CAFR)

**SUSAN K. LAFOLLETT CPA, PARTNER**

AUDITS PERFORMED WITH THE FIRM (continued)

Governmental Audits (continued):

City of Tom Bean, Texas  
City of Van Alstyne, Texas (Yellow Book)  
City of Whitewright, Texas  
Texoma Council of Governments (Single Audit)  
Trophy Club Municipal Utility District (Yellow Book)  
Texoma Workforce Solutions (Uniform Guidance)

Non-Profit Organizational Audits:

ABC Behavioral Health, LLC (Single Audit)  
A W Brown Fellowship Leadership Academy (Single Audit)  
Eagle Advantage Schools, Inc. (Uniform Guidance)  
Four Rivers Outreach, Inc.  
Grayson County Shelter, Inc.  
Gateway Charter Academy, Inc. (Uniform Guidance)  
Grayson County Health Clinic, Inc.  
Grayson County Child Advocacy Center, Inc.  
Greater Texoma Health Clinic, Inc.  
Goodwill Industries of Northeast Texas, Inc.  
Heroes on the Water, Inc.  
House of Hope  
Korean War Veterans Association, Inc.  
National Relief Charities, Inc.  
Right From The Start Nutrition, Inc. (Uniform Guidance)  
Texoma Christian School  
Meals on Wheels of Texoma (Uniform Guidance)  
Villas of Westridge Home Owners Association, Inc.  
Your Health Clinic, Inc. dba Callie Clinic

PERSONAL REFERENCES

Sherry E. Howard

*Mayor of Tom Bean Texas*

903-815-8162

Deborah Boring

*Past President of Sherman Rotary*

903-546-5248

Tom Gregg CPA

*Past President of Sherman Rotary*

903-546-6510

**KERI GOODWIN, SENIOR**

**EDUCATION**

Graduated from Texas A&M University Commerce in August of 2015, Bachelors of Business Administration in Accounting

Attending Texas A&M University Commerce to pursue a Master's of Science in Accounting (M.S.A.) beginning in Fall 2020

**POSITION IN FIRM:**

Audit Senior – CPA Candidate

**YEARS IN PUBLIC ACCOUNTING:**

Six (6)

**WORK HISTORY**

LaFollett & Company PLLC

September 2013 - Present

Ms. Goodwin is responsible for all phases of the audit engagement. The majority of the audit engagements are local governments and non-profit organizations. She is responsible for all phases of the audit engagement including planning, risk assessment, evaluation of internal controls, and financial statement preparation. Ms. Goodwin's duties also included training and supervising members of the audit team.

**AUDITS PERFORMED WITH THE FIRM**

**Governmental Audits:**

City of Anna, Texas (GFOA Certified CAFR)

City of Bridgeport (GFOA Certified CAFR)

City of Bells, Texas

City of Collinsville, Texas

City of Gunter, Texas

City of Haslet, Texas

City of Howe, Texas

City of Muenster, Texas

City of Oak Point, Texas

City of Pottsboro, Texas

City of Princeton, Texas (GFOA Certified CAFR)

City of Sachse, Texas (GFOA Certified CAFR)

City of Tom Bean, Texas

**KERI GOODWIN, SENIOR**

AUDITS PERFORMED WITH THE FIRM (continued)

Governmental Audits (continued):

City of Van Alstyne, Texas (Yellow Book)

City of Whitewright

Texoma Council of Governments (Single Audit)

Texoma Workforce Solutions (Single Audit)

Triphy Club Municipal Utility District #1 (Yellow Book)

Non-Profit Audits:

Eagle Advantage Schools, Inc. (Uniform Guidance)

Four Rivers Outreach, Inc.

Grayson County Shelter, Inc.

Gateway Charter Academy, Inc. (Uniform Guidance)

Grayson County Health Clinic, Inc.

Grayson County Child Advocacy Center, Inc.

Greater Texoma Health Clinic, Inc.

Goodwill Industries of Northeast Texas, Inc.

Heroes on the Water, Inc.

Right From The Start Nutrition, Inc. (Uniform Guidance)

Texoma Christian School

Meals on Wheels of Texoma (Uniform Guidance)



**SOPHIE PACKARD, SENIOR**

**EDUCATION**

Graduated from Austin College in May of 2014, Bachelors of Arts (B.A.) in Political Science

Graduated from Texas A&M University Commerce in December 2018, Masters of Science in Accounting (M.S.A.)

Attending Southern Methodist University to pursue a Masters in Business Administration (M.B.A) in Fall 2020.

**POSITION IN FIRM**

Audit Senior – CPA Candidate

**YEARS IN PUBLIC ACCOUNTING**

Two (2)

**WORK HISTORY**

LaFollett & Company PLLC

July 2018-Present

Ms. Packard is responsible for all phases of the audit engagement. The majority of the audit engagements are local governments and non-profit organizations. She is responsible for all phases of the audit engagement including planning, risk assessment, evaluation of internal controls, and financial statement preparation. Ms. Packard's duties also included training and supervising members of the audit team.

Explore Horizons, Inc.

August 2014-January 2017

Center Director

- Maintained financial statements for center operations
- Analyzed daily operations to ensure budget compliance

**AUDITS PERFORMED WITH THE FIRM**

**Governmental Audits:**

City of Aubrey, Texas (Yellow Book)  
City of Bridgeport (GFOA Certified CAFR)  
City of Gunter, Texas  
City of Haslet, Texas  
City of Howe, Texas  
City of Oak Point, Texas  
City of Pottsboro, Texas  
City of Princeton, Texas (GFOA Certified CAFR)

**SOPHIE PACKARD, SENIOR**

AUDITS PERFORMED WITH THE FIRM (continued)

Governmental Audits (continued):

City of Sachse, Texas (GFOA Certified CAFR)  
City of Tom Bean, Texas  
City of Van Alstyne, Texas (Yellow Book)  
City of Whitewright  
Trophy Club Municipal Utility District #1 (Yellow Book)

Non-Profit Audits:

Eagle Advantage Schools, Inc. (Uniform Guidance)  
Four Rivers Outreach, Inc.  
Gateway Charter Academy, Inc. (Uniform Guidance)

**AUDIT REFERENCES**

Mike Halsema (940) 683-3424  
Finance Director  
City of Bridgeport  
900 Thompson St.  
Bridgeport, Texas 76426

Marcy Lamb (817) 439-5931  
Finance Director  
City of Haslet  
101 Main Street  
Haslet, Texas 76052

Derek Borg (972) 736-2416  
City Manager  
City of Princeton  
123 W. Princeton Dr.  
Princeton, Texas 75407

Kevin Farley (903) 433-5185  
City Manager  
City of Pottsboro  
P O Box 1089  
Pottsboro, Texas 75076

Lane Jones (903) 482-5426  
City Manager  
City of Van Alstyne  
P O Box 247  
Van Alstyne, Texas 75495

Mark Millar (903) 433-5185  
Mayor  
City of Gunter  
508 W. Main Street  
Gunter, Texas 75058

Sherry Howard (903) 546-6321  
Mayor  
City of Tom Bean  
P O Box 312  
Tom Bean, Texas 75489



Mike Halsema  
Finance Director- City of Bridgeport  
900 Thompson St.  
Bridgeport, TX 76426

May 6, 2020

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To Whom It May Concern,

The City of Bridgeport selected LaFollet and Company PLLC in 2018 after advertising RFP's for auditing services. I have completed two audits with them, the first receiving the GFOA's CAFR award, and the second I am confident will as well. Susan and her staff are courteous, professional, and easy to get along with, all while being thorough. They help me create a quality document that I am proud to present to our Council and City Manager. They are there for me anytime I have a question, or want an opinion. I have no reservations recommending their services; they have been a pleasure to work with.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Halsema", written over a horizontal line.

Mike Halsema

MHalsema@CityofBridgeport.net

940-683-3424



Frank Baker  
PO Box 247  
Van Alstyne, TX 75495  
March 27, 2014

Susan K. LaFollett  
Certified Public Accountant  
LaFollett and Abbott PLLC

Re: Letter of Recommendation

The City of Van Alstyne accepted Mrs. LaFollett's accounting firm to perform our FY12 and FY13 financial audits. Before we began she provided staff with a list of needed documents and expected timeframe for her and her staff to perform our audit. Anytime there was a question regarding the process or follow-up documentation communication was prompt and clear. When it came time to present the completed document to the City Council Mrs. LaFollett took the time to review with staff in order to prevent any confusion. Her presentation to Council was thorough, descriptive and easy to digest.

Susan is an intelligent and motivated individual. Her firm is more than capable of handling any task placed before them. As a professional, her ability to communicate and articulate the issues is impeccable. With her help, the City is able to identify potential fiscal issues and to address them in the future.

If you would like to discuss her abilities further, you can call me at 903-482-5426.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Frank Baker', is written over a light blue horizontal line.

Frank Baker

City Manager, City of Van Alstyne, TX

# Meals on Wheels



Serving Cooke, Fannin & Grayson Counties **of Texoma**

March 31, 2015

Dear Susan K. LaFollet CPA:

I am happy to provide a letter of recommendation for LaFollett & Abbott, PLLC, Certified Public Accountants, regarding the single audits performed on our 2013 and 2014 financial statements in accordance with the requirements of Office and Management and Budget (OMB) Circular A-133.

Partner Susan LaFollett and her staff have demonstrated an exhaustive knowledge of governmental-type audits. Their staff completed their on-site work with minimal interruption to our staff and in a manner that was very considerate and respectful of our time.

Meals on Wheels of Texoma's management were kept up-to-date and well aware of any issues or questions that arose, and MOWOT's management was given ample opportunity to respond to the questions and to resolve any issues. The fees assessed were well within the estimate provided to us. We would also like to add that we found the estimated fees to be very competitive among the firms who had responded to our request for proposal.

I have no reservation in offering a recommendation for the audit firm of LaFollett and Abbott PLLC to perform a single audit of non-profit organizations under the requirements of OMB Circular A-133.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. Greg Pittman".

J. Greg Pittman  
Executive Director





## TROPHY CLUB

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### MUNICIPAL DISTRICT No. 1

March 27, 2012

To Whom it May Concern:

Our District Manager, Robert Scott, recently retired, so I am writing this letter of recommendation for our Auditing Firm of LaFollett and Company, PLLC.

Trophy Club Municipal Utility District No. 1 sent out an RFP for Auditing Services after a five year contract with our previous auditor. We chose the firm of LaFollett and Company, PLLC. We have completed the Fiscal Year audit which ended on September 30, 2011 and we were very pleased with their service.

While this was my first year to be solely responsible for the audit for the MUD, I worked very closely with the auditors and the process went very smooth. Rod Abbott and Susan LaFollet were both very helpful and knowledgeable while I prepared the required TCEQ schedules. Mr. Abbott has made himself available to answer questions regarding our Fiscal Year 2012 audit.

Our Elected MUD Directors were very pleased with the format of the completed Basic Financial Statements the Auditors provided, stating it was easy to understand and the best of any past year.

I would highly recommend LaFollett and Company, PLLC for any accounting or auditing needs you might have.

Regards,

A handwritten signature in blue ink that reads "Renae Gonzales".

