



**MEETING OF THE
TEMPLE CITY COUNCIL
MUNICIPAL BUILDING
2 NORTH MAIN STREET
3rd FLOOR – CONFERENCE ROOM
THURSDAY, FEBRUARY 2, 2017
3:30 P.M.
AGENDA**

1. Discuss, as may be needed, Regular Meeting agenda items for the meeting posted for Thursday, February 2, 2017.
2. Receive an update regarding the City's alternative fuel program.
3. Receive an update regarding Low Income Housing Tax Credit Program and receive presentations from developers requesting local government support for their tax credit applications.

5:00 P.M.

MUNICIPAL BUILDING

**2 NORTH MAIN STREET
CITY COUNCIL CHAMBERS – 2ND FLOOR
TEMPLE, TX**

**TEMPLE CITY COUNCIL
REGULAR MEETING AGENDA**

I. CALL TO ORDER

1. Invocation
2. Pledge of Allegiance

II. PUBLIC COMMENTS

Citizens who desire to address the Council on any matter may sign up to do so prior to this meeting. Public comments will be received during this portion of the meeting. Please limit comments to three minutes. No discussion or final action will be taken by the City Council.

III. REPORTS

3. Receive the City of Temple Comprehensive Annual Financial Report for fiscal year ended September 30, 2016.

IV. PROCLAMATIONS & SPECIAL RECOGNITIONS

4. Recognition of the Temple High School staff and students for the 2016 football season.

V. CONSENT AGENDA

All items listed under this section, Consent Agenda, are considered to be routine by the City Council and may be enacted by one motion. If discussion is desired by the Council, any item may be removed from the Consent Agenda at the request of any Councilmember and will be considered separately.

5. Consider adopting a resolution approving the Consent Agenda items and the appropriate resolutions and ordinances for each of the following:

Minutes

- (A) [January 19, 2017 Special and Regular Meeting](#)

Contracts, Leases, & Bids

- (B) [2017-8528-R](#): Consider adopting a resolution authorizing the purchase of furniture for the Sammons Community Center from Perry Office Plus of Temple, in an amount not to exceed \$100,000.

- (C) [2017-8529-R](#): Consider adopting a resolution authorizing payment of the annual invoice from Brazos River Authority in the amount of \$127,804.56 which covers the availability of 9,453 acre-feet of water to the City for FY 2017.
- (D) [2017-8530-R](#): Consider adopting a resolution authorizing a construction contract with Tecta America Austin, LLC of Pflugerville, in the amount of \$59,421 for the roof replacements at the Katy Depot and Animal Shelter.
- (E) [2017-8531-R](#): Consider adopting a resolution authorizing change order #2 to the construction contract with T. Morales Company Electric & Controls, Ltd. of Florence, in the amount of \$37,385 for the Booster Pump Stations Backup Power project.
- (F) [2017-8532-R](#): Consider adopting a resolution authorizing an agreement with Kasberg, Patrick, & Associates, LP, of Temple, in an amount not to exceed \$268,560 for professional services required for final design and bidding of the third project in the Water Treatment Plant upgrades (Task 3: Conventional Treatment Solids & Lagoon).
- (G) [2017-8533-R](#): Consider adopting a resolution authorizing a Chapter 380 Economic Development Agreement between the City of Temple and the Temple Economic Development Corporation for the conveyance of a 0.830 acre tract of land legally described as Lot 4, Block 2 of the Final Plat of Santa Fe Plaza West.
- (H) Consider adopting resolutions:
 - 1. [2017-8534-R](#): Authorizing a first amendment to the 1999 and 2010 agreements between the City of Temple and Temple Independent School District regarding the School District's participation in the City of Temple Tax Increment Financing Reinvestment Zone Number One; and
 - 2. [2017-8535-R](#): Authorizing a Chapter 380 Economic Development Agreement between the City of Temple and Temple Independent School District for the conveyance of a 0.692 acre tract of land legally described as Lot 2, Block 2 of the Final Plat of Santa Fe Plaza West.
- (I) [2017-8536-R](#): Consider adopting a resolution authorizing a First Amendment to the 2014 Tax Abatement Agreement with Danhil Fulfillment Center.

Ordinances – Second & Final Reading

- (J) [2017-4820](#): SECOND READING – X-FY-17-01: Consider adopting an ordinance authorizing the annexation of 60.33 acres of land Redding Roberts Survey, Abstract 692, Bell County, Texas, a portion of a 86.91 acre tract conveyed as Tract Four to Roy Skaff, as the Independent Executor of the estate of Leonard Apt, in Document No. 2016-00009203, Official Public Records of Real Property, Bell County, Texas.
- (K) [2017-4821](#): SECOND READING – Z-FY-17-04: Consider adopting an ordinance authorizing a rezoning from Two Family zoning district to Commercial zoning district, Lot 4, Block 011, Temple Heights subdivision, located at 1107 South 53rd Street, Temple.

- (L) [2017-4822](#): SECOND READING – Z-FY-17-06: Consider adopting an ordinance authorizing a rezoning from the Commercial zoning district to the Multi-Family Two zoning district, on 0.928 +/- acres, Lots 1-6, Pt. 7, Eastern Hills Subdivision, located at 715 North 20th Street, Temple.
- (M) [2017-4823](#): SECOND READING – A-FY-16-10: Consider adopting an ordinance authorizing abandonment and conveyance of the entire 20 foot wide alley in Block 3 of the Keaton Addition Subdivision, City of Temple, Bell County, Texas.

Misc.

- (N) [2017-8537-R](#): A-FY-17-02: Consider adopting a resolution authorizing the abandonment of a 10 foot wide public utility easement encompassing approximately .057 acres, located on a portion of Lots 8 through 12, and 16 through 20, Block 13, Hildell Estates, an addition in the City of Temple, Bell County, Texas.
- (O) [2017-8538-R](#): Consider adopting a resolution ordering an election for May 6, 2017, for the election of the District 2 Councilmember, and the District 3 Councilmember.

VI. REGULAR AGENDA

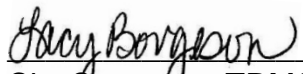
ORDINANCES – FIRST READING/PUBLIC HEARING

- 6. [2017-4825](#): FIRST READING – PUBLIC HEARING – Z-FY-17-07: Consider adopting an ordinance authorizing a rezoning from the Single Family Three-Planned Development zoning district to the General Retail zoning district, on 0.647 +/- acres, Lots 8 & 9 and Part of Lots 10-12 & 18-20, Block 13, Hildell Estates Subdivision, 30 & 50 South Pea Ridge Road, Temple, Texas.
- 7. [2017-4826](#): FIRST READING – PUBLIC HEARING - Z-FY-17-08: Consider adopting an ordinance authorizing a rezoning from Commercial to Multi-Family Two on 34.80 +/- acres, situated in the Maximo Moreno Survey, Abstract 14, Bell County, Texas, located between South 5th Street and Lowes Drive.
- 8. [2017-4827](#): FIRST READING – PUBLIC HEARING - Z-FY-17-09: Consider adopting an ordinance authorizing rezoning from Agricultural district to Planned Development Urban Estate district, with Development / Site Plan approval on 31.043 +/- acres, situated in the Sarah Fitzhenry Survey, Abstract No. 312, Bell County, Texas, located at 8260 Cedar Creek Road.
- 9. [2017-4828](#): FIRST READING – PUBLIC HEARING - Z-FY-17-10: Consider adopting an ordinance authorizing a rezoning from Planned Development-Commercial to Planned Development-General Retail on Lots 1, 2, 3 and 4, Block 33, Temple Heights Subdivision, 2015 West Avenue M, and 1305 and 1307 South 41st Street.
- 10. Consider adopting ordinances:
 - (A) [2017-4829](#): FIRST READING – PUBLIC HEARING – Consider adopting an ordinance amending Temple Unified Development Code Section 5.1.3, “Use Table,” and Section 5.3.15, “Alcoholic Beverage Sales for On-Premise Consumption” adding a reference to the City’s Code of Ordinances, Chapter 4 “Alcoholic Beverages” and amending section 5.3.15(B) to delete unnecessary language and clarify additional standards; and

- (B) [2017-4830](#): FIRST READING – PUBLIC HEARING – Consider adopting an ordinance amending Code of Ordinances, Chapter 4 “Alcoholic Beverages,” to apply certain distance requirements to private schools and better align the City’s regulations with State law.

The City Council reserves the right to discuss any items in executive (closed) session whenever permitted by the Texas Open Meetings Act.

I hereby certify that a true and correct copy of this Notice of Meeting was posted in a public place at 2:00 PM, on Friday, January 27, 2017.



City Secretary, TRMC



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17

Item #3

Regular Agenda

Page 1 of 1

DEPT./DIVISION SUBMISSION & REVIEW:

Traci L. Barnard, Director of Finance

ITEM DESCRIPTION: Receive the City of Temple Comprehensive Annual Financial Report for fiscal year ended September 30, 2016.

STAFF RECOMMENDATION: Receive the audit report as presented in item description.

BACKGROUND: According to the City Charter of the City of Temple, an annual independent audit is required to be made of the financial records of the City by a Certified Public Accountant selected by the City Council. The City of Temple engaged the firm of Brockway, Gersbach, Franklin & Niemeier, P.C.

The City of Temple Comprehensive Annual Financial Report (CAFR) for fiscal year ending September 30, 2016, will be presented by Steve Niemeier, CPA. Mr. Niemeier is a partner with the accounting firm of Brockway, Gersbach, Franklin and Niemeier, P.C. and will be available to address the Council members' questions.

In the previous year's financial statements, the City implemented a dramatic change in governmental financial reporting. We believe this new presentation provides better information to users of the comprehensive annual financial report. The new reporting model issued by the Governmental Accounting Standards Board requires that the management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The City's MD&A can be found immediately following the independent auditors' report.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and compliance. The introductory section includes this transmittal letter, the City's organizational chart and a list of principal officials. The financial section includes the MD&A, Government-wide and Major Fund presentations, notes to the financial statements, Required Supplementary Information, Combining Individual Fund Statements, as well as the independent auditors' report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

FISCAL IMPACT: The fee for the FY 2016 annual audit is \$ 73,400. The audit fee is proportionally allocated to each fund.

ATTACHMENTS:

[Audit](#)

Comprehensive Annual Financial Report



City of Temple, Texas

**For the year ended
September 30, 2016**

**Prepared by:
Finance Department**

**Traci L. Barnard, CPA
Director of Finance**

**Melissa Przybylski, CPA
Assistant Director of Finance**

**Stacey Reisner, CPA
Treasury/Grants Manager**

**Jennifer Emerson
Budget Coordinator**



CITY OF TEMPLE, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended September 30, 2016

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended September 30, 2016**

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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Introductory Section





February 2, 2017

Honorable Mayor and City Council
City of Temple
Temple, Texas

Dear Council Members:

The Comprehensive Annual Financial Report (CAFR) of the City of Temple, Texas (the City) for the fiscal year ended September 30, 2016, is submitted herewith. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City, on a Government-wide and Fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Brockway, Gersbach, Franklin & Niemeier, P.C., Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Temple financial statements for the year ended September 30, 2016. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A compliments this letter of transmittal and should be read in conjunction with it.

GENERAL INFORMATION – CITY OF TEMPLE

Temple is located near the geographic and population center of the State of Texas, 67 miles north of Austin, 130 miles north of San Antonio, 160 miles northwest of Houston, and 120 miles south of the Dallas-Fort Worth Metroplex. There are approximately 69 square miles in the City's corporate boundary.

The City was founded on June 20, 1881, when the original town lots were sold by the Gulf, Colorado and Santa Fe Railway. It was subsequently chartered on March 27, 1907, and operates under a Council-Manager form of government. The City Council is comprised of a Mayor and four members and is responsible for enacting ordinances, resolutions, and regulations governing the City, as well as appointing members of various statutory and advisory boards, the City Manager, City Attorney, Director of Finance, City Secretary, and a Municipal Judge. The City Manager is the chief administrative officer of the government and is responsible for the enforcement of laws and ordinances, the appointment and supervision of the executive directors and heads of departments, and the performance of functions within the municipal organization.

The financial reporting entity (the government) includes all the funds of the primary government (i.e., the City of Temple as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The government provides a full range of services including police and fire protection; economic development; sanitation services; community development; building inspection; parks and recreation; the construction and operation of water, sewer, drainage, solid waste services, streets and infrastructure; convention and tourism activities and a civic center, library and airport facilities.

Discretely presented component units are legally separate entities and not part of the primary government's operations. Accordingly, the Temple Economic Development Corporation and the Tax Increment Financing District (Reinvestment Zone No. 1) are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and results of operations from those of the primary government. The Temple Housing Authority, a related organization, is not a part of this report, as the City's accountability does not extend beyond appointing some members of the Board.

ECONOMIC CONDITIONS AND OUTLOOK

Temple's location, which is close to the geographic center of the State of Texas, provides a strategic location in the State and has been important for economic development. Temple continues to be a regional center for manufacturers, distribution centers and medical facilities in the Central Texas area. Temple's location is enhanced being located at the intersection of Interstate Highway 35 (NAFTA link with Mexico and the U.S.), State Highways 36, 190, 53, 93, and 95. Additionally, major rail services intersect within Temple's city limits. During the past year, the City has experienced a steady increase in economic development. Significant new construction permits of \$ 87,183,113 for FY 2016 underscore the continued steady expansion of our residential base. Sales tax receipts of \$ 20,859,081 show a decrease of 2.12% over fiscal year 2015. Local unemployment is currently 3.58%, representing one of the lowest rates in the State of Texas.

After experiencing the first decline in taxable assessed property value in twenty consecutive years in FY 2011, the City experienced a 3.83% increase in FY 2016 to the current value of \$ 3,840,746,157. The census figures for 2010 of 66,102 residents show an average growth of over 2% per year over the past ten years.

Given Temple's continued pro-business attitude and enthusiastic accommodation of industry, the City continues to prosper economically. Highlights include:

- In July 2015, StarCorr Sheets, LLC began construction on a new \$ 22,000,000 manufacturing facility. The 150,000 square foot building, which features manufacturing space, offices and a rail-line connection was completed November 2015.
- The Shoppes on the Hill is a \$ 20,000,000 mixed-use development that will include retail, restaurants, and multi-family living. Morris Venture Partners broke ground on the Shoppes on the Hill during FY 2015. The mixed-use development consists of 13,500 square feet of retail space with two pad sites and 207 high-end apartments. Panera Bread, Freebird World Burrito, Raising Cane's, and Aspen Dental have already opened for business.
- The District located at the northwest corner of Scott and South 31st Street will consist of commercial pad sites, as well as, approximately 200 apartments. The District will offer high quality buildings, tenants and restaurants connected by trails/sidewalks. Confirmed restaurants include Rosa's Cafe, Mama Fu's Asian House, Jersey Mike's Cubs and MOD Pizza, which are expected to open in the first quarter of 2017.
- Bush's Chicken United plans to construct an 8,000 square-foot, new corporate office for the restaurant franchise in west Temple. The company's project of \$ 1,000,000 capital investment will produce twenty new full-time jobs with growth projected to fifty employees. Construction began in the fall of 2015 with plans to move into the building mid-2017. The City entered into a tax abatement agreement in October 2015 to provide a 45% tax abatement for five years.
- Mars Petcare US, Inc. has announced a \$ 20,000,000 equipment and facility upgrade project. The current 109,000 square foot facility was opened in 2006. The upgrade project includes modification to the inside of the facility, including increasing the storage capacity for raw materials and updating the equipment to help sustain the manufacturing and distribution of safe, high-quality pet food. The project is anticipated to take approximately 2 years and should be completed in the winter of 2016.
- Buzzi Unicem USA plans to add its 34th cement distribution location in the U.S. on a 9-acre tract of land in the Temple Industrial Park, located near the intersection of IH-35 and Loop 363 in Northwest Temple. The new terminal will cost in excess of \$ 7,000,000 and use at least 1,000 rail cars per year, which will bring additional revenue back to the City through a revenue sharing agreement with Central Texas Railway. In addition, this

project will add a rail spur (a short secondary rail line that will branch off from the main rail line in Temple). Construction was completed in 2016.

- In April 2016, Performance Food Group Company announced that Performance Foodservice – Temple will soon begin a \$10,000,000 expansion project. The expansion will include construction of a 76,000 square foot addition to the current operation at 4141 Lucius McCelvey Drive. The expansion project is expected to create 100 additional jobs during the next 60 months.
- Southwest Contract, which currently operates in Temple, plans to build a new 40,000 square foot, \$ 2,500,000 warehouse on 6.9 acres on the corner of Industrial Boulevard and Eberhardt Road in Enterprise Park. In July 2016, TEDC Board of Directors approved an economic development agreement based on the capital investment of the project. The agreement includes land and cash grant.
- R+L Carriers, Inc. plans to add its 113th location in the U.S. on a 14.8-acre tract of land in the Temple Industrial Park, located on Lucius McCelvey Drive in Northwest Temple. The new \$ 5,000,000 freight terminal will include a 70 door terminal, office space, a fueling station, and create 30 new jobs. Construction on the project is expected to begin in January 2017 and be completed late spring 2017.
- Everest Rehabilitation Hospitals plans to construct a new 36-bed inpatient rehabilitation hospital located on Canyon Creek Drive within proximity to the Temple Medical & Education District (TMED) and the Veterans Administration complex. The 38,000 square foot hospital will provide comprehensive inpatient physical rehabilitation to patients who have experienced stroke, trauma, brain injury, complex orthopedic conditions, as well as, other major illnesses or injuries. The facility will initially create 57 jobs that will eventually increase to 120. Construction on the rehabilitation hospital is to begin in early 2017.

The City of Temple is recognized by the medical community in the United States as a leading medical provider with two major hospitals located within Temple. Baylor Scott & White Health (BS&W) and the Olin E. Teague Veterans Hospital, combined, employ approximately 10,000 full time positions. The hospitals provide medical care to the surrounding local, state, and international community. Texas A&M University College of Medicine, in conjunction with BS&W and Veterans Hospital, provide the four years of medical school as well as research and development.

Baylor Scott & White Health includes 43 hospitals, more than 500 patient care sites, more than 6,000 active physicians, 34,000 employees and the Scott & White Health Plan. It is guided by a combined team of leaders from both Baylor and Scott & White. It is the largest not-for-profit health system in Texas and one of the largest in the United States.

Baylor Scott & White Health is constructing a new distribution facility in Temple. This new center will be utilized to distribute medical and other supplies to several hospitals and clinics in the Temple area. The \$ 20,000,000 investment in the approximate 100,000 square foot facility will result in the creation and/or retention of forty jobs.

In addition, the Temple Health and Bioscience District was created as a result of legislation passed by the State of Texas in 2003 and approved by Temple voters, to establish the district in that same year. The first such district created in Texas, Temple's Health and Bioscience District is devoted to the development and creation of health and bioscience/biotechnology opportunities within the City of Temple.

Serving the Temple area are fifteen major schools and universities, detailed in the statistical section of this document, which offer one of the highest levels of educational opportunities available in the nation.

