

CITY COUNCIL AGENDA

September 14, 2020

7:00 P.M.

New Fairview City Hall

999 Illinois Ln.

New Fairview TX 76078

AGENDA

1. CALL MEETING TO ORDER:

2. ROLL CALL:

3. PLEDGE TO FLAGS

A. United States of America

**B. Texas Flag Honor the Texas Flag, I pledge allegiance to thee,
Texas, one state under God, one and indivisible**

4. EXECUTIVE SESSION

Advice from City Attorney: Pursuant to Sec. 551.071 of the Texas Government Code, the Board of Aldermen reserves the right to convene in Executive Sessions(s), from time to time as deemed necessary during this meeting for any posted agenda item, to receive advice from its attorney as permitted by law.

5. CONSENT AGENDA:

All matters listed as Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will not be a separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately.

A. Minutes for August 3, 2020 , August 24, 2020 and August 28, 2020

B. Monthly Financial Report

6. OPEN FORUM

The City Council invites persons with comments or observations related to city issues, projects, or policies to briefly address the City Council. Anyone wishing to speak should sign-in with the City Secretary before the beginning of the City Council Meeting. In order to expedite the flow of business and to provide all citizens the opportunity to speak, there is a three-minute limitation on any person addressing the City Council. State law prohibits the City Council from discussing or taking action on any item not listed on the posted agenda.

7. NEW BUSINESS:

A. Discuss and consider a resolution accepting the 2014-2015 annual audit report presented by William Spore, CPA.

B. Discuss and consider a resolution accepting the 2015-2016 annual audit report presented by William Spore, CPA.

C. Discuss and consider a resolution accepting the 2016-2017 annual audit report presented by William Spore, CPA.

D. Discuss and consider a resolution accepting the 2017-2018 annual audit report presented by William Spore, CPA.

E. Discuss and consider a resolution accepting the 2018-2019 annual audit report presented by William Spore, CPA.

F. Discuss and consider a resolution authorizing the Mayor to sign an agreement with William Spore to prepare the FY 2019-2020 annual audit report.

G. Discuss and consider a resolution adopting a Maximum Proposed Ad Valorem Tax Rate, take a Record Vote, and Set the Date for the Public Hearing and Adoption of the Operating Budget and Tax Rate for Fiscal Year 2020-2021.

H. Discuss and consider a resolution authorizing the Mayor to sign an agreement with Taylor, Olson, Adkins, Sralla, Elam (TOASE) establishing a tiered fee schedule for general municipal government legal services and development and/or district services funded through a professional services reimbursement agreement.

I. Discuss and consider a resolution authorizing the Mayor to sign an agreement with Innovative Transportation Solutions, Inc. to provide transportation consulting services upon execution of a professional services agreements with local developers to provide at least \$25,000 in third-party funding.

J. Discuss and consider a resolution authorizing the Mayor to sign an agreement with SPI to conduct a feasibility study on establishing a CCN and provide a report upon the execution of a professional services agreement with local developers to provide at least \$20,000 in third-party funding.

K. Consider adoption of an ordinance that provides authority to the City Administrator to execute contracts, agreements and plats that have been approved by the City Council..

L. Hold a public hearing and consider amending the Subdivision Regulation ordinance to require the City Administrator's signature on plats approved by the City Council.

M. Staff will provide the City Council an update and seek input on current projects.

8. ADJOURN:

I, the undersigned authority, do hereby certify the above notice of the meeting of the City Council of New Fairview, is a true and correct copy of the said notice that I posted on the official posting place at New Fairview City Hall, FM 407, New Fairview, Texas, a place of convenience and readily accessible to the general public at all times, and said notice posted this 11th day of September 2020 at 7:00 PM at least 72 hours preceding the meeting time.

Monica Rodriguez, City Secretary

SEAL:

This facility is wheelchair accessible; parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary at city

call 817-638-5366 or fax 817-638-5369 or by email at citysecretary@newfairview.org for further information.



City Council Agenda
September 14, 2020

Agenda Item: **Presentation** **(Consent Item)**

Agenda Description:

The City Council has requested monthly financial reports stating the revenues and expenditures of the City.

Background Information:

The City is currently on track to finish the year at the adopted budget, while revenues are exceeding budgeted amounts.

Financial Information:

N/A

City Contact and Recommendation:

Ben Nibarger, City Administrator

Accept the financial report

Attachments:

August 2020 Financial Report

General Fund
Statement of Revenue and Expenditures

		Annual Budget	Current Period	Year-To-Date	Annual Budget	Oct 2019
		Oct 2019	Aug 2020	Oct 2019	Oct 2019	Sep 2020
		Sep 2020	Actual	Actual	Sep 2020	Percent of Budget
					Variance	
Revenue & Expenditures						
Revenue						
Revenues						
Fines & Fees						
4501	Court Fines	15,000.00	444.27	17,930.14	(2,930.14)	119.53%
	Total Fines & Fees	\$15,000.00	\$444.27	\$17,930.14	(\$2,930.14)	
Franchise Fees						
4301	Franchise Fees	46,235.00	0.00	47,092.63	(857.63)	101.85%
	Total Franchise Fees	\$46,235.00	\$0.00	\$47,092.63	(\$857.63)	
Interest Income						
4800	Interest Income		0.00	0.67	(0.67)	0.00%
	Total Interest Income		\$0.00	\$0.67	(\$0.67)	
Other Revenue						
4902	Developer Deposits	70,000.00	0.00	45,482.10	24,517.90	64.97%
4901	Other Revenue	10,000.00	0.00	10,542.48	(542.48)	105.42%
	Total Other Revenue	\$80,000.00	\$0.00	\$56,024.58	\$23,975.42	
Permits						
4401	Construction Permits	184,000.00	1,261.75	297,564.43	(113,564.43)	161.72%
4403	Contractor Registration	1,000.00	0.00	1,555.00	(555.00)	155.50%
4402	Septic Permits	15,000.00	0.00	14,350.00	650.00	95.67%
	Total Permits	\$200,000.00	\$1,261.75	\$313,469.43	(\$113,469.43)	
Property Tax						
4101	Current Property Tax	512,278.00	0.00	483,106.82	29,171.18	94.31%
	Total Property Tax	\$512,278.00	\$0.00	\$483,106.82	\$29,171.18	
Sales Tax						
4201	Sales/ Beverage Tax	100,000.00	15,216.92	148,499.56	(48,499.56)	148.50%
	Total Sales Tax	\$100,000.00	\$15,216.92	\$148,499.56	(\$48,499.56)	
	Revenues Totals	\$953,513.00	\$16,922.94	\$1,066,123.83	(\$112,610.83)	

General Fund
Statement of Revenue and Expenditures

	Annual Budget Oct 2019 Sep 2020	Current Period Aug 2020 Aug 2020 Actual	Year-To-Date Oct 2019 Aug 2020 Actual	Annual Budget Oct 2019 Sep 2020 Variance	Oct 2019 Sep 2020 Percent of Budget
Revenue	\$953,513.00	\$16,922.94	\$1,066,123.83	(\$112,610.83)	
Gross Profit	\$953,513.00	\$16,922.94	\$1,066,123.83		
Expenses					
City Administration					
Contact Labor					
5101 Contract Labor	8,000.00	846.29	11,174.31	(3,174.31)	139.68%
5108 Legal Expenses	97,000.00	0.00	80,449.64	16,550.36	82.94%
Total Contact Labor	\$105,000.00	\$846.29	\$91,623.95	\$13,376.05	
Debt Service Expense					
7020 Interest Payment	200.00	0.00	154.81	45.19	77.41%
7010 Principal Payment	4,800.00	0.00		4,800.00	0.00%
Total Debt Service Expense	\$5,000.00	\$0.00	\$154.81	\$4,845.19	
Repair / Maintenance Expense					
5401 Building Repairs		0.00	1,554.40	(1,554.40)	0.00%
Total Repair / Maintenance Expense		\$0.00	\$1,554.40	(\$1,554.40)	
Salaries & Payroll					
5007 FICA - Payroll Taxes	1,800.00	0.00		1,800.00	0.00%
5006 Health Insurance	3,000.00	0.00		3,000.00	0.00%
5009 Mileage	1,200.00	0.00		1,200.00	0.00%
5001 Salaries	25,200.00	7,721.00	11,839.86	13,360.14	46.98%
5005 TMRS	3,056.00	755.26	1,158.16	1,897.84	37.90%
5010 Unemployment		34.26	34.26	(34.26)	0.00%
Total Salaries & Payroll	\$34,256.00	\$8,510.52	\$13,032.28	\$21,223.72	
Services					
5340 Auditor	12,000.00	0.00		12,000.00	0.00%
5361 Credit Card Fees		0.00	54.35	(54.35)	0.00%
5370 Election Expense	3,000.00	0.00		3,000.00	0.00%
5350 Professional Services	47,000.00	4,102.35	56,885.33	(9,885.33)	121.03%
5360 Prop Tax Collection Fees		0.00	5,133.14	(5,133.14)	0.00%
5310 Software	30,000.00	0.00	9,326.18	20,673.82	31.09%
5380 TML Insurance	5,479.00	3,162.50	7,120.00	(1,641.00)	129.95%
5322 Training/ Dues/ Memberships	1,200.00	250.00	286.10	913.90	23.84%
Total Services	\$98,679.00	\$7,514.85	\$78,805.10	\$19,873.90	
Supplies					
5299 Miscellaneous Supplies	500.00	438.04	3,123.62	(2,623.62)	624.72%
5202 Office Equipment		880.21	931.31	(931.31)	0.00%
5201 Office Supplies	3,500.00	989.46	3,838.61	(338.61)	109.67%

General Fund
Statement of Revenue and Expenditures

		Annual Budget	Current Period	Year-To-Date	Annual Budget	Oct 2019
		Oct 2019	Aug 2020	Oct 2019	Oct 2019	Sep 2020
		Sep 2020	Actual	Actual	Variance	Percent of Budget
5207	Postage	200.00	0.00	130.55	69.45	65.28%
	Total Supplies	\$4,200.00	\$2,307.71	\$8,024.09	(\$3,824.09)	
Utilities Expense						
5501	Electric / Trash	1,400.00	0.00	1,294.89	105.11	92.49%
5502	Telephone	2,000.00	0.00	1,246.35	753.65	62.32%
	Total Utilities Expense	\$3,400.00	\$0.00	\$2,541.24	\$858.76	
	City Administration Totals	\$250,535.00	\$19,179.37	\$195,735.87	\$54,799.13	

General Fund
Statement of Revenue and Expenditures

		Annual Budget	Current Period	Year-To-Date	Annual Budget	Oct 2019
		Oct 2019	Aug 2020	Oct 2019	Oct 2019	Sep 2020
		Sep 2020	Actual	Actual	Sep 2020	Percent of Budget
					Variance	
City Council						
Services						
5310	Software		0.00	15.99	(15.99)	0.00%
5322	Training/ Dues/ Memberships	5,000.00	0.00	2,264.43	2,735.57	45.29%
	Total Services	\$5,000.00	\$0.00	\$2,280.42	\$2,719.58	
Supplies						
5213	Council Supplies	1,500.00	0.00	44.66	1,455.34	2.98%
5299	Miscellaneous Supplies	500.00	0.00		500.00	0.00%
	Total Supplies	\$2,000.00	\$0.00	\$44.66	\$1,955.34	
	City Council Totals	\$7,000.00	\$0.00	\$2,325.08	\$4,674.92	

General Fund
Statement of Revenue and Expenditures

	Annual Budget Oct 2019 Sep 2020	Current Period Aug 2020 Aug 2020 Actual	Year-To-Date Oct 2019 Aug 2020 Actual	Annual Budget Oct 2019 Sep 2020 Variance	Oct 2019 Sep 2020 Percent of Budget
City Secretary					
Contact Labor					
5107 Contract Deputies		0.00	99.48	(99.48)	0.00%
5101 Contract Labor	22,337.00	0.00		22,337.00	0.00%
5108 Legal Expenses	25,000.00	0.00	3,311.00	21,689.00	13.24%
Total Contact Labor	\$47,337.00	\$0.00	\$3,410.48	\$43,926.52	
Other Expense					
5901 Miscellaneous Expense		0.00	184.22	(184.22)	0.00%
Total Other Expense		\$0.00	\$184.22	(\$184.22)	
Salaries & Payroll					
5007 FICA - Payroll Taxes	6,542.00	346.76	12,433.29	(5,891.29)	190.05%
5006 Health Insurance	2,600.00	0.00	600.00	2,000.00	23.08%
5009 Mileage	500.00	0.00	646.60	(146.60)	129.32%
5001 Salaries	58,240.00	4,532.80	60,749.26	(2,509.26)	104.31%
5005 TMRS	6,000.00	477.32	8,709.81	(2,709.81)	145.16%
Total Salaries & Payroll	\$73,882.00	\$5,356.88	\$83,138.96	(\$9,256.96)	
Services					
5330 Ads - Marketing	1,000.00	0.00		1,000.00	0.00%
5305 Legal Notices	1,800.00	0.00	213.75	1,586.25	11.88%
5306 Recording	2,000.00	0.00	983.00	1,017.00	49.15%
5310 Software	8,000.00	0.00	7,548.57	451.43	94.36%
5322 Training/ Dues/ Memberships	1,200.00	0.00	540.00	660.00	45.00%
Total Services	\$14,000.00	\$0.00	\$9,285.32	\$4,714.68	
Supplies					
5299 Miscellaneous Supplies	1,100.00	0.00		1,100.00	0.00%
5201 Office Supplies	4,000.00	0.00	1,817.59	2,182.41	45.44%
5207 Postage	400.00	0.00	248.40	151.60	62.10%
Total Supplies	\$5,500.00	\$0.00	\$2,065.99	\$3,434.01	
Utilities Expense					
5501 Electric / Trash	1,400.00	0.00	1,408.86	(8.86)	100.63%
5502 Telephone	2,000.00	0.00	1,252.19	747.81	62.61%
Total Utilities Expense	\$3,400.00	\$0.00	\$2,661.05	\$738.95	
City Secretary Totals	\$144,119.00	\$5,356.88	\$100,746.02	\$43,372.98	

General Fund
Statement of Revenue and Expenditures

		Annual Budget	Current Period	Year-To-Date	Annual Budget	Oct 2019
		Oct 2019	Aug 2020	Oct 2019	Oct 2019	Oct 2019
		Sep 2020	Actual	Actual	Sep 2020	Percent of
					Variance	Budget
Court						
Contact Labor						
5107	Contract Deputies	25,000.00	2,368.95	28,249.51	(3,249.51)	113.00%
5108	Legal Expenses	10,000.00	0.00	7,887.88	2,112.12	78.88%
5106	Municipal Judge	1,800.00	0.00	1,950.00	(150.00)	108.33%
	Total Contact Labor	\$36,800.00	\$2,368.95	\$38,087.39	(\$1,287.39)	
Other Expense						
5901	Miscellaneous Expense		0.00	52.38	(52.38)	0.00%
	Total Other Expense		\$0.00	\$52.38	(\$52.38)	
Salaries & Payroll						
5007	FICA - Payroll Taxes	2,000.00	206.10	553.58	1,446.42	27.68%
5006	Health Insurance	2,000.00	0.00		2,000.00	0.00%
5009	Mileage	500.00	0.00		500.00	0.00%
5003	Overtime		98.54	98.54	(98.54)	0.00%
5001	Salaries	30,000.00	2,595.20	24,536.79	5,463.21	81.79%
5005	TMRS	3,000.00	283.65	2,641.97	358.03	88.07%
	Total Salaries & Payroll	\$37,500.00	\$3,183.49	\$27,830.88	\$9,669.12	
Services						
5325	Municipal Judge Training	200.00	0.00	200.00		100.00%
5310	Software	3,500.00	0.00	3,261.16	238.84	93.18%
5322	Training/ Dues/ Memberships	1,500.00	0.00	332.74	1,167.26	22.18%
	Total Services	\$5,200.00	\$0.00	\$3,793.90	\$1,406.10	
Supplies						
5299	Miscellaneous Supplies	500.00	0.00		500.00	0.00%
5201	Office Supplies	2,690.00	158.94	1,933.95	756.05	71.89%
5207	Postage	300.00	0.00	62.35	237.65	20.78%
	Total Supplies	\$3,490.00	\$158.94	\$1,996.30	\$1,493.70	
Utilities Expense						
5501	Electric / Trash	1,400.00	0.00	1,036.02	363.98	74.00%
5502	Telephone	2,000.00	0.00	1,240.81	759.19	62.04%
	Total Utilities Expense	\$3,400.00	\$0.00	\$2,276.83	\$1,123.17	
	Court Totals	\$86,390.00	\$5,711.38	\$74,037.68	\$12,352.32	