Renae Gonzales  
Senior Accountant  
Trophy Club Municipal Utility District No. 1



Office of the Mayor  
City of Tom Bean  
P.O. Box 659  
201 S. Britton Street  
Tom Bean, Texas 75489

August 21, 2013

To Whom It May Concern:

As Mayor of Tom Bean, our City has used the audit firm of Susan LaFollett and Associates for the last three years. Because of their assistance in accomplishing the City's goals and objectives, we have been successful in ensuring our financial standings are solid for our citizens. As we have worked with this firm, their timeliness and responsiveness to our needs have been recognized by the City Council of Tom Bean. Furthermore, our experience has been that the pricing for professional services by LaFollett and Company PLLC is competitive.

We look forward to continuing our relationship with this firm in the future and working together for our city as a whole.

Warmest regards,

A handwritten signature in black ink that reads "Sherry E. Howard". The signature is fluid and cursive.

Sherry E. Howard  
Mayor of Tom Bean  
[sherryhoward@cableone.net](mailto:sherryhoward@cableone.net)  
Cell phone (903) 815-8162  
Work phone (903) 546-6321



COME PLAY. COME STAY.  
**POTTSBORO**  
T E X A S

March 28, 2014

To whom it may concern:

It is my pleasure to recommend the audit firm of LaFollett and Abbott PLLC, Certified Public Accountants, to perform audits under the requirements of Government Auditing Standards and Office of Management and Budget (OMB) Circular A-133. This firm recently completed the year end September 30, 2013 financial audit for the City of Pottsboro.

The audit report was completed on schedule and within their quoted fee. Ms. Susan LaFollett and her professional team of auditors were very courteous and efficient during the entire process. They proved to be very knowledgeable of governmental accounting principles and practices and thoroughly understood the mechanics of an audit of a municipal government. They kept City management informed of any questions or issues and worked quickly and diligently to effectively resolve those issues.

I would not hesitate to recommend the audit firm of LaFollett and Abbott PLLC to perform an audit of governmental organizations under the requirements of Government Auditing Standards and OMB Circular A-133.

Please feel free to contact me for any additional information.

Sincerely,

  
Kevin M. Farley  
City Manager



March 27, 2014

To Whom It May Concern:

The audit firm of LaFollett and Abbott, LLC, performed Workforce Solutions Texoma's audit for our 2013 fiscal year. I was pleased with their professional staff, the timeliness of their work and their knowledge of government accounting regulations and requirements. Their auditors reported to our management daily in order to address questions and upon completion of the audit, their staff made recommendations to streamline our reporting systems.

Workforce utilizes a paperless system which LaFollett and Abbott staff easily navigated. Workforce Solutions Texoma has asked LaFollett and Abbott to conduct our next audit and I can recommend them without reservation.

Sincerely,

Janie Bates  
Executive Director

5904 Texoma Parkway

Sherman, TX 75090

903-957-7408

Fax 903-957-7413





**LaFollett and Company PLLC**  
 Certified Public Accountants

**ATTACHMENT E**

**DOLLAR COST BID FOR PROFESSIONAL AUDITING SERVICES  
 CITY OF LUCAS, TEXAS**

<u>Audit Team Member</u>	<u>Standard Rate</u>	<u>City Rate</u>	<u>Hours</u>	<u>Fee</u>
Susan LaFollett, CPA - Partner	\$ 195	\$ 95	60	\$ 5,700
Keri Goodwin - Senior	\$ 125	\$ 50	115	\$ 5,750
Sophie Packard - Senior	\$ 125	\$ 50	60	\$ 3,000
Mattie Atkins - Intern	\$ 75	\$ 40	80	\$ 3,200
Priscilla Clark - Intern	\$ 75	\$ 40	40	\$ 1,600
Travel & Expenses				\$ 1,200
All-inclusive maximum 2020 fee estimate:			<b>355</b>	<b>\$ 20,450</b>

**The following is the maximum all inclusive price for the audit at September 30:**

<u>Totals</u>	
2020	\$ 20,450
2021	\$ 21,425
2022	\$ 22,400
2023	\$ 23,375
2024	\$ 24,350

**Note 1:** Pricing for other services outside the annual audit services will be at the "City" rates noted above. For any year in which a Single Audit under Uniform Guidance is needed, an additional fee of \$4,500 will apply.

# ROBERTS & MCGEE, CPA

ATTACHMENT F

104 PINE STREET, SUITE 710  
ABILENE, TEXAS 79601  
(325) 701-9502

Becky Roberts, CPA  
becky.roberts@rm-cpa.net  
Cell: 325-665-5239

Stacey McGee, CPA  
stacey.mcgee@rm-cpa.net  
Cell: 325-201-7244

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## Report on the Firm's System of Quality Control

August 28, 2017

To the Owners of LaFollett and Abbott PLLC  
and the Texas Society of CPA's Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of LaFollett and Abbott PLLC (the firm) in effect for the year ended March 31, 2017. Our peer review was conducted in accordance with Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

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. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

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.


### Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, and audits of employee benefit plans.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of LaFollett and Abbott PLLC in effect for the year ended March 31, 2017, 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 deficiencies*, or *fail*. LaFollett and Abbott PLLC has received a peer review rating of *pass*.

  
Roberts & McGee, CPA





## ATTACHMENT G

May 8, 2020

To the Mayor, Council and Management

We are pleased to confirm our understanding of the services we are to provide the City for the years ending September 30, 2020 through 2024. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City as of and for the years ending September 30, 2020 through 2024. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Budgetary Comparison – General Fund
- 3) Schedule of Contributions to Pension Plan TMRS – Last 10 Fiscal Years
- 4) Schedule of OPEB Contributions TMRS – Last 10 Fiscal Years
- 5) Schedule of Changes in Net Pension Liability and Related Ratios TMRS – Last 10 Measured Years
- 6) Schedule of Changes in Total OPEB Liability and Related Ratios TMRS – Last 10 Measured Years

We have also been engaged to report on supplementary information other than RSI that accompanies City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- 1) Combining Statements – Nonmajor Governmental Funds
  - a. Notes to Combining Statements and Budgetary Comparison

- b. Combining Balance Sheet
  - c. Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
- 2) Budgetary Comparison Schedules
- a. Hotel/Motel Occupancy Fund
  - b. Court Technology/Security Fund
  - c. City Stage Fund
  - d. Cemetery Fund
  - e. Recreation Fund
  - f. Main Street Fund
  - g. TIRZ #1 Fund
  - h. Debt Service Fund
- 3) Other Supplementary Information – Discrete Component Unit – Economic Development Corporation
- a. Balance Sheet
  - b. Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position
  - c. Statement of Revenues, Expenditures, and Changes in Fund Balances Component Unit
  - d. Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
  - e. Budgetary Comparison Schedule

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

- 1) Introductory Section
- a. Letter of Transmittal
  - b. GFOA Certificate of Achievement
  - c. Organization Chart
  - d. List of Principal Officials
- 2) Statistical Section
- a. Net Position by Component
  - b. Expenses, Program Revenues, and Net (Expense)/Revenue
  - c. General Revenues and Total Change in Net Position
  - d. Fund Balances of Government Funds
  - e. Changes in Fund Balance of Governmental Funds
  - f. Assessed Value and Estimated Actual Value of Taxable Property
  - g. Direct and Overlapping Property Tax Rates
  - h. Principal Property Taxpayers
  - i. Property Tax Levies and Collections
  - j. Ratios of Outstanding Debt by Type
  - k. Ratios of General Bonded Debt Outstanding
  - l. Direct and Overlapping Governmental Activities Debt
  - m. Legal Debt Margin Information
  - n. Pledged-Revenue Coverage
  - o. Demographic and Economic Statistics

- p. Principal Employers
- q. Full-Time Equivalent Employees by Function/Program
- r. Operating Indicators by Function/Program
- s. Capital Asset Statistics by Function/Program

### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the first paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the City and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the City's financial statements. Our report will be addressed to the Honorable Mayor and City Council of the City. 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. If our opinions 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 issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the City is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In

addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

#### **Other Services**

We will also assist in preparing the draft financial statements and related notes of the City in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

#### **Management Responsibilities**

Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Engagement Administration, Fees, and Other**

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of LaFollett & Company PLLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to federal agencies providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of LaFollett & Company PLLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by a federal agency, oversight agency for audit, or Pass-through Entity. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit in August 2020 and to issue our reports no later than March 2021. Susan LaFollett, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

We estimate that our fees for these services will be approximately \$ for 2020-2024. The above total fees do not include additional fees estimated at \$4,500 that will apply for any year which Single Audit procedures under Uniform Guidance are required. We also request the City to submit a \$5,000 retainer when returning this letter and recurring annually. We will progress bill \$ after completed fieldwork and \$ plus expenses when the audit is completed. 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 periodically as work progresses and are payable on presentation. In accordance with our firm



policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. Either party may elect to terminate this services agreement and the engagement will be deemed to have been completed upon written notification of termination from either party, even if we have not completed our report. 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 costs.

The parties to this engagement agree that any dispute that may arise regarding the meaning, performance, or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation upon the written request of any party to the engagement. All mediation initiated as a result of this engagement shall be administered under the rules of the American Arbitration Association. The results of this mediation shall not be binding upon the parties. Costs of any mediation proceeding shall be shared equally by both parties.

We appreciate the opportunity to be of service to the City and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it and the retainer of \$5,000 to us.

Very truly yours,

**LaFollett and Company PLLC**  
**Certified Public Accountants**

RESPONSE:

This letter correctly sets forth the understanding of the  
City

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



# City of Lucas

## City Council Agenda Request

### May 21, 2020

Item No. 10

Requester: Development Services Director Joe Hilbourn

#### **Agenda Item Request**

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Consider adopting Ordinance 2020-05-00913 amending the City's Code of Ordinances, Chapter 5, Fire Prevention and Protection, Article 5.02 Fire Marshal, Section 5.02.001 Officer created to report directly to the City Manager or designee.

#### **Background Information**

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Currently the office of fire marshal, if it were filled, would report directly to the City Council and be independent of all other departments, Staff recommends amending the Code of Ordinances as follows:

##### **Current language:**

Section 5.02.001: Office created; appointment

The office of fire marshal is hereby created. Such office shall be independent of other city departments, with the fire marshal reporting directly to the mayor and city council. Such office shall be filled by appointment by the mayor, by and with the consent of the city council. The fire marshal shall be properly qualified for the duties of the office.

##### **Proposed Language:**

Section 5.02.001: Office created; appointment

The office of fire marshal is hereby created. Such office shall be independent of other city departments, the fire marshal shall be appointed by and report directly to the City Manager or designee. The fire marshal shall be properly qualified for the duties of the office.

The City Manager will appoint a current employee qualified to fill the position of Fire Marshal This position would help with enforcement of fireworks, fire inspections, and fire education.

#### **Attachments/Supporting Documentation**

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1. Ordinance 2020-05-00913

#### **Budget/Financial Impact**

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NA



# City of Lucas

## City Council Agenda Request

### May 21, 2020

#### **Recommendation**

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Approve the amendment as presented.

#### **Motion**

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I make a motion to approve/deny adopting Ordinance 2020-05-00913 amending the City's Code of Ordinances, Chapter 5 Fire Prevention and Protection, Article 5.02 Fire Marshal, Section 5.02.001 Officer created. Such office shall be independent of other city departments, the fire marshal shall be appointed by and report directly to the city manager or designee. The fire marshal shall be properly qualified for the duties of the office.