The City of Temple also operates the Frank Mayborn Civic and Convention Center which can accommodate both small activities and major conventions. There are sixty-one public parks and special use areas, ranging from small neighborhood parks to major sport activity facilities; such as Lions Park which hosts major intra-mural softball events for teams throughout the State of Texas. The City has four swimming pools/water parks. The Hardin Swim Center, owned and operated by the Temple Independent School District, is a heated indoor junior Olympic size pool that hosts statewide high school and intra-mural competitions. The City has several neighborhood and recreational centers which provide day-time activities for the youth of Temple. There are two golf facilities; the City owned Sammons Park (18 holes), and the private Wildflower Country Club (18 holes).

Many new jobs continue to be created with the opening, expansion and relocation of the businesses to the City.

LONG-TERM FINANCIAL PLANNING

The City of Temple is currently managing the largest capital improvement program in the history of the community. As of September 30, 2016, a total of \$ 251,285,892 has been allocated for various capital projects including such improvements as water and sewer infrastructure, transportation infrastructure, parks improvements and public safety infrastructure. Funding sources for these projects can be identified in eight major areas:

- ▶ Utility Revenue Bonds
- ▶ General Obligation Bonds
- ▶ Certificates of Obligation
- ▶ General Operating Budget Funding
- ▶ Limited Tax Notes
- ▶ TxDOT Pass-Through Financing Agreement & Other TxDOT Agreements
- ▶ Grants
- ▶ Reinvestment Zone No. 1

During FY 2016, several major capital projects were underway or have been completed such as the Prairie View Roadway Improvements – Phase I, Western Hills Roadway Improvements, Corporate Campus Park – McLane Parkway/Research Parkway Connection, Airport Enhancements (Fuel Farm Loop Roadway, Terminal Access Enhancements, Entry Landscaping & Signage, and Northwest Parking & Entrance), Improvements of Ave R (West of 25th Street to

East of 19th Street), Outer Loop Roadway Improvements – Phase IIIA, Deep Water Pool at Lions Junction Family Water Park, and Rehabilitation of Airport and Range Road Tank.

During FY 2013, the City of Temple began construction on the single largest capital improvement project ever undertaken by the community which is the expansion of the Northwest Loop 363. This is a significant project for the City and one that has been a desire of the community for many decades. The project includes upgrading approximately four miles of the existing two lane Northwest Loop from just west of the BNSF railroad crossing to FM 2305. This will create a continuous four lane highway from the Northwest Loop at I-35 to the Southwest Loop at I-35. The project includes grade separated interchanges at both State Highway 36/Airport Road and Wendland Road.

Current project costs are \$ 51,109,580 with approximately \$ 36,555,000 funded through TxDOT (Category 12 and Pass-Through Financing funds) and approximately \$ 14,500,000 funded through the City of Temple. The project is substantially complete and was turned over to the State of Texas in December 2016.

The FY 2016 Budget includes \$ 22,051,269 for routine capital for the general operating budget which includes equipment and public infrastructure projects that are underway and/or planned for this fiscal year. Included in this amount is \$ 15,381,353 of Reinvestment Zone infrastructure improvements. In accordance with current fiscal and financial policies, \$ 2,874,450 of the routine capital is funded with fund balance. The breakdown of this amount is as follows:

- ▶ \$ 2,095,552 – General Fund
- ▶ \$ 509,500 – Drainage Fund
- ▶ \$ 269,398 – Hotel/Motel Fund

FINANCIAL INFORMATION

Accounting Procedures and Budgetary Controls

The City's accounting records for general governmental activities are maintained on a modified accrual basis, with revenues being recorded when available and measurable, and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's water and sewer utility fund are maintained on the accrual basis.

Budgetary control is maintained at the department level, and encumbrances are entered at the time a purchase order is issued. Open encumbrances are recorded as reservations of fund balance as of September 30 of each year, and the subsequent year's budget is increased to reflect these carried-forward encumbrances. Unspent and unencumbered appropriations lapse at the end of the fiscal year.

The budgetary process begins each year with the preparation of both current and proposed year revenue estimates by the City's financial management staff, and expenditure estimates by each City department. Budgets are reviewed by the Director of Finance. The City Manager makes

final decisions and submits a recommended budget to the City Council. The proposed budget is reviewed extensively by the City Council, a process which includes a Charter-mandated public hearing, in addition to work sessions, which are open to the public. The City Charter requires adoption of the City budget by no later than September 15.

While the budget is developed and controlled at the departmental level, appropriations are made at the account level. An ordinance establishes the budget for operating expenditures, debt service payments and interfund transfers while a separate ordinance establishes the property tax rate.

During the course of the fiscal year, expenditure controls are maintained by each department head with overall review exercised by the Director of Finance and the City Manager. Monthly departmental expenditure reports are generated by an automated management accounting system and provide expenditure totals and encumbrances at the line-item level for the most recently completed month, as well as a year-to-date total, and an actual versus planned rate of expenditure.

Constant review of revenue and expenditure trends is maintained with specific responsibility assigned to the Director of Finance. Recommendations for corrective action are made to the City Manager (and to the City Council, if appropriate) as needed to ensure compliance with the adopted budget.

The City's Finance Department publishes a Quarterly Financial Report directed at providing internal and external users with the general awareness of the City's financial positions and economic activity. The report includes a Financial Summary section reporting the performances of the major operating funds and a status report of the City's capital projects; a section summarizing key economic indicators and an in-depth review with graphic illustrations; and a section describing investment activity, interest earnings and the City's investment portfolio. The highlights of each quarter's report are presented to the City Council.

GENERAL GOVERNMENTAL FUNCTIONS

Tax Rates

All eligible property within the City is subject to assessment, levy, and collection by the City of a continuing, direct ad valorem tax sufficient to provide for the payment of principal and interest on outstanding bonds within the limits prescribed by law, and the payment of operation and maintenance costs as approved by the City Council. Under State law and provisions of the City Charter, the City is limited to a maximum tax rate of \$ 1.20 per \$ 100 assessed valuation. As shown below, the tax rate adopted by the City Council has historically been substantially lower than the maximum allowed by law.

The allocation of the property tax rate by purpose (General Fund operations and Debt Service) for FY 2015-16 and the preceding four fiscal years is reflected in the following table:

Purpose	Fiscal Year				
	2016	2015	2014	2013	2012
General Fund	\$ 0.3234	\$ 0.3300	\$ 0.3324	\$ 0.3300	\$ 0.3240
Debt Service	0.3064	0.2564	0.2540	0.2564	0.2439
Total Tax Rate	<u>\$ 0.6298</u>	<u>\$ 0.5864</u>	<u>\$ 0.5864</u>	<u>\$ 0.5864</u>	<u>\$ 0.5679</u>

Tax Appraisal/Collection Responsibilities

Under Texas law enacted in 1979, and subsequent revisions to the State Property Tax Code, the appraised value of taxable property in Temple is established by the Tax Appraisal District of Bell County. The City of Temple and other taxing jurisdictions in Bell County pay a pro rata share of the budgeted expenditures incurred by the Appraisal District, based upon individual levy. In fiscal year 2015-16, the City's payment to the Appraisal District for tax collection and appraisal services was \$ 309,746, an increase of \$ 44,094 from the amount paid by the City in FY 2014-15.

Debt Administration

Two ratios traditionally used to analyze the debt structure of municipalities are presented below. Revenue debt has been excluded since service and user charges made by utility system customers are used to retire such debt and no ad valorem tax proceeds are used for utility revenue bond debt service.

Outstanding General Bonded Debt at 9-30-16 (Net of Debt Service)	\$ 190,123,711
Estimated Population	75,293
Net Bonded Debt per Capita	\$ 2,525
Net Bonded Debt per Assessed Value	4.95%

The City's latest bond issues received the rating of "AA" from Standard & Poor's.

Cash Management

According to the City of Temple's Investment Policy, the Investment Officer has three main objectives in managing the portfolio, in order of priority: safety, liquidity and yield.

Safety

Safety is insured in several ways: investing only in securities allowed by state statute and the City's investment policy; using delivery versus payment for all security transactions; requiring all cash in the bank be collateralized with government securities pledged to the City and safe kept at a third party institution; and diversifying investment purchases to minimize individual security

market risk. In addition, the City uses an approved list of security brokers when making investment transactions.

The City's bank deposits are secured with the following collateral:

\$ 21,000,000 letter of credit from the Federal Home Loan Bank of Atlanta

\$ 55,625,000 in letters of credit from the Federal Home Loan Bank of Dallas

\$ 23,281,142 in government securities at market value held at the Federal Home Loan Bank of Dallas

\$ 11,140,426 in government securities at market value held at the Federal Reserve Bank of Boston

\$ 480,664 in government securities at market value held at TIB Bank

Liquidity

Liquidity is the second objective of the Investment Officer's management of the portfolio. To ensure sufficient funds to meet scheduled obligations, investment maturities are matched to projected expenditures. In addition, a portion of the portfolio is invested in liquid assets, such as pools and short-term securities, to cover unforeseen expenditures and day-to-day fluctuations. By using the matching strategy, a portion of the portfolio can be extended out longer, thus increasing yield and stabilizing interest earnings.

At September 30, 2016, the weighted average maturity of the City's investment portfolio was 124.52 days.

Yield

Maximizing yield is the third objective of the Investment Officer. Although maintaining safety and liquidity are always more important than increasing yield, the Investment Officer should be able to maintain a reasonable rate of return and at the same time avoid taking on unnecessary risks.

The City of Temple uses the 91-day T-bill rate as a yield benchmark. The City's portfolio average yield was 0.59% in 2016, which was above the T-bill yield of 0.34%.

As of September 30, 2016, the City's cash and investment resources were divided between cash on hand of \$ 14,987, deposits of \$ 78,776,053, and investments of \$ 51,659,153.

MAJOR INITIATIVES

Budget Development & Background

Budget Process—Developing a budget is now a year round process and the framework for the development of this budget began in late 2015 with the City Manager working on timelines and

issue identification. Through late 2015 and early 2016, the City Manager works with Finance to develop the budget calendar and process for the FY 2017 Budget.

In January, the City Manager held a planning retreat with department and division heads to identify and discuss issues for the upcoming budget. In February, the City Manager and Finance staff met with Departments to conduct a status review of current year budget and performance indicators and provide initial direction regarding issues identified in the planning retreat.

Also in February, the City Council held a budget retreat to discuss various strategic issues and to review and, as might be needed, update the City's Strategic Plan. The Strategic Plan establishes the mission and vision of the City, identifies four (4) major areas of focus, and establishes the specific goals and objectives. The areas of focus identified in the Plan are: (1) Expand the Tax Base, (2) Grow Health and Bioscience, (3) Improve Our Infrastructure, and (4) Serve our Community. These focus areas and their associated goals and objectives guided the development of the FY 2017 Budget. During the retreat, Council also received information regarding potential budget issues identified by staff.

From February through the delivery of the FY 2017 Budget, staff has worked on preparing, reviewing, researching and responding to questions from Finance and the Manager relating to the programs and services this Preliminary Budget recommends.

Budget Approach—The FY 2017 Budget continues the “activity-based” perspective that began in FY 2010. Each Department was asked to identify each and every activity that they provide. They were also asked to identify the cost for providing each activity. This “activity-based” approach allows for better identification of the services and service levels that we provide.

Budget “the Rules of Engagement”—This year's budget has been developed within the framework of the strategic plan priorities adopted by the City Council and the budget parameters (“the Rules of Engagement”) that were briefed to the Council at the February 26, 2016 budget retreat and May 19, 2016 budget work session. Those Rules are:

1. Maintain current services and service levels;
2. Preserve, protect, and develop our workforce;
3. Grow our tax base & economy; and
4. Preserve and enhance our facilities and infrastructure.

All within a framework of fiscal restraint and responsibility.

Financial Highlights

The FY 2017 Budget appropriates a total of \$ 143,124,381 for the upcoming fiscal year. Of this amount, \$ 124,491,453 is allocated for the operations and maintenance budget which includes debt service and transfers. In addition, \$ 18,557,928 is allocated for routine capital for the general operating budget which includes equipment and public infrastructure projects. The

Reinvestment Zone infrastructure improvements in the amount of \$ 13,790,000 is also included in the allocation. In accordance with current fiscal and financial policies, \$ 2,370,818 of the routine capital is funded with fund balance or retained earnings. The breakdown of this amount is as follows:

- ▶ \$ 2,359,218 – General Fund
- ▶ \$ 11,600 – Hotel/Motel Tax Fund

As in previous years, the FY 2017 Budget is a balanced budget under the policies and parameters discussed in earlier planning sessions with the City Council.

In addition, \$ 35,000,000 is included for Capital Improvements Programs (CIP). The CIP allocated in FY 2017 is shown below:

- ▶ Multi-year Non-Routine Capital Recommended for Utility Revenue Bond Funding (U.R. CIP) - \$ 35,000,000

City Manager's Highlights

With the above in mind, I will highlight a few areas of general priority and significance in the FY 2017 Budget.

Public Safety—The FY 2017 Budget includes several initiatives designed to enhance public safety services. The Budget recommends upgrading two existing corporal level classifications to lieutenant positions and two existing corporal level classifications to sergeant positions to provide the needed level of supervision in our Police Department. Funding is also included to back-fill the four upgraded positions with four police officer positions, as well as, the addition of two police officers position for General Investigations Unit. This will result in a net gain of six additional positions in the Police Department. Additionally, the Budget includes funding for the replacement of 8 marked and 3 unmarked police vehicles and the addition of 1 marked and 3 unmarked police vehicles.

The Budget also recommends upgrading three firefighter positions to fire driver positions to allow full time staffing of the Rescue #3 apparatus and upgrading the fire marshal position from a captain classification to a deputy chief classification to allow for a clear chain of command within the department.

Parks and Recreation—In May of 2015, voters approved a \$27,675,000 Parks bond package that includes 24 projects ranging from neighborhood park improvements, new community parks, new and upgraded athletic facilities, facility upgrades, water recreation projects, and linkage trails.

The FY 2017 Budget includes operating and maintenance expenses associated with bond improvements anticipated to come online during FY 2017 including Jaycee, Carver, Western Hills, Oak Creek, Optimist, and Jefferson neighborhood parks improvements, Wilson football field, Scott & White baseball complex, Northam baseball complex, Sammons Community

Center, and Crossroads Park. The operations and maintenance expenses for FY 2017 total \$309,158, of which \$202,500 is for capital equipment. Included in the operations and maintenance expenses is the addition of one aquatic/maintenance worker.

Community Development—The FY 2017 Budget continues to leverage our Community Development Block Grant (CDBG) funds to maintain our Community Development program which is tasked with assisting with the implementation of the East Temple Redevelopment Plan. Programs proposed for funding include the housing improvement program, infrastructure improvements, and a demolition program.

Solid Waste & Recycling—The FY 2017 Budget includes the addition of a residential solid waste route which includes an Automated Route Operator position and a solid waste truck. We currently have 11 residential solid waste routes serving approximately 23,300 customers. The addition of a solid waste route will assist in reducing the average customers per route back to a manageable level. The good news is that we are a growing city, and that impact is reflected in the need to add equipment and a route to our residential collection.

Additionally, the FY 2017 Budget includes the replacement of four solid waste trucks and a placeholder to provide for the continued operation of our residential curbside program. We are currently working with our recycling contractor, Balcones Recycling, on an amendment to our agreement which will likely have an impact on the FY 17 operations. Our adjustment to residential solid waste rates of \$1.25 per month partially reflects this estimated impact, as well as, other operational impacts that we've experienced since our last rate increase. The last adjustment to residential solid waste rates occurred in FY 2013 and was associated with the addition of curbside recycling. The last adjustment for general operations occurred in FY 2010.

Transportation Infrastructure—The FY 2017 Budget includes the fifth year of a multi-year transportation capital improvement program. The Transportation CIP (TCIP) is a ten-year, \$126,700,000 effort to expand and maintain our major transportation infrastructure. The TCIP is a result of our recent assessments and reports on both the condition of our transportation infrastructure and the need to improve our mobility.

The project areas identified in the TCIP are intended to address both the need to improve our existing transportation infrastructure and provide new capacity and connectivity. The TCIP is a dynamic program that has, and will continue to, evolve and change in response to community needs.

A key element in the TCIP is a recognition that, in addition to building new roads to increase capacity and connectivity, we also need to take care of the streets and roads that we have built. We refer to this as the "Legacy Pavement Preservation Program." Taking care of existing infrastructure is the most cost effective way to manage and maintain the system, as the more infrastructure deteriorates, the more costly it is to restore serviceability. The Legacy Pavement Preservation Program enhances pavement performance, extends pavement life, decreases lifetime roadway costs, reduces user delays, and provides improved safety and mobility.

The implementation and financing plan recommended for the TCIP is a phased approach which groups projects in three-year packages with design and right-of-way acquisition funded first and, in most cases, construction funded in the following package. Each three-year package also includes \$9,000,000 for the Legacy Pavement Preservation Program – an average of \$3,000,000 each year.

This phased approach allows us to allocate construction funds only when projects are ready, minimize and stabilize the tax rate impact, maximizes opportunity for tax base growth and allows us to balance debt amortization.

The funding for implementation of the TCIP program was also established as a phased plan with an initial tax rate adjustment of 1.25 cents in FY 2013 and an additional tax rate adjustment of 3.5 cents in FY 2017. The FY 2017 Budget reflects the planned 3.5 cent tax rate impact.

Additionally, the FY 2017 Budget includes funding for the second year of a three year plan to implement detection technology at 100% of the City's signalized intersections. Detection allows the signal to operate more efficiently, which improves coordination and timing.

Utility Infrastructure—The City has invested almost \$107,716,000 over the past 10 years in improving and extending our water and sewer infrastructure. The FY 2017 Budget includes an additional \$35,000,000 to continue this work. Our utility infrastructure, no less so than our transportation infrastructure, is extremely important to our ability to deliver services in one of our core mission areas. I believe our strategic plan, our strategic focus areas, and our community expectations relative to the services we provide, should reflect this.

Other Highlights—In addition to the programs and positions detailed above, the FY 2017 Budget also includes the addition of a part-time Maintenance Worker in the Code Enforcement division to assist with maintenance of city-owned vacant lots and privately owned lots that have been issued an order to mow; an Auto Technician II position in the Fleet Services division to assist with the maintenance of the city's fleet; a Utility Technician II position, funded through the Reinvestment Zone No. 1, in the Parks Department to assist with the ongoing maintenance of projects in the Reinvestment Zone; an Environmental Programs Technician in the Utility Services division to conduct customer service inspections for backflow and cross-connection prevention; an Administrative Assistant I, partially funded through the Community Development Block Grant program, in the General Services division to provide support for necessary administrative functions; and, an additional Combination Building Inspector position to maintain timely plan review and inspection services in response to growth and increased development activities within the community. The ongoing cost associated with this additional Combination Building Inspector position is proposed to be recovered through an adjustment to the Building Permit Fee schedule.

The FY 2017 Budget also provides for the full year implementation of Civil Service pay plan adjustments that went into effect in April 2016. The Budget also includes an allocation for our performance pay program for general government employees as well as an allocation for the initial phase of implementation of the 2016 General Government Comprehensive

Classification/Compensation Plan update that is currently underway and scheduled to be completed in February 2017.

The FY 2017 Budget also includes continued funding for a group health insurance plan, employee retirement plan, and employee longevity program.