Statement of Revenue and Expenditures

	Annual Budget Oct 2019 Sep 2020	Current Period Aug 2020 Aug 2020 Actual	Year-To-Date Oct 2019 Aug 2020 Actual	Annual Budget Oct 2019 Sep 2020 Variance	Oct 2019 Sep 2020 Percent of Budget
Public Works					
Capital Outlay					
6020 Equipment - Capital	5,000.00	0.00	2,999.99	2,000.01	60.00%
Total Capital Outlay	\$5,000.00	\$0.00	\$2,999.99	\$2,000.01	
Contact Labor					
5104 Animal Control	2,000.00	50.00	1,570.00	430.00	78.50%
5105 Building Inspector	50,000.00	1,592.50	18,261.25	31,738.75	36.52%
5109 City Engineer	15,000.00	0.00	36,006.73	(21,006.73)	240.04%
5110 City Planner	25,000.00	0.00	54,186.27	(29,186.27)	216.75%
5102 Code Enforcement	25,000.00	3,200.00	35,089.45	(10,089.45)	140.36%
5101 Contract Labor	35,000.00	7,334.38	67,393.65	(32,393.65)	192.55%
5108 Legal Expenses	40,000.00	0.00	62,158.83	(22,158.83)	155.40%
5103 Septic Inspector	6,500.00	1,787.50	11,330.00	(4,830.00)	174.31%
Total Contact Labor	\$198,500.00	\$13,964.38	\$285,996.18	(\$87,496.18)	
Other Expense					
5901 Miscellaneous Expense		710.81	1,885.11	(1,885.11)	0.00%
Total Other Expense		\$710.81	\$1,885.11	(\$1,885.11)	
Repair / Maintenance Expense					
5401 Building Repairs	12,000.00	1,906.05	15,605.11	(3,605.11)	130.04%
5410 Road Maintenance	90,000.00	3,852.25	20,244.89	69,755.11	22.49%
5420 Tractor / Truck Diesel	1,500.00	1,694.55	4,163.33	(2,663.33)	277.56%
5430 Tractor/ Truck Repairs	2,000.00	0.00	5,383.12	(3,383.12)	269.16%
Total Repair / Maintenance Expense	\$105,500.00	\$7,452.85	\$45,396.45	\$60,103.55	
Services					
5320 Equipment Rental		2,075.00	7,750.00	(7,750.00)	0.00%
Total Services		\$2,075.00	\$7,750.00	(\$7,750.00)	
Supplies					
5202 Office Equipment		229.00	261.46	(261.46)	0.00%
5201 Office Supplies		1,495.43	1,495.43	(1,495.43)	0.00%
5222 Signs	1,500.00	179.70	1,380.34	119.66	92.02%
Total Supplies	\$1,500.00	\$1,904.13	\$3,137.23	(\$1,637.23)	
Utilities Expense					
5501 Electric / Trash	1,400.00	0.00	931.32	468.68	66.52%
5505 Street Lights	6,500.00	0.00	2,467.75	4,032.25	37.97%
5502 Telephone		0.00	994.52	(994.52)	0.00%
Total Utilities Expense	\$7,900.00	\$0.00	\$4,393.59	\$3,506.41	
Public Works Totals	\$318,400.00	\$26,107.17	\$351,558.55	(\$33,158.55)	

General Fund
Statement of Revenue and Expenditures

	Annual Budget Oct 2019 Sep 2020	Current Period Aug 2020 Actual	Year-To-Date Oct 2019 Aug 2020 Actual	Annual Budget Oct 2019 Sep 2020 Variance	Oct 2019 Sep 2020 Percent of Budget
Expenses	\$806,444.00	\$56,354.80	\$724,403.20	\$82,040.80	
Revenue Less Expenditures	\$147,069.00	(\$39,431.86)	\$341,720.63		

Transfers In

Revenues

Transfer Revenue

8100 Transfers In	0.00	30.35	(30.35)	0.00%
Total Transfer Revenue	\$0.00	\$30.35	(\$30.35)	
Revenues Totals	\$0.00	\$30.35	(\$30.35)	

Statement of Revenue and Expenditures

	Annual Budget	Current Period	Year-To-Date	Annual Budget	Oct 2019
	Oct 2019	Aug 2020	Oct 2019	Oct 2019	Sep 2020
	Sep 2020	Aug 2020	Aug 2020	Sep 2020	Percent of
		Actual	Actual	Variance	Budget
Transfers In		\$0.00	\$30.35	(\$30.35)	
Net Change in Fund Balance	\$147,069.00	(\$39,431.86)	\$341,750.98		

Financial Information:

N/A

City Contact and Recommendation:

Ben Nibarger, City Administrator

Accept the audit report for fiscal year ending the 30th of September 2015.

Attachments:

Resolution

Audit Report (Delivered Under Separate Cover) The full audit reports will be added to the City website as soon as it is accepted by the Council.



**City of New Fairview, Texas
Resolution No. _____**

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX ACCEPTING THE ANNUAL AUDIT REPORT PRESENTED BY WILLIAM C SPORE PC, FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015.

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, Section 103.001 of the Local Government Code requires a municipality to have its records and accounts audited annually and prepare an annual financial statement based upon the audit; and

WHEREAS, Section 10.002 of the Local Government Code requires that a municipality shall employ at its own expense a certified public accountant who is licensed in this state or a public accountant who holds a permit to practice from the Texas State Board of Public Accountancy to conduct an annual audit and prepare the financial statements; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. That, all matters stated in the recitals herein above are found to be true and correct and are incorporated herein by reference as if copied in their entirety.
2. That the City Council does hereby accept the Annual Audit Report from William C Spore PC, for the fiscal year ended September 30, 2015, attached as Exhibit "A".
3. That, if any portion of this resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determined that it would have adopted this Resolution without the invalid provision.

4. That this Resolution shall become effective from and after its date of passage.

PRESENTED AND PASSED on this **14th day of September**, at a meeting of the New Fairview City Council.

APPROVED:

ATTESTED:

Joe Max Wilson
Mayor

Monica Rodriguez
City Secretary

CITY OF NEW FAIRVIEW, TX

**BALANCE SHEET
GOVERNMENTAL FUNDS**

September 30, 2015

ASSETS		
Cash		\$ 83,637
Receivables:		
Sales Taxes		<u>28,745</u>
TOTAL ASSETS		<u>112,382</u>
LIABILITIES		
Accounts Payable		6,555
Accrued Payroll Expenses		<u>2,763</u>
TOTAL LIABILITIES		<u>9,318</u>
FUND BALANCE		
Unassigned		<u>103,064</u>
TOTAL FUND BALANCE		<u>103,064</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND LIABILITIES		\$ <u><u>112,382</u></u>

CITY OF NEW FAIRVIEW, TX
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2015

	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
RESOURCES (INFLOWS)				
Sales Taxes	\$ 345,000	\$ 320,000	\$ 191,208	\$ (128,792)
Franchise Fees	27,300	27,300	33,826	6,526
Municipal Court Revenues	70,800	67,000	5,481	(61,519)
Permits & Fees	70,100	65,100	39,425	(25,675)
Other Revenues	400	400	12,260	11,860
Proceeds from the Issuance of Debt	0	0	60,000	60,000
Interest Income	100	40	206	166
TOTAL RESOURCES (INFLOWS)	513,700	479,840	342,406	(137,434)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
General Government:				
Wages	80,000	83,000	85,417	(2,417)
Payroll Taxes	8,400	8,400	8,362	38
Health Insurance	5,400	5,400	5,750	(350)
Retirement	4,000	4,000	3,719	281
Animal Control	1,255	1,255	1,480	(225)
Audit Services	12,000	12,000	12,750	(750)
Contract Labor-Office	13,000	9,000	13,175	(4,175)
Contract Labor-Code Enforcement	30,000	25,000	22,450	2,550
Dues, Memberships & Training	2,200	2,200	3,883	(1,683)
Engineer Services	2,500	2,500	5,529	(3,029)
Inspections	26,500	25,000	26,815	(1,815)
Insurance	10,550	10,550	6,929	3,621
Legal Services	50,000	20,000	1,653	18,347
Miscellaneous Expenses	150	150	3,841	(3,691)
Office & Computer Supplies	9,250	7,700	8,534	(834)
Planning Services	20,400	2,500	7,854	(5,354)
Public Notices	1,200	1,200	729	471
Repair & Maintenance-Bldg. & Equip.	4,200	0	3,928	(3,928)
Street Lights	2,700	2,700	2,620	80
Telephone & Internet	5,000	5,000	6,285	(1,285)
Utilities	4,500	4,500	7,223	(2,723)
Total General Government	293,205	232,055	238,926	(6,871)
Municipal Court:				
Cleanup Days	1,000	1,000	0	1,000
Dues, Memberships & Training	50	50	185	(135)
Judge	3,375	3,375	2,152	1,223
Postage	0	0	705	(705)
Software	1,252	1,252	0	1,252
Total Municipal Court	5,677	5,677	3,042	2,635
Police:				
Contract Labor	46,000	45,000	44,317	683
TOTAL Police	46,000	45,000	44,317	683

CITY OF NEW FAIRVIEW, TX
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2015

	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Public Works				
Contract Labor	24,000	0	21,929	(21,929)
Equipment Repair	4,100	0	1,201	(1,201)
Fuel	0	500	941	(441)
Street Repairs	5,000	1,000	1,726	(726)
TOTAL Public Works	33,100	1,500	25,797	(24,297)
Debt Service:				
Interest Paid	0	0	2,914	(2,914)
Total Debt Service	0	0	2,914	(2,914)
Capital Outlay:				
Building Improvements	0	0	156,082	(156,082)
TOTAL CAPITAL OUTLAY	0	0	156,082	(156,082)
TOTAL APPROPRIATIONS (OUTFLOWS)	377,982	284,232	471,078	(186,846)
EXCESS OF RESOURCES OVER UNDER APPROPRIATIONS	135,718	195,608	(128,672) \$	<u><u>(324,280)</u></u>
BEGINNING BUDGETARY FUND BALANCE	231,736	231,736	231,736	
ENDING BUDGETARY FUND BALANCE	\$ <u><u>367,454</u></u>	\$ <u><u>427,344</u></u>	\$ <u><u>103,064</u></u>	\$

CITY OF NEW FAIRVIEW, TX

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

September 30, 2019

Plan Year	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY					
Service Cost	\$ 6,524	5,833	5,743	5,372	7,487
Interest (on the Total Pension Liability)	10,186	9,130	8,150	7,181	6,568
Changes in benefit terms	0	0	0	0	0
Difference between expected and actual experience	2,608	1,814	2,051	1,955	249
Change of assumptions	0	0	0	5,525	0
Benefit payments, including refunds of employee contributions	(1,478)	(1,478)	(1,478)	(2,633)	(6,348)
NET CHANGE IN TOTAL PENSION LIABILITY	17,840	15,299	14,466	17,400	7,956
TOTAL PENSION LIABILITY - BEGINNING	148,380	133,081	118,615	101,215	93,259
TOTAL PENSION LIABILITY - ENDING (a)	\$ 166,220	148,380	133,081	118,615	101,215
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 6,998	5,383	3,324	3,548	3,750
Contributions - Employee	5,673	5,072	4,994	4,922	6,265
Net investment income	(2,731)	9,997	4,135	81	2,793
Benefit payments, including refunds of employee contributions	(1,478)	(1,478)	(1,478)	(2,633)	(6,348)
Administrative expense	(53)	(52)	(47)	(50)	(29)
Other	(3)	(3)	(3)	(2)	(2)
NET CHANGE IN PLAN FIDUCIARY NET POSITION	8,406	18,919	10,925	5,866	6,429
PLAN NET FIDUCIARY POSITION - BEGINNING	90,909	71,990	61,065	55,199	48,770
PLAN NET FIDUCIARY POSITION - ENDING (b)	\$ 99,315	90,909	71,990	61,065	55,199
NET PENSION LIABILITY (a) - (b)	\$ 66,905	57,471	61,091	57,550	46,016
Plan Fiduciary Net Position as a percentage of Total Pension Liability	59.75%	61.27%	54.09%	51.48%	54.54%
Covered employee payroll	\$ 81,040	72,455	71,336	70,312	89,497
Net Pension Liability as a percentage of covered payroll	82.56%	79.32%	85.64%	81.85%	51.42%



City Council Agenda September 14, 2020

Agenda Item: **Resolution** **(Action Item)**

Agenda Description:

Consider a resolution accepting the fiscal year 2015-2016 annual audit report.

Background Information:

The Local Government Code requires that municipalities conduct an annual audit and prepare financial statements from an outside independent accountant. The audits review the accounts and financial activities of the City as well as review the controls, policies, and procedures in place to mitigate the possibility of theft and/or mismanagement of public funds.

Financial Information:

N/A

City Contact and Recommendation:

Ben Nibarger, City Administrator

Accept the audit report for fiscal year ending the 30th of September 2016.

Attachments:

Resolution

Audit Report (Delivered Under Separate Cover) The full audit reports will be added to the City website as soon as it is accepted by the Council.



**City of New Fairview, Texas
Resolution No. _____**

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX ACCEPTING THE ANNUAL AUDIT REPORT PRESENTED BY WILLIAM C SPORE PC, FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016.

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, Section 103.001 of the Local Government Code requires a municipality to have its records and accounts audited annually and prepare an annual financial statement based upon the audit; and

WHEREAS, Section 10.002 of the Local Government Code requires that a municipality shall employ at its own expense a certified public accountant who is licensed in this state or a public accountant who holds a permit to practice from the Texas State Board of Public Accountancy to conduct an annual audit and prepare the financial statements; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. That, all matters stated in the recitals herein above are found to be true and correct and are incorporated herein by reference as if copied in their entirety.
2. That the City Council does hereby accept the Annual Audit Report from William C Spore PC, for the fiscal year ended September 30, 2016, attached as Exhibit "A".
3. That, if any portion of this resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determined that it would have adopted this Resolution without the invalid provision.

4. That this Resolution shall become effective from and after its date of passage.

PRESENTED AND PASSED on this **14th day of September**, at a meeting of the New Fairview City Council.