**ORDINANCE 2020-05-00913**

**[AMENDING CODE OF ORDINANCES, AMENDING SECTION 5.02.001]**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LUCAS, TEXAS, AMENDING THE LUCAS CODE OF ORDINANCES BY AMENDING CHAPTER 5 TITLED “FIRE PREVENTION AND PROTECTION” BY AMENDING ARTICLE 5.02 TITLED “FIRE MARSHAL” BY AMENDING SECTION 5.02.001 TITLED “OFFICE CREATED; APPOINTMENT” TO REQUIRE THAT THE CITY FIRE MARSHAL BE APPOINTED BY AND REPORT DIRECTLY TO THE CITY MANAGER OR DESIGNEE; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LUCAS, TEXAS, THAT:**

**SECTION 1.** The Code of Ordinances of the City of Lucas, Texas, is hereby amended by amending Chapter 5 titled “Fire Prevention and Protection” by amending Article 5.02 titled “Fire Marshal” by amending Section 5.02.001 titled “Office created; appointment”, to read as follows:

**CHAPTER 5**

**FIRE PREVENTION AND PROTECTION**

**ARTICLE 5.02 FIRE MARSHAL**

**Amend Section 5.02.001, as follows:**

**Sec. 5.02.001 Office created; appointment**

The office of fire marshal is hereby created. Such office shall be independent of other city departments, the fire marshal shall be appointed by and report directly to the city manager or designee. The fire marshal shall be properly qualified for the duties of the office.

**SECTION 2.** That all ordinances of the City of Lucas in conflict with the provisions of this Ordinance shall be, and same are hereby, repealed, provided, however, that all other provisions of said Ordinances are not in conflict herewith shall remain in full force and effect.

**SECTION 3.** That should any word, sentence, paragraph, subdivision, clause, phrase or section of this Ordinance or of the City of Lucas Code of Ordinances, as amended hereby, be adjudged or held to be voided or unconstitutional, the same shall not affect the validity of the remaining portions of said Ordinances or the City of Lucas Code of Ordinances, as amended hereby, which shall remain in full force and effect.

**SECTION 4.** An offense committed before the effective date of the Ordinance is governed by prior law and the provisions of the City of Lucas Code of Ordinances in effect when the offense was committed and the former law is continued in effect for this purpose.

**SECTION 5.** That this Ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Lucas, and it is accordingly so ordained

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LUCAS, COLLIN COUNTY, TEXAS, ON THIS 21ST DAY OF MAY, 2020.**

APPROVED:

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Jim Olk, Mayor

APPROVED AS TO FORM:

ATTEST:

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Joseph J. Gorfida, Jr., City Attorney  
(05-07-2020:TM 115516)

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Stacy Henderson, City Secretary



# City of Lucas Council Agenda Request May 21, 2020

Item No. 11

Requester: City Manager Joni Clarke

## **Agenda Item Request**

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Consider authorizing the Mayor to enter into an Interlocal Cooperation Agreement with Collin County for Municipal Direct Expense Funding to receive funding as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) for expenses incurred between March 1 through December 30, 2020 related to COVID-19.

## **Background Information**

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Collin County has received federal funding in the amount of \$171 million dollars under the CARES Act to address the impact of COVID-19. Collin County is planning to disburse CARES Act funding in four specific areas:

- 1) Housing Funding will be distributed to entitlement cities (Allen, Plano, McKinney and Frisco). Nonprofits (such as Allen Community Outreach) can reach agreement with these cities. The hope is to be able to expand services to include food and utilities. Some nonprofits (Meals on Wheels) will receive a direct payment from Collin County. North Texas Food Bank received a direct allotment from the Federal Government. These four CDBG cities through their housing directors will take on every zip code and a portal is established as only online applications will be offered.
- 2) Municipal Direct Expense Funding will be distributed on a prorated basis based on population. The estimated funding for this program is \$50 million and the City of Lucas is scheduled to receive \$361,355.69.
- 3) Economic Development/Business Support is currently under consideration by the Commissioners Court and it may take some additional time to develop the criteria for distribution. The Funding may or may not go through cities.
- 4) Collin County will also use CARES funding to pay for COVID testing for the uninsured through the Collin County Health Department.

In general, eligible expenditures for CARES Act funding must comply with the following criteria:

- 1) the City would have incurred the expense from March 1 through December 30, 2020;
- 2) the expense was not a budgeted expense (as of March 27, 2020) and is not revenue replacement; and
- 3) the expense must be incurred due to COVID-19.

## **Attachments/Supporting Documentation**

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1. Interlocal Cooperation Agreement with Collin County for Municipal Direct Expense Funding





# City of Lucas Council Agenda Request May 21, 2020

2. Order of the Commissioner Court of Collin County, Texas Adopting a Program for Direct Costs expended by Municipalities to address and respond to COVID-19 Public Health Emergency
3. U.S. Department of the Treasury's Coronavirus Relief Fund Guidance for State, Territorial, Local and Tribal Governments dated April 22, 2020
4. U.S. Department of the Treasury's Coronavirus Relief Fund Frequently Asked Questions Update as of May 4, 2020

## **Budget/Financial Impact**

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Staff is working on compiling funding expenditures related to COVID-19 in accordance with the established guidelines.

## **Recommendation**

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City Staff recommends approval of the Interlocal Cooperation Agreement with Collin County for Municipal Direct Expense Funding.

## **Motion**

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I make a motion to authorize the Mayor to enter into an Interlocal Cooperation Agreement with Collin County for Municipal Direct Expense Funding to receive funding as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) for expenses incurred between March 1 through December 30, 2020 related to COVID-19.

INTERLOCAL COOPERATION AGREEMENT  
[MUNICIPAL DIRECT EXPENSE FUNDING]

As provided for by Chapter 791 of the Texas Government Code, this Interlocal Cooperation Agreement (“Agreement”) is entered into by and between Collin County, Texas (hereinafter “County”) and the City of LUCAS, Texas (hereinafter “City”) under the County’s Emergency Program for Direct Costs Expended by Municipalities located in Collin County to address and respond to COVID-19.

1. Program Description. The County has received federal funding under the Coronavirus Aid, Relief, and Economic Security Act (hereinafter “CARES ACT”) to address and respond to the effects of the COVID-19 emergency. Assisting municipalities within the County in recovering their costs directly incurred in responding to the COVID-19 emergency is a legitimate and lawful use of the CARES ACT funding.

2. Incorporation of Program. The Order of the Collin County, Texas Commissioners Court establishing a COVID-19 Emergency Program for Direct Costs Expended by Municipalities located in Collin County to Address and Respond to COVID-19 (hereinafter “Direct Costs Program”) is attached hereto and incorporated by reference herein.

3. Grant and Funding to City. Subject to the terms and conditions of this Agreement, the County agrees to grant and transfer to the City the sum of \$361,355.69 of its CARES ACT funding (“Municipal Funds”). The City agrees to deposit these Municipal Funds into a separate, segregated account created solely for holding and dispersing these Municipal Funds. The account must be an interest-bearing account and similarly insured and protected as the City’s other funds.

4. Use of Municipal Funds. The City may use its Municipal Funds for reimbursing itself for COVID-19 expenditures already paid and incurred, and for expenditures to assist it with its ongoing responses to COVID-19 as detailed in the CARES ACT, the Direct Costs Program and this Agreement. Municipal Funds may be used for all expenditures that municipalities are eligible to recover under the CARES ACT as described under said Act and the U.S. Department of the Treasury’s Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments as applies to municipalities. Payments for the performance of governmental functions or services shall be made from current revenues available to the paying party.

5. City’s Obligations relating to its Use of the Municipal Funds. The City agrees to:

- a) only use the Municipal Funds in compliance with this Agreement and for eligible expenditures related to the COVID-19 emergency;
- b) reimburse and return to the Municipal Funds account within thirty days any portion of the Municipal Funds that the County, the U.S. Department of Treasury, or their designee, deems were not used for COVID-19 purposes, or not used pursuant to the terms of this Agreement, or if the City’s Municipal Funds account is already closed out, the reimbursement and return of the ineligible expenditure shall be made to the County;
- c) document and justify that each expenditure from its Municipal Funds was an eligible expenditure under this Agreement and the CARES ACT. All documentation shall be delivered to the County no later than January 15, 2021, and shall be kept by the City for a minimum of four years from the close of the Direct Costs Program;

- d) allow inspection of all documentation and records related to its expenditure of its Municipal Funds by the County or the U.S. Department of Treasury upon reasonable request;
  - e) use the Municipal Funds only for eligible expenditures made between March 1, 2020 and 11:59 p.m., December 30, 2020;
  - f) return and re-pay within thirty days to the County any Municipal Funds not expended by 11:59 p.m., December 30, 2020;
  - g) acknowledge and recognize that the source of these Municipal Funds is Collin County and its CARES ACT allocation for any public programs or initiatives using these Municipal Funds;
  - h) coordinate with the County any public programs or initiatives so that no duplication of services, initiatives or programs occurs; and
  - i) impose similar terms and conditions upon any sub-recipient of its Municipal Funds.
6. Reports. The City shall provide periodic reports relating to the use of the Municipal Funds as requested or required by the County.
7. Eligibility Issues. If the City is not sure that an expenditure will qualify, it should seek an opinion from its City Attorney prior to making the expenditure.
8. Nature of Funding. The CARES ACT funding is being received from the County to the City as a sub-recipient. As a sub-recipient of CARES ACT funding the City acknowledges that its use of the funds is subject to the same terms and conditions as the County's use of such funds. The City hereby agrees to comply with all terms and conditions of the CARES ACT funding, and to hold the County harmless against any repayments, penalties, or interest incurred as a result of the City's failure to comply with all terms and conditions of the CARES ACT funding. Funds spent in non-compliance with the CARES ACT are subject to recapture by the County for return to the Direct Costs Program or for return to the U.S. Treasury Department.
9. Attorney's Fees and Costs. In accordance with the Program, the County shall be entitled to recover its reasonable and necessary attorney's fees and costs against the City if it is required to undertake litigation to enforce the terms of this Agreement to the extent allowed by law.
10. Law and Venue. The laws of the State of Texas shall govern this Agreement, except where clearly superseded by federal law. Venue of any dispute shall be in a court of competent jurisdiction in Collin County, Texas.
11. No Assignment. The City may not assign this Agreement.
12. Entire Agreement. This Agreement supersedes and constitutes a merger of all prior oral and/or written agreements and understandings of the parties on the subject matter of this Agreement and is binding on the parties and their legal representatives, receivers, executors, successors, agents and assigns.
13. Amendment. Any Amendment of this Agreement must be by written instrument dated and signed by both parties.

14. Severability. No partial invalidity of this Agreement shall affect the remainder unless the public purpose to be served hereby is so greatly diminished thereby as to frustrate the object of this Agreement.

15. Waiver. No waiver by either party of any provision of this Agreement shall be effective unless in writing, and such waiver shall not be construed as or implied to be a subsequent waiver of that provision or any other provision.

16. Signature Authority. The signatories hereto have the authority and have been given any approvals necessary to bind by this Agreement the respective parties for which they sign.