One of the strategic focus areas identified in our Strategic Plan is to “expand the tax base.” In order for us to continue to meet the demands for current service, and in order for us to meet the needs of projected growth and development, it is critical that this objective be met. As Council will recall, the FY 2008 Budget included a funding commitment to a “matrix incentive pool” at \$800,000. This “matrix incentive pool” was intended to provide funding for economic development incentives relating to economic development agreements with new and/or expanding businesses. The FY 2017 Budget continues that commitment and includes a \$522,000 “placeholder” investment to maintain and replenish the matrix funding level.

Financial Highlights by Fund

General Fund Revenues—Total revenues for the FY 2017 General Fund Budget are presented at \$67,491,178, an increase of 2.36% compared to the FY 2016 Adopted Budget. The three largest sources of revenue for the General Fund are sales tax, property tax, and solid waste charges.

Property Tax—In the FY 2017 Budget, property tax accounts for 19.29% of the General Fund budgeted revenues and is the second largest revenue source of the General Fund. The tax rate for FY 2017 is at 65.72¢ per \$100 valuation, which includes the planned 3.5¢ tax rate adjustment for the Transportation Capital Improvement Program.

This rate is based on a certified appraised value of \$3,970,340,738 (net taxable value not adjusted for frozen values). The tax rate is comprised of two components, the Maintenance and Operations rate (M&O) and the Interest Sinking rate (I&S). This year’s tax rate is 31.42¢ for the M&O rate and 34.30¢ for the I&S rate.

Sales Tax—While much attention is focused on the property tax rate number, our single largest source of revenue for the General Fund continues to be sales tax revenue. In the FY 2017 Budget, sales tax is projected to account for 30.92% of the General Fund budgeted revenues.

The FY 2017 Budget estimates \$20,870,000 in sales tax revenue, a 2.63% increase in sales tax revenue over budgeted FY 2016 sales tax revenue.

Solid Waste Rates—Charges associated with solid waste services represent the third largest source of revenue for the General Fund and are projected to account for 14.70% of total General Fund revenues. \$9,918,339 in solid waste revenue is projected for FY 2017, representing a 4.82% increase from the FY 2016 solid waste revenue adopted budget of \$9,461,996. The FY 2017 Budget includes an adjustment to residential solid waste rates of \$1.25 per month as previously mentioned. The last adjustment to residential solid waste rates occurred in FY 2013

and was associated with the addition of curbside recycling. The last adjustment for general operations occurred in FY 2010.

General Fund Expenditures—Total expenditures for the FY 2017 General Fund Budget are presented at \$70,472,396, an increase of 2.53% compared to the FY 2016 Adopted Budget. As noted above, significant programs in the FY 2017 Budget that have contributed to this increase include the following:

- Additional solid waste route;
- Four (4) upgraded and six (6) additional positions in the Police Department;
- Full year implementation of Civil Service pay plan adjustments that went into effect in April 2016;
- Allocation for the initial phase of implementation of the 2016 General Government Comprehensive Classification/Compensation Plan update that is currently underway;
- Parks and Recreation operation/maintenance cost for Park Bond projects coming online in FY 2017.

Water and Wastewater Fund—Total revenues for the FY 2017 Water and Wastewater Fund Budget are presented at \$34,029,828, an increase of 1.68% compared to the FY 2016 Adopted Budget.

Expenses, capital improvements, and debt service for the FY 2017 Water and Wastewater Fund Budget are presented at \$34,029,828, an increase of 1.68% compared with prior year. The capital improvements include the allocation of \$35,000,000 to continue the long-term replacement program of water and sewer infrastructures and equipment needs. A 6.39% rate increase was approved in the FY 2013 Budget to support these operational and capital programs.

Hotel/Motel Tax Fund—Total revenues for the Hotel/Motel Fund Budget are presented at \$1,900,800, a decrease of 1.85% compared to the FY 2016 Adopted Budget. 20.15% of the Hotel/Motel revenues are from the operations of the Frank Mayborn Center. Expenditures for the Hotel/Motel Fund Budget are presented at \$1,912,400, a decrease of 18.83% compared to the FY 2016 Adopted Budget. The FY 2016 Budget included several non-recurring expenditures, including the Master Plan for the Bend of the River Botanic Garden. Funding for the Frank Mayborn Center, Tourism/Marketing, and Railroad & Heritage Museum are funded through the Hotel/Motel Tax Fund. Agencies seeking community enhancement grants whose services are eligible for funding by hotel/motel tax revenues are also funded through the Hotel/Motel Tax Fund.

Federal and State Grant Fund—Total revenues and expenditures for Federal and State Grant Fund Budget are presented at \$410,971, an increase of 15.00% compared to the FY 2016 Adopted Budget. Total revenues include the award of the Community Development Block Grant (CDBG) at \$410,971. The proposed allocation of CDBG funds are as follows:

- Public service agencies - \$57,500
- Demolition - \$70,000
- Housing improvements - \$103,471
- Infrastructure improvements- \$100,000
- General administration - \$80,000

Drainage Fund—Total revenues are presented at \$1,175,740, a 3.26% increase from prior year. Expenditures are presented at \$1,175,740, a decrease of 28.66% compared to the FY 2016 Adopted Budget. The FY 2016 Budget included several major capital purchases which are not recurring. The expenditures of the drainage fund represent personnel and operational cost related to maintenance of existing drainage systems.

OTHER INFORMATION

Independent Audit According to the City Charter of the City of Temple, an annual independent audit is required to be made of the financial records of the City by a Certified Public Accountant selected by the City Council. The City of Temple engaged the firm of Brockway, Gersbach, Franklin & Niemeier, P.C., and the opinion has been included in this report.

It should be noted that the auditors included all funds in their audit, performed their audit in accordance with auditing standards generally accepted in the United States of America and stated that, in their opinion, the statements herein present fairly, in all material respects, the financial position of the City at September 30, 2016, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Certificate of Achievement The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Temple for its Comprehensive Annual Financial Report for the Fiscal Year ended September 30, 2015. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Temple has received a Certificate of Achievement for the last thirty-five consecutive years (Fiscal Years ended 1981-2015). We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Distinguished Budget Presentation Award For the fiscal year 2015-16 Budget document, the City received, for the twenty-first consecutive year, the distinguished Budget Presentation Award from the Governmental Finance Officers Association (GFOA).

Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the dedicated services of a highly qualified staff in the Finance Department. We would like to express our appreciation to all the staff of the Finance Department who assisted and contributed to the preparation of this report. In particular, we would like to thank Assistant Director of Finance, Melissa Przybylski, CPA, Treasury/Grants Manager, Stacey Reisner, CPA, and Budget Coordinator, Jennifer Emerson for their exemplary efforts in assuming primary responsibility for producing this document.

Other departments and offices of the City have also contributed directly or indirectly to the preparation of this report. We acknowledge the efforts of the departments in following good financial management practices and in providing information and assistance during the preparation of this report.

We acknowledge the thorough, professional, and timely manner in which the audit was conducted by our independent auditors, Brockway, Gersbach, Franklin & Niemeier, P.C.

Finally, we acknowledge the Mayor and Council Members who have consistently supported the City's goal of excellence in all aspects of financial management. Their support is greatly appreciated.

In conclusion, this report reflects the overall financial condition of the City as the City continues to provide the necessary services to the citizens of Temple.

Respectfully submitted,



Traci L. Barnard, CPA
Director of Finance



Jonathan Graham
City Manager



Government Finance Officers Association

**Certificate of
Achievement
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in Financial
Reporting**

Presented to

**City of Temple
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

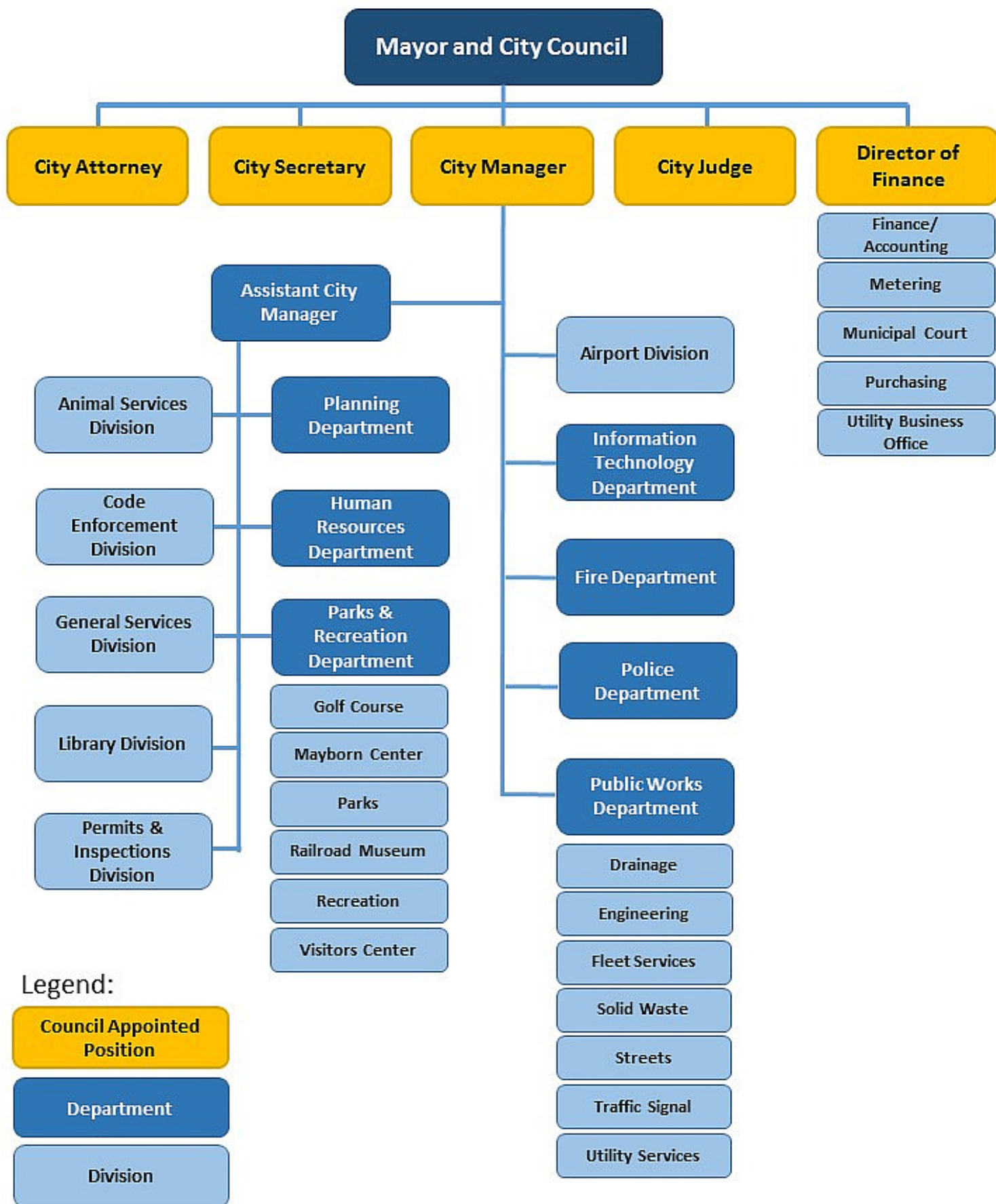
September 30, 2015

A handwritten signature in black ink, reading "Jeffrey R. Egan". The signature is written in a cursive, flowing style.

Executive Director/CEO



ORGANIZATIONAL STRUCTURE



**CITY OF TEMPLE
PRINCIPAL OFFICIALS**

MAYOR
DANIEL A. DUNN

MAYOR PRO-TEMPORE
PERRY T. CLOUD

COUNCILMEMBER
JUDY MORALES

COUNCILMEMBER
TIMOTHY DAVIS

COUNCILMEMBER
MIKE PILKINGTON

JONATHAN GRAHAM, *CITY MANAGER*

TRACI L. BARNARD, C.P.A., *DIRECTOR OF FINANCE*

KAYLA LANDEROS, *CITY ATTORNEY*

LACY BORGESON, *CITY SECRETARY*

Financial Section



INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
Members of the City Council
City of Temple, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Temple, Texas (the City), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Temple, Texas, as of September 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof and respective budgetary comparison for the general fund and pass through financing project fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 37-51, the Schedule of Changes in Net Pension Liability and related ratios for TMRS and the Temple Firefighters' Relief and Retirement Fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Temple, Texas
January 27, 2017



Management's Discussion and Analysis



CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2016

Our discussion and analysis of the City of Temple's financial performance provides an overview and analysis of the City's financial activities for the fiscal year ended September 30, 2016. Please read it in conjunction with the accompanying transmittal letter and the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- The City's net position of the primary government was \$ 153,583,842 at September 30, 2016. Of this amount, \$ 36,162,503 is unrestricted and may be used to meet the City's future obligations. Of the \$ 36.2 million net unrestricted net position, \$ 3,032,699 is related to governmental activities, which includes the General Fund. The \$ 33,129,804 net balance of unrestricted net position is related to business-type activities, which is the City's enterprise fund (water and sewer).
- The City of Temple's total net position increased by \$ 2,484,328 during the current fiscal year. Net position of governmental activities decreased \$ 1,411,136 from \$ 49,102,280. Net position of business-type activities increased \$ 3,895,464 from \$ 101,997,234. The net decrease in governmental activities is attributable to the implementation of GASB 68, *Accounting and Financial Reporting for Pensions* and the pass-through financing project. The increase in the business-type activities is attributable to an increase in the City's investment in capital assets.
- As of September 30, 2016, the City of Temple's governmental funds reported combined ending fund balances of \$ 72,836,275, a decrease of \$ 3,693,711 in comparison with the prior fiscal year. The capital projects fund had a net decrease of \$ 3,046,644 due to the issuance of limited tax notes in September 2016 and the issuance of certificate of obligation bonds in February 2016 and the expenditure of bond proceeds from Transportation Capital Improvement Program and the expenditure of bond proceeds from the Parks General Obligation bonds. In addition, the net decrease was also attributable to a decrease in the debt service fund of \$ 235,694 due to the use of fund balance for debt service. The Pass-Through Financing Project fund had a decrease in fund balance of \$ 177,418 related to the expenditure of the bond proceeds. There was an increase in fund balance in the general fund of \$ 192,515 and a decrease in the fund balance in the nonmajor governmental funds of \$ 456,470.
- At the end of the current fiscal year, assigned/unassigned fund balance for the general fund was \$ 26,031,125 or approximately 38.04% of total general fund expenditures.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2016

- The City's total net bonded debt increased by \$ 10,237,589 during the current fiscal year. This net increase was due to the issuance of 2016 Certificate of Obligation bonds in the amount of \$ 18,285,000 issued for the Transportation Capital Improvement Program and the issuance of the 2016 Limited Tax Notes issued for the purchase of five commercial sanitation trucks, building security upgrades, and major building improvements

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's discussion and analysis is intended to serve as an introduction to the City of Temple's basic financial statements. The City of Temple's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements - The government-wide financial statements are designed to provide readers with a broad overview of the City of Temple's finances, in a manner similar to private-sector business. The statement of net position presents information on all of the City of Temple's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Temple is improving or deteriorating. The statement of net position combines and consolidates governmental funds current financial resources (short-term spendable resources) with capital assets and long-term obligations. Other non-financial factors should also be taken into consideration, such as changes in the City's property tax base and the condition of the City's infrastructure (i.e. roads, drainage improvements, storm and sewer lines, etc.), to assess the overall health or financial condition of the City.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but not used vacation leave). Both the statement of net position and the statement of activities are prepared utilizing the accrual basis of accounting.

In the Statement of Net Position and the Statement of Activities, the City is divided into three kinds of activities:

- **Governmental activities** – Most of the City's basic services are reported here, including the police, fire, library, airport, streets, sanitation, culture and recreation, and general government. Property taxes, sales taxes and franchise fees finance most of these activities.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2016

- Business-type activities – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer system activity are reported here.
- Component units – The City includes two separate legal entities in its report – the Temple Economic Development Corporation and the Reinvestment Zone No. 1 (a tax incremental financing unit). Although legally separate, these "component units" are important because the City is financially accountable for them.

Reporting the City's Most Significant Funds

Fund Financial Statements - The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by the City's charter and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. The City's three kinds of funds – governmental, proprietary and fiduciary – utilize different accounting approaches.

- Governmental funds – The majority of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. By comparing information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements, readers may better understand the long-term impact of the government's near-term financing decisions. The relationships or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are detailed in a reconciliation following the fund financial statements.

The City of Temple maintains seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, capital projects fund and the pass-through financing project fund, all of which are considered to be major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2016

- Proprietary funds – The City of Temple maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government wide financial statements. The City uses an enterprise fund to account for its water and sewer utility.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer utility. The water and sewer utility is considered a major fund of the City.

- Fiduciary funds – fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting for fiduciary funds is much like that used for proprietary funds.

The City's fiduciary fund consists of the City of Temple Employee Benefits Trust which accounts for the activities of the trust to provide City officers, employees, qualified retirees, and their dependents with life, disability, dental, accident and other health related benefits through the purchase of insurance.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 71 through 132 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to the employees and the City's contributions related to the Temple Firefighters' Relief and Retirement Fund. Required supplementary information can be found on page 134 through 138 of this report.

THE CITY AS A WHOLE – Government-Wide Financial Analysis

The City's combined net position (assets exceeding liabilities) was \$ 153,583,842 as of September 30, 2016. The following tables focus on the net position (Table I) and general revenues and significant expenses of the City's governmental and business-type activities (Table II).

By far the largest portion of the City's net position (74.92%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment); less any related debt

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2016

used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table I
Summary of Statement of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 94,743,103	\$ 99,933,882	\$ 54,377,870	\$ 61,502,215	\$ 149,120,973	\$ 161,436,097
Capital assets	164,595,010	143,510,633	148,144,431	141,839,476	312,739,441	285,350,109
Total assets	259,338,113	243,444,515	202,522,301	203,341,691	461,860,414	446,786,206
Deferred outflows of resources	19,667,977	9,179,606	4,194,797	3,657,753	23,862,774	12,837,359
Long-term liabilities outstanding	220,698,727	191,229,683	97,249,149	101,262,699	317,947,876	292,492,382
Other liabilities	10,086,060	11,019,440	3,499,423	3,565,958	13,585,483	14,585,398
Total liabilities	230,784,787	202,249,123	100,748,572	104,828,657	331,533,359	307,077,780
Deferred inflows of resources	530,159	1,272,718	75,828	173,553	605,987	1,446,271
Net Position:						
Net investment in capital assets	43,934,442	40,996,292	71,123,596	69,469,800	115,058,038	110,466,092
Restricted	724,003	959,697	1,639,298	1,334,468	2,363,301	2,294,165
Unrestricted	3,032,699	7,146,291	33,129,804	31,192,966	36,162,503	38,339,257
Total net position	\$ 47,691,144	\$ 49,102,280	\$ 105,892,698	\$ 101,997,234	\$ 153,583,842	\$ 151,099,514

An additional portion of the City of Temple's net position (1.54%) represents resources that are subject to external restrictions on how they may be used. The balance of *unrestricted net position*, \$ 36,162,503, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Temple is able to report positive balances in all three categories of net position for the government as a whole.