APPROVED:

ATTESTED:

Joe Max Wilson
Mayor

Monica Rodriguez
City Secretary

CITY OF NEW FAIRVIEW, TX

**BALANCE SHEET
GOVERNMENTAL FUNDS**

September 30, 2016

ASSETS	
Cash	\$ 60,127
Receivables:	
Sales Taxes	<u>23,168</u>
TOTAL ASSETS	<u><u>83,295</u></u>
LIABILITIES	
Accounts Payable	13,100
Accrued Payroll Expenses	<u>2,134</u>
TOTAL LIABILITIES	<u><u>15,234</u></u>
FUND BALANCE	
Unassigned	<u>68,061</u>
TOTAL FUND BALANCE	<u><u>68,061</u></u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND LIABILITIES	<u><u>\$ 83,295</u></u>

CITY OF NEW FAIRVIEW, TX
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2016

	ORIGINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
RESOURCES (INFLOWS)			
Sales Taxes	\$ 193,380	\$ 154,775	\$ (38,605)
Franchise Fees	33,831	32,349	(1,482)
Municipal Court Revenues	7,426	9,687	2,261
Permits & Fees	41,801	25,450	(16,351)
Other Revenues	0	1,948	1,948
Interest Income	4	130	126
TOTAL RESOURCES (INFLOWS)	276,442	224,339	(52,103)
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
General Government:			
Wages	70,000	72,320	(2,320)
Payroll Taxes	8,000	5,425	2,575
Health Insurance	6,000	6,000	0
Retirement	2,600	3,401	(801)
Animal Control	1,500	1,335	165
Contract Labor-Code Enforcement	5,000	4,355	645
Dues, Memberships & Training	2,000	4,519	(2,519)
Engineer Services	5,000	2,885	2,115
Inspections	25,000	22,280	2,720
Insurance	6,600	6,948	(348)
Legal Services	10,000	11,999	(1,999)
Miscellaneous Expenses	1,520	2,355	(835)
Office & Computer Supplies	2,700	3,103	(403)
Planning Services	10,000	14,410	(4,410)
Public Notices	800	703	97
Repair & Maintenance-Bldg. & Equip.	1,000	967	33
Street Lights	2,600	2,243	357
Telephone & Internet	6,000	6,746	(746)
Utilities	6,000	5,362	638
Total General Government	172,320	177,356	(5,036)
Municipal Court:			
Cleanup Days	1,000	0	1,000
Dues, Memberships & Training	180	150	30
Judge	2,500	2,882	(382)
Postage		617	(617)
Software	1,290	1,329	(39)
Total Municipal Court	4,970	4,978	(8)
Police:			
Contract Labor	40,000	23,251	16,749
TOTAL Police	40,000	23,251	16,749

CITY OF NEW FAIRVIEW, TX
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2016

	ORIGINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Public Works			
Contract Labor	5,000	18,159	(13,159)
Equipment Repair	0	1,243	(1,243)
Fuel	500	1,002	(502)
Street Repairs	2,500	5,820	(3,320)
TOTAL Public Works	8,000	26,224	(18,224)
Debt Service:			
Interest Paid	1,152	2,866	(1,714)
Principal Paid	50,000	20,000	30,000
Total Debt Service	51,152	22,866	28,286
Capital Outlay:			
Building Improvements	0	4,667	(4,667)
TOTAL CAPITAL OUTLAY	0	4,667	(4,667)
TOTAL APPROPRIATIONS (OUTFLOWS)	276,442	259,342	17,100
EXCESS OF RESOURCES OVER UNDER APPROPRIATIONS	0	(35,003)	\$ <u><u>(35,003)</u></u>
BEGINNING BUDGETARY FUND BALANCE	103,064	103,064	
ENDING BUDGETARY FUND BALANCE	\$ <u><u>103,064</u></u>	\$ <u><u>68,061</u></u>	\$

CITY OF NEW FAIRVIEW, TX

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

September 30, 2019

Plan Year	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY					
Service Cost	\$ 6,524	5,833	5,743	5,372	7,487
Interest (on the Total Pension Liability)	10,186	9,130	8,150	7,181	6,568
Changes in benefit terms	0	0	0	0	0
Difference between expected and actual experience	2,608	1,814	2,051	1,955	249
Change of assumptions	0	0	0	5,525	0
Benefit payments, including refunds of employee contributions	(1,478)	(1,478)	(1,478)	(2,633)	(6,348)
NET CHANGE IN TOTAL PENSION LIABILITY	17,840	15,299	14,466	17,400	7,956
TOTAL PENSION LIABILITY - BEGINNING	148,380	133,081	118,615	101,215	93,259
TOTAL PENSION LIABILITY - ENDING (a)	\$ 166,220	148,380	133,081	118,615	101,215
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 6,998	5,383	3,324	3,548	3,750
Contributions - Employee	5,673	5,072	4,994	4,922	6,265
Net investment income	(2,731)	9,997	4,135	81	2,793
Benefit payments, including refunds of employee contributions	(1,478)	(1,478)	(1,478)	(2,633)	(6,348)
Administrative expense	(53)	(52)	(47)	(50)	(29)
Other	(3)	(3)	(3)	(2)	(2)
NET CHANGE IN PLAN FIDUCIARY NET POSITION	8,406	18,919	10,925	5,866	6,429
PLAN NET FIDUCIARY POSITION - BEGINNING	90,909	71,990	61,065	55,199	48,770
PLAN NET FIDUCIARY POSITION - ENDING (b)	\$ 99,315	90,909	71,990	61,065	55,199
NET PENSION LIABILITY (a) - (b)	\$ 66,905	57,471	61,091	57,550	46,016
Plan Fiduciary Net Position as a percentage of Total Pension Liability	59.75%	61.27%	54.09%	51.48%	54.54%
Covered employee payroll	\$ 81,040	72,455	71,336	70,312	89,497
Net Pension Liability as a percentage of covered payroll	82.56%	79.32%	85.64%	81.85%	51.42%

Financial Information:

N/A

City Contact and Recommendation:

Ben Nibarger, City Administrator

Accept the audit report for fiscal year ending the 30th of September 2017.

Attachments:

Resolution

Audit Report (Delivered Under Separate Cover) The full audit reports will be added to the City website as soon as it is accepted by the Council.



**City of New Fairview, Texas
Resolution No. _____**

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX ACCEPTING THE ANNUAL AUDIT REPORT PRESENTED BY WILLIAM C SPORE PC, FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017.

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, Section 103.001 of the Local Government Code requires a municipality to have its records and accounts audited annually and prepare an annual financial statement based upon the audit; and

WHEREAS, Section 10.002 of the Local Government Code requires that a municipality shall employ at its own expense a certified public accountant who is licensed in this state or a public accountant who holds a permit to practice from the Texas State Board of Public Accountancy to conduct an annual audit and prepare the financial statements; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. That, all matters stated in the recitals herein above are found to be true and correct and are incorporated herein by reference as if copied in their entirety.
2. That the City Council does hereby accept the Annual Audit Report from William C Spore PC, for the fiscal year ended September 30, 2017, attached as Exhibit "A".
3. That, if any portion of this resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determined that it would have adopted this Resolution without the invalid provision.

4. That this Resolution shall become effective from and after its date of passage.

PRESENTED AND PASSED on this **14th day of September**, at a meeting of the New Fairview City Council.

APPROVED:

ATTESTED:

Joe Max Wilson
Mayor

Monica Rodriguez
City Secretary

CITY OF NEW FAIRVIEW, TX

**BALANCE SHEET
GOVERNMENTAL FUNDS**

September 30, 2017

ASSETS	
Cash	\$ 18,529
Receivables:	
Sales Taxes	<u>15,713</u>
TOTAL ASSETS	<u><u>34,242</u></u>
LIABILITIES	
Accounts Payable	9,775
Accrued Payroll Expenses	<u>2,582</u>
TOTAL LIABILITIES	<u><u>12,357</u></u>
FUND BALANCE	
Unassigned	<u>21,885</u>
TOTAL FUND BALANCE	<u><u>21,885</u></u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND LIABILITIES	<u><u>\$ 34,242</u></u>

CITY OF NEW FAIRVIEW, TX
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2017

	ORIGINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
RESOURCES (INFLOWS)			
Sales Taxes	\$ 160,352	\$ 109,678	\$ (50,674)
Franchise Fees	32,349	45,110	12,761
Municipal Court Revenues	8,478	1,903	(6,575)
Permits & Fees	27,235	18,292	(8,943)
Other Revenues	1,421	585	(836)
Interest Income	0	120	120
TOTAL RESOURCES (INFLOWS)	229,835	175,688	(54,147)
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
General Government:			
Wages	70,748	71,943	(1,195)
Payroll Taxes	8,620	5,575	3,045
Health Insurance	6,000	7,300	(1,300)
Retirement	2,273	4,933	(2,660)
Animal Control	1,285	800	485
Contract Labor-Office	12,870	10,656	2,214
Contract Labor-Code Enforcement	4,655	2,423	2,232
Dues, Memberships & Training	1,638	2,503	(865)
Engineer Services	3,260	4,115	(855)
Inspections	22,286	14,592	7,694
Insurance	6,948	5,464	1,484
Legal Services	4,869	6,000	(1,131)
Miscellaneous Expenses	162	1,694	(1,532)
Office & Computer Supplies	4,215	6,282	(2,067)
Planning Services	20,562	15,855	4,707
Public Notices	4,610	1,197	3,413
Repair & Maintenance-Bldg. & Equip.	446	491	(45)
Street Lights	1,514	2,852	(1,338)
Telephone & Internet	6,946	4,475	2,471
Utilities	4,956	3,665	1,291
Total General Government	188,863	172,815	16,048
Municipal Court:			
Dues, Memberships & Training	482	0	482
Judge	2,250	1,841	409
Software	1,329	0	1,329
Total Municipal Court	4,061	1,841	2,220
Police:			
Contract Labor	23,588	25,535	(1,947)
TOTAL Police	23,588	25,535	(1,947)

CITY OF NEW FAIRVIEW, TX
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2017

	ORIGINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Public Works			
Contract Labor	5,000	4,885	115
Equipment Repair	4,208	512	3,696
Fuel	0	225	(225)
Street Repairs	12,721	1,395	11,326
TOTAL Public Works	21,929	7,017	14,912
Debt Service:			
Interest Paid	2,943	2,321	622
Principal Paid	20,000	10,266	9,734
Total Debt Service	22,943	12,587	10,356
Capital Outlay:			
Building Improvements	0	2,069	(2,069)
TOTAL CAPITAL OUTLAY	0	2,069	(2,069)
TOTAL APPROPRIATIONS (OUTFLOWS)	261,384	221,864	39,520
EXCESS OF RESOURCES OVER UNDER APPROPRIATIONS	(31,549)	(46,176)	\$ (14,627)
BEGINNING BUDGETARY FUND BALANCE	68,061	68,061	
ENDING BUDGETARY FUND BALANCE	\$ 36,512	\$ 21,885	\$

CITY OF NEW FAIRVIEW, TX

**BALANCE SHEET
GOVERNMENTAL FUNDS**

September 30, 2018

ASSETS	
Cash	\$ 43,325
Receivables:	
Sales Taxes	<u>21,335</u>
TOTAL ASSETS	<u><u>64,660</u></u>
LIABILITIES	
Accounts Payable	38,240
Accrued Payroll Expenses	<u>4,630</u>
TOTAL LIABILITIES	<u><u>42,870</u></u>
FUND BALANCE	
Unassigned	<u>21,790</u>
TOTAL FUND BALANCE	<u><u>21,790</u></u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND LIABILITIES	\$ <u><u>64,660</u></u>

CITY OF NEW FAIRVIEW, TX

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

September 30, 2019

Plan Year	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY					
Service Cost	\$ 6,524	5,833	5,743	5,372	7,487
Interest (on the Total Pension Liability)	10,186	9,130	8,150	7,181	6,568
Changes in benefit terms	0	0	0	0	0
Difference between expected and actual experience	2,608	1,814	2,051	1,955	249
Change of assumptions	0	0	0	5,525	0
Benefit payments, including refunds of employee contributions	(1,478)	(1,478)	(1,478)	(2,633)	(6,348)
NET CHANGE IN TOTAL PENSION LIABILITY	17,840	15,299	14,466	17,400	7,956
TOTAL PENSION LIABILITY - BEGINNING	148,380	133,081	118,615	101,215	93,259
TOTAL PENSION LIABILITY - ENDING (a)	\$ 166,220	148,380	133,081	118,615	101,215
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 6,998	5,383	3,324	3,548	3,750
Contributions - Employee	5,673	5,072	4,994	4,922	6,265
Net investment income	(2,731)	9,997	4,135	81	2,793
Benefit payments, including refunds of employee contributions	(1,478)	(1,478)	(1,478)	(2,633)	(6,348)
Administrative expense	(53)	(52)	(47)	(50)	(29)
Other	(3)	(3)	(3)	(2)	(2)
NET CHANGE IN PLAN FIDUCIARY NET POSITION	8,406	18,919	10,925	5,866	6,429
PLAN NET FIDUCIARY POSITION - BEGINNING	90,909	71,990	61,065	55,199	48,770
PLAN NET FIDUCIARY POSITION - ENDING (b)	\$ 99,315	90,909	71,990	61,065	55,199
NET PENSION LIABILITY (a) - (b)	\$ 66,905	57,471	61,091	57,550	46,016
Plan Fiduciary Net Position as a percentage of Total Pension Liability	59.75%	61.27%	54.09%	51.48%	54.54%
Covered employee payroll	\$ 81,040	72,455	71,336	70,312	89,497
Net Pension Liability as a percentage of covered payroll	82.56%	79.32%	85.64%	81.85%	51.42%

Financial Information:

N/A

City Contact and Recommendation:

Ben Nibarger, City Administrator

Accept the audit report for fiscal year ending the 30th of September 2018.

Attachments:

Resolution

Audit Report (Delivered Under Separate Cover) The full audit reports will be added to the City website as soon as it is accepted by the Council.



**City of New Fairview, Texas
Resolution No. _____**

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX ACCEPTING THE ANNUAL AUDIT REPORT PRESENTED BY WILLIAM C SPORE PC, FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018.

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, Section 103.001 of the Local Government Code requires a municipality to have its records and accounts audited annually and prepare an annual financial statement based upon the audit; and

WHEREAS, Section 10.002 of the Local Government Code requires that a municipality shall employ at its own expense a certified public accountant who is licensed in this state or a public accountant who holds a permit to practice from the Texas State Board of Public Accountancy to conduct an annual audit and prepare the financial statements; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. That, all matters stated in the recitals herein above are found to be true and correct and are incorporated herein by reference as if copied in their entirety.
2. That the City Council does hereby accept the Annual Audit Report from William C Spore PC, for the fiscal year ended September 30, 2018, attached as Exhibit "A".
3. That, if any portion of this resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determined that it would have adopted this Resolution without the invalid provision.

4. That this Resolution shall become effective from and after its date of passage.

PRESENTED AND PASSED on this **14th day of September**, at a meeting of the New Fairview City Council.