COLLIN COUNTY, TEXAS

By: \_\_\_\_\_  
Chris Hill, County Judge

\_\_\_\_\_  
Date

Attest:

\_\_\_\_\_  
County Clerk

| CITY OF LUCAS, TEXAS

By: \_\_\_\_\_  
Mayor Jim Olk

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Title

\_\_\_\_\_  
Date

Attest:

\_\_\_\_\_  
City Secretary

ORDER OF THE COMMISSIONERS COURT OF COLLIN COUNTY, TEXAS  
ADOPTING A PROGRAM FOR DIRECT COSTS EXPENDED BY MUNICIPALITIES  
TO ADDRESS AND RESPOND TO COVID-19 PUBLIC HEALTH EMERGENCY

1. Purpose. Collin County (hereinafter “County”) has received federal funding under the Coronavirus Aid, Relief, and Economic Security Act (hereinafter “CARES ACT”). Citizens of municipalities located within the County are also citizens of the County. Except for Dallas, no municipalities located in whole or in part in Collin County received CARES ACT funding. The purpose of the program (“Direct Costs Program”) is to assist eligible municipalities within the County with their direct COVID-19 expenditures so that they can continue to be financially ready to address new challenges that may lie ahead as part of the COVID-19 emergency. The financial health of our municipalities is vital to the overall County health and welfare. The creation of this Program is an authorized use of CARES ACT funding. The City of Dallas is not eligible to participate in this program because it has received its own CARES ACT funding.

Eligible Municipalities under this Program are limited to:

Allen	Frisco	Murphy	Richardson
Anna	Lavon	Parker	Wylie
Celina	Lucas	Plano	Royce City
Fairview	McKinney	Princeton	Garland
Farmersville	Melissa	Prosper	Sachse

2. Sole Source of Funding. The sole source of funding for each eligible municipalities’ allocated share of the Direct Costs Program is the CARES ACT funding received by the County.

3. Eligible Expenditures. This Direct Costs Program only covers expenditures made by municipalities between March 1, 2020 and 11:59 PM December 30, 2020. Committing to an expenditure does not qualify. Payment of the expenditure actually has to have been made by 11:59 PM on December 30, 2020; the expenditure must have been or must be for the purpose of addressing or responding to the COVID-19 emergency; and the expenditure must not have already been budgeted for as of March 27, 2020 from municipal funds.

4. Total Funding. The County will make a total of \$50,000,000 of CARES ACT funding available for this Direct Costs Program.

5. Individual Municipal Funding. The total funding available for the Direct Costs Program will be allocated between each eligible municipality based on its population within the County. Each municipality receiving a share of these funds (“Municipal Funds”) shall deposit them into a special segregated account created by each municipality solely for holding and dispersing the Municipal Funds. This account must be interest-bearing and similarly insured as the municipality’s other funds.

6. Use of Funds. Each eligible municipality receiving an allocation under the Direct Costs Program may use their Municipal Funds for reimbursing the municipality for COVID-19 expenditures already paid and incurred, and for expenditures to assist it with the ongoing responses to COVID-19 as detailed in an ILA with the municipality. Examples of eligible COVID-19 post 3/1/2020 expenditures include, but are not limited to, past and ongoing sanitation, COVID-19 testing, past or ongoing acquisitions of personal protective equipment for employees, overtime related to COVID-19, employee time dedicated to fielding and answering COVID-19

calls rather than handling their normal work, self-quarantine expenses for homeless, preparing for the future re-emergence of COVID-19 by purchasing and stocking PPE and sanitation supplies, and other expenditures recoverable by municipalities as described in the U.S. Department of the Treasury’s Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments.

7. Documentation for all Expenditures. Each municipality receiving Municipal Funds shall be required to document and justify that each disbursement of Municipal Funds was an eligible expenditure under its ILA with the County and the CARES ACT. All documentation shall be due no later than January 15, 2021.

8. Reimbursement and Recapture of Ineligible Expenditures. If the County, or its designee, reasonably determines that a municipality’s expenditure of Municipal Funds is not an eligible expenditure, then the municipality shall immediately reimburse its Municipal Funds with an amount equal to the amount of the ineligible expenditure from other of its funds. The municipality shall have 30 days of receipt of the County’s, or its designee’s, determination of an ineligible expenditure to reimburse the ineligible expenditure to its Municipal Funds. If the County has to enforce its ILA it shall be entitled to recover its reasonable attorney’s fees and costs incurred in doing so. If the municipality’s Municipal Funds account is already closed out, the reimbursement of the ineligible expenditure shall be made directly to the County.

9. Repayment of Unused Municipal Funds to the County. If any of a municipality’s Municipal Funds are not expended as provided in its ILA with the County by 11:59 PM December 30, 2020, the municipality shall return the unspent Municipal Funds to the County within thirty (30) days.

10. Interlocal Agreement. Prior to receiving, and as a condition to receiving, any Municipal Funds, each municipality must enter into an interlocal cooperation agreement with the County which incorporates the terms of this Direct Costs Program and provides for other matters (“ILA”). If the County, in its sole discretion, determines that a municipality has breached its ILA with the County, then the County may declare the ILA to be in default, and it may require the return and repayment to the County of the remaining balance of the Municipal Funds, including any reimbursements for ineligible expenditures.

11. Administration Cost. Because this funding is for the benefit of the municipalities, the municipalities are not entitled to recovery of administrative costs or fees from their Municipal Funds.

PASSED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2020.

COLLIN COUNTY, TEXAS

By: \_\_\_\_\_  
County Judge

ATTEST:

\_\_\_\_\_  
County Clerk or Designated Deputy Clerk

**Coronavirus Relief Fund**  
**Guidance for State, Territorial, Local, and Tribal Governments**  
**April 22, 2020**

The purpose of this document is to provide guidance to recipients of the funding available under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). The CARES Act established the Coronavirus Relief Fund (the “Fund”) and appropriated \$150 billion to the Fund. Under the CARES Act, the Fund is to be used to make payments for specified uses to States and certain local governments; the District of Columbia and U.S. Territories (consisting of the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands); and Tribal governments.

The CARES Act provides that payments from the Fund may only be used to cover costs that—

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.<sup>1</sup>

The guidance that follows sets forth the Department of the Treasury’s interpretation of these limitations on the permissible use of Fund payments.

***Necessary expenditures incurred due to the public health emergency***

The requirement that expenditures be incurred “due to” the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

The statute also specifies that expenditures using Fund payments must be “necessary.” The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

***Costs not accounted for in the budget most recently approved as of March 27, 2020***

The CARES Act also requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget *or* (b) the cost

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<sup>1</sup> See Section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act.



is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

The “most recently approved” budget refers to the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

***Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020***

A cost is “incurred” when the responsible unit of government has expended funds to cover the cost.

***Nonexclusive examples of eligible expenditures***

Eligible expenditures include, but are not limited to, payment for:

1. Medical expenses such as:
  - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
  - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
  - Costs of providing COVID-19 testing, including serological testing.
  - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
  - Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.
2. Public health expenses such as:
  - Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
  - Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
  - Expenses for disinfection of public areas and other facilities, *e.g.*, nursing homes, in response to the COVID-19 public health emergency.
  - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
  - Expenses for public safety measures undertaken in response to COVID-19.
  - Expenses for quarantining individuals.
3. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
  - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
  - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
  - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
  - Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
  - COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
  - Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:
  - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
  - Expenditures related to a State, territorial, local, or Tribal government payroll support program.
  - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.
6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

***Nonexclusive examples of ineligible expenditures<sup>2</sup>***

The following is a list of examples of costs that would *not* be eligible expenditures of payments from the Fund.

1. Expenses for the State share of Medicaid.<sup>3</sup>
2. Damages covered by insurance.
3. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

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<sup>2</sup> In addition, pursuant to section 5001(b) of the CARES Act, payments from the Fund may not be expended for an elective abortion or on research in which a human embryo is destroyed, discarded, or knowingly subjected to risk of injury or death. The prohibition on payment for abortions does not apply to an abortion if the pregnancy is the result of an act of rape or incest; or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed. Furthermore, no government which receives payments from the Fund may discriminate against a health care entity on the basis that the entity does not provide, pay for, provide coverage of, or refer for abortions.

<sup>3</sup> See 42 C.F.R. § 433.51 and 45 C.F.R. § 75.306.

4. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds.
5. Reimbursement to donors for donated items or services.
6. Workforce bonuses other than hazard pay or overtime.
7. Severance pay.
8. Legal settlements.

**Coronavirus Relief Fund  
Frequently Asked Questions  
Updated as of May 4, 2020**

The following answers to frequently asked questions supplement Treasury’s Coronavirus Relief Fund (“Fund”) Guidance for State, Territorial, Local, and Tribal Governments, dated April 22, 2020, (“Guidance”).<sup>1</sup> Amounts paid from the Fund are subject to the restrictions outlined in the Guidance and set forth in section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”).

**Eligible Expenditures**

***Are governments required to submit proposed expenditures to Treasury for approval?***

No. Governments are responsible for making determinations as to what expenditures are necessary due to the public health emergency with respect to COVID-19 and do not need to submit any proposed expenditures to Treasury.

***The Guidance says that funding can be used to meet payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. How does a government determine whether payroll expenses for a given employee satisfy the “substantially dedicated” condition?***

The Fund is designed to provide ready funding to address unforeseen financial needs and risks created by the COVID-19 public health emergency. For this reason, and as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise.

***The Guidance says that a cost was not accounted for in the most recently approved budget if the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation. What would qualify as a “substantially different use” for purposes of the Fund eligibility?***

Costs incurred for a “substantially different use” include, but are not necessarily limited to, costs of personnel and services that were budgeted for in the most recently approved budget but which, due entirely to the COVID-19 public health emergency, have been diverted to substantially different functions. This would include, for example, the costs of redeploying corrections facility staff to enable compliance with COVID-19 public health precautions through work such as enhanced sanitation or enforcing social distancing measures; the costs of redeploying police to support management and enforcement of stay-at-home orders; or the costs of diverting educational support staff or faculty to develop online learning capabilities, such as through providing information technology support that is not part of the staff or faculty’s ordinary responsibilities.

Note that a public function does not become a “substantially different use” merely because it is provided from a different location or through a different manner. For example, although developing online

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<sup>1</sup> The Guidance is available at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>.

instruction capabilities may be a substantially different use of funds, online instruction itself is not a substantially different use of public funds than classroom instruction.

***May a State receiving a payment transfer funds to a local government?***

Yes, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act. Such funds would be subject to recoupment by the Treasury Department if they have not been used in a manner consistent with section 601(d) of the Social Security Act.

***May a unit of local government receiving a Fund payment transfer funds to another unit of government?***

Yes. For example, a county may transfer funds to a city, town, or school district within the county and a county or city may transfer funds to its State, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, a transfer from a county to a constituent city would not be permissible if the funds were intended to be used simply to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify as an eligible expenditure.

***Is a Fund payment recipient required to transfer funds to a smaller, constituent unit of government within its borders?***

No. For example, a county recipient is not required to transfer funds to smaller cities within the county's borders.

***Are recipients required to use other federal funds or seek reimbursement under other federal programs before using Fund payments to satisfy eligible expenses?***

No. Recipients may use Fund payments for any expenses eligible under section 601(d) of the Social Security Act outlined in the Guidance. Fund payments are not required to be used as the source of funding of last resort. However, as noted below, recipients may not use payments from the Fund to cover expenditures for which they will receive reimbursement.

***Are there prohibitions on combining a transaction supported with Fund payments with other CARES Act funding or COVID-19 relief Federal funding?***

Recipients will need to consider the applicable restrictions and limitations of such other sources of funding. In addition, expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds, are not eligible uses of Fund payments.