There was an increase of \$ 3,895,464 in net position reported in connection with the City of Temple's business-type activities. The net increase is the result of an increase in operating revenues for FY 2016.

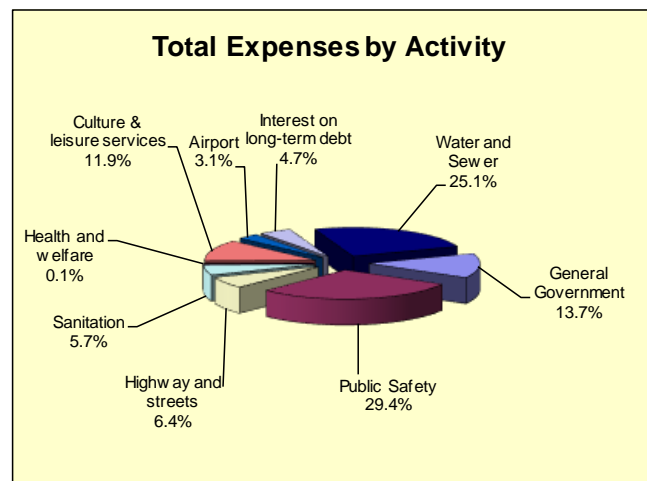
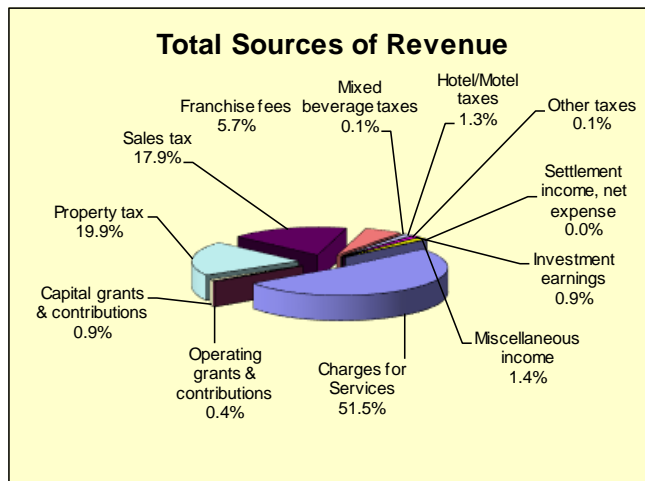
CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2016

Governmental and business-type activities increased the City's net position by \$ 2,484,328. The key elements of this increase are as follows:

Table II
Statement of Activities, Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$ 28,356,759	\$ 27,109,293	\$ 31,720,917	\$ 30,375,811	\$ 60,077,676	\$ 57,485,104
Operating grants and contributions	453,554	12,501,829	-	-	453,554	12,501,829
Capital grants and contributions	899,586	391,026	134,570	381,295	1,034,156	772,321
General revenues:						
Property tax	23,231,944	20,847,366	-	-	23,231,944	20,847,366
Sales tax	20,859,081	21,311,743	-	-	20,859,081	21,311,743
Franchise fees	6,712,490	6,780,354	-	-	6,712,490	6,780,354
Mixed beverage taxes	148,247	156,030	-	-	148,247	156,030
Hotel/Motel taxes	1,473,592	1,440,351	-	-	1,473,592	1,440,351
Other taxes	62,915	72,392	-	-	62,915	72,392
Investment earnings	398,306	156,778	689,095	353,239	1,087,401	510,017
Miscellaneous income	1,598,627	746,050	-	-	1,598,627	746,050
Total revenues	84,195,101	91,513,212	32,544,582	31,110,345	116,739,683	122,623,557
Expenses:						
General government	15,656,749	14,904,124	-	-	15,656,749	14,904,124
Public safety	33,628,711	29,912,951	-	-	33,628,711	29,912,951
Highway and streets	7,273,731	10,259,565	-	-	7,273,731	10,259,565
Sanitation	6,455,973	5,990,896	-	-	6,455,973	5,990,896
Health and welfare	149,961	112,058	-	-	149,961	112,058
Culture & leisure services	13,589,344	12,312,968	-	-	13,589,344	12,312,968
Airport	3,500,076	3,683,154	-	-	3,500,076	3,683,154
Interest on long-term debt	5,351,692	4,237,351	-	-	5,351,692	4,237,351
Water and sewer	-	-	28,649,118	26,081,271	28,649,118	26,081,271
Total expenses	85,606,237	81,413,067	28,649,118	26,081,271	114,255,355	107,494,338
Increase (decrease) in net position before transfers	(1,411,136)	10,100,145	3,895,464	5,029,074	2,484,328	15,129,219
Transfers	-	(2,267)	-	2,267	-	-
Increase (decrease) in net position	(1,411,136)	10,097,878	3,895,464	5,031,341	2,484,328	15,129,219
Net position - beginning, as restated	49,102,280	39,004,402	101,997,234	96,965,893	151,099,514	135,970,295
Net position - ending	\$ 47,691,144	\$ 49,102,280	\$ 105,892,698	\$ 101,997,234	\$ 153,583,842	\$ 151,099,514

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2016



For FY 2016, revenues from governmental activities totaled \$ 84,195,101. Property taxes and sales tax are the largest components of revenues (52.37%). Charges for services account for 33.68% of total governmental revenue.

For FY 2016, expenses for governmental activities totaled \$ 85,606,237. The City's five largest funded programs are for public safety, general government, highways and streets, sanitation, and culture and leisure services.

For governmental activities, the Statement of Activities on page 55 shows that \$ 28,356,759 was financed by those receiving services, \$ 453,554 from operating grants and contributions, \$ 899,586 from capital grants and contributions, with the City's general revenues financing \$ 54,485,202 of the remaining program expenses.

The debt service fund has a total fund balance of \$ 724,003, all of which is reserved for the payment of debt service. The decrease in fund balance during the current year in the debt service fund was attributable to the use of fund balance for debt service payments.

The capital projects fund has a total fund balance of \$ 40,774,514. The fund balance decreased by \$ 3,046,644 during the current fiscal year. This net decrease is due to the issuance of bonds and expenditure of the prior years' bond proceeds.

The pass-through financing project fund has a total fund balance of \$ 923,928. This major fund was new in FY 2012 and was derived from the issuance of pass-through agreement revenue & limited tax bonds. The majority of those bonds were spent during FY 2014. Remaining bond proceeds are expected to be spent during FY 2017.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2016

Business-type Activities

Revenues of the City's business-type activities were \$ 32,544,582 for the fiscal year ended September 30, 2016. Revenues increased approximately \$ 1,434,237 as compared to the prior fiscal year. Expenses for the City's business-type activities were \$ 28,649,118, an increase of \$ 2,567,846, or 9.85%, compared to the prior fiscal year. The increase in revenues is the net result of the increase in sales of effluent water and an increase in consumption. Water consumption increased 2.3% in FY 2016 compared to the prior fiscal year. Unrestricted net position of the water and sewer fund was \$ 33,129,804. The water and sewer fund unrestricted net position increased in the current fiscal year by \$ 1,936,838.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the FY 2016, the City had \$ 312,739,441 invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, bridges and water and sewer lines.

Table III
Capital Assets at Year-End
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Land	\$ 20,308,327	\$ 17,909,330	\$ 2,153,038	\$ 1,940,240	\$ 22,461,365	\$ 19,849,570
Construction in progress	19,047,378	14,077,352	15,895,973	15,334,058	34,943,351	29,411,410
Buildings	43,381,654	45,109,664	19,664,609	20,617,896	63,046,263	65,727,560
Infrastructure	62,964,860	50,188,854	107,296,056	100,336,030	170,260,916	150,524,884
Furniture & equipment	7,058,447	6,274,639	214,165	328,218	7,272,612	6,602,857
Machinery & equipment	11,834,344	9,950,794	2,920,590	3,283,034	14,754,934	13,233,828
	<u>\$ 164,595,010</u>	<u>\$ 143,510,633</u>	<u>\$ 148,144,431</u>	<u>\$ 141,839,476</u>	<u>\$ 312,739,441</u>	<u>\$ 285,350,109</u>

Major capital asset additions during the current fiscal year included the following:

- SH 317 Waterline Relocation 2305 to 439 - \$ 2,567,509
- Western Hills Roadway Improvements - \$ 7,045,698
- Water Line Replacement at Lamar from 7th to Nugent - \$ 725,198
- South 23rd Street Extension - \$ 672,211
- Outer Loop, Phase III - \$ 3,174,848
- Wastewater Line Replacement at Barton Avenue to French Avenue - \$ 774,070

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2016

- Rehabilitation of Airport and Range Road Tank - \$ 1,402,102
- Property Acquisition of Prairie View, Phase II - \$ 845,946
- Water Line Improvement for North Temple (Elm Creek) - \$ 735,034
- Northam Complex - \$ 652,887
- Legacy Pavement Preservation Overlay - \$ 5,328,971
- Traffic Signal Upgrade for South 1st Street @ West Avenue R - \$ 262,109
- Jefferson Park Equipment - \$295,722
- Replacement of 105 Public Safety Laptops - \$ 440,520

Additional information on the City of Temple's capital assets can be found in Note III on pages 90 through 92 of this report.

Debt

At year-end, the City had \$ 241,227,714 in bonds and notes payable outstanding as shown in Table IV.

Table IV
Outstanding Debt, at Year-End

	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ 70,300,000	\$ 75,420,000	\$ 36,760,000	\$ 39,000,000	\$ 107,060,000	\$ 114,420,000
Certificate of obligation	53,360,000	36,650,000	-	-	53,360,000	36,650,000
Contractual obligations	5,700,000	4,415,000	-	-	5,700,000	4,415,000
Revenue bonds	-	465,000	50,380,000	52,855,000	50,380,000	53,320,000
Pass-through revenue & limited tax bonds	24,580,000	24,700,000	-	-	24,580,000	24,700,000
Notes payable	147,714	195,819	-	-	147,714	195,819
Totals	\$ 154,087,714	\$ 141,845,819	\$ 87,140,000	\$ 91,855,000	\$ 241,227,714	\$ 233,700,819

The City of Temple maintains an "AA" rating from Standard & Poor's for general obligation debt and revenue bonds.

The City is permitted by State law and provisions of the City Charter to levy taxes up to \$ 1.20 per \$ 100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. The current ratio of tax-supported debt to assessed value of all taxable property is 4.95%.

Additional information on the City of Temple's long term debt can be found in Note III on pages 97 through 105 of this report.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2016

FINANCIAL ANALYSIS OF THE GOVERNMENT FUNDS

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

At the end of the current fiscal year, the City of Temple's governmental funds reported combined ending fund balances of \$ 72,836,275. Approximately 38.04% of this total amount, \$ 26,031,125, constitutes assigned/unassigned fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it is nonspendable for inventory and prepaid items \$ 463,545; has already been restricted 1) to pay for debt service, \$ 724,003; 2) to pay for drug enforcement, \$ 204,399; 3) to pay for library collection enhancement and other, \$ 874,506; 4) to pay for bond-funded construction projects, \$ 41,698,442; 5) to pay for museum expenditures \$ 11,775; 6) to pay for promotion of tourism \$ 1,338,791 or 7) committed to drainage in the amount of \$ 1,489,689.

In the general fund, the City budgeted for a decrease in the fund balance of \$ 6,244,445, which was primarily resulting from transfers of \$ 1,673,702 to capital project funds, debt service fund, and to the grant fund. An additional \$ 2,795,522 was to fund capital and economic development matrix incentives. This decrease was a reduction of excess fund balance to fund "pay as you go" capital projects and economic development matrix incentives. The actual fund balance increased for fiscal year 2016 by \$ 222,515. This increase was due to a net variance with the final adopted budget of \$ 6,466,960. This net increase was comprised of the following: sales tax for the City came in \$ 524,081 over the budgeted amount, franchise fees were \$ 173,541 over budget, charges for services were \$ 622,643 under budget, licenses and permits were \$ 367,957 over budget, property taxes were \$ 6,934 over budget, interest income was \$ 76,210 over budget, sale of assets were \$ 29,805 over budget, and fines were \$ 177,599 over budget. All other revenues netted together came in under budget in an amount of \$ 346,459. In addition, total expenditures in the General Fund came in \$ 5,305,372 under budget. Expenditures coming in under budget falls in line with our budgetary philosophy of "estimating expenditures high". Hiring lag was one reason that expenditures came in under budget. Other expenditures that came in under budget were electricity, fuel, Airport cost of goods sold, and golf course. Expenditures spread across all departments accounted for \$ 1,778,816 of expenditures that came in under budget.

Debt service fund balance decreased in 2016 by \$ 235,694 for an ending balance of \$ 724,003. The decrease in the debt service fund balance was attributable to the use of fund balance for debt payments. Capital projects fund balance had a net decrease in 2016 of \$ 3,046,644 due to the issuance of bonds and expenditure of prior bond proceeds. Pass-through financing project fund balance decreased by \$ 177,418 due to the expenditure of bond proceeds issued in 2012.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2016

Proprietary funds – The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer fund are \$ 33,129,804, an increase of \$ 1,936,838. The water and sewer fund unrestricted net position increase in the current fiscal year was due to increase resulted from the increase in revenues related to residential water sales and effluent water sales.

General Fund Budgetary Highlights – The City made revisions to the original appropriations approved by the City Council. Overall these changes resulted in an increase in budgeted expenditures from the original budget of 7.41% or \$ 5,088,609. A significant portion of the increase was due to increases in transfers out of \$ 528,513 to the capital projects fund, \$ 126,269 in transfers to the grant fund and \$ 77,650 in transfers to the bond programs.

During the year there was a \$ 4,356,177 increase in appropriations between the original operating budget and final amended budget. Following are the main components of the increase:

- \$ 1,578,350 increase in personnel services for various departments. Of this amount,
 - \$ 426,356 was re-appropriated from contingency (compensation) to the individual department personnel accounts to cover the 2% and 4% Performance Pay for all eligible employees, as well as, selected market adjustments during FY 2016.
 - \$ 738,000 was appropriated to the Police department's overtime accounts to fund outside assignments that are reimbursed by various entities.
 - \$ 115,000 supplemental funding for Fire to cover shortage in personnel services due to additional step-up pay.
 - \$ 224,500 supplemental funding in Special Services to cover the additional separation pay for General Fund employees in FY 2016.
- \$ 587,219 supplemental funding in operations to various departments within the General Fund for projects that were not completed in the previous year.
- \$ 1,711,241 supplemental funding in capital to various departments within the General Fund for projects that were not completed in the previous year.
- \$ 17,034 supplemental funding in economic development to fund additional amount needed for the FY 2016 "Operating Expense Component" and "Incentive Matrix Component" to TEDC.
- \$ 144,000 supplemental appropriation from Reinvestment Zone for the expenditures related to the Downtown Transformation Team.
- \$ 211,490 appropriation for producing the 2016 Bloomin' Temple Festival.
- \$ 32,800 appropriation of donation received from Temple Lions Club Parks and Charities for the expansion of Lions Junction Family Water Park Facility.
- \$ 54,123 appropriation for starting a third summer camp (Camp Harmony) in FY 2016.
- \$ 39,100 appropriation for the payment of a replacement housing supplement to the owner of 807 Henderson Street.
- \$ 118,613 supplemental funding for the Chapter 380 Agreement with Buc-ee's.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2016

The increase in expenditure appropriations was partially possible because of additional anticipated revenues. Increases in revenues were from an increase in various charges for services to cover increases in services provided (\$ 1,275,024), increase in insurance proceeds (\$ 128,563), and an increase in other income from various sources (\$ 236,099). The remaining increases in expenditure appropriations were funded with Assigned General Fund Balance.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City's elected and appointed officials considered many factors when setting the FY 2016 budget, tax rates and fees that will be charged for the business-type activities. One of those factors is the economy. The population growth experienced by the City has stimulated local business and development activity, and the community has placed additional demands on the City to maintain or enhance services provided to our citizens. Temple's greatest economic strength is the diversified employment base. The three largest job sectors are health and medical, distribution and manufacturing. It is anticipated that future growth for the region will focus on healthcare and small businesses. The City has one of the lowest unemployment rates at 3.58% as compared to the State of Texas, which is 4.55%. The reasonable costs of living and homes priced below the national average continue to make Temple an attractive area for new business locations and re-locations. The City continues to attract new and existing companies due to the strategy of working diligently with corporations on relocation incentives.

These indicators are taken into account when adopting the General Fund budget for fiscal year 2017. The total 2016-2017 combined budget appropriation totals \$ 122,901,891 for six operating funds.

The 2016-2017 General Fund Budget of \$ 70,472,396 represents a 2.53% increase or \$ 1,742,180 from the adopted 2015-2016 budget. With regard to the FY 2016-2017 budget, the general priorities in the O&M area are as follows:

1. Serving our community;
2. Improving our infrastructure;
3. Expanding the tax base; and
4. Growing the health and bioscience industries.

These were the general priorities and parameters used in the development of the FY 2015-2016 budget. As always, the preparation of the budget must also take into consideration our ability to pay for the programs and services that were proposed.

Overall, the City Council has been presented with a budget that requires \$ 2,981,218 from fund balance to assist in the funding of \$ 2,359,218 in capital outlay, \$ 522,000 for TEDC Matrix allocation, and \$ 100,000 for Strategic Investment Corridor (SIZ) to be funded with Assigned Fund Balance – Capital Projects. The budget assesses a tax rate of \$ 0.6572 per \$ 100 valuation, and increase of \$ 0.0274 compared to last year's actual rate of \$ 0.6298 per \$ 100.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2016

The budget recognizes increases in sales tax, solid waste charges for services, culture & recreation charges for services, and licenses and permits.

The General Fund's largest revenue source in FY 2015-2016 is charges for services. For the fiscal year ending 2014-2015, the General Fund's largest revenue source was also charges for services.

As a cost of service for the Enterprise Fund, Water & Wastewater rates must be sufficiently set to pay the total operations and maintenance, debt and depreciation, and meet bond covenant coverage requirements. During FY 2012, staff engaged the services of a consultant to develop a five-year cost of service study. One of the key elements of the study was to develop the revenue requirement for a five-year capital improvement program to construction, replace or rehab numerous components in the City of Temple distribution and collection systems, address additional staffing needs for the operations and maintenance of the water treatment plant, and other operations and maintenance cost of the system.

Multiple scenarios were considered. The rate proposal chosen includes all of the rate adjustment in FY 2013 which achieves the lowest rate at the end of the five-year period. The rate schedule adjusts the minimum bill by meter size in proportion to the ability of the meter to demand water from the system. There are no additional rate increases reflected in the FY 2016 and FY 2017 budget.

Over the past years, the City has faced demands from Federal/State regulators to develop a more aggressive schedule of system improvements. Combined with the demands from regulatory agencies and the line relocations associated with TxDOT projects, the City has developed a revised Capital Improvement Program.

The water and wastewater rate structure implemented in FY 2013 meets the estimated revenue requirement through FY 2017. An updated water and wastewater rate structure is currently underway to set the rates for FY 2018 through FY 2022. The FY 2017 budget of \$ 34,029,828, an increase of 1.68% compared with the prior year. Cost drivers for this increase include cash capital outlays and debt service associated with the water and sewer capital improvement plan. The capital improvements include the allocation of \$ 35,000,000 to continue the long-term replacement program of water and sewer infrastructure and equipment needs. The table below reflects the capital improvement plan over the next year.