APPROVED:

ATTESTED:

Joe Max Wilson
Mayor

Monica Rodriguez
City Secretary

CITY OF NEW FAIRVIEW, TX
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2018

	ORIGINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
RESOURCES (INFLOWS)			
Sales Taxes	\$ 117,133	\$ 134,966	\$ 17,833
Franchise Fees	44,255	46,234	1,979
Municipal Court Revenues	1,925	8,320	6,395
Permits & Fees	21,605	32,016	10,411
Developer Reimbursements	19,000	33,009	14,009
Other Revenues	0	369	369
Interest Income	0	52	52
TOTAL RESOURCES (INFLOWS)	203,918	254,966	51,048
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
General Government:			
Wages	67,184	79,404	(12,220)
Payroll Taxes	8,768	6,680	2,088
Health Insurance	7,000	7,250	(250)
Retirement	3,602	6,738	(3,136)
Animal Control	775	1,295	(520)
Contract Labor-Office	10,656	11,944	(1,288)
Contract Labor-Code Enforcement	2,175	9,460	(7,285)
Dues, Memberships & Training	1,718	1,743	(25)
Engineer Services	4,125	11,210	(7,085)
Inspections	13,574	11,735	1,839
Insurance	5,464	5,579	(115)
Legal Services	8,410	12,495	(4,085)
Miscellaneous Expenses	1,447	1,449	(2)
Office & Computer Supplies	2,539	3,256	(717)
Planning Services	10,320	18,792	(8,472)
Public Notices	1,036	1,536	(500)
Repair & Maintenance-Bldg. & Equip.	315	360	(45)
Street Lights	2,691	1,876	815
Telephone & Internet	4,475	3,378	1,097
Utilities	3,318	6,019	(2,701)
Total General Government	159,592	202,199	(42,607)
Municipal Court:			
Dues, Memberships & Training	220	0	220
Judge	1,691	2,450	(759)
Postage	0	450	(450)
Software	1,369	1,437	(68)
Total Municipal Court	3,280	4,337	(1,057)
Police:			
Contract Labor	24,137	27,239	(3,102)
TOTAL Police	24,137	27,239	(3,102)

CITY OF NEW FAIRVIEW, TX
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2018

	ORIGINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Public Works			
Contract Labor	4,334	4,655	(321)
Equipment Repair	733	598	135
Fuel	0	277	(277)
Street Repairs	1,395	3,696	(2,301)
TOTAL Public Works	6,462	9,226	(2,764)
Debt Service:			
Interest Paid	0	1,832	(1,832)
Principal Paid	0	10,228	(10,228)
Total Debt Service	0	12,060	(12,060)
Capital Outlay:			
Building Improvements	0	0	0
TOTAL CAPITAL OUTLAY	0	0	0
TOTAL APPROPRIATIONS (OUTFLOWS)	193,471	255,061	(61,590)
EXCESS OF RESOURCES OVER UNDER APPROPRIATIONS	10,447	(95)	\$ <u>(10,542)</u>
BEGINNING BUDGETARY FUND BALANCE	21,885	21,885	
ENDING BUDGETARY FUND BALANCE	\$ <u>32,332</u>	\$ <u>21,790</u>	\$

CITY OF NEW FAIRVIEW, TX

**BALANCE SHEET
GOVERNMENTAL FUNDS**

September 30, 2019

ASSETS	
Cash	\$ 57,748
Receivables:	
Sales Taxes	29,683
Developer Reimbursements	4,970
Other	<u>2,574</u>
TOTAL ASSETS	<u>94,975</u>
LIABILITIES	
Accounts Payable	81,995
Accrued Payroll Expenses	<u>2,559</u>
TOTAL LIABILITIES	<u>84,554</u>
FUND BALANCE	
Unassigned	<u>10,421</u>
TOTAL FUND BALANCE	<u>10,421</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND LIABILITIES	<u>\$ 94,975</u>

CITY OF NEW FAIRVIEW, TX

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

September 30, 2019

Plan Year	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY					
Service Cost	\$ 6,524	5,833	5,743	5,372	7,487
Interest (on the Total Pension Liability)	10,186	9,130	8,150	7,181	6,568
Changes in benefit terms	0	0	0	0	0
Difference between expected and actual experience	2,608	1,814	2,051	1,955	249
Change of assumptions	0	0	0	5,525	0
Benefit payments, including refunds of employee contributions	(1,478)	(1,478)	(1,478)	(2,633)	(6,348)
NET CHANGE IN TOTAL PENSION LIABILITY	17,840	15,299	14,466	17,400	7,956
TOTAL PENSION LIABILITY - BEGINNING	148,380	133,081	118,615	101,215	93,259
TOTAL PENSION LIABILITY - ENDING (a)	\$ 166,220	148,380	133,081	118,615	101,215
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 6,998	5,383	3,324	3,548	3,750
Contributions - Employee	5,673	5,072	4,994	4,922	6,265
Net investment income	(2,731)	9,997	4,135	81	2,793
Benefit payments, including refunds of employee contributions	(1,478)	(1,478)	(1,478)	(2,633)	(6,348)
Administrative expense	(53)	(52)	(47)	(50)	(29)
Other	(3)	(3)	(3)	(2)	(2)
NET CHANGE IN PLAN FIDUCIARY NET POSITION	8,406	18,919	10,925	5,866	6,429
PLAN NET FIDUCIARY POSITION - BEGINNING	90,909	71,990	61,065	55,199	48,770
PLAN NET FIDUCIARY POSITION - ENDING (b)	\$ 99,315	90,909	71,990	61,065	55,199
NET PENSION LIABILITY (a) - (b)	\$ 66,905	57,471	61,091	57,550	46,016
Plan Fiduciary Net Position as a percentage of Total Pension Liability	59.75%	61.27%	54.09%	51.48%	54.54%
Covered employee payroll	\$ 81,040	72,455	71,336	70,312	89,497
Net Pension Liability as a percentage of covered payroll	82.56%	79.32%	85.64%	81.85%	51.42%

Financial Information:

N/A

City Contact and Recommendation:

Ben Nibarger, City Administrator

Accept the audit report for fiscal year ending the 30th of September 2019.

Attachments:

Resolution

Audit Report (Delivered Under Separate Cover) The full audit reports will be added to the City website as soon as it is accepted by the Council.



**City of New Fairview, Texas
Resolution No. _____**

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX ACCEPTING THE ANNUAL AUDIT REPORT PRESENTED BY WILLIAM C SPORE PC, FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019.

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, Section 103.001 of the Local Government Code requires a municipality to have its records and accounts audited annually and prepare an annual financial statement based upon the audit; and

WHEREAS, Section 10.002 of the Local Government Code requires that a municipality shall employ at its own expense a certified public accountant who is licensed in this state or a public accountant who holds a permit to practice from the Texas State Board of Public Accountancy to conduct an annual audit and prepare the financial statements; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. That, all matters stated in the recitals herein above are found to be true and correct and are incorporated herein by reference as if copied in their entirety.
2. That the City Council does hereby accept the Annual Audit Report from William C Spore PC, for the fiscal year ended September 30, 2019, attached as Exhibit "A".
3. That, if any portion of this resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determined that it would have adopted this Resolution without the invalid provision.

4. That this Resolution shall become effective from and after its date of passage.

PRESENTED AND PASSED on this **14th day of September**, at a meeting of the New Fairview City Council.

APPROVED:

ATTESTED:

Joe Max Wilson
Mayor

Monica Rodriguez
City Secretary

CITY OF NEW FAIRVIEW, TX

**BALANCE SHEET
GOVERNMENTAL FUNDS**

September 30, 2019

ASSETS	
Cash	\$ 57,748
Receivables:	
Sales Taxes	29,683
Developer Reimbursements	4,970
Other	<u>2,574</u>
TOTAL ASSETS	<u><u>94,975</u></u>
LIABILITIES	
Accounts Payable	81,995
Accrued Payroll Expenses	<u>2,559</u>
TOTAL LIABILITIES	<u><u>84,554</u></u>
FUND BALANCE	
Unassigned	<u>10,421</u>
TOTAL FUND BALANCE	<u><u>10,421</u></u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND LIABILITIES	<u><u>\$ 94,975</u></u>

CITY OF NEW FAIRVIEW, TX
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2019

	ORIGINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
RESOURCES (INFLOWS)			
Sales Taxes	\$ 129,344	\$ 156,982	\$ 27,638
Franchise Fees	46,234	44,244	(1,990)
Municipal Court Revenues	11,085	20,321	9,236
Permits & Fees	32,646	104,593	71,947
Developer Reimbursements	0	64,235	64,235
Other Revenues	0	983	983
Interest Income	87	50	(37)
TOTAL RESOURCES (INFLOWS)	219,396	391,408	172,012
CHARGES TO APPROPRIATIONS (OUTFLOWS)			
General Government:			
Wages	57,578	91,239	(33,661)
Payroll Taxes	9,090	5,983	3,107
Health Insurance	7,200	7,250	(50)
Retirement	6,738	8,726	(1,988)
Animal Control	1,095	1,160	(65)
Contract Labor-Office	10,083	11,303	(1,220)
Contract Labor-Code Enforcement	9,460	19,900	(10,440)
Dues, Memberships & Training	1,105	1,334	(229)
Engineer Services	1,500	7,260	(5,760)
Inspections	12,015	11,744	271
Insurance	5,579	10,436	(4,857)
Legal Services	8,000	77,929	(69,929)
Miscellaneous Expenses	405	2,161	(1,756)
Office & Computer Supplies	3,720	13,290	(9,570)
Planning Services	7,783	45,871	(38,088)
Public Notices	1,536	847	689
Repair & Maintenance-Bldg. & Equip.	330	451	(121)
Street Lights	2,147	3,676	(1,529)
Telephone & Internet	5,985	4,071	1,914
Utilities	4,155	7,055	(2,900)
Total General Government	155,504	331,686	(176,182)
Municipal Court:			
Dues, Memberships & Training	200	0	200
Judge	2,250	1,350	900
Postage & Supplies	0	604	(604)
Software	1,437	1,481	(44)
Total Municipal Court	3,887	3,435	452
Police:			
Contract Labor	27,239	29,605	(2,366)
TOTAL Police	27,239	29,605	(2,366)

CITY OF NEW FAIRVIEW, TX
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2019

	ORIGINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
Public Works			
Contract Labor	3,839	11,895	(8,056)
Equipment Repair and Supplies	0	3,737	(3,737)
Fuel	889	646	243
Street Repairs	0	5,044	(5,044)
TOTAL Public Works	4,728	21,322	(16,594)
Debt Service:			
Interest Paid	0	1,543	(1,543)
Principal Paid	0	15,186	(15,186)
Total Debt Service	0	16,729	(16,729)
Capital Outlay:			
Building Improvements	0	0	0
TOTAL CAPITAL OUTLAY	0	0	0
TOTAL APPROPRIATIONS (OUTFLOWS)	191,358	402,777	(211,419)
EXCESS OF RESOURCES OVER UNDER APPROPRIATIONS	28,038	(11,369)	\$ (39,407)
BEGINNING BUDGETARY FUND BALANCE	21,790	21,790	
ENDING BUDGETARY FUND BALANCE	\$ 49,828	\$ 10,421	

CITY OF NEW FAIRVIEW, TX

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

September 30, 2019

Plan Year	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY					
Service Cost	\$ 6,524	5,833	5,743	5,372	7,487
Interest (on the Total Pension Liability)	10,186	9,130	8,150	7,181	6,568
Changes in benefit terms	0	0	0	0	0
Difference between expected and actual experience	2,608	1,814	2,051	1,955	249
Change of assumptions	0	0	0	5,525	0
Benefit payments, including refunds of employee contributions	(1,478)	(1,478)	(1,478)	(2,633)	(6,348)
NET CHANGE IN TOTAL PENSION LIABILITY	17,840	15,299	14,466	17,400	7,956
TOTAL PENSION LIABILITY - BEGINNING	148,380	133,081	118,615	101,215	93,259
TOTAL PENSION LIABILITY - ENDING (a)	\$ 166,220	148,380	133,081	118,615	101,215
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 6,998	5,383	3,324	3,548	3,750
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Net investment income	(2,731)	9,997	4,135	81	2,793
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PLAN NET FIDUCIARY POSITION - ENDING (b)	\$ 99,315	90,909	71,990	61,065	55,199
NET PENSION LIABILITY (a) - (b)	\$ 66,905	57,471	61,091	57,550	46,016
Plan Fiduciary Net Position as a percentage of Total Pension Liability	59.75%	61.27%	54.09%	51.48%	54.54%
Covered employee payroll	\$ 81,040	72,455	71,336	70,312	89,497
Net Pension Liability as a percentage of covered payroll	82.56%	79.32%	85.64%	81.85%	51.42%

Financial Information:

N/A

City Contact and Recommendation:

Ben Nibarger, City Administrator

Approve the agreement and authorize the Mayor to sign the agreement.

Attachments:

Resolution

Proposal for Audit Services from William C Spore PC



City of New Fairview, Texas
Resolution No. _____

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX ACCEPTING THE ANNUAL AUDIT REPORT PRESENTED BY WILLIAM C SPORE PC, FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019.

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, Section 103.001 of the Local Government Code requires a municipality to have its records and accounts audited annually and prepare an annual financial statement based upon the audit; and

WHEREAS, Section 10.002 of the Local Government Code requires that a municipality shall employ at its own expense a certified public accountant who is licensed in this state or a public accountant who holds a permit to practice from the Texas State Board of Public Accountancy to conduct an annual audit and prepare the financial statements; and

WHEREAS, the City of New Fairview desires to enter into an agreement with William C Spore PC to audit and prepare the annual financial statements based upon the audit findings; and

WHEREAS, William C Spore PC desires to provide these accountancy services; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. That, all matters stated in the recitals herein above are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

2. That the City Council does hereby accept the agreement and authorize the Mayor to sign the professional services agreement for the fiscal year ended September 30, 2020, attached as Exhibit "A".
3. That, if any portion of this resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determined that it would have adopted this Resolution without the invalid provision.
4. That this Resolution shall become effective from and after its date of passage.

PRESENTED AND PASSED on this **14th day of September**, at a meeting of the New Fairview City Council.

APPROVED:

Joe Max Wilson
Mayor

ATTESTED:

Monica Rodriguez
City Secretary

WILLIAM C. SPORE, P.C.
Certified Public Accountants
200 N. Rufe Snow Dr., Ste 116
Keller, TX 76248
817-421-6619

Honorable Mayor and City Council

City of New Fairview

I am pleased to confirm my understanding of the services I am to provide the City of New Fairview for the years ended September 30, 2020. I will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, which collectively comprise the entity's basic financial statements, of the City of New Fairview as of and for the years ended September 30, 2020. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI) to accompany the City of New Fairview's basic financial statements. As part of my engagement I will apply certain limited procedures to the City of New Fairview's RSI's. These procedures will consist primarily of inquiries of management regarding methods of measurement and presentation, which management is responsible for affirming in its representation letter. Unless we encounter problems with the presentation of the RSI or with procedures relating to it, we will disclaim an opinion on it. The following RSI is required by generally accepted accounting principles and will be subjected to limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary Comparison Schedule
- 3) Changes in Net Pension Liability and Related Ratios
- 4) Pension Contributions
- 5) Changes in OPEB Liability

Audit Objectives

The objective of my audit is the expression of an opinion 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 additional information referred to in the first paragraph when considered in relation to the financial statements taken as a whole. My audit will be conducted in accordance with generally accepted auditing standards established by the Auditing Standards Board (United States) 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 of New Fairview and other procedures I consider necessary to enable us to express such an opinion. If my opinion on the financial statements is other than unqualified, I will fully discuss the reasons with you in advance. If, for any reason, I am unable to complete the audit or are unable to form or have not formed an opinion, I may decline to express an opinion or to issue a report as a result of this engagement.