***Are States permitted to use Fund payments to support state unemployment insurance funds generally?***

To the extent that the costs incurred by a state unemployment insurance fund are incurred due to the COVID-19 public health emergency, a State may use Fund payments to make payments to its respective state unemployment insurance fund, separate and apart from such State's obligation to the unemployment insurance fund as an employer. This will permit States to use Fund payments to prevent expenses related to the public health emergency from causing their state unemployment insurance funds to become insolvent.

***Are recipients permitted to use Fund payments to pay for unemployment insurance costs incurred by the recipient as an employer?***

Yes, Fund payments may be used for unemployment insurance costs incurred by the recipient as an employer (for example, as a reimbursing employer) related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.

***The Guidance states that the Fund may support a “broad range of uses” including payroll expenses for several classes of employees whose services are “substantially dedicated to mitigating or responding to the COVID-19 public health emergency.” What are some examples of types of covered employees?***

The Guidance provides examples of broad classes of employees whose payroll expenses would be eligible expenses under the Fund. These classes of employees include public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Payroll and benefit costs associated with public employees who could have been furloughed or otherwise laid off but who were instead repurposed to perform previously unbudgeted functions substantially dedicated to mitigating or responding to the COVID-19 public health emergency are also covered. Other eligible expenditures include payroll and benefit costs of educational support staff or faculty responsible for developing online learning capabilities necessary to continue educational instruction in response to COVID-19-related school closures. Please see the Guidance for a discussion of what is meant by an expense that was not accounted for in the budget most recently approved as of March 27, 2020.

***In some cases, first responders and critical health care workers that contract COVID-19 are eligible for workers’ compensation coverage. Is the cost of this expanded workers compensation coverage eligible?***

Increased workers compensation cost to the government due to the COVID-19 public health emergency incurred during the period beginning March 1, 2020, and ending December 30, 2020, is an eligible expense.

***If a recipient would have decommissioned equipment or not renewed a lease on particular office space or equipment but decides to continue to use the equipment or to renew the lease in order to respond to the public health emergency, are the costs associated with continuing to operate the equipment or the ongoing lease payments eligible expenses?***

Yes. To the extent the expenses were previously unbudgeted and are otherwise consistent with section 601(d) of the Social Security Act outlined in the Guidance, such expenses would be eligible.

***May recipients provide stipends to employees for eligible expenses (for example, a stipend to employees to improve telework capabilities) rather than require employees to incur the eligible cost and submit for reimbursement?***

Expenditures paid for with payments from the Fund must be limited to those that are necessary due to the public health emergency. As such, unless the government were to determine that providing assistance in the form of a stipend is an administrative necessity, the government should provide such assistance on a reimbursement basis to ensure as much as possible that funds are used to cover only eligible expenses.

***May Fund payments be used for COVID-19 public health emergency recovery planning?***

Yes. Expenses associated with conducting a recovery planning project or operating a recovery coordination office would be eligible, if the expenses otherwise meet the criteria set forth in section 601(d) of the Social Security Act outlined in the Guidance.

***Are expenses associated with contract tracing eligible?***

Yes, expenses associated with contract tracing are eligible.

***To what extent may a government use Fund payments to support the operations of private hospitals?***

Governments may use Fund payments to support public or private hospitals to the extent that the costs are necessary expenditures incurred due to the COVID-19 public health emergency, but the form such assistance would take may differ. In particular, financial assistance to private hospitals could take the form of a grant or a short-term loan.

***May payments from the Fund be used to assist individuals with enrolling in a government benefit program for those who have been laid off due to COVID-19 and thereby lost health insurance?***

Yes. To the extent that the relevant government official determines that these expenses are necessary and they meet the other requirements set forth in section 601(d) of the Social Security Act outlined in the Guidance, these expenses are eligible.

***May recipients use Fund payments to facilitate livestock depopulation incurred by producers due to supply chain disruptions?***

Yes, to the extent these efforts are deemed necessary for public health reasons or as a form of economic support as a result of the COVID-19 health emergency.

***Would providing a consumer grant program to prevent eviction and assist in preventing homelessness be considered an eligible expense?***

Yes, assuming that the recipient considers the grants to be a necessary expense incurred due to the COVID-19 public health emergency and the grants meet the other requirements for the use of Fund payments under section 601(d) of the Social Security Act outlined in the Guidance. As a general matter, providing assistance to recipients to enable them to meet property tax requirements would not be an eligible use of funds, but exceptions may be made in the case of assistance designed to prevent foreclosures.

***May recipients create a “payroll support program” for public employees?***

Use of payments from the Fund to cover payroll or benefits expenses of public employees are limited to those employees whose work duties are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

***May recipients use Fund payments to cover employment and training programs for employees that have been furloughed due to the public health emergency?***

Yes, this would be an eligible expense if the government determined that the costs of such employment and training programs would be necessary due to the public health emergency.



***May recipients use Fund payments to provide emergency financial assistance to individuals and families directly impacted by a loss of income due to the COVID-19 public health emergency?***

Yes, if a government determines such assistance to be a necessary expenditure. Such assistance could include, for example, a program to assist individuals with payment of overdue rent or mortgage payments to avoid eviction or foreclosure or unforeseen financial costs for funerals and other emergency individual needs. Such assistance should be structured in a manner to ensure as much as possible, within the realm of what is administratively feasible, that such assistance is necessary.

***The Guidance provides that eligible expenditures may include expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. What is meant by a “small business,” and is the Guidance intended to refer only to expenditures to cover administrative expenses of such a grant program?***

Governments have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of business interruption caused by required closures should be tailored to assist those businesses in need of such assistance. The amount of a grant to a small business to reimburse the costs of business interruption caused by required closures would also be an eligible expenditure under section 601(d) of the Social Security Act, as outlined in the Guidance.

***The Guidance provides that expenses associated with the provision of economic support in connection with the public health emergency, such as expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures, would constitute eligible expenditures of Fund payments. Would such expenditures be eligible in the absence of a stay-at-home order?***

Fund payments may be used for economic support in the absence of a stay-at-home order if such expenditures are determined by the government to be necessary. This may include, for example, a grant program to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 public health emergency.

***May Fund payments be used to assist impacted property owners with the payment of their property taxes?***

Fund payments may not be used for government revenue replacement, including the provision of assistance to meet tax obligations.

***May Fund payments be used to replace foregone utility fees? If not, can Fund payments be used as a direct subsidy payment to all utility account holders?***

Fund payments may not be used for government revenue replacement, including the replacement of unpaid utility fees. Fund payments may be used for subsidy payments to electricity account holders to the extent that the subsidy payments are deemed by the recipient to be necessary expenditures incurred due to the COVID-19 public health emergency and meet the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, if determined to be a necessary expenditure, a government could provide grants to individuals facing economic hardship to allow them to pay their utility fees and thereby continue to receive essential services.

***Could Fund payments be used for capital improvement projects that broadly provide potential economic development in a community?***

In general, no. If capital improvement projects are not necessary expenditures incurred due to the COVID-19 public health emergency, then Fund payments may not be used for such projects.

However, Fund payments may be used for the expenses of, for example, establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity or improve mitigation measures, including related construction costs.

***The Guidance includes workforce bonuses as an example of ineligible expenses but provides that hazard pay would be eligible if otherwise determined to be a necessary expense. Is there a specific definition of “hazard pay”?***

Hazard pay means additional pay for performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19.

***The Guidance provides that ineligible expenditures include “[p]ayroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.” Is this intended to relate only to public employees?***

Yes. This particular nonexclusive example of an ineligible expenditure relates to public employees. A recipient would not be permitted to pay for payroll or benefit expenses of private employees and any financial assistance (such as grants or short-term loans) to private employers are not subject to the restriction that the private employers’ employees must be substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

***May counties pre-pay with CARES Act funds for expenses such as a one or two-year facility lease, such as to house staff hired in response to COVID-19?***

A government should not make prepayments on contracts using payments from the Fund to the extent that doing so would not be consistent with its ordinary course policies and procedures.

## **Questions Related to Administration of Fund Payments**

***Do governments have to return unspent funds to Treasury?***

Yes. Section 601(f)(2) of the Social Security Act, as added by section 5001(a) of the CARES Act, provides for recoupment by the Department of the Treasury of amounts received from the Fund that have not been used in a manner consistent with section 601(d) of the Social Security Act. If a government has not used funds it has received to cover costs that were incurred by December 30, 2020, as required by the statute, those funds must be returned to the Department of the Treasury.

***What records must be kept by governments receiving payment?***

A government should keep records sufficient to demonstrate that the amount of Fund payments to the government has been used in accordance with section 601(d) of the Social Security Act

***May recipients deposit Fund payments into interest bearing accounts?***

Yes, provided that if recipients separately invest amounts received from the Fund, they must use the interest earned or other proceeds of these investments only to cover expenditures incurred in accordance with section 601(d) of the Social Security Act and the Guidance on eligible expenses. If a government deposits Fund payments in a government’s general account, it may use those funds to meet immediate cash management needs provided that the full amount of the payment is used to cover necessary

expenditures. Fund payments are not subject to the Cash Management Improvement Act of 1990, as amended.

***May governments retain assets purchased with payments from the Fund?***

Yes, if the purchase of the asset was consistent with the limitations on the eligible use of funds provided by section 601(d) of the Social Security Act.

***What rules apply to the proceeds of disposition or sale of assets acquired using payments from the Fund?***

If such assets are disposed of prior to December 30, 2020, the proceeds would be subject to the restrictions on the eligible use of payments from the Fund provided by section 601(d) of the Social Security Act.



# City of Lucas

## City Council Agenda Request

### May 21, 2020

Requester: Mayor Jim Olk

#### **Agenda Item Request**

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Consider nominations of a primary and alternate member to the Regional Transportation Council.

#### **Background Information**

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The North Central Texas Council of Governments is the Metropolitan Planning Organization for the Dallas-Fort Worth area. The Regional Transportation Council, comprised primarily of local elected officials, is the transportation policy body for the Metropolitan Planning Organization.

Each seat on the Regional Transportation Council will be provided a primary member and an alternate member serving a two-year term beginning in July. Currently the Cities of Lucas, Allen, Rowlett, Sachse, Wylie and Murphy share a seat on the Regional Transportation Council. Those seats will be expiring in June 2020. The primary seat is currently vacant, that was previously held by former City of Allen Mayor Steve Terrell. The alternate member position is held by City of Wylie Mayor Eric Hogue.

The City of Allen has submitted a letter requesting support for Allen City Councilmember Chris Schulmeister to serve as the primary member to the RTC and Mayor Hogue, City of Wylie to continue to serve as an alternate member.

All nominations must be made in writing to the Regional Transportation Council by June 30, 2020.

#### **Attachments/Supporting Documentation**

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1. Letter from Regional Transportation Council
2. Letter from City of Allen

#### **Budget/Financial Impact**

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NA

#### **Recommendation**

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NA

#### **Motion**

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I make a motion to nominate \_\_\_\_\_ as the primary member and \_\_\_\_\_ as the alternate member to the Regional Transportation Council.