	2015/2016	2017	Total
Water	\$ 16,784,195	\$ 11,300,000	\$ 28,084,195
Wastewater	9,715,805	23,700,000	33,415,805
Total	\$ 26,500,000	\$ 35,000,000	\$ 61,500,000

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2016

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional information, contact the Director of Finance, at City of Temple, 2 North Main, Suite 302, Temple, TX 76501.

Basic Financial Statements

CITY OF TEMPLE, TEXAS
STATEMENT OF NET POSITION
September 30, 2016

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Reinvestment Zone No. 1	Temple Economic Development Corporation
ASSETS					
Cash	\$ 10,300	\$ 4,687	\$ 14,987	\$ -	\$ 2,379,447
Investments	77,681,183	31,261,359	108,942,542	20,329,562	-
Property taxes, net of allowance for uncollectibles	431,909	-	431,909	74,178	-
Receivables, net of allowance for uncollectibles	3,216,211	1,762,887	4,979,098	55,722	186,753
Due from other governments	12,216,944	-	12,216,944	-	-
Inventories	312,035	352,634	664,669	-	-
Prepays	151,510	208,089	359,599	-	-
Other assets	18,561	-	18,561	-	-
Restricted assets:					
Permanently restricted:					
Cash and investments	704,450	20,788,214	21,492,664	8,620,941	2,794,260
Land held for investment	-	-	-	-	4,553,709
Capital assets not being depreciated:					
Land	20,308,327	2,153,038	22,461,365	12,001,956	-
Construction in progress	19,047,378	15,895,973	34,943,351	12,962,025	72,788
Capital assets, net of accumulated depreciation:					
Buildings	43,381,654	19,664,609	63,046,263	528,836	353,816
Infrastructure	62,964,860	107,296,056	170,260,916	48,723,646	-
Furniture and equipment	7,058,447	214,165	7,272,612	-	32,444
Machinery and equipment	11,834,344	2,920,590	14,754,934	17,498	-
Total assets	<u>259,338,113</u>	<u>202,522,301</u>	<u>461,860,414</u>	<u>103,314,364</u>	<u>10,373,217</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amounts on refunding	3,426,576	2,740,548	6,167,124	246,500	-
Deferred amounts of contributions	4,510,638	422,517	4,933,155	-	-
Deferred amount of investment experience, net	11,730,763	1,031,732	12,762,495	-	-
Total deferred outflows of resources	<u>19,667,977</u>	<u>4,194,797</u>	<u>23,862,774</u>	<u>246,500</u>	<u>-</u>
LIABILITIES					
Vouchers and contracts payable	4,387,675	1,658,920	6,046,595	1,034,676	230,110
Retainage payable	958,654	366,163	1,324,817	132,899	-
Accrued payroll	1,368,254	122,424	1,490,678	-	-
Deposits	109,798	711,585	821,383	-	-
Unearned revenues	2,310,899	70,641	2,381,540	-	-
Accrued interest payable	950,780	569,690	1,520,470	285,935	-
Noncurrent liabilities:					
Due within one year	10,534,109	5,157,224	15,691,333	4,108,555	61,012
Due in more than one year	210,164,618	92,091,925	302,256,543	41,245,610	98,505
Total liabilities	<u>230,784,787</u>	<u>100,748,572</u>	<u>331,533,359</u>	<u>46,807,675</u>	<u>389,627</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred amounts on expected and actual experience, net	530,159	75,828	605,987	-	-
Total deferred inflows of resources	<u>530,159</u>	<u>75,828</u>	<u>605,987</u>	<u>-</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	43,934,442	71,123,596	115,058,038	37,433,804	459,048
Restricted for:					
Debt service	724,003	1,639,298	2,363,301	-	-
Economic development incentives	-	-	-	-	2,612,376
Unrestricted	3,032,699	33,129,804	36,162,503	19,319,385	6,912,166
Total net position	<u>\$ 47,691,144</u>	<u>\$ 105,892,698</u>	<u>\$ 153,583,842</u>	<u>\$ 56,753,189</u>	<u>\$ 9,983,590</u>

The notes to the financial statements are an integral part of this statement.

CITY OF TEMPLE, TEXAS
STATEMENT OF ACTIVITIES
For the year ended September 30, 2016

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-type Activities	Total	Reinvestment Zone No. 1	Temple EDC
Primary government:									
Governmental activities:									
General government	\$ 15,656,749	\$ 4,189,072	\$ 34,126	\$ -	\$ (11,433,551)	\$ -	\$ (11,433,551)	\$ -	\$ -
Public safety	33,628,711	4,778,461	132,622	-	(28,717,628)	-	(28,717,628)	-	-
Highways and streets	7,273,731	1,425,168	8,352	685,038	(5,155,173)	-	(5,155,173)	-	-
Sanitation	6,455,973	11,764,582	-	135,975	5,444,584	-	5,444,584	-	-
Health and welfare	149,961	-	83,828	28,573	(37,560)	-	(37,560)	-	-
Culture and leisure services	13,589,344	4,025,396	144,666	-	(9,419,282)	-	(9,419,282)	-	-
Airport	3,500,076	2,174,080	49,960	50,000	(1,226,036)	-	(1,226,036)	-	-
Interest on long-term debt	5,351,692	-	-	-	(5,351,692)	-	(5,351,692)	-	-
Total governmental activities	85,606,237	28,356,759	453,554	899,586	(55,896,338)	-	(55,896,338)	-	-
Business-type activities:									
Water and sewer	28,649,118	31,720,917	-	134,570	-	3,206,369	3,206,369	-	-
Total business-type activities	28,649,118	31,720,917	-	134,570	-	3,206,369	3,206,369	-	-
Total primary government	\$ 114,255,355	\$ 60,077,676	\$ 453,554	\$ 1,034,156	(55,896,338)	3,206,369	(52,689,969)	-	-
Component units:									
Reinvestment Zone No. 1	\$ 5,280,311	\$ 78,277	\$ -	\$ -	-	-	-	(5,202,034)	-
Temple Economic Development Corporation	1,865,079	-	2,361,837	-	-	-	-	-	496,758
Total component units	\$ 7,145,390	\$ 78,277	\$ 2,361,837	\$ -	-	-	-	(5,202,034)	496,758
General Revenues:									
Property taxes					23,231,944	-	23,231,944	23,495,743	-
Sales taxes					20,859,081	-	20,859,081	-	-
Franchise fees					6,712,490	-	6,712,490	-	-
Mixed beverage taxes					148,247	-	148,247	-	-
Hotel/Motel taxes					1,473,592	-	1,473,592	-	-
Other taxes					62,915	-	62,915	-	-
Investment income					398,306	689,095	1,087,401	113,767	6,694
Miscellaneous income					1,598,627	-	1,598,627	743,456	-
Total general revenues					54,485,202	689,095	55,174,297	24,352,966	6,694
Change in net position					(1,411,136)	3,895,464	2,484,328	19,150,932	503,452
Net position-beginning, as restated					49,102,280	101,997,234	151,099,514	37,602,257	9,480,138
Net position-ending					\$ 47,691,144	\$ 105,892,698	\$ 153,583,842	\$ 56,753,189	\$ 9,983,590

The notes to the financial statements are an integral part of this statement.

CITY OF TEMPLE, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2016

	General	Debt Service	Capital Projects	Pass-Through Financing Project	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash	\$ 5,700	\$ -	\$ -	\$ -	\$ 4,600	\$ 10,300
Investments	30,257,390	713,187	42,541,447	1,322,101	2,847,058	77,681,183
Property taxes, net	212,012	219,897	-	-	-	431,909
Other receivables, net	2,974,059	-	-	-	242,152	3,216,211
Due from other funds	275,398	-	-	-	-	275,398
Due from other governments	84,509	11,732,169	-	-	400,266	12,216,944
Inventories, at cost	298,160	-	-	-	13,875	312,035
Prepaid items	143,581	-	-	-	7,929	151,510
Restricted cash and investments	704,450	-	-	-	-	704,450
Museum collection	-	-	-	-	18,561	18,561
Total assets	<u>\$ 34,955,259</u>	<u>\$ 12,665,253</u>	<u>\$ 42,541,447</u>	<u>\$ 1,322,101</u>	<u>\$ 3,534,441</u>	<u>\$ 95,018,501</u>
LIABILITIES AND FUND BALANCES						
Vouchers and contracts payable	\$ 2,939,659	\$ 384	\$ 1,210,962	\$ -	\$ 236,670	\$ 4,387,675
Retainage payable	4,986	-	552,330	398,173	3,165	958,654
Accrued payroll	1,318,957	-	3,641	-	45,656	1,368,254
Vacation and sick leave payable	614,186	-	-	-	32,070	646,256
Deposits and refundable contracts	47,351	-	-	-	62,447	109,798
Due to other funds	-	-	-	-	275,398	275,398
Unearned revenues	2,478,349	11,940,866	-	-	16,976	14,436,191
Total liabilities	<u>7,403,488</u>	<u>11,941,250</u>	<u>1,766,933</u>	<u>398,173</u>	<u>672,382</u>	<u>22,182,226</u>
Fund Balances:						
Nonspendable:						
Inventories and prepaid items	441,741	-	-	-	21,804	463,545
Restricted for:						
Debt service	-	724,003	-	-	-	724,003
Drug enforcement	204,399	-	-	-	-	204,399
Library and other	874,506	-	-	-	-	874,506
Construction	-	-	40,774,514	923,928	-	41,698,442
Museum	-	-	-	-	11,775	11,775
Promotion of tourism	-	-	-	-	1,338,791	1,338,791
Committed to:						
Drainage	-	-	-	-	1,489,689	1,489,689
Assigned to:						
Capital technology acquisition-General Fund	379,099	-	-	-	-	379,099
Capital projects-General Fund	5,061,813	-	-	-	-	5,061,813
Purchases on order	1,429,303	-	-	-	-	1,429,303
Unassigned	19,160,910	-	-	-	-	19,160,910
Total fund balances	<u>27,551,771</u>	<u>724,003</u>	<u>40,774,514</u>	<u>923,928</u>	<u>2,862,059</u>	<u>72,836,275</u>
Total liabilities and fund balances	<u>\$ 34,955,259</u>	<u>\$ 12,665,253</u>	<u>\$ 42,541,447</u>	<u>\$ 1,322,101</u>	<u>\$ 3,534,441</u>	<u>\$ 95,018,501</u>

The notes to the financial statements are an integral part of this statement.

CITY OF TEMPLE, TEXAS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
September 30, 2016

Total fund balances-governmental funds \$ 72,836,275

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	\$ 20,308,327	
Construction in progress	19,047,378	
Buildings	78,236,650	
Infrastructure	151,435,790	
Furniture and equipment	25,173,007	
Machinery and equipment	33,874,928	
Accumulated depreciation	(163,481,070)	
Total capital assets	<u>\$ 164,595,010</u>	164,595,010

Deferred outflows of resources represent the consumption of net position that applies to future periods and will not be recognized as an expense until then:

Deferred amounts on refunding	3,426,576
Deferred amounts of contributions	4,510,638
Deferred amounts of investment experience	11,730,763

Some revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year end. On the accrual basis, however, those revenues would be recognized of when they are collected.

Maintenance & operations taxes not collected	\$ 184,426	
Interest & sinking fund taxes not collected	208,697	
Pass-through toll agreement	11,732,169	
Total deferred revenue reclassified	<u>\$ 12,125,292</u>	12,125,292

Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds balance sheet. (950,780)

Some long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Due within one year	\$ 9,887,853	
Long-term debt, including premium/discount	210,164,618	
Total long-term liabilities	<u>\$ 220,052,471</u>	(220,052,471)

Deferred inflow of resources represent an acquisition of net position that applies to future periods and so will not be recognized as revenue until then:

Deferred amounts on expected and actual experience	<u>(530,159)</u>
--	------------------

Net position of governmental activities \$ 47,691,144

The notes to the financial statements are an integral part of this statement.

CITY OF TEMPLE, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended September 30, 2016

	General	Debt Service	Capital Projects	Pass-Through Financing Project	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 33,989,898	\$ 10,336,786	\$ -	\$ -	\$ 1,473,592	\$ 45,800,276
Franchise fees	6,712,490	-	-	-	-	6,712,490
Licenses and permits	961,527	-	-	-	-	961,527
Intergovernmental	112,862	1,339,427	-	-	711,241	2,163,530
Drainage fees	-	-	-	-	1,157,851	1,157,851
Charges for services	23,183,784	-	-	-	523,522	23,707,306
Fines	2,173,835	-	-	-	-	2,173,835
Interest and other	1,519,927	154,981	180,514	3,604	223,496	2,082,522
Total revenues	<u>68,654,323</u>	<u>11,831,194</u>	<u>180,514</u>	<u>3,604</u>	<u>4,089,702</u>	<u>84,759,337</u>
Expenditures:						
Current:						
General government	14,605,188	-	647,192	-	34,127	15,286,507
Public safety	30,639,068	-	1,951,625	-	89,492	32,680,185
Highways and streets	3,244,888	-	16,897,387	181,022	2,083,920	22,407,217
Sanitation	5,869,985	-	1,404,119	-	105,975	7,380,079
Health and welfare	-	-	-	-	83,828	83,828
Culture and leisure services	10,178,215	-	5,816,208	-	2,140,784	18,135,207
Airport	2,247,236	-	-	-	99,960	2,347,196
Debt service:						
Principal retirement	48,106	7,625,000	-	-	-	7,673,106
Interest and fiscal charges	7,065	5,475,502	115,707	-	-	5,598,274
Total expenditures	<u>66,839,751</u>	<u>13,100,502</u>	<u>26,832,238</u>	<u>181,022</u>	<u>4,638,086</u>	<u>111,591,599</u>
Excess (deficiency) of revenues over expenditures	<u>1,814,572</u>	<u>(1,269,308)</u>	<u>(26,651,724)</u>	<u>(177,418)</u>	<u>(548,384)</u>	<u>(26,832,262)</u>
Other financing sources (uses):						
Transfers in	-	941,270	578,073	-	91,914	1,611,257
Transfers out	(1,592,057)	-	(19,200)	-	-	(1,611,257)
Issuance of loans and bonds	-	-	20,235,000	-	-	20,235,000
Refunding bonds issued	-	9,500,000	-	-	-	9,500,000
Discount on bond issuance	-	(58,705)	(117,533)	-	-	(176,238)
Original issue premium	-	1,229,850	2,928,740	-	-	4,158,590
Payment to refunded bond escrow agent	-	(10,578,801)	-	-	-	(10,578,801)
Total other financing sources (uses)	<u>(1,592,057)</u>	<u>1,033,614</u>	<u>23,605,080</u>	<u>-</u>	<u>91,914</u>	<u>23,138,551</u>
Net change in fund balances	222,515	(235,694)	(3,046,644)	(177,418)	(456,470)	(3,693,711)
Fund balances, beginning of year	27,329,256	959,697	43,821,158	1,101,346	3,318,529	76,529,986
Fund balances, end of year	<u>\$ 27,551,771</u>	<u>\$ 724,003</u>	<u>\$ 40,774,514</u>	<u>\$ 923,928</u>	<u>\$ 2,862,059</u>	<u>\$ 72,836,275</u>

The notes to the financial statements are an integral part of this statement.

CITY OF TEMPLE, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the year ended September 30, 2016

Net change in fund balances-total governmental funds \$ (3,693,711)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay expenditures	\$ 31,519,203	
Depreciation expense	(10,170,242)	
Net adjustment	<u>\$ 21,348,961</u>	21,348,961

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, disposals and donations) is to increase net position. (264,584)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This adjustment is to recognize the net change in "unavailable" revenues. Under the modified accrual basis of accounting, revenues are not recognized unless they are deemed "available" to finance the expenditures of the current period; accrual- basis recognition is not limited to availability, so certain revenues need to be reduced by the amounts that were unavailable at the beginning of the year and increased by the amounts that were unavailable at the end of the year. (305,327)

The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of general obligation bonds	\$ (29,735,000)	
Discount/(premium) on issuance	(3,982,352)	
To bondholders	7,633,105	
Payment to escrow agent for refunding	9,860,000	
Increase in deferred amount on refunding	758,801	
Amortization of bond premiums/discounts	880,405	
Amortization of bond refunding amounts	(336,690)	
Net adjustment	<u>\$ (14,921,731)</u>	(14,921,731)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Increase in compensated absences liability	\$ (412,947)	
Increase in other post-employment benefits liability	(145,553)	
Total adjustment	<u>\$ (558,500)</u>	(558,500)

Governmental funds report contributions to the pension plan as expenditures. However, in the Statement of Activities, pension expense is determined by an actuary as of the measurement period.

Increase in net pension liability	\$ (13,527,930)	
Deferred experience losses, net	10,050,590	
Decrease in deferred assumption gains	742,559	
Increase in deferred pension contributions	15,670	
	<u>\$ (2,719,111)</u>	(2,719,111)

Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net position, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds. This amount is the change in accrued interest. (297,133)

Change in net position of governmental activities \$ (1,411,136)

The notes to the financial statements are an integral part of this statement.



CITY OF TEMPLE, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the year ended September 30, 2016

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 33,467,720	\$ 33,467,720	\$ 33,989,898	\$ 522,178
Franchise fees	6,538,949	6,538,949	6,712,490	173,541
Licenses and permits	593,570	593,570	961,527	367,957
Intergovernmental	98,340	88,602	112,862	24,260
Charges for services	22,531,403	23,806,427	23,183,784	(622,643)
Fines	1,950,813	1,996,236	2,173,835	177,599
Interest and other	753,899	1,082,876	1,519,927	437,051
Total revenues	65,934,694	67,574,380	68,654,323	1,079,943
Expenditures:				
Current:				
General government:				
City council	209,179	209,210	138,860	70,350
City manager	948,838	1,036,320	754,204	282,116
Assistant city manager	235,485	253,072	241,983	11,089
General services	274,047	308,158	246,856	61,302
Finance	1,464,071	1,496,898	1,450,413	46,485
Purchasing	377,868	385,850	363,070	22,780
City secretary	413,271	464,056	374,706	89,350
Special services	1,297,580	1,438,045	1,186,220	251,825
Legal	803,105	826,389	815,132	11,257
City planning	631,883	648,954	565,655	83,299
Information technology services	2,582,632	2,945,094	2,709,799	235,295
Human resources	837,535	870,690	750,616	120,074
Economic development	2,158,461	2,284,300	2,263,800	20,500
Fleet services	1,103,300	1,164,022	1,012,353	151,669
Inspections	464,890	486,296	480,504	5,792
Facility services	1,395,174	1,559,244	1,251,017	308,227
Total general government	15,197,319	16,376,598	14,605,188	1,771,410
Public safety:				
Municipal court	721,161	753,683	710,570	43,113
Police	15,888,031	17,106,208	16,504,807	601,401
Animal control	476,309	502,596	444,655	57,941
Fire	11,532,611	11,699,230	11,532,123	167,107
Communications	843,748	843,748	843,748	-
Code Enforcement	582,041	676,597	603,165	73,432
Total public safety	30,043,901	31,582,062	30,639,068	942,994
Highways and streets:				
Street	2,679,050	2,693,915	2,319,773	374,142
Traffic signals	407,302	471,938	433,117	38,821
Engineering	561,186	570,777	491,998	78,779
Totals highways and streets	3,647,538	3,736,630	3,244,888	491,742
Sanitation:	5,418,447	6,029,753	5,869,985	159,768
Parks & Recreation:				
Parks	3,436,705	3,870,422	3,351,251	519,171
Recreation	3,299,015	3,757,059	3,441,385	315,674
Administration	538,547	546,807	534,294	12,513
Golf course	1,383,552	1,448,825	1,206,038	242,787
Education	1,697,680	1,746,505	1,645,247	101,258
Total parks & recreation	10,355,499	11,369,618	10,178,215	1,191,403
Airport:	3,071,071	2,995,291	2,247,236	748,055
Debt service:				
Principal	48,106	48,106	48,106	-
Interest	7,065	7,065	7,065	-
Total debt service	55,171	55,171	55,171	-
Total expenditures	67,788,946	72,145,123	66,839,751	5,305,372
Excess (deficiency) of revenues over expenditures	(1,854,252)	(4,570,743)	1,814,572	6,385,315
Other financing sources (uses):				
Transfers out	(941,270)	(1,673,702)	(1,592,057)	81,645
Total other financing sources (uses)	(941,270)	(1,673,702)	(1,592,057)	81,645
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(2,795,522)	(6,244,445)	222,515	6,466,960
Fund balance, beginning of period	27,329,256	27,329,256	27,329,256	-
Fund balance, end of period	\$ 24,533,734	\$ 21,084,811	\$ 27,551,771	\$ 6,466,960

The notes to the financial statements are an integral part of this statement.