I will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. This report will include a statement that the report is intended solely for the information and use of management, the body or individuals charged with governance, others within the entity, and specific legislative or regulatory bodies and are not intended to be and should not be used by anyone other than these specified parties. If during my audit I become aware that the City of New Fairview is subject to an audit requirement that is not encompassed in the terms of this engagement, I 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 *Governmental Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will prepare a draft of your financial statements and related notes. You are responsible for making all management decisions and performing all management functions relating to the financial statements and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the management representation letter that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee any nonaudit services I provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, each major fund, and the remaining aggregate fund information of the City of New Fairview and the respective changes in financial position and cash flows, where applicable, in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the 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, or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts 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, or illegal acts 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 entity complies with applicable laws and regulations and for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that I may report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous audits or other engagements or 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 or other engagements or studies. You are responsible for providing management's views on our current findings, conclusions and recommendations, as well as your planned corrective actions.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, my audit will involve judgment about the number of transactions to be examined and the areas to be tested. I will plan and perform the audit to obtain reasonable rather than absolute 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 entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because an audit is designed to provide reasonable, but not absolute assurance and because I will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. 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, I will inform you of any material errors that come to my attention, and I will inform you of any fraudulent financial reporting or misappropriation of assets that comes to my attention. I will also inform you of any violations of laws or governmental regulations that come to my attention, unless clearly inconsequential. My responsibility as

auditors are limited to the period covered by my audit and does not extend to matters that might arise during any later periods for which I am not engaged as auditor.

My 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, creditors, and financial institutions. I 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 my audit, I will also require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Controls

My audit will include obtaining an understanding of the entity 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 I 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. My 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. However, during the audit, I will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Governmental Auditing Standards*.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatements, we will perform tests of the City of New Fairview'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 *Governmental Auditing Standards*.

Audit Administration, Fees, and Other

I understand that your employees will prepare all cash or other confirmations I request and will locate any documents selected by us for testing.

I will provide copies of the reports to the City of New Fairview; 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 my reports are to be made available for public inspection.

The audit documentation for this engagement is the property of William C. Spore, PC and constitutes confidential information. However, pursuant to authority given by law or regulation, I may be requested to make certain audit documentation available to Cognizant or Grantor agencies, a federal agency 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. I will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of William C. Spore, PC personnel. Furthermore, upon request, I 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 Cognizant or Grantor agencies. If I become aware that a federal awarding agency or auditee is contesting an audit finding, I will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

My fee for these services will be at my standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that I agree that my gross fee, including expenses, will not exceed \$3,000. An invoice will be submitted upon completion of the audit and delivery of the final reports. In accordance with my firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If I elect to terminate my services for

nonpayment, my engagement will be deemed to have been completed upon written notification of termination, even if I have not completed my 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, I will discuss it with you and arrive at a new fee estimate before I incur the additional costs. *Government Auditing Standards* require that I provide you with a copy of my most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. My 2018 peer review report accompanies this letter.

I appreciate the opportunity to be of service to City of New Fairview and believe this letter accurately summarizes the significant terms of my engagement. If you have any questions, please let us know. If you agree with the terms of my engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

WILLIAM C. SPDRE

September 10, 2020

This letter correctly sets forth the understanding of the City of New Fairview:

Signature _____

Title _____

Date _____



MWH GROUP
CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS

Report on the Firm's System of Quality Control

April 10, 2019

To the Owner
William C. Spore, P.C.
and the Texas Society of CPAs Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of William C. Spore, P.C. (the firm) in effect for the year ended May 31, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitation of, and the procedures performed in a System Review as described in the standards may be found at 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 a compliance audit under the Single Audit Act. 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 William C. Spore, P.C., in effect for the year ended May 31, 2018, has been suitable designed or complied with to provide the firm with reasonable assurance of performing the reporting in conformity with applicable standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. William C. Spore, P.C. has received a peer review rating of *pass*.

MWH Group, P.C.

MWH Group, PC



City Council Agenda September 14, 2020

Agenda Item: **Resolution** **(Action Item)**

Agenda Description:

Consider a resolution adopting a maximum proposed ad valorem tax rate, take a record vote, and set the date for the public hearing and adoption of the operating budget and tax rate for Fiscal Year 2020-2021.

Background Information:

The Texas Property Tax Code requires the No-New-Revenue (NNR) tax rate, the voter approval tax rate and the calculations used to determine each rate be submitted to the City Council. The Certified values of Wise and Denton County Appraisal Districts were used and the Form 50-856 (2020 Tax Rate Calculation Worksheet) which has been completed and certified by the Wise County Tax Office as required by SB2 and Texas Tax Code 26.04 and 26.17.

The FY 2020-2021 proposed budget was prepared based upon a \$0.30 per \$100 valuation which is lower than the NNR rate of approximately \$0.32 per \$100 valuation. This vote establishes the upper limit for the tax rate that the Council may consider when an actual vote is required on September 28th, 2020. At that time, the City Council may consider any rate upto the amount approved at this time but may not exceed the rate. As the proposed tax rate for 2020-2021 does not exceed the NNR rate, the City is not required to have a public hearing, nor is there any publication requirement related to the tax rate, but in an effort to be transparent, staff has completed a public hearing notice and published notification in the paper of record.

The City Council is required to hold a public hearing prior to the adoption of the FY 2020-2021 budget which will be held at 7:00 pm on September 28th, 2020. Notification of the public hearing for the budget was published in the newspaper at least 10 days prior to the meeting. Following adoption of the budget, the City Council will vote to adopt the FY 2020-2021 tax rate that supports the budget.

Financial Information:

The budget will generate approximately the same revenues as FY 2019-2020 and expenditures will increase by approximately \$80,000 due to debt service for road repairs and reconstruction.

City Contact and Recommendation:

Ben Nibarger, City Administrator

Set September 28, 2020 as the date for the public hearing and adoption of the budget and tax rate for FY 2020-2021.

Attachments:

Resolution

Agreement



**City of New Fairview, Texas
Resolution No. _____**

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX ADOPTING A MAXIMUM PROPOSED AD VALOREM TAX RATE; AND SET THE DATE FOR THE PUBLIC HEARING AND ADOPTION OF THE FY 2020-2021 OPERATING BUDGET AND TAX RATE.

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, the has approved the Certified Tax Roll from Wise and Denton County Appraisal Districts; and

WHEREAS, the City has contracted with Wise County to calculate the 2020 No-New-Revenue Tax Rate and the 2020 Voter Approval Tax Rate in accordance with Senate Bill 2 provision using certified values; and

WHEREAS, the City's 2020 maximum proposed ad valorem tax rate for FY 2020-2021 is \$0.30 per \$100 valuation; and

WHEREAS, the public hearing date is set for the September 28, 2020 at 7:00 pm; and

WHEREAS, all legal prerequisites for the adoption of this resolution have been met, including but not limited to the Local Government Code, the Open Meetings Act, and the Texas Tax Code; and

WHEREAS, they City Council find that the passage of this Resolution is in the best interest of the citizens of New Fairview.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. That, all matters stated in the recitals herein above are found to be true and correct and are incorporated herein by reference as if copied in their entirety.
2. That the 2020 maximum proposed tax rate of \$0.30 per \$100 valuation is approved.
3. That, if any portion of this resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determined that it would have adopted this Resolution without the invalid provision.
4. That this Resolution shall become effective from and after its date of passage.

PRESENTED AND PASSED on this **14th day of September**, at a meeting of the New Fairview City Council.

APPROVED:

Joe Max Wilson
Mayor

ATTESTED:

Monica Rodriguez
City Secretary

Statements required in notice if the proposed tax rate does not exceed the lower of the no-new-revenue tax rate or the voter-approval tax rate, as prescribed by Tax Code §26.061.

NOTICE OF MEETING TO VOTE ON TAX RATE

A tax rate of \$ 0.30 per \$100 valuation has been proposed by the governing body of New Fairview.

PROPOSED TAX RATE	\$ <u>0.30</u> per \$100
NO-NEW-REVENUE TAX RATE	\$ <u>0.325387</u> per \$100
VOTER-APPROVAL TAX RATE	\$ <u>0.336775</u> per \$100

The no-new-revenue tax rate is the tax rate for the 2020 tax year that will raise the same amount of property tax revenue for New Fairview from the same properties in both the 2019 tax year and the 2020 tax year.

The voter-approval rate is the highest tax rate that New Fairview may adopt without holding an election to seek voter approval of the rate.

The proposed tax rate is not greater than the no-new-revenue tax rate. This means that New Fairview is not proposing to increase property taxes for the 2020 tax year.

A PUBLIC MEETING TO VOTE ON THE PROPOSED TAX RATE WILL BE HELD ON September 28, 2020 at 999 Illinois Lane, New Fairview, TX 76078.

The proposed tax rate is also not greater than the voter-approval tax rate. As a result, New Fairview is not required to hold an election to seek voter approval of the rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the City Council of New Fairview at their offices or by attending the public meeting mentioned above.

YOUR TAXES OWED UNDER ANY OF THE TAX RATES MENTIONED ABOVE CAN BE CALCULATED AS FOLLOWS:

$$\text{Property tax amount} = (\text{tax rate}) \times (\text{taxable value of your property}) / 100$$

(List names of all members of the governing body below, showing how each voted on the proposed tax rate or, if one or more were absent, indicating absences.)

- FOR the proposal: _____
- AGAINST the proposal: _____
- PRESENT and not voting: _____
- ABSENT: _____

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by _____ last year
(name of taxing unit)
 to the taxes proposed to be imposed on the average residence homestead by _____ this year.
(name of taxing unit)

	2019	2020	Change
Total tax rate (per \$100 of value)	2019 adopted tax rate	2020 proposed tax rate	(Increase/Decrease) of (nominal difference between tax rate for preceding year and proposed tax rate for current year) per \$100, or (percentage difference between tax rate for preceding year and proposed tax rate for current year)%
Average homestead taxable value	2019 average taxable value of residence homestead	2020 average taxable value of residence homestead	(Increase/Decrease) of (percentage difference between average taxable value of residence homestead for preceding year and current year)%
Tax on average homestead	2019 amount of taxes on average taxable value of residence homestead	2020 amount of taxes on average taxable value of residence homestead	(Increase/Decrease) of (nominal difference between amount of taxes imposed on the average taxable value of a residence homestead in the preceding year and the amount of taxes proposed on the average taxable value of a residence homestead in the current year), or (percentage difference between taxes imposed for preceding year and taxes proposed for current year)%
Total tax levy on all properties	2019 levy	(2020 proposed rate x current total value)/100	(Increase/Decrease) of (nominal difference between preceding year levy and proposed levy for current year), or (percentage difference between preceding year levy and proposed levy for current year)%

(Include the following text if these no-new-revenue tax rate adjustments apply for the taxing unit)

No-New Revenue Tax Rate Adjustments

State Criminal Justice Mandate (counties)

The _____ County Auditor certifies that _____ County has spent \$ _____ in the previous 12 months for the maintenance and operations cost of keeping inmates sentenced to the Texas Department of Criminal Justice. _____ County Sheriff has provided _____ information on these costs, minus the state revenues received for the reimbursement of such costs.

(county name) (county name) (amount minus any amount received from state revenue for such costs) (county name)

This increased the no-new revenue tax rate by _____ /\$100.

Indigent Health Care Compensation Expenditures (counties)

The _____ spent \$ _____ from July 1 _____ to June 30 _____ on indigent health care compensation procedures at the increased minimum eligibility standards, less the amount of state assistance.

(name of taxing unit) (amount) (prior year) (current year)

For current tax year, the amount of increase above last year's enhanced indigent health care expenditures is \$ _____.

(amount of increase)

This increased the no-new revenue tax rate by _____ /\$100.

Indigent Defense Compensation Expenditures (counties)

The _____ spent \$ _____ from July 1 _____ to June 30 _____ to provide appointed counsel for indigent individuals in criminal or civil proceedings in accordance with the schedule of fees adopted under Article 26.05, Code of Criminal Procedure, less the amount of any state grants received. For current tax year, the amount of increase above last year's enhanced indigent defense compensation expenditures is \$ _____.

(amount of increase)

This increased the no-new revenue tax rate by _____ /\$100.

Eligible County Hospital Expenditures (cities and counties)

The _____ spent \$ _____ from July 1 _____ to June 30 _____ on expenditures to maintain and operate an eligible county hospital.

(name of taxing unit) (amount) (prior year) (current year)

For current tax year, the amount of increase above last year's eligible county hospital expenditures is \$ _____.

(amount of increase)

This increased the no-new revenue tax rate by _____ /\$100.

(If the tax assessor for the taxing unit maintains an internet website)

For assistance with tax calculations, please contact the tax assessor for _____ at _____ or _____, or visit _____ for more information.

(name of taxing unit) (telephone number) (email address) (internet website address)

(If the tax assessor for the taxing unit does not maintain an internet website)

For assistance with tax calculations, please contact the tax assessor for _____ at _____ or _____.

(name of taxing unit) (telephone number) (email address)

2020 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

City of New Fairview

Taxing Unit Name

999 Illinois Lane, New Fairview, TX, 76078

Taxing Unit Address, City, State, ZIP Code

Phone (area code and number)

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller For 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do use this form but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

STEP 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Rate Activity	Amount/Rate
1.	2019 total taxable value. Enter the amount of 2019 taxable value on the 2019 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (will deduct taxes in Line 17).[1]	\$169,265,470
2.	2019 tax ceilings. Counties, cities and junior college districts. Enter 2019 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step.[2]	\$0
3.	Preliminary 2019 adjusted taxable value. Subtract Line 2 from Line 1.	\$169,265,470
4.	2019 total adopted tax rate.	\$.300000
5.	2019 taxable value lost because court appeals of ARB decisions reduced 2019 appraised value.	
	A. Original 2019 ARB values:	\$0
	B. 2019 values resulting from final court decisions:	\$0
	C. 2019 value loss. Subtract B from A.[3]	\$0

Line	No-New-Revenue Rate Activity	Amount/Rate
6.	2019 taxable value subject to an appeal under Chapter 42, as of July 25.	
	A. 2019 ARB certified value:	0
	B. 2019 disputed value:	0
	C. 2019 undisputed value Subtract B from A.[4]	0
7.	2019 Chapter 42-related adjusted values. Add Line 5 and 6	0
8.	2019 taxable value, adjusted for court-ordered reductions. Add Line 3 and Line 7	\$169,265,470
9.	2019 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2019. Enter the 2019 value of property in deannexed territory.[5]	\$0
10.	2019 taxable value lost because property first qualified for an exemption in 2020. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2020 does not create a new exemption or reduce taxable value.	
	A. Absolute exemptions. Use 2019 market value:	\$0
	B. Partial exemptions. 2020 exemption amount or 2020 percentage exemption times 2019 value:	\$74,441
	C. Value loss. Add A and B.[6]	\$74,441
11.	2019 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2020. Use only properties that qualified in 2020 for the first time; do not use properties that qualified in 2019.	
	A. 2019 market value:	\$143,180
	B. 2020 productivity or special appraised value:	\$650
	C. Value loss. Subtract B from A.[7]	\$142,530
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$216,971
13.	Adjusted 2019 taxable value. Subtract Line 12 from Line 8	\$169,048,499
14.	Adjusted 2019 total levy. Multiply Line 4 by Line 13 and divide by \$100	\$507,145
15.	Taxes refunded for years preceding tax year 2019. Enter the amount of taxes refunded by the district for tax years preceding tax year 2019. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019.[8]	\$0
16.	Taxes in tax increment financing (TIF) for tax year 2019 Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0.[9]	\$0
17.	Adjusted 2019 levy with refunds and TIF adjustment. Add Lines 14, and 15, subtract Line 16.[10]	\$507,145
18.	Total 2020 taxable value on the 2020 certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.[11]	
	A. Certified values:	\$156,308,231
	B. Counties: Include railroad rolling stock values certified by the Comptroller's office.	\$0
	C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property	\$0
	D. Tax increment financing: Deduct the 2020 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the	\$0