The Transportation Policy Body for the North Central Texas Council of Governments  
(Metropolitan Planning Organization for the Dallas-Fort Worth Region)

April 23, 2020

The Honorable Dorothy Stout  
Mayor  
City of Allen  
305 Century Parkway  
Allen, TX 75013

The Honorable Tammy Dana-Bashian  
Mayor  
City of Rowlett  
4000 Main St.  
Rowlett, TX 75088

The Honorable Mike Felix  
Mayor  
City of Sachse  
3815 Sachse Rd., Bldg. B  
Sachse, TX 75048

The Honorable Eric Hogue  
Mayor  
City of Wylie  
300 Country Club Rd., Bldg. 100  
Wylie, TX 75098

The Honorable Scott Bradley  
Mayor  
City of Murphy  
206 North Murphy Rd.  
Murphy, TX 75094

The Honorable Jim Olk  
Mayor  
City of Lucas  
665 Country Club Rd.  
Lucas, TX 75002-7651

Dear Mayors Stout, Dana-Bashian, Felix, Hogue, Bradley and Olk:

The North Central Texas Council of Governments (NCTCOG) is the Metropolitan Planning Organization for the Dallas-Fort Worth Metropolitan Area. The Regional Transportation Council (RTC), composed primarily of local elected officials, is the transportation policy body for the MPO. The RTC is responsible for direction and approval of the Metropolitan Transportation Plan, the Transportation Improvement Program, the Congestion Management Process, and the Unified Planning Work Program, and for satisfying and implementing federal and state laws and regulations pertaining to the regional transportation planning process.

Membership on the Regional Transportation Council is either by direct membership or group representation. Each seat on the Regional Transportation Council will be provided a primary member and permitted an alternate member. The Cities of Allen, Rowlett, Sachse, Wylie, Murphy, and Lucas share a seat on the Regional Transportation Council. The RTC's Bylaws and Operating Procedures state that the person representing a group of several cities shall be selected by the mayors using a weighted vote of the maximum population or employment of the cities represented, and the person selected shall serve a two-year term beginning in July of even-numbered years and shall be serving on one of the governing bodies they represent. A table containing population and employment figures is enclosed. The Bylaws further state that in the spirit of integrated transportation planning, all cities within a city-only cluster are eligible to hold the RTC membership seat for the cluster, and the cities should strongly consider rotation of the seat among the entities within the respective cluster. Items to consider when contemplating seat rotation may include: 1) a natural break in a member's government service, such as the conclusion of an elected term, 2) a member's potential to gain an officer position or advance through the officer ranks, 3) a member's strong performance and commitment to transportation planning, or 4) the critical nature of a particular issue or project and its impact on an entity within the cluster.

An alternate member is the individual appointed to represent an entity or group of entities on the Regional Transportation Council in the absence of the primary member. The alternate member must be predetermined in advance of a meeting and will have voting rights in the absence of the primary member. An entity or group of entities may elect to appoint its alternate member(s) from a pool of eligible nominees. The same requirements apply to alternate members as to primary members. If a primary member is an elected official, then the alternate member must also be an elected official; if a primary member is a non-elected individual, then the alternate member can be either a non-elected individual or an elected official. A best practice for city-only clusters may be to appoint the alternate member from an eligible entity within the cluster that is not providing the primary member.

Your current primary seat is vacant. Your current alternate representative is Eric Hogue, Mayor, City of Wylie. You may choose to appoint a new primary representative and/or alternate representative. **All appointments, whether a reappointment or new appointment, must be received by June 30, 2020.** Per the RTC Bylaws, the new two-year terms begin in July. Please email ([VPruitt-Jenkins@nctcog.org](mailto:VPruitt-Jenkins@nctcog.org)), mail (P.O. Box 5888, Arlington, TX 76005-5888), or fax (817/640-3028) your correspondence to Vercie Pruitt-Jenkins of NCTCOG. Please note that your designations must be confirmed in writing by all entities included in this group. Once the appointments have been determined by weighted vote, confirmation of the primary and/or alternate member(s) will be provided to your group.

In addition, the Regional Transportation Council has established an Ethics Policy in accordance with Section 472.034 of the Texas Transportation Code. This policy applies to both primary and alternate RTC members, whether elected or non-elected. All RTC members must also adhere to Chapter 171 of the Local Government Code and to the Code of Ethics from their respective local governments and public agencies. Please remind your representatives to be cognizant of these policies and codes.

We understand that each of you are currently dealing with guidelines and restrictions related to the Coronavirus or COVID-19 pandemic, we are transmitting this request in advance with the hope that it will help you to provide your designations by the **June 30, 2020**, deadline. Entities that have not responded by the end of May will be reminded to provide their designation. Due to Regional Transportation Council Chair Andy Eads' current focus on responsibilities related to COVID-19, this correspondence is being transmitted on the Chair's behalf.

Please contact Vercie Pruitt-Jenkins at [VPruitt-Jenkins@nctcog.org](mailto:VPruitt-Jenkins@nctcog.org) or 817/608-2325 if you have any questions. We look forward to hearing from you.

Sincerely,

A handwritten signature in black ink that reads "Michael Morris". The signature is written in a cursive style with a large, sweeping "M" and "M" at the end.

Michael Morris, P.E.  
Director of Transportation

VPJ  
Enclosure

cc: Mr. Mike Castro, City Manager, City of Murphy  
Ms. Joni Clarke, City Manager, City of Lucas  
Mr. Eric Ellwanger, City Manager, City of Allen  
Mr. Brian Funderburk, City Manager, City of Rowlett  
Mr. Chris Holsted, City Manager, City of Wylie  
Ms. Gina Nash, City Manager, City of Sachse





April 17, 2020

**Mayor**  
Debbie Stout

**Mayor Pro Tem**  
Gary L. Caplinger

**Councilmembers**  
Kurt Kizer  
Carl Clemencich  
Lauren Doherty  
Chris Schulmeister  
Baine Brooks

**City Manager**  
Eric Ellwanger

The Honorable Jim Olk  
Mayor  
City of Lucas  
665 Country Club Road  
Lucas, TX 75002

The Honorable Mike Felix  
Mayor  
City of Sachse  
3815 B Sachse Road  
Sachse, TX 75048

The Honorable Eric Hogue  
Mayor  
City of Wylie  
300 Country Club Road  
Wylie, TX 75098

The Honorable Scott Bradley  
Mayor  
City of Murphy  
206 North Murphy Road  
Murphy, TX 75094

The Honorable Tammy Dana-Bashian  
Mayor  
City of Rowlett  
4000 Main Street  
Rowlett, TX 75088

***RE: Regional Transportation Council Representation***

Dear Mayors Olk, Felix, Hogue, Bradley, and Dana-Bashian:

The Regional Transportation Council (RTC) is requesting nominations for the one seat and one vote shared by our communities. Mayor Terrell has previously served as the Primary Representative to the RTC for our shared seat, with Mayor Hogue of Wylie serving as the Alternate Representative. I am writing to express a willingness from Allen Councilmember Chris Schulmeister to represent our communities as your Primary Representative to the RTC. Councilmember Schulmeister would serve the length of the term of appointment to the RTC. Similarly, Mayor Hogue, of the City of Wylie, has likewise expressed an interest in serving as the Alternate Representative through the end of his current term.

Please submit your written endorsement by **June 30, 2020**, to Vercie Pruitt-Jenkins at fax 817/640-3028. The attached form has been prepared to document your support to that effect. If you have any questions, or would like to discuss further, please contact me at 469-500-0593 or [dstout@cityofallen.org](mailto:dstout@cityofallen.org).

Sincerely,

Debbie Stout  
Mayor

cc: Ms. Joni Clark, City Manager, City of Lucas  
Ms. Gina Nash, City Manager, City of Sachse  
Ms. Chris Holsted, City Manager, City of Wylie  
Mr. Mike Castro, City Manager, City of Murphy  
Mr. Brian Funderburk, City Manager, City of Rowlett  
Mr. Eric Ellwanger, City Manager, City of Allen

## Regional Transportation Council Representative Endorsement

On behalf of the City of \_\_\_\_\_,

I, \_\_\_\_\_, Mayor, do hereby endorse the following to serve as RTC Representatives on behalf of our community for the term July 1, 2020 to June 30, 2022:

REGULAR REPRESENTATIVE –Chris Schulmeister, Councilmember, City of Allen

ALTERNATE REPRESENTATIVE – Eric Hogue, Mayor, City of Wylie

SIGNED:

\_\_\_\_\_

Mayor

**ATTEST:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: City Secretary

Date: \_\_\_\_\_



# City of Lucas City Council Agenda Request May 21, 2020

Requester: Mayor Jim Olk

## **Agenda Item Request**

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Consider an appointment to fill a vacant position on the Planning and Zoning Commission.

## **Background Information**

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The Planning and Zoning Commission has one vacant regular member position available that needs to be filled. Current regular and alternate members are outlined below:

<b>Planning and Zoning Commission</b>
David Keer, Chairman
Tim Johnson, Vice Chairman
Peggy Rusterholtz, Commissioner
Joe Williams, Commissioner
<b>Vacant – Regular Member</b>
Tommy Tolson, Alternate Commissioner 1
Adam Sussman, Alternate Commissioner 2

Applications received to date for board member positions have been included under separate attachment for review.

## **Attachments/Supporting Documentation**

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1. Board member applications (under separate attachment)

## **Budget/Financial Impact**

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NA

## **Recommendation**

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NA

## **Motion**

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I make a motion to approve/deny appointing \_\_\_\_\_ to Planning and Zoning Commission.



# City of Lucas

## City Council Agenda Request

### May 21, 2020

Requester: Mayor Jim Olk

#### Agenda Item Request

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Consider whether City Council, Planning and Zoning Commission, and meetings deemed necessary should continue to be held via video conference and/or allow participation in person with limited capacity and provide guidance to staff.

#### Background Information

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Below is an email from Scott Houston, Deputy Executive Director and General Counsel for the Texas Municipal League regarding suspended Open Meetings Act provisions.

“The governor’s office extended the Open Meetings Act suspensions. Previously, on March 16, the governor granted the office of the attorney general’s request for suspension of certain open meeting statutes. The temporary suspension allows, among other things, for telephonic or videoconference meetings of governmental bodies that are accessible to the public in an effort to reduce in-person meetings that assemble large groups of people. The guidance associated with the suspension provides that:

These suspensions are in effect until terminated by the office of the governor, or until the March 13, 2020, disaster declaration is lifted or expires.

The March 13 declaration was extended on April 12, and the April 12 declaration was just extended for another 30 days (May 12). That means the relevant open meetings laws remain suspended for at least another 30 days (or until affirmatively rescinded).

We can’t be certain, but it is highly likely that the governor will continue to repeatedly extend his declarations. We’ve heard from his staff that they have no immediate plans to make changes.

My opinion is that a city council can do in-person meetings for the council (with distancing is a best practice) and allow citizens to attend in limited numbers in person, or any combination thereof. You should just try to make it as accessible as possible. Options would include a video or call in for citizens if you are allowing councilmembers to attend virtually. Video or audio record the meeting and make it available online.

If it’s an all in-person council meeting, you can limit public access as you see fit, but may wish to provide alternative means for citizens to address council, like an email address to



# City of Lucas

## City Council Agenda Request

### May 21, 2020

send questions to or providing phone numbers where they get called and allowed to speak during a public comment session.

In preparing for some type of in-person meetings in the future, staff is seeking guidance from Council on this matter.