CITY OF TEMPLE, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PASS-THROUGH FINANCING PROJECT FUND
For the year ended September 30, 2016

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Interest and other	\$ -	\$ -	\$ 3,604	\$ 3,604
Total revenues	-	-	3,604	3,604
Expenditures:				
Highways and streets:	1,100,857	1,100,857	181,022	919,835
Total expenditures	1,100,857	1,100,857	181,022	919,835
Excess (deficiency) of revenues over expenditures	(1,100,857)	(1,100,857)	(177,418)	923,439
Fund balance, beginning of year	1,101,346	1,101,346	1,101,346	-
Fund balance, end of year	\$ 489	\$ 489	\$ 923,928	\$ 923,439

The notes to the financial statements are an integral part of this statement.

CITY OF TEMPLE, TEXAS
STATEMENT OF FUND NET POSITION
PROPRIETARY FUND
September 30, 2016
(With comparative amounts for September 30, 2015)

Business-type Activities-Enterprise Fund

	Water and Sewer	
	2016	2015
ASSETS		
Current assets:		
Cash	\$ 4,687	\$ 5,820
Investments	31,261,359	29,856,070
Restricted cash and investments:		
Revenue bond debt service	1,639,298	1,334,468
Customer deposits	711,585	673,924
Construction account	18,437,331	27,158,021
Customer receivables	1,406,210	1,643,184
Accounts receivable	356,677	323,812
Inventories	352,634	308,986
Prepaid items	208,089	197,930
Total current assets	<u>54,377,870</u>	<u>61,502,215</u>
Noncurrent assets:		
Capital assets:		
Land	2,153,038	1,940,240
Buildings	47,926,285	47,894,344
Improvements other than buildings	180,023,798	168,418,379
Machinery, furniture, and equipment	9,662,695	9,521,016
	<u>239,765,816</u>	<u>227,773,979</u>
Less accumulated depreciation	(107,517,358)	(101,268,561)
Construction in progress	15,895,973	15,334,058
Total capital assets (net of accumulated depreciation)	<u>148,144,431</u>	<u>141,839,476</u>
Total noncurrent assets	<u>148,144,431</u>	<u>141,839,476</u>
Total assets	<u>202,522,301</u>	<u>203,341,691</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts on refunding	2,740,548	3,061,405
Deferred amounts of contributions	422,517	430,622
Deferred amounts of investment experience, net	1,031,732	165,726
Total outflows of resources	<u>4,194,797</u>	<u>3,657,753</u>

Business-type Activities-Enterprise Fund

	Water and Sewer	
	2016	2015
LIABILITIES		
Current liabilities:		
Vouchers and contracts payable	\$ 1,658,920	\$ 2,117,976
Retainage payables	366,163	213,954
Accrued payroll	122,424	96,201
Unearned revenues	70,641	70,641
Customer deposits	711,585	673,924
Accrued interest - revenue bonds	569,690	393,262
Current maturities of long-term liabilities	<u>5,157,224</u>	<u>5,226,974</u>
Total current liabilities	<u>8,656,647</u>	<u>8,792,932</u>
Noncurrent liabilities:		
Revenue bonds payable	87,183,453	92,292,424
Compensated absences payable	353,853	388,688
Other postemployment benefits payable	677,293	619,388
Net pension liability	<u>3,877,326</u>	<u>2,735,225</u>
Total noncurrent liabilities	<u>92,091,925</u>	<u>96,035,725</u>
Total liabilities	<u>100,748,572</u>	<u>104,828,657</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts on expected and actual experience, net	<u>75,828</u>	<u>173,553</u>
Total inflows of resources	<u>75,828</u>	<u>173,553</u>
NET POSITION		
Net investment in capital assets	71,123,596	69,469,800
Restricted for:		
Debt service	1,639,298	1,334,468
Unrestricted	<u>33,129,804</u>	<u>31,192,966</u>
Total net position	<u>\$ 105,892,698</u>	<u>\$ 101,997,234</u>

The notes to the financial statements are an integral part of this statement.



CITY OF TEMPLE, TEXAS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND

For the year ended September 30, 2016

(With comparative amounts for the year ended September 30, 2015)

Business-type Activities-Enterprise Fund		
	Water and Sewer	
	2016	2015
Operating revenues:		
Charges for sales and services:		
Water service	\$ 17,827,215	\$ 16,998,755
Sewer service	11,875,697	11,245,340
Other	2,018,005	2,131,716
Total operating revenues	<u>31,720,917</u>	<u>30,375,811</u>
Operating expenses:		
Personnel services	4,785,592	4,405,792
Supplies	1,542,173	1,454,823
Repairs and maintenance	994,685	1,136,329
Depreciation	6,398,506	6,065,845
Other services and charges	11,798,139	11,127,914
Total operating expenses	<u>25,519,095</u>	<u>24,190,703</u>
Operating income	<u>6,201,822</u>	<u>6,185,108</u>
Nonoperating revenues (expenses):		
Interest income	689,095	353,240
Interest expense	(3,130,023)	(1,890,569)
Total nonoperating revenues (expenses)	<u>(2,440,928)</u>	<u>(1,537,329)</u>
Income before transfers and contributions	3,760,894	4,647,779
Contributions-TxDot	79,758	381,295
Contributed Capital	54,812	-
Transfer in-Health Insurance Fund	<u>-</u>	<u>2,267</u>
Change in net position	3,895,464	5,031,341
Total net position - beginning	<u>101,997,234</u>	<u>96,965,893</u>
Total net position - ending	<u><u>\$105,892,698</u></u>	<u><u>\$101,997,234</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF TEMPLE, TEXAS
STATEMENT OF CASH FLOWS -
PROPRIETARY FUND

For the year ended September 30, 2016

(With comparative amounts for the year ended September 30, 2015)

Business-type Activities-Enterprise Fund		
	Water and Sewer	
	2016	2015
Cash flows from operating activities:		
Cash received from customers	\$ 31,995,552	\$ 30,166,702
Cash paid to suppliers	(9,585,906)	(9,047,712)
Cash paid to employees	(4,765,584)	(4,521,005)
Cash paid to other funds for administration, franchise fees and data processing	(5,294,819)	(5,225,284)
Net cash provided by operating activities	12,349,243	11,372,701
Cash flows from noncapital financing activities:		
Transfers from other funds	-	2,267
Net cash provided by noncapital financing activities	-	2,267
Cash flows from capital and related financing activities:		
Capital expenses	(12,327,016)	(13,567,899)
Capital contributions	54,812	-
Interest paid on debt	(3,090,706)	(2,014,843)
Debt principal payments	(4,715,000)	(3,450,000)
Proceeds from other governmental entities	65,529	130,190
Proceeds from debt issuance	-	26,896,684
Net cash provided (used) by capital and related financing activities	(20,012,381)	7,994,132
Cash flows from investing activities:		
Interest received on investments	689,095	353,240
Net cash provided by investing activities	689,095	353,240
Net change in cash and cash equivalents	(6,974,043)	19,722,340
Cash and cash equivalents, beginning of year	59,028,303	39,305,963
Cash and cash equivalents, end of year	<u>\$ 52,054,260</u>	<u>\$ 59,028,303</u>

(Continued)

CITY OF TEMPLE, TEXAS
STATEMENT OF CASH FLOWS -
PROPRIETARY FUND

(Continued)

For the year ended September 30, 2016

(With comparative amounts for the year ended September 30, 2015)

Business-type Activities-Enterprise Fund		
	Water and Sewer	
	2016	2015
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 6,201,822	\$ 6,185,108
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	6,398,506	6,065,845
Change in assets, deferred outflows of resources, liabilities and deferred inflows of resources:		
Change in accounts receivable	204,109	208,950
Change in inventory	(43,648)	17,341
Change in prepaids	(10,159)	(4,965)
Change in vouchers payable	(459,056)	(1,012,140)
Change in accrued liabilities	26,223	(119,596)
Change in opeb liability	57,905	69,856
Change in net pension liability	(29,285)	(106,409)
Change in customer deposits	37,661	27,775
Change in accrued vacation and sick leave	(34,835)	40,936
Total adjustments	6,147,421	5,187,593
Net cash provided by operating activities	<u>\$ 12,349,243</u>	<u>\$ 11,372,701</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS FROM STATEMENT OF CASH FLOWS TO STATEMENT OF NET POSITION		
Cash	\$ 4,687	\$ 5,820
Investments	31,261,359	29,856,070
Restricted assets - debt service, and bond proceeds:		
Cash and investments	20,788,214	29,166,413
Total cash and cash equivalents	<u>\$ 52,054,260</u>	<u>\$ 59,028,303</u>

During the fiscal years ended September 30, 2016, and 2015, the estimated value of water and sewer infrastructure contributed by developers was \$ 0 and \$ 0, respectively.

The notes to the financial statements are an integral part of this statement.



CITY OF TEMPLE, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
September 30, 2016

	City of Temple Employee Benefits Trust
ASSETS	
Cash and cash equivalents	\$ 453,721
Total assets	<u>453,721</u>
LIABILITIES	
Vouchers payable	<u>453,721</u>
Total liabilities	<u>453,721</u>
NET POSITION	
Held in trust for benefits and other purposes	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

CITY OF TEMPLE, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
For the year ended September 30, 2016

	<u>City of Temple Employee Benefits Trust</u>
Additions:	
Contributions:	
Employer	\$ 3,224,514
Employee	1,632,528
Retiree	<u>539,486</u>
Total contributions	<u>5,396,528</u>
Total additions	<u>5,396,528</u>
 Deductions:	
Benefits	<u>5,396,528</u>
Total deductions	<u>5,396,528</u>
 Change in net position	-
 Net position held in trust for benefits and other purposes	
Beginning of year	-
End of year	<u><u>\$ -</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. FINANCIAL REPORTING MODEL AND ENTITY

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. This statement, known as the "Reporting Model" statement, affects the way the City prepares and presents financial information. State and local governments traditionally have used a financial reporting model substantially different from the one used to prepare private-sector financial reports.

GASB Statement No. 34 established new requirements and a new reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions and includes:

Management's Discussion and Analysis - GASB Statement No. 34 requires that financial statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of a "management's discussion and analysis" (MD&A). This analysis is similar to the analysis the private sector provides in their annual reports.

Government-Wide Financial Statements - The reporting model includes financial statements prepared using full accrual accounting for all of the government's activities. Government-wide financial statements do not provide information by fund or account group, but distinguish between the City's governmental activities, business-type activities and activities of its discretely presented component units on the statement of net position and statement of activities. Significantly, the City's statement of net position includes both noncurrent assets and noncurrent liabilities of the City, which were previously recorded in the General Fixed Assets Account Group and the General Long-Term Obligations Account Group (such as building and infrastructure, including bridges and roads, and general obligation debt). Accrual accounting also reports all of the revenues and cost of providing services each year, not just those received or paid in the current year or soon thereafter.

In addition, the government-wide statement of activities reflects depreciation expenses on the City's capital assets, including infrastructure. In addition to the government-wide financial statements, the City has prepared governmental fund financial statements, which continue to use the modified accrual basis of accounting and the current financial resources measurement focus. Accordingly, the accounting and financial reporting for the City's General Fund, Capital Projects Fund, Pass-Through Financing Project Fund, and Debt Service Fund, the City's major governmental funds are similar to that previously presented in the City's financial statements, although the format of financial statements has been modified by GASB Statement No. 34.

Statement of Net Position - The Statement of Net Position is designed to display the financial position of the primary government (governmental and business-type activities) and its discretely presented component units. Governments report all capital assets, including infrastructure, in the government-wide Statement of Net Position and report depreciation expense - the cost of "using up" capital assets - in the Statement of Activities. The net position of the government will be broken down into three categories - 1) net investment in capital assets; 2) restricted; and 3) unrestricted.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. FINANCIAL REPORTING MODEL AND ENTITY (Continued)

Statement of Activities - The new government-wide statement of activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

Financial Reporting Entity

The City of Temple, Texas (the "City"), a home-rule municipal corporation organized and existing under the provisions of the Constitution of the State of Texas, adopted its first charter March 27, 1907. The City operates under a council-manager form of government and, as authorized by its charter, provides the following services: economic development; education; police, fire and other public safety; highways, streets and engineering; sanitation; health and welfare; parks, recreation and civic center; library; and airport facilities.

In evaluating the City's financial reporting entity, management has considered all potential component units. The decision to include a potential component unit in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14. The following legally separate entities are noted as discretely presented component units of the City in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government. Discretely presented component units are entities that are legally separate from the City, but for which the City is financially accountable or whose relationship with the City are such that exclusion would be misleading or incomplete.

Discretely Presented Component Units

The Reinvestment Zone No. 1 (Zone) was established during 1982 to provide funds for development and improvement projects within the Zone. The receipt of property taxes from taxing units with property within the boundaries of the Zone provides the funding for projects. The Zone has been included in the reporting entity as a non-major discretely presented component unit of the City because the City appoints a voting majority of the board, approves the budget, and maintains the ability to impose its will on the board.

The Zone is audited as part of the City of Temple; however, separately issued unaudited financial statements are available through the City of Temple Finance Department, 2 North Main, Suite 302, Temple, Texas 76501.

Temple Economic Development Corporation (TEDC) is a legally separate entity from the City. TEDC was created for the purpose of promoting economic development within the City of Temple. The Board of Directors consist of fifteen voting members appointed by the City, acting through its City Council. The Mayor and one other council member periodically designated by resolution of the City Council, the City Manager, and the Chairman of the Board of Directors for the City of Temple Reinvestment Zone No. 1 are voting members of the Board. Of the remaining eleven positions on the TEDC Board (the "Public Directors"), the City Council appoints four voting members from the membership of Board of Directors of the Temple Chamber of Commerce, and four voting members from the membership of the Board of Directors of Temple Industrial Foundation. The remaining three Public Directors are chosen by the City Council from the public at large. The Bell County Judge, the

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. FINANCIAL REPORTING MODEL AND ENTITY (Continued)

Discretely Presented Component Units (Continued)

Temple Economic Development Corporation (TEDC) (Continued)

President of Temple College, and the Superintendents of the Temple and Belton Independent School Districts are ex officio (non-voting) members of the Board of Directors with the right to have notice of, to attend, and to speak at all meetings of the TEDC Board of Directors. TEDC has been included in the reporting entity as a non-major discretely presented component unit of the City because the City appoints a voting majority of the board, provides 100% of funding for the board and maintains the ability to impose its will on the board.

Separately issued audited financial statements are available from TEDC, 2 North 5th Street, Temple, Texas 76501.

Related Organizations

The Mayor appoints the governing board of the Temple Housing Authority, but cannot remove members or appoint the director, and the Council exercises no control over the governing board. The Authority's operating and capital expenditures, including debt service, are financed entirely from federal grants and rentals, and the City has no involvement in the determination of the Authority's budget and rental rates or any obligation for the Authority's outstanding debt. The Temple Independent School District and Temple College have their own elected officials and governing board. They are not responsible to the elected officials of the City of Temple and the City is not responsible for their financial matters. The City has no financial accountability for any of these three entities. Accordingly, these entities are excluded from the accompanying financial statements.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the City of Temple's nonfiduciary activities of the primary government and its component units with most of the interfund activities removed. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer and solid waste functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. *Governmental activities*, which are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services.

Likewise, the primary government is reported separately from component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate fund based financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. An emphasis is placed on major funds within the governmental and proprietary categories. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The major governmental funds are the general fund, the debt service fund, the capital projects fund and the pass-through financing project fund. The nonmajor funds are combined in a separate column in the fund financial statements.

The internal service fund, which provides services to the other funds of the government, is presented as part of the proprietary fund financial statements. Because the principal users are the City's governmental activities, financial statements of the internal service fund are consolidated into the governmental column when presented at the government-wide level. The costs of these services are reflected in the appropriate functional activity (general government, public safety, highways and streets, etc.).

The City's fiduciary fund is presented in the fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, this fund is not incorporated into the government-wide statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. In applying the susceptible to accrual concept under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (Continued)

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise fund are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise fund includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. FUND ACCOUNTING

The government reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *capital projects fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Capital projects are funded primarily by general obligation bonds and certificates of obligation.

The *pass-through financing project fund* is used to account for financial resources to be used for the construction of the Northwest Loop 363 project. This project is substantially funded with funds from the Texas Department of Transportation.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. FUND ACCOUNTING (Continued)

The government reports the following major proprietary fund:

The *water and sewer fund* accounts for the water and sewer services provided to residents of the City.

Additionally, the City reports the following fund types:

Nonmajor Governmental Funds:

Special Revenue Funds are used to account for the proceeds of specific revenue, other than major capital projects and major special revenue funds that are legally restricted to expenditures for specified purposes. These funds consist of the Hotel/Motel Fund, Federal/State Grant Fund, and Drainage Fund.

Fiduciary Funds:

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The City accounts for one fiduciary fund. The trust fund is the City of Temple Employee Benefits Trust which accounts for the activities of the trust to provide City officers, employees, and qualified retirees and their dependents with life, disability, sickness, accident and other health benefits through the purchase of insurance.

Reconciliation of Government-Wide and Fund Financial Statements

A summary reconciliation of the difference between total fund balances as reflected on the governmental funds balance sheet and total net position for governmental activities as shown on the government-wide statement of net position is presented in an accompanying schedule to the governmental funds balance sheet. The asset and liability elements which comprise the reconciliation difference stem from governmental funds using the current financial resources measurement focus and the modified accrual basis of accounting while the government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. A summary reconciliation of the difference between net changes in fund balances as reflected on the governmental funds statement of revenues, expenditures, and changes in fund balances and change in net position for governmental activities as shown on the government-wide statement of activities is presented in an accompanying schedule to the governmental funds statement of revenues, expenditures, and changes in fund balance. The revenue and expense elements which comprise the reconciliation difference stem from governmental funds using the current financial resources measurement focus and the modified accrual basis of accounting while the government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

1. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the Statement of Net Position as "Investments". Income from the cash and investment pool is allocated to the various funds in accordance with the ratio of the funds' investment. In addition, investments are separately held by several of the City's funds.