Line	No-New-Revenue Rate Activity	Amount/Rate
	2020 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below.[12]	
	E. Total 2020 value Add A and B, then subtract C and D	\$156,308,231
19.	Total value of properties under protest or not included on certified appraisal roll. [13]	
	A. 2020 taxable value of properties under protest The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest.[14]	\$5,849,205
	B. 2020 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll.[15]	\$0
	C. Total value under protest or not certified. Add A and B.	\$5,849,205
20.	2020 tax ceilings. Counties, cities and junior colleges enter 2020 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step.[16]	\$0
21.	2020 total taxable value. Add Lines 18E and 19C. Subtract Line 20C.[17]	\$162,157,436
22.	Total 2020 taxable value of properties in territory annexed after Jan. 1, 2019. Include both real and personal property. Enter the 2020 value of property in territory annexed.[18]	\$205,399
23.	Total 2020 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2019. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2019 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2020.[19]	\$5,892,848
24.	Total adjustments to the 2020 taxable value. Add Lines 22 and 23.	\$6,098,247
25.	Adjusted 2020 taxable value. Subtract Line 24 from Line 21.	\$156,059,189
26.	2020 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100.[20]	\$.324969 /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2020 county NNR tax rate.[21]	

[1]Tex. Tax Code Section

[2]Tex. Tax Code Section

[3]Tex. Tax Code Section

[4]Tex. Tax Code Section

[5]Tex. Tax Code Section

[6]Tex. Tax Code Section

[7]Tex. Tax Code Section

[8]Tex. Tax Code Section

[9]Tex. Tax Code Section

[10]Tex. Tax Code Section

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[17]Tex. Tax Code Section

[18]Tex. Tax Code Section

[19]Tex. Tax Code Section

[20]Tex. Tax Code Section

[21]Tex. Tax Code Section

STEP 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

1. Maintenance and Operations (M&O) Tax Rate: The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.

2. Debt Rate: The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter Approval Tax Rate Activity	Amount/Rate
28.	2019 M&O tax rate. Enter the 2019 M&O tax rate.	\$,300000
29.	2019 taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	169,265,470
30.	Total 2019 M&O levy. Multiply Line 28 by Line 29 and divide by 100.	507,796
31.	Adjusted 2019 levy for calculating NNR M&O rate.	
	A. 2019 sales tax specifically to reduce property taxes. For cities, counties and hospital districts, enter the amount of additional sales tax collected and spent on M&O expenses in 2019, if any. Other taxing units, enter 0. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent.	0
	B. M&O taxes refunded for years preceding tax year 2019. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019.	0
	C. 2019 taxes in TIF: Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0.	0
	D. 2019 transferred function: If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in E below. The taxing unit receiving the function will add this amount in E below. Other taxing units enter 0.	0
	E. 2019 M&O levy adjustments. Add A and B, then subtract C. For taxing unit with D, subtract if discontinuing function and add if receiving function	0
	F. Add Line 30 to 31E.	507,796
32.	Adjusted 2020 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	156,059,189
33.	2020 NNR M&O rate (unadjusted) Divide Line 31F by Line 32 and multiply by \$100.	0.325387
34.	Rate adjustment for state criminal justice mandate. [23]	
	A. 2020 state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	0
	B. 2019 state criminal justice mandate Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies	0

Line	Voter Approval Tax Rate Activity	Amount/Rate
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Enter the rate calculated in C. If not applicable, enter 0.	0.000000
35.	Rate adjustment for indigent health care expenditures[24]	
	A. 2020 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state assistance received for the same purpose	0
	B. 2019 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state assistance received for the same purpose	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Enter the rate calculated in C. If not applicable, enter 0.	0.000000
36.	Rate adjustment for county indigent defense compensation.[25]	
	A. 2020 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state grants received by the county for the same purpose	0
	B. 2019 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state grants received by the county for the same purpose	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100.	0.000000
	E. Enter the lessor of C and D. If not applicable, enter 0.	0.000000
37.	Rate adjustment for county hospital expenditures.	
	A. 2020 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2019 and ending on June 30, 2020	0
	B. 2019 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2018 and ending on June 30, 2019	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100	0.000000
	E. Enter the lessor of C and D, if applicable. If not applicable, enter 0.	0.000000
38.	Adjusted 2020 NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E.	0.325387
39.	2020 voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit If the taxing unit qualifies as a special taxing unit, multiply Line 38 by 1.08 -or- Other Taxing Unit If the taxing unit does not qualify as a special taxing unit, multiply Line 38 by 1.035. -or- Taxing unit affected by disaster declaration If the taxing unit is located in an area declared as disaster area, the governing body may direct the person calculating the voter-approval rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval rate in this manner until the earlier of 1) the second year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, and 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply Line 38 by 1.08. [27]	0.336775

Line	Voter Approval Tax Rate Activity	Amount/Rate
40.	Total 2020 debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses.	
	A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. Enter debt amount	0
	B. Subtract unencumbered fund amount used to reduce total debt.	0
	C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none)	0
	D. Subtract amount paid from other resources	0
	E. Adjusted debt Subtract B, C and D from A	0
41.	Certified 2019 excess debt collections Enter the amount certified by the collector.	0
42.	Adjusted 2020 debt Subtract Line 41 from Line 40E	0
43.	2020 anticipated collection rate.	
	A. Enter the 2020 anticipated collection rate certified by the collector	100.00
	B. Enter the 2019 actual collection rate	100.00
	C. Enter the 2018 actual collection rate	100.00
	D. Enter the 2017 actual collection rate	100.00
	E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%.	100.00
44.	2020 debt adjusted for collections. Divide Line 42 by Line 43E.	0
45.	2020 total taxable value. Enter the amount on Line 21 of the No-New-Revenue Tax Rate Worksheet.	162,157,436
46.	2020 debt rate Divide Line 44 by Line 45 and multiply by \$100.	0.000000
47.	2020 voter-approval tax rate. Add Line 39 and 46.	0.336775
48.	COUNTIES ONLY. Add together the voter-approval tax rate for each type of tax the county levies. The total is the 2020 county voter-approval tax rate.	
STEP 3 NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes		

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
49.	Taxable sales. For taxing units that adopted the sales tax in November 2019 or May 2020, enter the Comptroller's estimate of taxable sales for the previous four quarters [32]. Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2019, skip this line.	0
50.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue.[33] Taxing units that adopted the sales tax in November 2019 or in May 2020. Multiply the amount on Line 49 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95 [34] -or- Taxing units that adopted the sales tax before November 2019. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	0

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	2020 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	162,157,436
52.	Sales tax adjustment rate. Divide Line 50 by Line 51 and multiply by \$100.	0.000000
53.	2020 NNR tax rate, unadjusted for sales tax [35]. Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$.324969
54.	2020 NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November 2019 or in May 2020. Subtract Line 52 from Line 53. Skip to Line 55 if you adopted the additional sales tax before November 2019.	\$.324969
55.	2020 voter-approval tax rate, unadjusted for sales tax. [36] Enter the rate from Line 47 or Line 48 as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i>	0.336775
56.	2020 voter-approval tax rate, adjusted for sales tax. Subtract Line 52 from Line 55.	0.336775

[37]Tex. Tax Code Section [38]Tex. Tax Code Section

STEP 4: Additional Rollback Protection for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O Funds to pay for a facility, device or method for the control of air, water or land pollution.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Activity	Amount/Rate
57.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ [37]. The taxing unit shall provide its tax assessor-collector with a copy of the letter.[38]	\$0
58.	2020 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$162,157,436
59.	Additional rate for pollution control. Divide Line 57 by Line 58 and multiply by \$100.	0.000000
60.	2020 voter-approval tax rate, adjusted for pollution control. Add Line 59 to one of the following lines (as applicable): Line 47, Line 48 (counties) or Line 56 (taxing units with the additional sales tax).	0.336775

[37]Tex. Tax Code Section

[38]Tex. Tax Code Section

STEP 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate before the unused increment rate for the prior three years [39]. In a year where a special taxing unit adopts a rate above the voter-approval tax rate by applying any portion of the unused increment rate, the unused increment rate for that year would be zero.

For each tax year before 2020, the difference between the adopted tax rate and voter-approval rate is considered zero, therefore the unused increment rate for 2020 is zero.[40]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [41]

Line	Activity	Amount/Rate
61.	2019 unused increment rate. Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
62.	2018 unused increment rate. Subtract the 2018 actual tax rate and the 2018 unused increment rate from the 2018 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
63.	2017 unused increment rate. Subtract the 2017 actual tax rate and the 2017 unused increment rate from the 2017 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
64.	2020 unused increment rate. Add Lines 61, 62 and 63.	0.000000
65.	2020 voter-approval tax rate, adjusted for unused increment rate. Add Line 64 to one of the following lines (as applicable): Line 47, Line 48 (counties), Line 56 (taxing units with the additional sales tax) or Line 60 (taxing units with pollution control).	

STEP 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.[42]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [43]

Line	Activity	Amount/Rate
66.	Adjusted 2020 NNR M&O tax rate. Enter the rate from Line 38 of the <i>Voter-Approval Tax Rate Worksheet</i>	0.325387
67.	2020 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>	162,157,436
68.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 67 and multiply by \$100.	0.308342
69.	2020 debt rate Enter the rate from Line 46 of the <i>Voter- Approval Tax Rate Worksheet</i>	0.000000
70.	De minimis rate Add Lines 66, 68 and 69.	0.633729

STEP 7: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate	0.324969
Voter-Approval Tax Rate	0.336775
De minimis rate	0.633729

STEP 8: Taxing Unit Representative Name and Signature

print here _____
Printed Name of Taxing Unit Representative

sign here _____
Taxing Unit Representative

_____ Date

NOTICE ABOUT 2020 TAX RATES

Property Tax Rates in New Fairview

This notice concerns the 2020 property tax rates for the City of New Fairview. This notice provides information about two tax rates. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. The voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per \$100 of property value.

This year's no-new-revenue tax rate:

This year's voter-approval tax rate:

To see the full calculations, please visit www.newfairview.org for a copy of the Tax Rate Calculation Worksheets.

Unencumbered Fund Balances

The following estimated balances will be left in the taxing unit's accounts at the end of the fiscal year. These balances are not encumbered by corresponding debt obligations.

Type of Fund	Balance
General Fund	\$395,000

Current Year Debt Service

The City of New Fairview currently has no outstanding debt.

Total required for debt service	\$0.00
- Amount (if any) paid from funds listed in unencumbered funds	\$0.00
- Amount (if any) paid from other resources	\$0.00
- Excess collections last year	\$0.00
= Total to be paid from taxes in 2020	\$0.00
Collect only 98% of its taxes in 2020	\$0.00
= Total debt levy	\$0.00

This notice contains a summary of the no-new-revenue and voter-approval calculations as certified by the Wise County Tax Office, on August 4, 2020.



City of New Fairview, Texas
Resolution No. _____

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX AMENDING THE FEE SCHEDULE FOR THE CITY ATTORNEY LAW FIRM TAYLOR, OLSON, ADKINS, SRALLA, ELAM (TOASE).

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, the City of New Fairview requires legal services for general municipal activities as well as for development activities; and

WHEREAS, the City of New Fairview is seeking to provide the greatest possible value to its citizens and attempting to allocate the full cost of development activities on developers; and

WHEREAS, TOASE is willing and able to provide said services at rates agreeable to the City; and

WHEREAS, the City Council finds that the passage of this Resolution is in the best interest of the citizens of New Fairview.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. That, all matters stated in the recitals herein above are found to be true and correct and are incorporated herein by reference as if copied in their entirety.
2. That the fee schedule is amended and the Mayor is authorized to sign the agreement, attached as Exhibit "A".
3. That, if any portion of this resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions

hereof and the Council hereby determined that it would have adopted this Resolution without the invalid provision.

4. That this Resolution shall become effective from and after its date of passage.

PRESENTED AND PASSED on this **14th day of September**, at a meeting of the New Fairview City Council.

APPROVED:

ATTESTED:

Joe Max Wilson
Mayor

Monica Rodriguez
City Secretary



6000 WESTERN PLACE, SUITE 200
1-30 AT BRYANT IRVIN ROAD
FORT WORTH, TEXAS 76107
EMAIL: TOASE@TOASE.COM

TAYLOR·OLSON·ADKINS·SRALLA·ELAM
L.L.P.
ATTORNEYS & COUNSELORS

TELEPHONE: (817) 332-2580
TOLL FREE: (800) 318-3400
FACSIMILE: (817) 332-4740
WEBSITE: WWW.TOASE.COM

Wayne K. Olson
wolson@toase.com

September 4, 2020

Mayor Joe Max Wilson
City of New Fairview, Texas
999 Illinois Lane
New Fairview, Texas 76078

Re: Agreement to Provide Legal Services to the City of New Fairview

Dear Mayor Wilson:

I appreciate the opportunity for this firm to serve as City Attorney for the City of New Fairview. I am aware of the strain this past pandemic year has had on the City's operations and the need for the City to effectively budget future operations. After conversations with the city administrator, the firm has agreed to restructure the rate system for the City effective October 1, 2020.

For services provided for day to day municipal operations of the City, the firm will bill at an hourly rate of \$185 per hour for attorneys and \$95 per hour for paralegals. This will include normal operations of the City such as reviewing and drafting ordinances, resolutions, policies and agreements; attending city council and board meetings; and daily conferences and emails with City staff and Council Members regarding general City matters.

For services provided for matters and issues related to major development projects, the firm will bill at an hourly rate of \$275 per hour for attorneys and \$110 per hour for paralegals. Development matters covered by this fee structure will include, but not be limited to, preparation and review of development agreements, public improvement districts, tax increment reinvestment zones, requests for consent for or the creation of a district, requests for annexation, or for any other matter related to a proposed development on property located within the city limits or the city's extraterritorial jurisdiction or for which a professional services agreement has been executed for the benefit of the City whereby a third party has agreed to pay the legal expenses incurred for work on the matter.

If the firm should be asked to represent the City in litigation, the fee would be \$275 per hour for attorneys and \$110 per hour for paralegals. The hourly rate for municipal court prosecution would be \$145.00. Administrative Assistants will be billed at a rate of \$25.00 per hour. Expenses are billed at the firm's cost, and the firm bills for copying and scanning in order to offset our own per copy/scan costs.

September 4, 2020
Page 2

All other terms of our prior engagement agreement with the City that are not related to rates will remain in effect. If these terms are acceptable, please sign and date in the space indicated below and return the letter to our office for our records. If for any reason the terms of this letter are not acceptable, please let me know immediately so that we can make any necessary changes. We truly appreciate the opportunity to continue serving as City Attorney for the City of New Fairview.

Very truly yours,

Wayne K. Olson
Partner

WKO/kb
cc: Bradley Anderle, of the Firm

APPROVED AND ACCEPTED:

City of New Fairview, Client

By: _____
Joe Max Wilson, Mayor

Date: _____



**City of New Fairview, Texas
Resolution No. _____**

**A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX AUTHORIZING THE
MAYOR TO ENTER INTO AN AGREEMENT WITH INNOVATIVE
TRANSPORTATION SERVICES, INC., TO ACT AS THE CITY'S LIAISON WITH
LOCAL, STATE, AND FEDERAL TRANSPORTATION AUTHORITIES.**

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, the City of New Fairview requires consulting services for transportation activities within the City limits as well as the general region; and

WHEREAS, the City of New Fairview wishes to see improvements made to FM 407, SH 287, South County Line Road, as well as other county and regional streets; and

WHEREAS, ITS, Inc., has been successful in creating innovative funding solutions and partnerships with local, state, and federal transportation bodies to accomplish the goals in this region; and

WHEREAS, the City Council finds that the passage of this Resolution is in the best interest of the citizens of New Fairview.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
NEW FAIRVIEW:**

1. That, all matters stated in the recitals herein above are found to be true and correct and are incorporated herein by reference as if copied in their entirety.
2. That the agreement with ITS, Inc., is approved and authorizes the Mayor to sign the agreement, attached as Exhibit "A".