#### **Attachments/Supporting Documentation**

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1. Texas Municipal League Open Meetings Act Information

#### **Budget/Financial Impact**

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NA

#### **Recommendation**

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Staff is seeking guidance from Council on this matter.

#### **Motion**

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No motion is required for this item.

## **Open Meetings Act**

3/16/2020

### **Can an emergency meeting be conducted via telephone conference?**

Yes, state law has always allowed a city council to hold a meeting via telephone conference or video conference assuming certain, complex requirements were met. This evening, the governor's office listened to a request from TML and local government leaders to relax some of the burdensome requirements associated with doing so. His office issued the following [guidance](#) on the subject:

Governor Greg Abbott today acted to maintain government transparency and continued government operations while reducing face-to-face contact for government open meetings. As Texas works to mitigate the spread of COVID-19, the Governor granted the Office of the Attorney General's request for suspension of certain open-meeting statutes. This temporary suspension will allow for telephonic or videoconference meetings of governmental bodies that are accessible to the public in an effort to reduce in-person meetings that assemble large groups of people.

"Even as the State of Texas takes precautionary measures to contain the spread of COVID-19, we also have a responsibility to maintain government transparency," said Governor Abbott. "With today's action, Texas is reducing non-essential in-person contact for a limited period, while ensuring that state and local government entities continue to work to fulfill necessary functions and with full transparency for the people of Texas. I urge state and local officials to do their part to mitigate the spread of COVID-19 by avoiding meetings that bring people into large group settings."

In accordance with section 418.016 of the Texas Government Code, Governor Abbott has suspended various provisions that require government officials and members of the public to be physically present at a specified meeting location. This temporary suspension will leave important open-meeting protections in place:

- Members of the public will be entitled to participate and address the governmental body during any telephonic or videoconference meeting.
- To hold a telephonic or videoconference meeting, a governmental body must post a written notice that gives the public a way to participate remotely, such as a toll-free dial-in number, and that includes an electronic copy of any agenda packet that officials will consider at the meeting.
- A governmental body must provide the public with access to a recording of any telephonic or videoconference meeting.

Local officials who have questions about open meeting requirements after this suspension should submit them to the Office of the Attorney General via e-mail at [TOMA@oag.texas.gov](mailto:TOMA@oag.texas.gov) or by leaving a message at (888) 672-6787. Officials with questions about teleconference and videoconference capabilities offered by the Texas Department of Information Resources should visit [dir.texas.gov](http://dir.texas.gov) or call (512) 475-4700. Officials who hold videoconference meetings are

encouraged to provide for participation via telephone for members of the public without videoconferencing capability. If officials are not holding a telephonic or videoconference meeting, all open-meeting requirements apply.

The guidance above does leave some questions. Presumably, the existing notice requirements in the Open Meetings Act apply, including those related to one-hour posting for emergency meetings if certain conditions are met. League attorneys will review and make further clarifications as more information becomes available.

Please contact Scott Houston, TML General Counsel, at [shouston@tml.org](mailto:shouston@tml.org) with questions.

3/17/2020

**Has the governor taken action to make videoconference and teleconference meetings easier under the Texas Open Meetings Act?**

Yes. The governor has [suspended various provisions](#) of the Open Meetings Act pursuant to his state disaster authority, and the attorney general's office has issued [guidance](#) on the suspension. TEX. GOV'T CODE § 418.016(e). The changes are effective March 16, 2020, until further notice or until the state disaster declaration expires. The following questions and answers apply *only during the state of suspension*.

According to the attorney general, "statutes that may be interpreted to require face-to-face interaction between members of the public and public officials are suspended (see below); provided, however, that governmental bodies must offer alternative methods of communicating with their public officials."

TML understands this to mean that a city doesn't have to allow members of the public to physically attend meetings, but it would need to allow them to submit comments via videoconference, telephone, written submissions, email, or similar means. *Id.* § 551.007. The idea is to provide as much transparency as possible, while avoiding contact with COVID-19.

**Does the Open Meetings Act allow a city councilmember or city employee to participate in a city council meeting via videoconference call?**

Yes. Government Code Section 551.127 authorizes a member or employee of a governmental body to participate remotely in a meeting of the governmental body by means of a videoconference. TEX. GOV'T CODE § 551.127(a-1); *see also id.* § 551.127(a) (providing that the Act does not prohibit a governmental body from holding an open or closed meeting by videoconference call, except as provided by Section 551.127). According to the attorney general, "neither a quorum nor a presiding officer need to be physically present at the specified location of the meeting; provided, however, that a quorum still must participate in the videoconference meeting."

**What procedures must a city follow when a councilmember or employee will participate in a meeting via videoconference call?**



According to the attorney general, statutory provisions "that require the telephonic or videoconference meeting to be audible to members of the public who are physically present at the specified location of the meeting are suspended; provided, however, that the dial-in number or videoconference link provided in the notice must make the meeting audible to members of the public and allow for their two-way communication; and further provided that a recording of the meeting must be made available to the public."

At a minimum: (1) the video and audio feed of the member's or employee's participation, as applicable, must be broadcast live at the meeting; and (2) the city council must make at least an audio recording of the meeting and the recording must be made available to the public. *Id.* § 551.127(a-1) & (g).

A member of a governmental body who participates remotely in a meeting by means of a videoconference call must be counted present at the meeting for *all* purposes. TEX. GOV'T CODE § 551.127 (a-2).

The following requirements have been suspended by the governor:

1. A quorum of the city council need not be present at one physical location. *Id.* § 551.127(b).
2. In light of (1), above, the meeting notice need not specify where the quorum of the city council will be physically present and the intent to have a quorum present. *Id.* § 551.127(e).
3. In light of (1) above, the meeting held by videoconference call is not required to be open to the public at a location where council is present. *Id.* § 551.127(f).
4. The audio and video are not required to meet minimum standards established by Texas Department of Information Resources (DIR) rules, the video doesn't have to be sufficient that a member of the public can observe the demeanor of the participants, the members faces don't have to be clearly visible at all times, and the meeting can continue even if a connection is lost, so long as a quorum is still present. *Id.* § 551.127(a-3); (h); (i); (j).

A meeting held by videoconference call is subject to the notice requirements applicable to other meetings under the Act (see below for information related to posting notice of a meeting pursuant to the governor's suspension). *See, e.g., id.* § 551.127(d).

### **May a member of the public testify at a meeting by videoconference call?**

Yes. The Act provides that "[w]ithout regard to whether a member of the governmental body is participating in a meeting from a remote location by videoconference call, a governmental body may allow a member of the public to testify at a meeting from a remote location by videoconference call." *Id.* § 551.127(k). The Act does not expressly require any special notice of this type of remote participation by a member of the public.

### **Is a videoconference the same thing as a telephone conference call?**

No. The Open Meetings Act makes it clear that a videoconference call and a telephone conference call are alternative types of communication. *See, e.g., id.* § 551.129 (authorizing a

governmental body to use a telephone conference call, videoconference call, *or* communications over the Internet to conduct certain consultations).

The Act defines a "videoconference call" to mean "a communication conducted between two or more persons in which one or more of the participants communicate with the other participants through duplex audio and video signals transmitted over a telephone network, a data network, or the Internet." *Id.* § 551.001(8); *see also* 1 Tex. Admin. Code. § 209.1. The phrase "telephone conference call" is not defined in the Act, and there appears to be no reported case or opinion addressing its meaning. Nonetheless, one primary difference between a telephone conference and a video conference call is that a telephone conference call involves only audio communication.

### **When may a city council hold a meeting by telephone conference?**

A city council may hold a meeting by telephone conference call only if the convening at one location of a quorum of the governmental body is difficult or impossible. TEX. GOV'T CODE § 551.125(a); *see also* Tex. Att'y Gen. Op. Nos. GA-0908 (2012), JC-352 (2001). The CDC's recommendation that "the best way to prevent illness is to avoid being exposed to this virus" appears to satisfy that requirement. The attorney general's statute suspensions removed the requirement that an emergency exists to conduct a telephone conference call meeting. *See* TEX. GOV'T CODE §551.125(b)(1); 551.045(b); §551.045(b)(2).

According to the attorney general, "a quorum still must participate in the telephonic meeting." Moreover, statutory provisions "that require the telephonic meeting to be audible to members of the public who are physically present at the specified location of the meeting are suspended; provided, however, that the dial-in number provided in the notice must make the meeting audible to members of the public and allow for their two-way communication; and further provided that a recording of the meeting must be made available to the public."

### **What notice is required of a meeting, whether held in person or by videoconference or teleconference?**

According to the attorney general, a city need not "provide a physical posting of a notice for a meeting; provided, however, that the online notice for [a videoconference or teleconference meeting] must include a toll-free dial-in number or a free-of-charge videoconference link, along with an electronic copy of any agenda packet." In addition, "the dial-in number or videoconference link provided in the notice must make the meeting audible to members of the public and allow for their two-way communication." For an in-person meeting, a telephone or video conference link doesn't appear to be required.

Notice for a meeting need not be posted on a physical or electronic bulletin board at a place convenient to the public in city hall because Government Code Section 551.050(b) is suspended. Thus, for *any meeting*, a city must provide notice at a minimum on its website. For a *non-emergency meeting*, the notice must be posted on its website at least 72 hours in advance on the meeting.

Procedural items to consider when conducting an *emergency* meeting include:

- In an emergency or when there is an urgent public necessity, a governmental body may conduct a meeting without providing the 72-hour notice requirement that is generally required to conduct a meeting under the Open Meetings Act. Instead, a city must provide notice of an emergency meeting, or the supplemental notice to add an emergency item to an already existing agenda of a properly posted meeting, at least one hour before the meeting is convened. TEX. GOV'T CODE § 551.045(a)
- The notice must clearly identify the emergency or urgent public necessity justifying the emergency meeting. *Id.* § 551.045(c).
- The presiding officer or member of a governing body who calls an emergency meeting or adds an emergency item to an existing agenda of a properly posted meeting shall provide notice of the emergency meeting or emergency item to members of the news media who have filed with the city a request to receive the notice and agreed to reimburse the city for the cost of providing the notice *Id.* § 551.047(a), (b). Such notice must be provided by telephone, fax, or email, at least one hour before the meeting is convened. *Id.* § 551.047(c).
- A city that maintains an internet website must also concurrently post notice of an emergency meeting notice on the city's website. *Id.* §§ 551.043(b), 551.056(b). A city with a population of 48,000 or more is also required to concurrently post the agenda of the emergency meeting on the city's internet website. *Id.* § 551.056(c).
- The attorney general's opinion appears to be that a city council may only deliberate or take action on a matter at an emergency meeting that: (1) directly relates to responding to the emergency or public necessity identified in the notice of the meeting; or (2) an agenda item listed on a notice of the meeting before the supplemental notice was posted. *Id.* § 551.045(a-1). Some attorneys disagree with that position.

**May a city council ever consult with its attorney at a meeting by telephone conference or videoconference?**

Yes. Section 551.129 of the Act authorizes a governmental body to "use a telephone conference call, video conference call, or communications over the Internet to conduct a public consultation with its attorney in an open meeting of the governmental body or a private consultation with its attorney in a closed meeting of the governmental body." TEX. GOV'T CODE § 551.129. This Section only applies to a consultation with an attorney who is not an employee of the city. *Id.* § 551.129(d). An attorney who receives compensation for legal services performed, from which employment taxes are deducted by the governmental body, is an employee of the city for purposes of Section 551.129. *Id.* § 551.129(e).