Investments are stated at fair value or amortized cost in accordance with GASB Statement No. 31. Money market investments, including U. S. Treasury and agency obligations that have a remaining maturity at the time of purchase of one year or less are stated at amortized cost. Methods used to determine fair value are as follows: securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates, mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have an established market are reported at estimated fair value. Security transactions and any resulting gains or losses are accounted for by the specific identification method. The investment policies of the City are governed by State Statute and an adopted City Investment Policy. Major provisions of the City's investment policy include: responsibility for investments, authorized investments, bank and security dealer selection and qualifying procedures, safekeeping and custodial procedures, statement of investment objectives and investment reporting procedures. This policy permits investment in U. S. Treasury or U. S. Agency issues, mutual funds, public funds investment pools and repurchase agreements. Statutes require that securities underlying repurchase agreements be limited to federal government securities having a market value of at least 102% of the cost of the repurchase agreement.

2. Receivables

Receivables are presented net of allowances for doubtful accounts. The amounts of the allowances by fund are as follows:

General Fund	\$ 2,433,744
Special Revenue Funds	35,207
Debt Service Fund	90,057
Enterprise Fund	629,437

3. Inventories and Prepaid Items

Inventories which are expended as they are consumed are stated at cost. Cost is determined for inventories of supplies and fuel using the moving-average method.

Prepaid balances are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year and are recorded as prepaid items in both government-

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (Continued)

3. Inventories and Prepaid Items (Continued)

wide and fund financial statements.

Reported inventories and prepaid items in governmental funds are offset by a fund balance reserve which indicates that they do not constitute available spendable resources even though they are a component of net current position.

4. Restricted Assets

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$ 5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the City during the current fiscal year was \$ 9,381,559. Of this amount, \$ 858,895 was included as part of the cost of capital assets during FY 2016.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (Continued)

5. Capital Assets (Continued)

Property, plant and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40 - 50
Building improvements	20
Infrastructure	20 - 50
Vehicles	5 - 7
Office equipment	5 - 7
Computer equipment	5 - 7

6. Compensated Absences

Full-time employees accumulate eight to twelve hours per month for vacation, and can accumulate a maximum credit of two years. Sick leave benefits are earned by full-time employees at a rate of eight hours per month and may be accumulated without limit. In the event of termination, an employee with at least one year continuous service is reimbursed for all accumulated vacation days up to a maximum of one year's accrued credit. If the terminating employee has at least five years continuous service, reimbursement is also made for all accrued sick leave up to ninety working days.

All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental fund financial statements only if they have matured, for example, as a result of employee resignations or retirements.

7. Net Pension Liability

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources, and pension expense, City specific information about its Fiduciary Net Position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from the City's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's Total Pension Liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – amendment of GASB Statement No. 27*.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (Continued)

8. Other Post-Employment Benefits

In the government-wide and proprietary fund financial statements, other post-employment benefit (OPEB) liabilities are reported as liabilities for the amount that the annual required contribution exceeds the amount funded by the City on a cumulative basis. The City began reporting this liability for fiscal year 2009 on a prospective basis.

9. Interfund Transactions

During the course of normal business operations, the City has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, or satisfy certain obligations. These transactions are generally reflected as transfers. Subsidies between funds are recorded as transfers.

10. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed as incurred per GASB 65.

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

11. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category.

- Deferred charges on refundings – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five year period.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (Continued)

11. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item that qualifies for reporting in this category. The difference in expected and actual pension experience is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

12. Net Position

Net position in government-wide and proprietary financial statements is classified as net investment in capital assets; restricted; and unrestricted. Restricted net position represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

13. Fund Balance

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

Restricted Fund Balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed Fund Balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned Fund Balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body. The City Council authorizes the assignment of fund balance by resolution.

Unassigned Fund Balance – amounts that are available for any purpose; positive amounts are reported in the General Fund.

City Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance, the highest level of action. This is typically done through adoption of the budget. A fund balance commitment is further indicated in the budget document as a commitment of the fund. Assigned fund balance is established by City Council by passage of a resolution

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (Continued)

13. Fund Balance (Continued)

Unassigned Fund Balance (Continued)

either through adoption or amendment of the budget as intended for specific purposes.

For the classification of Governmental Fund balances, the City considers an expenditure to be made from the most restrictive first when more than one classification is available.

In the General Fund, the City strives to maintain an unassigned fund balance to be used for unanticipated emergencies of at least 33% of the annual operating expenditures. This percentage is equal to four months operational expenditures.

14. Comparative Data/Reclassification

Comparative total data for the prior year have been presented only for individual enterprise funds and in the fund financial statements in order to provide an understanding of changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

15. Estimates

The preparation of financial statements in conformity with U. S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Specifically, the actuarial calculations used to determine the annual required contributions and related liabilities of the City's two retirement plans and post-employment obligations are based on assumptions about the possibility of events far into the future. Accordingly, actual results could differ from those estimates.

F. NEW AND FUTURE FINANCIAL REPORTING REQUIREMENTS

The GASB has issued the following statement which will become in the current year.

Statement No. 72, *Fair Value Measurement and Application* – This statement addresses accounting and financial issues related to fair value measurements. This statement becomes effective for the City in the current fiscal year.

The GASB has issued the following statements which will become effective in future years.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* – This statement changes the focus of accounting of postemployment benefits other than pensions from whether they are responsibly funding the benefits over time to a point-in-time liability that is reflected on the employer's financial statements for any actuarially unfunded portion of benefits earned to date. This statement will become effective for the City in fiscal year 2018.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. NEW AND FUTURE FINANCIAL REPORTING REQUIREMENTS (Continued)

Statement No. 77, *Tax Abatement Disclosures* – This statement requires governments that enter into tax abatement agreements to provide certain disclosures regarding these commitments. This statement will become effective for the City in fiscal year 2017. The City has chosen to early implement this statement during fiscal year 2016.

G. PRIOR PERIOD ADJUSTMENT

The City restated its government-wide net position as of September 30, 2015 to record the net present value of guaranteed future toll reimbursements, under the Pass-Through Toll Agreement, as a receivable and recognize the corresponding revenue on the government-wide statements. It was previously believed that these future reimbursements were conditional. It was determined that the City is guaranteed this revenue and therefore, should be recorded. Prospectively applying this change results in the adjustment below:

	Government-wide Statement of Activities		
	Governmental Activities	Business-type Activities	Total
Net position at September 30, 2015, as previously reported	\$ 37,089,280	\$ 101,997,234	\$ 139,086,514
Addition of Pass-Through Toll Revenue	12,013,000	-	12,013,000
Net position at September 30, 2015, as restated	<u>\$ 49,102,280</u>	<u>\$ 101,997,234</u>	<u>\$ 151,099,514</u>

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the capital projects fund, which adopt project-length budgets. All annual appropriations lapse at fiscal year-end.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to August 1, the City Manager submits a proposed operating budget to the Director of Finance, who in turn submits it to the City Council for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- On or before September 15, the budget is legally adopted by the Council.
- The City Manager has the authority to transfer appropriation balances from one expenditure category to another within a department. The City Council must approve transfers of appropriations between departments, and any revisions that alter the total expenditures of any fund. Although costs are monitored on an expenditure category level, legal level of control (level at which expenditures may not exceed budget) is the

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. BUDGETARY INFORMATION (Continued)

department level. The reported budgetary data has been revised for amendments authorized during the year. Significant amendments were to provide: carry forwards from previous year for projects not complete, appropriations offset by revenues, and capital projects funds from designated fund balance to project funds.

- Formal budgetary integration is employed as a management control device by expenditure category during the year for the general fund, special revenue funds, and debt service fund. Formal budgetary integration is not employed for the capital projects fund because effective budgetary control is provided by the small number of contracts and projects in this fund, significant costs are subject to bidding, and projects usually span more than one fiscal year.
- Budgets for the general fund, special revenue funds and debt service fund are adopted on a basis consistent with the modified accrual basis of accounting.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported within restricted, committed, or assigned fund balance depending upon the specific purpose of the purchase order and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. Encumbrances by major funds and nonmajor funds in the aggregate are shown below:

Major Funds:	<u>Encumbrances</u>
General Fund	\$ 1,429,303
Capital Projects Fund	8,574,784
Pass-Through Financing Project	917,565
Nonmajor Funds:	<u>356,625</u>
Totals	<u><u>\$ 11,278,277</u></u>

III. DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

Legal and Contractual Provisions Governing Deposits and Investments

The **Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the City to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities,

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. DEPOSITS AND INVESTMENTS (Continued)

Legal and Contractual Provisions Governing Deposits and Investments (Continued)

(9) and bid solicitation preferences for certificates of deposit. Statutes authorize the City to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the City to have independent auditors perform test procedures related to investment practices as provided by the Act. The City is in substantial compliance with the requirements of the Act and with local policies.

The funds of the City must be deposited and invested under the terms of a contract, contents of which are set out in the **Depository Contract Law**. The depository bank places approved pledged securities for safekeeping and trust with the City's agent bank in an amount sufficient to protect City funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

Deposits

As of September 30, 2016, the City's deposit balances were as follows:

	Primary Government	Component Units	Total Reporting Entity
Total Deposits	<u>\$ 79,799,188</u>	<u>\$ 28,661,411</u>	<u>\$ 108,460,599</u>
Carrying Amount	<u>\$ 78,776,053</u>	<u>\$ 27,243,288</u>	<u>\$ 106,019,341</u>
Petty Cash	<u>\$ 14,987</u>	<u>\$ -</u>	<u>\$ 14,987</u>

Foreign Currency Risk – The City's deposits are not exposed to foreign currency risk.

Custodial Credit Risk – The City's policy is to be collateralized. The City was fully collateralized during the year for deposits. The policies of the Temple Economic Development Corporation, discretely presented component unit, also require full collateralization. As of September 30, 2016, the Temple Economic Development Corporation had a total of \$ 6,678,934 in deposits. Of this amount, \$ 414,195 was insured, and \$ 6,264,739 was collateralized with securities held by pledging financial institution's agent in the entity's name.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. DEPOSITS AND INVESTMENTS (Continued)

Investments

The City categorizes its fair value measurements within the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are other observable inputs; and level 3 inputs are unobservable inputs. As of September 30, 2016, the City had the following investments:

	Carrying Amount	Fair Value	Input Level
<u>Primary Government</u>			
Investment pools:			
Texpool	\$ 6,587,187	\$ 6,587,187	2
TexSTAR	36,232,112	36,232,112	2
Texas CLASS	8,839,854	8,839,854	2
Total investment in pools:	<u>51,659,153</u>	<u>51,659,153</u>	
 Total investments	 <u>\$ 51,659,153</u>	 <u>\$ 51,659,153</u>	
 <u>Discretely Presented Component Units</u>			
Investment pools:			
Texpool	\$ 1,358,536	\$ 1,358,536	2
TexSTAR	2,696,331	2,696,331	2
Texas CLASS	2,826,055	2,826,055	2
Total investment in pools:	<u>6,880,922</u>	<u>6,880,922</u>	
 Total investments	 <u>\$ 6,880,922</u>	 <u>\$ 6,880,922</u>	
 <u>Reporting Entity</u>			
Total investments	<u>\$ 58,540,075</u>	<u>\$ 58,540,075</u>	

Foreign Currency Risk – The City’s investments are not exposed to foreign currency risk.

Custodial Credit Risk – The City’s policy requires investments, other than investment pools and money market mutual funds, to be held by a third party custodian bank. All of the City’s investments, other than investment pools, were held by the City’s third party custodian bank in the City’s name.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Interest Rate Risk – In accordance with its investment policy, the City manages its exposure to declines in fair value by limiting the weighted average maturity of its investment portfolio to less than nine months. As of September 30, 2016, the weighted average maturity of the City's investment portfolio was 124.52 days.

Credit Risk – In compliance with the City's Investment Policy, as of September 30, 2016, the City minimized credit risk losses due to default of a security issuer or backer, by; limiting investments to the safest types of securities; limiting Certificates of Deposit that are insured by the Federal Deposit Insurance Corporation (FDIC); limiting the City's investments to obligations issued, guaranteed, insured by or backed by the full faith and credit of the United States or its agencies and instrumentalities; pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business; and diversifying the investment portfolio so that potential losses on individual securities were minimized.

TexPool has been established for governmental entities in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both Participants in TexPool and other persons who do not have a business relationship with TexPool. Finally, TexPool is rated AAAM by Standard & Poor's. The City's fair value position is stated at the value of the position upon withdrawal.

TexSTAR has been established for governmental entities pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. TexSTAR's governing body consists of participants in TexSTAR and other persons who do not have a business relationship with TexSTAR. The Board holds legal title to all money, investments, and assets and has the authority to employ personnel, contract for services, and engage in other administrative activities necessary or convenient to accomplish the objectives of TexSTAR. TexSTAR is rated AAAM by Standard & Poor's. The City's fair value position is stated at the value of the position upon withdrawal.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Texas CLASS has been established for governmental entities pursuant to the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. Texas CLASS is supervised by a Board of Trustees who are elected by the Participants. The Board of Trustees supervises the Trust and its affairs and acts as the liaison between the Participants, the Custodian and the Program Administrator. The Board administers the affairs of the Trust and enters into contracts and agreements on behalf of the Trust in order to effectuate the terms of the Trust Agreement. It also selects the consultants for Texas CLASS, including the Program Administrator and the Custodian. Texas CLASS is rated AAAM by Standard & Poor's. The City's fair value position is stated at the value of the position upon withdrawal.

Concentration Risk – The City's investment in investment pools is divided among three different pools.

A reconciliation of cash and investments as shown on the Statement of Net Position for the City follows:

	Primary Government	Discretely Presented Component Units	Total Reporting Entity
Cash and investments (from above):			
Cash on hand	\$ 14,987	\$ -	\$ 14,987
Carrying amount of deposits	78,776,053	27,243,288	106,019,341
Carrying amount of investments	<u>51,659,153</u>	<u>6,880,922</u>	<u>58,540,075</u>
Total	<u>\$ 130,450,193</u>	<u>\$ 34,124,210</u>	<u>\$ 164,574,403</u>
Statement of Net Position:			
Cash	\$ 14,987	\$ 2,379,447	\$ 2,394,434
Investments	108,942,542	20,329,562	129,272,104
Restricted cash and investments	<u>21,492,664</u>	<u>11,415,201</u>	<u>32,907,865</u>
Total	<u>\$ 130,450,193</u>	<u>\$ 34,124,210</u>	<u>\$ 164,574,403</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

B. PROPERTY TAXES AND RECEIVABLES

The City's property tax is levied each October 1 on the assessed value listed as of the previous January 1 for all real and business personal property located in the City. The assessed value at January 1, 2015, upon which the fiscal year 2016 levy was based, was \$ 3,444,650,472. This amount is the net taxable value adjusted for frozen taxable value. The amount of the levy attributable to frozen taxes was \$ 2,048,325. The total levy assessed was \$ 23,742,734. The total taxable value before the adjustment for frozen taxable value was \$ 3,840,746,157.

The tax assessment of October 1, 2015 set a tax levy at \$ 0.6298 per \$ 100 of assessed valuation at 100% of assumed market value. The City may levy a tax of up to \$ 1.20 per \$ 100 of assessed valuation.

Taxes are due by January 31 following the October 1 levy date, at which time a lien attaches to the property.

Property taxes at the fund level are recorded as receivables and deferred revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with generally accepted accounting principles have been recognized as revenue. At September 30, 2016, delinquent property taxes receivable are \$ 431,909, net of an allowance for doubtful accounts of \$ 265,399.

Legislation was passed in 1979 and amended in 1981 by the Texas Legislature which affects the method of property assessment and tax collection in the City. This legislation, with certain exceptions, exempts intangible personal property and household goods.

In addition, this legislation creates a Property Tax Code and provides, among other things, for the establishment of county-wide appraisal districts and for a State Property Tax Board which commenced operations in January 1980. Since 1982, the appraisal of property within the City has been the responsibility of the Tax Appraisal District of Bell County. The Appraisal District is required under the Property Tax Code to assess all property within the appraisal district on the basis of 100 percent of its appraised value and is prohibited from applying any assessment ratios. The value of property within the Appraisal District must be reviewed at least every five years. The City may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action. Under this legislation, the City continues to set tax rates on property within the City limits. However, if the effective tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements and revaluation, exceeds the rate of the previous year by more than eight percent, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than eight percent above the rate of the previous year.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2016 was as follows:

	Balance October 1, 2015	Additions Net of CIP Reclassifications	Transfers/ Retirements	Balance September 30, 2016
Primary government:				
Governmental Activities:				
Capital assets not being depreciated				
Land	\$ 17,909,330	\$ 2,398,997	\$ -	\$ 20,308,327
Construction in progress	14,077,352	20,451,928	(15,481,902)	19,047,378
Total capital assets not being depreciated	31,986,682	22,850,925	(15,481,902)	39,355,705
Capital assets being depreciated				
Buildings	78,036,147	200,503	-	78,236,650
Infrastructure	134,340,096	17,367,888	(272,194)	151,435,790
Furniture & equipment	22,985,302	2,187,705	-	25,173,007
Machinery & equipment	30,361,653	4,394,084	(880,809)	33,874,928
Total capital assets being depreciated	265,723,198	24,150,180	(1,153,003)	288,720,375
Less accumulated depreciation for:				
Buildings	(32,926,483)	(1,928,513)	-	(34,854,996)
Infrastructure	(84,151,242)	(4,329,895)	10,207	(88,470,930)
Furniture & equipment	(16,710,663)	(1,403,897)	-	(18,114,560)
Machinery & equipment	(20,410,859)	(2,507,937)	878,212	(22,040,584)
Total accumulated depreciation	(154,199,247)	(10,170,242)	888,419	(163,481,070)
Total capital assets being depreciated, net	111,523,951	13,979,938	(264,584)	125,239,305
Governmental Activities capital assets, net	\$ 143,510,633	\$ 36,830,863	\$ (15,746,486)	\$ 164,595,010

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. CAPITAL ASSETS (Continued)