3. That, if any portion of this resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determined that it would have adopted this Resolution without the invalid provision.

4. That this Resolution shall become effective from and after its date of passage.

PRESENTED AND PASSED on this **14th day of September**, at a meeting of the New Fairview City Council.

APPROVED:

ATTESTED:

Joe Max Wilson
Mayor

Monica Rodriguez
City Secretary

THE STATE OF TEXAS §
COUNTY OF WISE §

**PROFESSIONAL SERVICES AGREEMENT WITH
INNOVATIVE TRANSPORTATION SOLUTIONS, INC.**

This contract is entered into on this ____ day of _____, 20____, by and between the **CITY OF NEW FAIRVIEW, TEXAS**, a municipal corporation located in Wise County, Texas, (hereinafter referred to as "CITY"), acting by and through its City Administrator, and **Innovative Transportation Solutions, Inc.**, (hereinafter referred to as the "CONSULTANT") whose address is 2701 Valley View Lane, Farmers Branch, Texas 75234.

RECITALS

WHEREAS, CITY desires to obtain professional services from CONSULTANT; and

WHEREAS, CONSULTANT is a transportation consulting firm qualified to provide such services and is willing to undertake the performance of such services for CITY in exchange for fees hereinafter specified;

TERMS OF AGREEMENT

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter contained and subject to the terms and conditions hereinafter stated, the parties hereto do mutually agree as follows:

I.
Term

The term of this Agreement shall be for one year beginning October 1, 2020 to September 30, 2021.

II.
Scope of Services

Innovative Transportation Solutions, Inc., (ITS) will provide the following Transportation Consultation services for the CITY:

ITS will provide transportation consulting services as directed by the City Administrator or other appropriate staff. As a part of this contract, ITS will actively pursue all transportation related issues as identified by the CITY with the understanding that the current focus will be on transportation programming and funding issues in the CITY related to the Texas

Department of Transportation and the North Central Texas Council of Governments. ITS will maintain dialogue with the CITY and appropriate City staff to ascertain the relative priority of each project to other projects and attend New Fairview City Council meetings, when appropriate, to provide updates on transportation activities. ITS will perform tasks, as assigned by the City Administrator or his designee, related to advancing projects to address the transportation needs of the CITY. Other services include, but are not limited to, the following:

TASK 1: Act as a liaison between CITY and other local, state, and federal transportation bodies.

When requested, ITS will act as liaison between the CITY and other local, state, and national transportation groups. ITS will act as the transportation advocate for the CITY by working positively and efficiently with other transportation groups toward completion of projects critical to the CITY. ITS will interact, on behalf of the CITY, with the Federal Highway Administration, the Texas Transportation Commission, and the Texas Department of Transportation's Fort Worth District. In addition, ITS will act as liaison between the CITY and other groups such as the Regional Transportation Council of the North Central Texas Council of Governments and Project Specific Task Force Groups.

TASK 2: Provide innovative funding partnership strategies.

ITS has an unparalleled history of leveraging scarce transportation dollars to garner maximum return on the investments of its clients. For the CITY, the following is a list of possible strategies:

1. ***Leveraging funding*** – Transportation Infrastructure funding is almost always a partnership process. ITS will strive to maximize the CITY's transportation dollars by leveraging those funds with eligible federal, state, and regional funding sources.
2. ***Regulatory Issues*** – ITS will assist the CITY in achieving its transportation goals by ensuring that the proper regulatory processes are not only followed but also streamlined to the shortest schedule possible. This will place the CITY's projects in the best favorable position to receive future funding.

TASK 3: Provide other transportation consulting services as directed by the CITY.

As a part of this Enhancement Proposal, ITS will actively pursue all transportation related issues as identified by the CITY. ITS will continue to dialogue with CITY staff to ascertain the relative priority of each project to other projects and attend CITY meetings as directed to provide updates on all transportation activities.

III.
Payment for Services

In consideration for professional services rendered monthly by ITS, the CITY agrees to pay ITS a reasonable and customary annual fee of THIRTY THOUSAND DOLLARS (\$30,000.00), per year (the "Annual Fee"). The CITY agrees to pay ITS the amount of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00) per month (the "Monthly Payment") towards satisfaction of the CITY'S Annual Fee obligation. The CITY shall make the Monthly Payment, processing the statement in its usual and customary fashion, making all reasonable efforts to process the Monthly Payment within thirty (30) days from the CITY's receipt of each monthly statement. This contract does not entitle CONSULTANT to any reimbursable expenses.

ITS shall submit its monthly invoices to the City of New Fairview City Administrator, 999 Illinois Lane, New Fairview, Texas 76078.

IV.
Contract Termination Provision

Notwithstanding any other provision of this Contract, this Contract may be terminated at any time by CITY for any reason, with or without cause, by providing CONSULTANT thirty (30) days written notice of such termination. Upon receipt of such notice, CONSULTANT shall immediately terminate working on, placing orders or entering into contracts for supplies, assistance, facilities, or materials in connection with this Contract and shall proceed to promptly cancel all existing contracts insofar as they are related to this Contract.

Upon ITS's receipt of a notice of termination, the City has no further obligation to make payment of the portion of the Annual Fee that has not yet been paid to ITS, except that the City shall be responsible for paying the Monthly Payment for the month in which the notice of termination is received by ITS.

V.
Ownership of Documents

All materials and documents prepared or assembled by CONSULTANT under this Contract shall become the sole property of CITY and shall be delivered to CITY without restriction on future use. CONSULTANT shall provide documents in any commonly-used electronic file format as requested by CITY. CONSULTANT may retain in its files copies of all drawings, specifications, and all other pertinent information for the work. CONSULTANT shall have no liability for changes made to any materials or other documents by others subsequent to the completion of the Contract.

VI.
Insurance

CONSULTANT shall furnish to CITY certificates of insurance executed by the insurer or its authorized agent stating coverages, limits, expiration dates, and compliance with all

applicable required provisions. Certificates shall reference the Project and be addressed as follows:

City of New Fairview
999 Illinois Lane
New Fairview, TX 76078

The following policies and coverage shall be required:

1. Worker's Compensation Insurance (as required by law) with the policy endorsed to provide a waiver of subrogation as to CITY; such policy to provide for Employers' Liability Insurance of not less than \$100,000.00 for each accident, \$100,000.00 disease-each employee, \$500,000.00 disease-policy limit;
2. Commercial General Liability Insurance including, but not limited to, Premises/Operations, Personal & Advertising Injury, Products/Completed Operations, Independent Contractor's and Contractual Liability, including, but not limited to, coverage for all of the indemnification obligations of CONSULTANT under this Contract, and fully insuring CONSULTANT's liability for injury to or death of employees of CITY and of third parties, extended to include personal injury liability coverage and for damage to property of third parties, with minimum combined single limits of \$1,000,000.00 per occurrence, \$1,000,000.00 Products/Completed Operations Aggregate and \$1,000,000.00 general aggregate per occurrence. Coverage must be written on an occurrence form. The General Aggregate shall apply on a per project basis;
3. Business Automobile Liability Insurance, covering owned, hired, and non-owned vehicles, with a minimum combined bodily injury and property damage limit of \$1,000,000.00 per occurrence; and
4. Professional Liability Insurance: CONSULTANT shall obtain and maintain at all times during the prosecution of the work under this Contract professional liability insurance, which may be written on a claims made form provided that "tail coverage" or continuation coverage is provided. Limits of liability shall be \$1,000,000.00 per claim, \$1,000,000.00 annual aggregate. The coverage under this policy shall include a contractual liability endorsement.

VII. **Successors and Assigns**

CITY and CONSULTANT each bind themselves and their successors, executors, administrators, and assigns to the other party to this Contract and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this Contract. Neither CITY nor CONSULTANT shall assign or transfer its interest herein without the prior written consent of the other.

VIII.

Independent Contractor

CONSULTANT'S status shall be that of an Independent Contractor and not an agent, servant, employee, or representative of CITY in the performance of this Contract. No term or provision of or act of CONSULTANT or CITY under this Contract shall be construed as changing that status. CONSULTANT will have exclusive control of and the exclusive right to control and details of the work performed hereunder, and shall be liable for the acts and omissions of its officers, agents, employees, contractors, subcontractors, and engineers. The doctrine of respondeat superior shall not apply as between CITY and CONSULTANT, its officers, agents, employees, contractors, subcontractors, and engineers; and nothing herein shall be construed as creating a partnership or joint enterprise between CITY and CONSULTANT.

IX.

Conflicts of Interest

CONSULTANT covenants and agrees that CONSULTANT and its associates and employees will have no interest, and will acquire no interest, either direct or indirect, which will conflict in any manner with the performance of the services called for under this Contract. All activities, investigations, and other efforts made by CONSULTANT pursuant to this Contract will be conducted by employees, associates, or subcontractors of CONSULTANT.

No officer or employee of the CITY shall have any personal or financial interest, either direct or indirect, in this Contract, nor have any direct financial interest in the sale to CITY of any land, materials, supplies, or services under this Contract, except on behalf of CITY as a CITY officer or employee. Any violation of this prohibition with knowledge, expressed or implied, of the person or corporation contracting with CITY shall render the Contract voidable by the Director or the City Council.

X.

Confidential Information

CONSULTANT hereby acknowledges and agrees that its representatives may have access to or otherwise receive information during the furtherance of its obligations in accordance with this Contract, which is of a confidential, non-public, or proprietary nature. CONSULTANT shall treat any such information received in full confidence and will not disclose or appropriate such Confidential Information for its own use or the use of any third party at any time during or subsequent to this Contract. As used herein, "Confidential Information" means all oral and written information concerning CITY, its affiliates and subsidiaries, and all oral and written information concerning CITY or its activities, that is of a non-public, proprietary, or confidential nature including, without limitation, information pertaining to customer lists, services, methods, processes, and operating procedures, together with all analyses, compilation, studies, or other documents, whether prepared by CONSULTANT or others, which contain or otherwise reflect such information. The term "Confidential Information" shall not include such materials that are or become generally available to the public other than as a result of disclosure of CONSULTANT, or are required to be disclosed by a governmental authority or by law, as determined by CITY's attorney.

XI.
Notice Information

All notices and communications under this CONTRACT to be mailed to CITY shall be sent to the address of CITY agent as follows, unless and until CONSULTANT is otherwise notified:

Ben Nibarger
City of New Fairview
999 Illinois Lane
New Fairview, TX 76078
817-638-5366

Notices and communications to be mailed or delivered to CONSULTANT shall be sent to the address of CONSULTANT as follows, unless and until CITY is otherwise notified:

John R. Polster, President
Innovative Transportation Solutions, Inc.
2701 Valley View Lane
Farmers Branch, Texas 75234
972-484-2525 Telephone
972-484-4545 Facsimile

Any notices and communications required to be given in writing by one party to the other shall be considered as having been given to the addressee on the date the notice or communication is posted, faxed, or personally delivered by the sending party.

XII.
Applicable Law

The Contract is entered into subject to the City of New Fairview and ordinances of CITY, as same may be amended from time to time, and is subject to and is to be construed, governed, and enforced under all applicable State of Texas and federal laws. CONSULTANT will make any and all reports required per federal, state, or local law including, but not limited to, proper reporting to the Internal Revenue Service, as required in accordance with CONSULTANT's income.

XIII.
No Waiver of Governmental Immunity

Nothing in this Contract shall be construed as a waiver of CITY'S governmental immunity, or of any applicable limitation on damages, or any other legal protection or defense or privilege of CITY, except to the extent expressly provided otherwise herein.

XIV.
Severability

If any of the terms, provisions, covenants, conditions, or any other part of this Contract are for any reason held to be invalid, void, or unenforceable, the remainder of the terms, provisions, covenants, conditions, or any other part of this Contract shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

XV.
Remedies

No right or remedy granted herein or reserved to the parties is exclusive of any other right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every other right or remedy given hereunder. No covenant or condition of this Contract may be waived without written consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this Contract.

XVI.
Entire Agreement

This Contract embodies the entire agreement of the parties hereto, superseding all oral or written previous and contemporaneous agreements between the parties relating to matters herein, and except as otherwise provided herein cannot be modified without written agreement of the parties.

XVII.
Non-Waiver

It is further agreed that one (1) or more instances of forbearance by CITY in the exercise of its rights herein shall in no way constitute a waiver thereof.

IN WITNESS WHEREOF, the parties hereto have caused this document to be executed as of the date first above written.

THE CITY OF NEW FAIRVIEW, TEXAS

By: _____

Ben Nibarger
City Administrator, City of New Fairview

Date Signed: _____

Attest:

City Secretary

Approved:

City Attorney

**INNOVATIVE TRANSPORTATION
SOLUTIONS, INC., a Texas Corporation**

By: _____

John R. Polster
President

Date Signed: _____



City Council Agenda

September 14, 2020

Agenda Item: **Resolution** **(Action Item)**

Agenda Description:

Consider a resolution authorizing the Mayor to sign an agreement with Schaumburg & Polk, Inc., to provide a feasibility study and report regarding establishing a water and wastewater system.

Background Information:

The City and the general region has largely been dependent upon groundwater and private wells for residents and business owners. This has led to the creation of a number of different water providers, such as Aqua Texas, NI America, MUDs, etc. In an effort to take more control of this critical infrastructure, the City Council previously directed staff to evaluate options for securing reliable and quality water for the City and its residents.

Financial Information:

The contract is \$22,500 and local developers have agreed to help offset the cost of the study. The City will not execute the agreement unless we obtain third-party funding of \$17,500.

City Contact and Recommendation:

Ben Nibarger, City Administrator

Accept the agreement and authorize the Mayor to sign.

Attachments:

Resolution

Agreement



City of New Fairview, Texas
Resolution No. _____

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH SCHAUMBRUG & POLK, INC., TO COMPLETE A FEASIBILITY STUDY AND PROVIDE A REPORT ON THEIR FINDINGS REGARDING ESTABLISHING A WATER AND WASTEWATER SYSTEM.

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, the City of New Fairview requires consulting services to complete a feasibility study for establishing a water and wastewater system; and

WHEREAS, the City of New Fairview wishes to identify potential options for establishing and controlling this critical infrastructure; and

WHEREAS, the City Council finds that the passage of this Resolution is in the best interest of the citizens of New Fairview.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. That, all matters stated in the recitals herein above are found to be true and correct and are incorporated herein by reference as if copied in their entirety.
2. That the agreement with Schaumburg & Polk, Inc., is approved and authorizes the Mayor to sign the agreement, attached as Exhibit "A".
3. That, if any portion of this resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determined that it would have adopted this Resolution

without the invalid provision.

4. That this Resolution shall become effective from and after its date of passage.

PRESENTED AND PASSED on this **14th day of September**, at a meeting of the New Fairview City Council.

APPROVED:

ATTESTED:

Joe Max Wilson
Mayor

Monica Rodriguez
City Secretary

September 8, 2020

Mr. Ben Nibarger, City Administrator (sent by email only: cityadministrator@newfairview.org)
City of New Fairview, Texas
999 Illinois Lane
New Fairview, TX 76078

Re: **Engineering Cost Proposal and Scope of Work**
Feasibility Study and Report – Water and Wastewater Systems for New Fairview
And Optional Regional Water System

Mr. Nibarger,

Schaumburg & Polk, Inc. (SPI) is pleased to provide you with this proposal to conduct a Study to determine the feasibility and costs of a new water system and wastewater system to serve the City of New Fairview. The Study will also examine the feasibility of an alternate option to consider a regional water system to serve New Fairview, Rhome, Boyd, Newark, and possible other surrounding communities.