If the attorney is an employee of the city, the city council may meet with the attorney by videoconference under the Section 551.127 procedures described above.

3/20/2020

**Does TML have advice about what technology to use to conduct phone or video meetings that will meet the Governor's guidance for new Open Meetings law exceptions?**

There are several companies that offer solutions that could work, but TML is currently recommending LogMeIn and has an agreement with them to help Texas cities connect with the

company's products, which include GoToMeeting and GoToWebinar. Because the new Open Meetings exceptions for phone and virtual meetings may require two-way communications by the public when statutorily required, LogMeIn's solutions are capable of muting/unmuting a public call-in line which may be helpful in avoiding disruptive background noise and to permit orderly public comment when appropriate.

Cities interested in using this technology solution should contact Rachael Pitts on the TML staff, who will facilitate a connection with the company. Rachael can be reached at 512-231-7472 or [rpitts@tml.org](mailto:rpitts@tml.org).

### **Do cities have to provide two-way communication for the public to make comments during an open meeting via telephonic or video conferencing during the emergency?**

The answer isn't exactly clear. After the governor suspended various requirements of the Texas Open Meetings Act, the attorney general's office issued [guidance](#) on his suspensions. (See detailed reporting on that in a previous update.) The guidance states:

"[T]he dial-in number or videoconference link provided in the [meeting] notice must make the meeting audible to members of the public *and allow for their two-way communication...*"

Many cities are struggling with finding the technology to allow two-way communications in a reasonable format. The questions above and below provide guidance and options on that issue. However, one quirk has become apparent.

In addition to the above guidance, the governor suspended the new requirement (added by H.B. 2840 last legislative session) that the public has a right to speak on agenda items. The suspended provision reads as follows:

"Sec. 551.007. PUBLIC TESTIMONY...

(b) A governmental body shall allow each member of the public who desires to address the body regarding an item on an agenda for an open meeting of the body to address the body regarding the item at the meeting before or during the body's consideration of the item..."

Because - for the duration of the statute suspensions - that section no longer mandates a city to allow public comment on normal agenda items, a city isn't required to do so. And, if a city doesn't allow public comment on normal agenda items, the requirement to have two-way communications is superfluous. Thus, a city might be able to have a telephone conference for city councilmembers and not provide a general public comment session or allow members of the public to speak on agenda items. In any case, it makes sense for a city to allow as much public input as possible. One way cities have done so is to provide an email address and/or drop box where citizens can submit written comments. Another way is that some cities have required citizens who wish to comment to sign up in advance with a telephone number, and then have city staff call the person on the phone at the appropriate time to make their comments.

That advice DOES NOT apply to statutorily-mandated public hearings, such as zoning and similar hearings. A city would need to arrange for public communication at those.

Because the attorney general's guidance has conflicting provisions, city officials should consult with local legal counsel regarding their open meetings efforts.

### **Is there additional guidance on meetings conducted via telephone conference?**

Yes, the Texas Department of Information Resources has prepared a [short manual](#) on the subject. DIR has also offered assistance for cities related to teleconferencing and videoconferencing. Visit [dir.texas.gov](http://dir.texas.gov) (click on the Cooperative Contracts for Remote Access link), email [askdir@dir.texas.gov](mailto:askdir@dir.texas.gov), or call 512-475-4700.

3/24/2020

### **Must a city provide for in-person comment/testimony when holding a public hearing?**

The term “public hearing” refers to a meeting at which a governmental entity is required to receive and record public comment/testimony on a matter. This requirement may arise under a state or federal statute or rule, a city charter, a city ordinance, a city contract, or some other source. See, e.g., Tex. Loc. Gov’t Code § 102.006(a) (“The governing body of a municipality shall hold a public hearing on the proposed budget. Any person may attend and may participate in the hearing.”).

Existing precedent makes clear the distinction between a public hearing and general public comment at a meeting. One court held that comments by the public at large need to be solicited and heard at a public hearing, and that “the term ‘public hearing’ contemplates the opening of the floor for public comment by anyone desiring to speak on the issue of concern.” *Eudaly v. City of Colleyville*, 642 S.W.2d 75, 77 (Tex. App.—Fort Worth 1982, writ ref’d n.r.e.).

This raises the question of whether the governor’s [guidance](#) about handling general public comment at a meeting during the COVID-19 disaster is equally applicable to a public hearing. In other words, is the receipt of public comment/testimony via telephone, videoconference, email, etc. sufficient for a public hearing?

The answer to that question could depend on a variety of factors, including how the meeting is conducted and the source of the public hearing requirement. See *id.*, e.g., (focusing on the statutory requirement that “parties in interest and citizens shall have an opportunity to be heard”). That said, we find no general requirement that in-person comment/testimony must be allowed when conducting a public hearing.

It is important to note that, while the governor’s suspension allows a city to post notice of a meeting on its website in lieu of posting the meeting notice on a bulletin board, public hearings may require other forms of notice and procedures that have not been suspended. For instance, notice of a public hearing may need to be published in a newspaper. See, e.g., Tex. Loc. Gov’t Code §102.0065 (notice of budget hearing).

### **What happens if a city official is unable to complete a state-mandated training by the deadline due to the coronavirus?**

Social distancing requirements have led to the cancellation of many in-person training sessions across the state, many of which fulfill a state-mandated training requirement. Beyond that, many city officials are simply overwhelmed with performing essential functions in their communities to attend a training session at this time.

Two types of required training – training under the Public Funds Investment Act (PFIA) and the newly-imposed cybersecurity training – are available to be completed online using TML resources. In addition to in-person trainings, TML offers online PFIA training that can be taken anytime. More on PFIA training options through TML can be found [here](#). Mandatory cybersecurity training is being offered by the TML Intergovernmental Risk Pool, and can be taken through a free online video. More on this training option can be found [here](#).

The attorney general offers online [training videos](#) for city officials needing to complete training for the Open Meetings Act or Public Information Act.

Some city officials will understandably not have the time to complete even the online trainings in the coming weeks. Though the trainings mentioned above are mandatory, there are no specific penalty provisions for failing to take the training by the respective deadline. Still, city officials are encouraged to take any mandatory training as soon as possible under the circumstances.

4/23/2020

### **Did the attorney general issue an opinion on issues related to public comment on agenda items?**

Yes, but it isn't necessarily relevant right now because the law that is the subject of the opinion ([Texas Government Code Section 551.007\(b\)](#)) is currently [suspended by the governor](#). It will remain so as long as the state is under a disaster declaration related to the virus.

Yesterday (April 22), the attorney general issued [Opinion No. KP-300](#). The opinion answered two questions about 2019 legislation mandating that the public be allowed to provide input on agenda items at an open meeting. It concludes that: (1) “a governmental body may satisfy [the bill]’s requirements by holding a single public comment period at the beginning of an open meeting to address all items on the agenda;” and (2) “a governmental body may adopt a rule capping the total amount of time a member of the public has to address all items on the agenda if the rule is reasonable.”

A more detailed article on the opinion, with a link to a full Q&A on the law, will appear in tomorrow's (April 24) [TML Legislative Update](#) and in the TML Exchange email.

4/28/2020

### **What is the status of the suspended Open Meetings Act provisions?**

On March 16, the governor [granted](#) the office of the attorney general's request for suspension of certain open meeting statutes. The temporary suspension allows, among other things, for telephonic or videoconference meetings of governmental bodies that are accessible to the public in an effort to reduce in-person meetings that assemble large groups of people. The [guidance](#) associated with the suspension provides that:

“These suspensions are in effect until terminated by the office of the governor, or until the [March 13, 2020, disaster declaration](#) is lifted or expires.”

The March 13 disaster declaration was extended for another 30 days by his [April 12, 2020, disaster declaration](#). That means the relevant open meetings laws remain suspended.

We can't be certain, but it is highly likely that the governor will extend his April 12 disaster declaration for another 30 days and probably continue to do so repeatedly. So long as he does, the relevant open meetings laws remain suspended, unless and until he takes express action to rescind his suspensions. Unless they expressly state otherwise, his orders have no effect on the suspension.

5/7/2020

### **What is the status of the suspended Open Meetings Act provisions?**

On March 16, the governor [granted](#) the office of the attorney general's request for suspension of certain open meeting statutes. The temporary suspension allows, among other things, for telephonic or videoconference meetings of governmental bodies that are accessible to the public in an effort to reduce in-person meetings that assemble large groups of people. The [guidance](#) associated with the suspension provides that:

“These suspensions are in effect until terminated by the office of the governor, or until the [March 13, 2020, disaster declaration](#) is lifted or expires.”

The March 13 disaster declaration was extended for another 30 days by his [April 12, 2020, disaster declaration](#). That means the relevant open meetings laws remain suspended.

We can't be certain, but it is highly likely that the governor will extend his April 12 disaster declaration for another 30 days and probably continue to do so repeatedly. We've heard from his staff that they have no immediate plans to make changes. In addition, the Lieutenant Governor's “Texans Back to Work Task Force” issued a [113-page report](#) that contains the following on page 50 related to long-term re-opening of the economy:

“Encourage all levels of government in Texas to accelerate the process of moving as much of their interactions with the public online. For example, government entities should move to accept electronic payments, accept all legal and regulatory filings electronically, maintain records digitally, and conduct administrative hearings by video conference. The Texas Open Meetings Act and the Texas Public Information Act should be amended, as necessary, to remove barriers to effective use of technology.”



5/12/2020

### **What is the status of the suspended Open Meetings Act provisions?**

Today, the governor's office extended the Open Meetings Act suspensions. Previously, on March 16, the governor [granted](#) the office of the attorney general's request for suspension of certain open meeting statutes. The temporary suspension allows, among other things, for telephonic or videoconference meetings of governmental bodies that are accessible to the public in an effort to reduce in-person meetings that assemble large groups of people.

The [guidance](#) associated with the suspension provides that:

“These suspensions are in effect until terminated by the office of the governor, or until the [March 13, 2020, disaster declaration](#) is lifted or expires.”

The March 13 declaration was extended on April 12, and the April 12 declaration was just [extended for another 30 days](#) today (May 12). That means the relevant open meetings laws remain suspended for at least another 30 days (or until affirmatively rescinded).

We can't be certain, but it is highly likely that the governor will continue to repeatedly extend his declarations. We've heard from his staff that they have no immediate plans to make changes.



# City of Lucas

## City Council Agenda Request

### May 21, 2020

Requester: Mayor Jim Olk

#### **Agenda Item Request**

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##### **Executive Session:**

An Executive Session is not scheduled for this meeting.

As authorized by Section 551.071 of the Texas Government Code, the City Council may convene into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney regarding any item on the agenda at any time during the meeting. This meeting is closed to the public as provided in the Texas Government Code.

#### **Background Information**

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NA

#### **Attachments/Supporting Documentation**

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NA

#### **Budget/Financial Impact**

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NA

#### **Recommendation**

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NA

#### **Motion**

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NA



# City of Lucas

## City Council Agenda Request

### May 21, 2020

Requester: Mayor Jim Olk

#### **Agenda Item Request**

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Reconvene from Executive Session and take any action necessary as a result of the Executive Session.

#### **Background Information**

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NA

#### **Attachments/Supporting Documentation**

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NA

#### **Budget/Financial Impact**

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NA

#### **Recommendation**

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NA

#### **Motion**

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NA