Development, particularly of new residential construction, is occurring rapidly in New Fairview and the surrounding communities. New Fairview at present does not own and operate a water or wastewater system. Water is currently provided to residents by a local water supply corporation. The local water supply corporation is unable to accommodate the growth of the community. Sanitary sewer is typically treated on-site by individual residents and businesses. A municipal wastewater treatment system is needed for development and growth of the community and surrounding area.

SPI's feasibility study will include the following:

- A. New Fairview Water System
 1. Determine options for source of treated water supply
 2. Determine phased implementation of ultimate build-out water system
 3. Prepare concept layout of Phase 1 of the recommended water system
 4. Prepare budget costs for Phase 1 and ultimate build-out of the recommended system
- B. New Fairview Wastewater System
 1. Determine phased implementation of ultimate build-out wastewater system
 2. Prepare concept layout of Phase 1 wastewater system including location of treatment plant and lift stations
 3. Prepare budget costs for Phase 1 and ultimate build-out of recommended system
- C. Regional Water System (New Fairview, Boyd, Rhome, Newark, etc.)
 1. Determine options for source of treated water supply including purchasing equity in the Tarrant Regional Water District (TRWD) from an existing TRWD customer city such as Bridgeport, Decatur or Walnut Creek SUP who each have existing treatment facilities on Lake Bridgeport.
 2. Evaluate feasibility of raw water supply and source, and regional treatment plant
 3. Recommend phased implementation plan of ultimate build-out system
 4. Prepare concept layout of Phase 1 of the recommended regional water system

5. Prepare budget costs for Phase 1 and ultimate build-out regional water system

SPI will prepare a Report containing its findings from the Feasibility Study as outlined in the preceding paragraph. The Report will include recommendations to the City based on the findings of the Study. SPI will review the Report with the City and make revisions as needed prior to submitting the final version for approval by the City.

SPI proposes to provide the scope of services indicated above for a lump sum fee amount of **\$22,500**. SPI can begin work on the Study within five (5) business days following a Notice to Proceed from the City. SPI anticipates 3 months to complete the Study and Report. An Engineering Agreement is enclosed for your consideration and execution if deemed acceptable to you.

Concurrently, on behalf of the City, SPI will initiate application with the Texas Water Development Board (TWDB) under the Board's Drinking Water State Revolving Fund (DWSRF) and Clean Water State Revolving Fund (CWSRF) programs. This action is the first step in pursuit of low-interest loans for funding major water and wastewater projects through the TWDB. This action does not obligate the City to the TWDB loans at this time. Commitment to the funding programs is required later in the process. However, for sake of schedule, it is important to begin the application process immediately. SPI will prepare the TWDB applications at no cost to the City of Fairview.

LIMITATIONS OF PROPOSAL

1. This proposal excludes modeling and design engineering for proposed improvements. These services can be provided upon request as a subsequent phase or task.
2. This proposal excludes environmental assessments/studies/evaluations. These services can be provided upon request as a subsequent phase or task.

Thank you for the opportunity to provide this proposal to you. Do not hesitate to call if you have any questions or concerns regarding this proposal or the planned development.

Schaumburg & Polk, Inc.

Franklin Stephens, P.E.

Franklin Stephens, P.E.
Terrell Branch Office Manager

Enclosures: Engineering Agreement

Cc: Jeremy Buechter, Executive Vice-President (by email only)
Robert Haberle, Community Relations (by email only)



**SHORT FORM OF AGREEMENT
BETWEEN OWNER AND ENGINEER
FOR
PROFESSIONAL SERVICES**

THIS IS AN AGREEMENT effective as of _____, **2020** ("Effective Date") between **the City of New Fairview, Texas** ("Owner") and **Schaumburg & Polk, Inc.** ("Engineer").

Owner's Project, of which Engineer's services under this Agreement are a part, is generally identified as follows: **Feasibility Study and Report for Water and Wastewater Systems in New Fairview, TX** ("Project").

Engineer's Services under this Agreement are generally identified as follows:

Engineering services as further described in attached *Engineering Cost Proposal and Scope of Work*, and which *Engineering Cost Proposal and Scope of Work* is hereby incorporated as a binding part of this agreement.

Owner and Engineer further agree as follows:

1.01 *Basic Agreement and Period of Service*

- A. Engineer shall provide, or cause to be provided, the services set forth in this Agreement. If authorized by Owner, or if required because of changes in the Project, Engineer shall furnish services in addition to those set forth above. Owner shall pay Engineer for its services as set forth in Paragraphs 7.01 and 7.02.
- B. Engineer shall complete its services within a reasonable time, or within the following specific time period: **Deliver completed Report within 3 months following NTP from the City, not including review times.**
- C. If the Project includes construction-related professional services, then Engineer's time for completion of services is conditioned on the time for Owner and its contractors to complete construction not exceeding **N/A** months. If the actual time to complete construction exceeds the number of months indicated, then Engineer's period of service and its total compensation shall be appropriately adjusted.

2.01 *Payment Procedures*

- A. *Invoices*: Engineer shall prepare invoices in accordance with its standard invoicing practices and submit the invoices to Owner on a monthly basis. Invoices are due and payable within 30 days of receipt. If Owner fails to make any payment due Engineer for services and expenses within 30 days after receipt of Engineer's invoice, then the amounts due Engineer will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day. In addition, Engineer may, after giving seven days written notice to Owner, suspend services under this Agreement until Engineer has been paid in full all amounts due for services, expenses, and other related charges. Owner waives any and all claims against Engineer for any such suspension. Payments will be credited first to interest and then to principal.

3.01 *Termination*

- A. The obligation to continue performance under this Agreement may be terminated:
 - 1. For cause,

a. By either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the Agreement's terms through no fault of the terminating party. Failure to pay Engineer for its services is a substantial failure to perform and a basis for termination.

b. By Engineer:

- 1) upon seven days written notice if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional; or
- 2) upon seven days written notice if the Engineer's services for the Project are delayed for more than 90 days for reasons beyond Engineer's control.

Engineer shall have no liability to Owner on account of a termination by Engineer under Paragraph 3.01.A.1.b.

c. Notwithstanding the foregoing, this Agreement will not terminate as a result of a substantial failure under Paragraph 3.01.A.1.a if the party receiving such notice begins, within seven days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of notice; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30 day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein

shall extend up to, but in no case more than, 60 days after the date of receipt of the notice.

2. For convenience, by Owner effective upon Engineer's receipt of written notice from Owner.

B. The terminating party under Paragraph 3.01.A may set the effective date of termination at a time up to 30 days later than otherwise provided to allow Engineer to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble Project materials in orderly files.

C. In the event of any termination under Paragraph 3.01, Engineer will be entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement and all reimbursable expenses incurred through the effective date of termination.

4.01 *Successors, Assigns, and Beneficiaries*

A. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by Paragraph 4.01.B the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.

B. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that are due or may become due) in this Agreement without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated or restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

- C. Unless expressly provided otherwise, nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any contractor, subcontractor, supplier, other individual or entity, or to any surety for or employee of any of them. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.

5.01 *General Considerations*

- A. The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with Engineer's services. Subject to the foregoing standard of care, Engineer and its consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.
- B. Engineer shall not at any time supervise, direct, control, or have authority over any contractor's work, nor shall Engineer have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any contractor, or the safety precautions and programs incident thereto, for security or safety at the Project site, nor for any failure of a contractor to comply with laws and regulations applicable to such contractor's furnishing and performing of its work.
- C. This Agreement is to be governed by the law of the state or jurisdiction in which the Project is located.
- D. Engineer neither guarantees the performance of any contractor nor assumes responsibility for any contractor's failure to furnish and perform its work in accordance with the contract

between Owner and such contractor. Engineer is not responsible for variations between actual construction bids or costs and Engineer's opinions or estimates regarding construction costs.

- E. Engineer shall not be responsible for the acts or omissions of any contractor, subcontractor, or supplier, or of any of their agents or employees or of any other persons (except Engineer's own employees) at the Project site or otherwise furnishing or performing any construction work; or for any decision made regarding the construction contract requirements, or any application, interpretation, or clarification of the construction contract other than those made by Engineer.
- F. The general conditions for any construction contract documents prepared hereunder are to be the "Standard General Conditions of the Construction Contract" as prepared by the Engineers Joint Contract Documents Committee (EJCDC C-700, 2007 Edition) unless the parties agree otherwise.
- G. All documents prepared or furnished by Engineer are instruments of service, and Engineer retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed. Owner shall have a limited license to use the documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment for all services relating to preparation of the documents and subject to the following limitations: (1) Owner acknowledges that such documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer; (2) any such use or reuse, or any modification of the documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its

officers, directors, members, partners, agents, employees, and consultants; (3) Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and consultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification of the documents without written verification, completion, or adaptation by Engineer; and (4) such limited license to Owner shall not create any rights in third parties.

- H. To the fullest extent permitted by law, Owner and Engineer (1) waive against each other, and the other's employees, officers, directors, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project, and (2) agree that Engineer's total liability to Owner under this Agreement shall be limited to \$50,000 or the total amount of compensation received by Engineer, whichever is greater.
- I. The parties acknowledge that Engineer's scope of services does not include any services related to a Hazardous Environmental Condition (the presence of asbestos, PCBs, petroleum, hazardous substances or waste as defined by the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq., or radioactive materials). If Engineer or any other party encounters a Hazardous Environmental Condition, Engineer may, at its option and without liability for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until Owner: (1) retains appropriate specialist consultants or contractors to identify and, as appropriate, abate, remediate, or remove the Hazardous Environmental Condition; and (2) warrants that the Site is in full compliance with applicable Laws and Regulations.
- J. Owner and Engineer agree to negotiate each dispute between them in good faith during the 30 days after notice of dispute. If negotiations are unsuccessful in resolving the dispute, then

the dispute shall be mediated. If mediation is unsuccessful, then the parties may exercise their rights at law.

6.01 *Total Agreement*

- A. This Agreement (including any expressly incorporated attachments), constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

7.01 *Basis of Payment—Lump Sum*

- A. Using the procedures set forth in Paragraph 2.01, Owner shall pay Engineer lump sum fee amount as follows:
1. Feasibility Study and Report Phase services amount of \$ 22,500.00
 2. **Total Fee Amount** \$ **22,500.00**
- B. N/A
- C. The portion of the compensation amount billed monthly for Engineer's services will be based upon Engineer's estimate of the percentage of the total services actually completed during the billing period.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the Effective Date of which is indicated on page 1.

OWNER:

By: _____

Title: _____

Date Signed: _____

Address for giving notices:

City of New Fairview, Texas

Attn: Ben Nibarger, City Administrator

999 Illinois Lane

New Fairview, TX 76078

ENGINEER:

By: Franklin Stephens, P.E.

Title: Vice-President

Date Signed: September 8, 2020

Engineer License or Firm's Certificate
Number: F-000520

State of: Texas

Address for giving notices:

SPI Terrell

Attn: Franklin Stephens, P.E.

P. O. Box 1028 (200 S. Virginia – physical address)

Terrell, TX 75160

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF NEW FAIRVIEW, TEXAS GRANTING AUTHORITY TO THE CITY ADMINISTRATOR TO EXECUTE CONTRACTS, AGREEMENTS, AND PLATS ON BEHALF OF THE CITY; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of New Fairview, Texas, is a Type A general law municipality located in Wise and Denton Counties, created in accordance with Chapter 6 of the Local Government Code, and operating pursuant to the enabling legislation of the State of Texas; and

WHEREAS, historically the Mayor has served as the chief administrative officer of the City and has exercised the authority to execute all contracts, agreements, and plats on behalf of the City; and

WHEREAS, the City Council now believes that it is in the best interest of the City to authorize the City Administrator to execute all contracts, agreements, and plats on behalf of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEW FAIRVIEW, TEXAS:

SECTION 1.

The City Council grants to the City Administrator of the City authority to execute, on behalf of the City, any and all contracts and agreements approved by the City Council. The City Council further grants to the City Administrator of the City authority to execute, on behalf of the City, any and all plats approved by the City Council.

SECTION 2.

This Ordinance shall be cumulative of all provisions of ordinances of the City of New Fairview, Texas, except where the provisions of this Ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

SECTION 3.

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this

Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 4.

This Ordinance shall be in full force and effect after its passage and publication.

**PASSED AND APPROVED ON THIS ___ DAY OF _____,
2020.**

Joe Max Wilson, Mayor

ATTEST:

Monica Rodriguez, City Secretary

CITY OF NEW FAIRVIEW, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF NEW FAIRVIEW, TEXAS, AMENDING THE SUBDIVISION REGULATIONS FOR THE CITY OF NEW FAIRVIEW BY AMENDING SECTION 2-2 “PRELIMINARY PLAT” AND SECTION 2-4 “FINAL PLAT” TO REQUIRE SIGNATURE BY THE CITY ADMINISTRATOR ON APPROVED PLATS; PROVIDING A CUMULATIVE CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of New Fairview, Texas, is a Type A general-law municipality located in Wise County, acting under the laws of Texas and Chapter 6 of the Texas Local Government Code; and

WHEREAS, the City Council previously adopted the Subdivision Regulations of the City of New Fairview by adopting Ordinance No. 1996-01-0005; and

WHEREAS, the City Council also previously amended the Subdivision Regulations of the City of New Fairview by adopting Ordinance No. 2011-03-161; and

WHEREAS, the City Council has determined that there is a need to amend the Subdivision Regulations for the City of New Fairview to require the City Administrator’s signature on plats approved by the City Council; and

WHEREAS, the City Council of the City of New Fairview has determined that the amendments made in this ordinance are in the best interest of the health, safety and general welfare of the citizens of the City of New Fairview.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEW FAIRVIEW, TEXAS:

SECTION 1.

Section 2-2, “Preliminary Plat,” of the Subdivision Regulations of the City of New Fairview, adopted by Ordinance No. 2011-03-161, is amended by amending subsection (b)(10) to read as follows, with the remainder of the section remaining unchanged:

“(10) Certificates: The following certifications shall be placed on the preliminary plat:

- a. Reviewed for Preliminary Approval:

Planning & Zoning Commission Chairman

Date

- b. Approved for Preparation of Final Plat:

City Administrator, City of New Fairview, Texas Date”

SECTION 2.

Section 2-4, “Final Plat,” of the Subdivision Regulations of the City of New Fairview, adopted by Ordinance No. 2011-03-161, is amended by amending subsection (b)(11) to read as follows, with the remainder of the section remaining unchanged:

“(11) The following certificates shall be placed on the plat, in a manner that will allow the filing of the certificates by the proper party.

- a. *Recommended for final approval:*

Planning & Zoning Commission *Date*

- b. *Approved:*

City Administrator, City of New Fairview, Texas *Date”*

SECTION 3.

Section 2-4, “Final Plat,” of the Subdivision Regulations of the City of New Fairview, adopted by Ordinance No. 2011-03-161, is amended by amending subsection (g)(4) to read as follows, with the remainder of the section remaining unchanged:

“(4) *Signing and Recording.* Upon receipt of a complete record plat application, the responsible official shall procure the signature of the city administrator on the plat and shall promptly cause the plat to be recorded.”

SECTION 4. CUMULATIVE

This Ordinance shall be cumulative of all provisions of ordinances of the City of New Fairview, Texas, except where the provisions of this Ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

**SECTION 5.
SEVERABILITY**

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

**SECTION 6.
EFFECTIVE DATE**

This Ordinance shall be in full force and effect after its passage and publication as required by law.

PASSED AND APPROVED ON THIS ___ day of _____, 2020.

By: _____
Joe Max Wilson, Mayor

ATTEST:

Monica Rodriguez, City Secretary