	Balance October 1, 2015	Additions	Transfers/ Retirements	Balance September 30, 2016
Business-type Activities:				
Capital assets not being depreciated				
Land	\$ 1,940,240	\$ 212,798	\$ -	\$ 2,153,038
Construction in progress	15,334,058	10,483,445	(9,921,530)	15,895,973
Total capital assets not being depreciated	17,274,298	10,696,243	(9,921,530)	18,049,011
Capital assets being depreciated				
Buildings	47,894,343	31,942	-	47,926,285
Infrastructure	168,418,380	11,605,418	-	180,023,798
Furniture & equipment	1,803,564	-	-	1,803,564
Machinery & equipment	7,717,452	316,449	(174,770)	7,859,131
Total capital assets being depreciated	225,833,739	11,953,809	(174,770)	237,612,778
Less accumulated depreciation for:				
Buildings	(27,276,447)	(985,229)	-	(28,261,676)
Infrastructure	(68,082,350)	(4,645,392)	-	(72,727,742)
Furniture & equipment	(1,475,346)	(114,053)	-	(1,589,399)
Machinery & equipment	(4,434,418)	(653,832)	149,709	(4,938,541)
Total accumulated depreciation	(101,268,561)	(6,398,506)	149,709	(107,517,358)
Total capital assets being depreciated, net	124,565,178	5,555,303	(25,061)	130,095,420
Business-type Activities capital assets, net	\$ 141,839,476	\$ 16,251,546	\$ (9,946,591)	\$ 148,144,431

Depreciation expense was charged as direct expense to programs of the primary government as follows:

Governmental activities:	
General government	\$ 885,900
Public safety	2,330,021
Highways and streets	2,944,341
Sanitation	979,859
Health and welfare	80,209
Culture and leisure services	1,778,758
Airport	1,171,154
Total depreciation expense - Governmental Activities	<u>\$ 10,170,242</u>
Business-type activities:	
Water and sewer	\$ 6,398,506
Total depreciation expense - Business-type Activities	<u>\$ 6,398,506</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. CAPITAL ASSETS (Continued)

The City has active construction projects as of September 30, 2016. Total accumulated commitments for ongoing capital projects are composed of the following:

Capital Projects Fund	\$ 4,284,798
Pass-Through Financing Project	902,071
Water and Sewer Fund	3,531,966
Special Revenue Fund-Hotel/Motel	1,370
Total	<u>\$ 8,720,205</u>

	Balance October 1, 2015	Additions	Transfers/ Retirements	Balance September 30, 2016
Discretely presented component units:				
Reinvestment Zone No 1:				
Capital assets not being depreciated				
Land	\$ 9,626,472	\$ 2,496,826	\$ (121,342)	\$ 12,001,956
Construction in progress	16,385,128	10,214,451	(13,637,554)	12,962,025
Total capital assets not being depreciated	26,011,600	12,711,277	(13,758,896)	24,963,981
Capital assets being depreciated				
Buildings	763,035	-	-	763,035
Infrastructure	56,978,511	13,714,116	-	70,692,627
Machinery & equipment	42,559	-	-	42,559
Total capital assets being depreciated	57,784,105	13,714,116	-	71,498,221
Less accumulated depreciation for:				
Buildings	(212,266)	(21,933)	-	(234,199)
Infrastructure	(19,263,676)	(2,705,305)	-	(21,968,981)
Machinery & equipment	(22,224)	(2,837)	-	(25,061)
Total accumulated depreciation	(19,498,166)	(2,730,075)	-	(22,228,241)
Total capital assets being depreciated, net	38,285,939	10,984,041	-	49,269,980
Reinvestment Zone No.1 capital assets, net	<u>\$ 64,297,539</u>	<u>\$ 23,695,318</u>	<u>\$ (13,758,896)</u>	<u>\$ 74,233,961</u>
Temple Economic Development Corporation:				
Capital assets not being depreciated				
Construction in progress	\$ -	\$ 72,788	\$ -	\$ 72,788
Total capital assets not being depreciated	-	72,788	-	72,788
Capital assets being depreciated				
Buildings & improvements	461,331	-	-	461,331
Office equipment	177,956	-	-	177,956
Total capital assets being depreciated	639,287	-	-	639,287
Less accumulated depreciation for:				
Buildings & improvements	(95,686)	(11,829)	-	(107,515)
Office equipment	(138,636)	(6,876)	-	(145,512)
Total accumulated depreciation	(234,322)	(18,705)	-	(253,027)
Total capital assets being depreciated, net	404,965	(18,705)	-	386,260
Temple Economic Development Corp. capital assets, net	<u>\$ 404,965</u>	<u>\$ 54,083</u>	<u>\$ -</u>	<u>\$ 459,048</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables represent advances to special revenue funds to be repaid with future grant revenues and future operating revenues. Interfund receivables also represent advances to capital projects fund to be repaid with future bond proceeds. At September 30, 2016, there were no individual interfund receivable and payable balances to report.

E. DISAGGREGATION OF RECEIVABLES AND PAYABLES

Receivables at September 30, 2016, in the Statement of Net Position were as follows:

	Property (Net of Allowance)	Other (Net of Allowance)	Other Governments	Total Receivables
General Fund	\$ 212,012	\$ 2,974,059	\$ 84,509	\$ 3,270,580
Debt Service Fund	219,897	-	11,732,169	11,952,066
Nonmajor Governmental Funds	-	242,152	400,266	642,418
Water & Sewer Fund	-	1,762,887	-	1,762,887
Total	<u>\$ 431,909</u>	<u>\$ 4,979,098</u>	<u>\$ 12,216,944</u>	<u>\$ 17,627,951</u>

Payables at September 30, 2016, in the Statement of Net Position were as follows:

	Vouchers & Contracts	Retainages	Accrued Payroll	Deposits	Total Payables
General Fund	\$ 2,939,659	\$ 4,986	\$ 1,318,957	\$ 47,351	\$ 4,310,953
Debt Service Fund	384	-	-	-	384
Capital Projects Fund	1,210,962	552,330	3,641	-	1,766,933
Pass-Through Financing Project	-	398,173	-	-	398,173
Nonmajor Governmental Funds	236,670	3,165	45,656	62,447	347,938
Water and Sewer Fund	1,658,920	366,163	122,424	711,585	2,859,092
Total	<u>\$ 6,046,595</u>	<u>\$ 1,324,817</u>	<u>\$ 1,490,678</u>	<u>\$ 821,383</u>	<u>\$ 9,683,473</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

F. DEFERRED AMOUNT ON REFUNDING

The amounts reported for deferred amount of refunding balances of the City for the year ended September 30, 2016:

	Balance October 1, 2015	Additions	Retirements	Balance September 30, 2016
<u>Governmental Activities</u>				
General obligation bonds	\$ 3,004,465	\$ 758,800	\$ 336,689	\$ 3,426,576
Total governmental activities	3,004,465	758,800	336,689	3,426,576
<u>Business-Type Activities</u>				
General obligation bonds	3,061,405	-	320,857	2,740,548
Total business-type activities	3,061,405	-	320,857	2,740,548
<u>Component Units</u>				
Reinvestment Zone No. 1	297,909	-	51,409	246,500
Total component units	297,909	-	51,409	246,500
Total government	\$ 6,363,779	\$ 758,800	\$ 708,955	\$ 6,413,624

G. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The amounts reported for deferred outflows/inflows of resources related to pensions of the City for the year ended September 30, 2016:

	Balance October 1, 2015	Additions	Retirements	Balance September 30, 2016
Deferred Outflows of Resources related to pensions				
Contributions subsequent to the measurement date				
Texas Municipal Retirement System	\$ 3,702,834	\$ 3,715,181	\$ (3,702,834)	\$ 3,715,181
Firemen's Pension	1,222,757	1,217,974	(1,222,757)	1,217,974
Total contributions subsequent to measurement date	\$ 4,925,591	\$ 4,933,155	\$ (4,925,591)	\$ 4,933,155
Differences between projected and actual investment earnings				
Texas Municipal Retirement System	\$ 1,381,047	\$ 9,739,472	(2,293,156)	\$ 8,827,363
Firemen's Pension	464,851	4,483,118	(1,012,837)	3,935,132
Total differences between projected and actual investment earnings	\$ 1,845,898	\$ 14,222,590	\$ (3,305,993)	\$ 12,762,495
Deferred Inflows of Resources related to pensions				
Differences between actual assumptions and actual experience - Texas Municipal Retirement System	\$ (1,446,271)	\$ 535,459	\$ 304,825	\$ (605,987)

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

H. UNEARNED REVENUE

Governmental funds report unearned revenues in connection with receivables of revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	<u>Deferred</u>	<u>Unearned</u>	<u>Total</u>
Governmental Activities			
General Fund:			
Delinquent property taxes	\$ 184,426	\$ -	\$ 184,426
Street escrow	-	192,439	192,439
Parks escrow	-	262,918	262,918
Police escrow	-	124,654	124,654
Child safety fees	-	6,430	6,430
Animal shelter	-	20	20
Electric franchise	-	1,464,092	1,464,092
Gas franchise	-	233,322	233,322
Other	-	10,048	10,048
Total General Fund	<u>184,426</u>	<u>2,293,923</u>	<u>2,478,349</u>
Debt Service Fund:			
Delinquent property taxes	208,697	-	208,697
Pass-through toll agreement	<u>11,732,169</u>	-	<u>11,732,169</u>
Total Debt Service Fund	<u>11,940,866</u>	<u>-</u>	<u>11,940,866</u>
Nonmajor governmental funds:			
Grant draw downs prior to meeting all eligibility requirements	<u>-</u>	<u>16,976</u>	<u>16,976</u>
Total Governmental Funds	<u>\$ 12,125,292</u>	<u>\$2,310,899</u>	<u>\$14,436,191</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

I. LONG-TERM DEBT

The following is a summary of long-term debt transactions, including current portion of the City for the year ended September 30, 2016:

	Balance October 1, 2015	Additions	Retirements	Balance September 30, 2016	Due within one year
<u>Governmental Activities</u>					
General obligation bonds	\$ 75,420,000	\$ 9,500,000	\$ 14,620,000	\$ 70,300,000	\$ 4,035,000
Certificates of obligation	36,650,000	18,285,000	1,575,000	53,360,000	2,920,000
Contractual obligations	4,415,000	1,950,000	665,000	5,700,000	1,175,000
Revenue bonds	465,000	-	465,000	-	-
Pass-through agreement revenue & limited tax bonds	24,700,000	-	120,000	24,580,000	895,000
Notes payable	195,819	-	48,105	147,714	50,096
Plus deferred amount:					
Issuance premium	9,737,348	4,158,590	1,014,970	12,880,968	897,649
Issuance discount	(1,141,857)	(176,238)	(134,565)	(1,183,530)	(84,892)
Compensated absences	7,385,954	993,658	541,938	7,837,674	646,256
Net pension liability - TMRS	20,058,313	8,678,200	-	28,736,513	-
Net pension liability - FP	10,979,773	4,849,729	-	15,829,502	-
OPEB liability	2,364,333	145,553	-	2,509,886	-
Total governmental activities	191,229,683	48,384,492	18,915,448	220,698,727	10,534,109
<u>Business-Type Activities</u>					
General obligation bonds	39,000,000	-	2,240,000	36,760,000	2,270,000
Revenue bonds	52,855,000	-	2,475,000	50,380,000	2,380,000
Plus deferred amount:					
Issuance premium	6,190,592	-	530,949	5,659,643	530,949
Issuance discount	(579,197)	-	(71,978)	(507,219)	(71,978)
Compensated absences	441,690	40,972	80,557	402,105	48,253
Net pension liability - TMRS	2,735,225	1,142,101	-	3,877,326	-
OPEB liability	619,389	57,905	-	677,294	-
Total business-type activities	101,262,699	1,240,978	5,254,528	97,249,149	5,157,224
<u>Component Units</u>					
Reinvestment Zone No. 1	48,262,720	-	2,908,555	45,354,165	4,108,555
Temple Economic Development Corp.	212,144	-	52,627	159,517	61,012
Total component units	48,474,864	-	2,961,182	45,513,682	4,169,567
Total government	\$ 340,967,246	\$ 49,625,470	\$ 27,131,158	\$ 363,461,558	\$ 19,860,900

The General Fund, Hotel/Motel Fund, Federal/State Grant Fund and the Drainage Fund are responsible for liquidating the liability for compensated absences, the net pension liability for employees employed in the corresponding governmental funds. The General Fund has been responsible for liquidating the net OPEB liability for all employees in the corresponding governmental funds.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

I. LONG-TERM DEBT (Continued)

Long-term debt at September 30, 2016 is comprised of the following:

	Governmental Activities	Business - type Activities
General obligation bonds:		
\$ 9,660,000 2008 bonds due in annual installments of \$ 50,000 to \$ 845,000 through 2028; interest at 3.50% to 5.25%	\$ 495,000	\$ -
\$ 13,995,000 2009 bonds due in annual installments of \$ 190,000 to \$ 1,130,000 through 2029; interest at 2.50% to 4.25%	1,290,000	-
\$ 3,950,000 2009 refunding bonds due in annual installments of \$ 395,000 to \$ 625,000 through 2017; interest at 2.00% to 3.00%	490,000	-
\$ 24,120,000 2011 refunding bonds due in annual installments of \$ 245,000 to \$ 3,250,000 through 2023; interest at 2.00% to 4.00%	8,230,000	9,740,000
\$ 3,045,000 2011A refunding bonds due in annual installments of \$ 40,000 to \$ 785,000 through 2017; interest at 2.00% to 4.255%	785,000	-
\$ 24,895,000 2012 refunding bonds due in annual installments of \$ 10,000 to \$ 3,820,000 through 2026; interest at 2.00% to 5.00%	6,100,000	17,315,000
\$ 21,360,000 2014 refunding bonds due in annual installments of \$ 535,000 to \$ 3,460,000 through 2026; interest at 2.00% to 5.00%	11,865,000	5,060,000
\$ 36,780,000 2015 refunding & improvement bonds due in annual installments of \$ 590,000 to \$ 4,480,000 through 2035; interest at 2.00% to 5.00%	31,545,000	4,645,000
\$ 9,500,000 2016 refunding bonds due in annual installments of \$ 705,000 to \$ 1,090,000 through 2029; interest at 2.00% to 5.00%	9,500,000	-
	<u>70,300,000</u>	<u>36,760,000</u>
Certificates of obligation:		
\$ 13,520,000 2008 certificates due in annual installments of \$ 35,000 to \$ 1,155,000 through 2028; interest at 3.0% to 5.25%	690,000	-
\$ 9,420,000 2012 certificates due in annual installments of \$ 400,000 to \$ 685,000 through 2033; interest at 2.00% to 3.00%	9,020,000	-
\$ 4,645,000 2012 taxable certificates due in annual installments of \$ 50,000 to \$ 410,000 through 2032; interest at 1.50% to 3.50%	4,595,000	-
\$ 21,230,000 2014 certificates due in annual installments of \$ 255,000 to \$ 1,815,000 through 2034; interest at 1.00% to 3.00%	20,770,000	-
\$ 18,285,000 2016 certificates due in annual installments of \$ 295,000 to \$ 1,520,000 through 2036; interest at 2.00% to 5.00%	18,285,000	-
	<u>53,360,000</u>	<u>-</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

I. LONG-TERM DEBT (Continued)

	Governmental Activities	Business - type Activities
Contractual obligations:		
\$ 5,710,000 2013 limited tax notes due in annual installments of \$ 645,000 to \$ 970,000 through 2020; interest at 1.00% to 2.00%	\$ 3,750,000	\$ -
\$ 1,950,000 2016 limited tax notes due in annual installments of \$ 265,000 to \$ 295,000 through 2023; interest at 1.96%	1,950,000	-
	<u>5,700,000</u>	<u>-</u>
Revenue bonds:		
\$ 15,030,000 2008 bonds due in annual installments of \$ 445,000 to \$ 1,125,000 through 2028; interest at 3.50% to 5.25%	-	675,000
\$ 17,210,000 2010 bonds due in annual installments of \$ 550,000 to \$ 1,925,000 through 2030; interest at 2.25% to 3.75%	-	14,355,000
\$ 12,990,000 2014 bonds due in annual installments of \$ 90,000 to \$ 790,000 through 2044; interest at 0.45% to 5.05%	-	12,640,000
\$ 23,685,000 2015 bonds due in annual installments of \$ 830,000 to \$ 1,755,000 through 2035; interest at 2.00% to 5.00%	-	22,710,000
	<u>-</u>	<u>50,380,000</u>
Pass-through agreement revenue & limited tax bonds:		
\$ 24,700,000 2012 bonds due in annual installments of \$ 120,000 to \$ 2,310,000 through 2034; interest at 2.00% to 5.00%	24,580,000	-
	<u>24,580,000</u>	<u>-</u>
Notes payable:		
\$ 275,450 2014 capital lease due in monthly installments of \$ 3,665 to \$ 4,296 through 2017; interest at 4.20%	147,714	-
	<u>147,714</u>	<u>-</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

I. LONG-TERM DEBT (Continued)

	Governmental Activities	Business - type Activities
Issuance premium	\$ 12,880,968	\$ 5,659,643
Issuance discount	(1,183,530)	(507,219)
Accrual for compensated absences	7,837,674	402,105
Accrual for net pension liability - TMRS	28,736,513	3,877,326
Accrual for net pension liability - FP	15,829,502	-
Accrual for OPEB liability	2,509,886	677,294
	<u>66,611,013</u>	<u>10,109,149</u>
Total primary government debt	<u>220,698,727</u>	<u>97,249,149</u>
Component Units:		
Reinvestment Zone No 1:		
\$ 10,875,000 2009 general obligation bonds due in annual installments of \$ 100,000 to \$ 1,440,000 through 2019, interest at 2.00% to 3.125%; guaranteed by the City of Temple	4,220,000	-
\$ 10,405,000 2011A general obligation bonds due in annual installments of \$ 145,000 to \$ 2,405,000 through 2022, interest at 2.00% to 5.00%; guaranteed by the City of Temple	8,670,000	-
\$ 480,000 2012 general obligation bonds due in annual installments of \$ 10,000 to \$ 75,000 through 2022, interest at 2.00% to 5.00%; guaranteed by the City of Temple	405,000	-
\$ 25,260,000 2013 certificates of obligation due in annual installments of \$ 1,110,000 to \$ 2,010,000 through 2033, interest at 2.00% to 4.125%; guaranteed by the City of Temple	25,260,000	-
\$ 10,365,000 2008 taxable revenue bonds due in annual installments of \$ 215,000 to \$ 1,180,000 through 2022, interest at 5.29%; guaranteed by the City of Temple	6,240,000	-
Issuance premium	1,107,533	-
Issuance discount	(548,368)	-
Temple Economic Development Corporation:		
\$ 252,946 note due in five annual principal payments through January 2019, interest at 2.25% with monthly interest paid by an individual	149,094	-
Accrual for compensated absences	10,423	-
Total component units debt	<u>45,513,682</u>	<u>-</u>
Total debt - reporting entity	<u>\$ 266,212,409</u>	<u>\$ 97,249,149</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

I. LONG-TERM DEBT (Continued)

The annual requirements to amortize debt outstanding as of September 30, 2016, are shown on the following schedules. Due to the nature of the obligation for compensated absences, annual requirements to amortize such obligations are not determinable and have not been included in the following summary.

General Obligation Bonds

Year Ending September 30,	Governmental Activities		Business-type Activities		Component Units		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2017	\$ 4,035,000	\$ 2,846,200	\$ 2,270,000	\$ 1,432,500	\$ 2,000,000	\$ 498,750	\$ 13,082,450
2018	4,785,000	2,704,050	3,035,000	1,364,400	2,045,000	431,700	14,365,150
2019	4,970,000	2,553,900	3,130,000	1,273,350	2,110,000	368,600	14,405,850
2020	5,085,000	2,402,950	3,235,000	1,171,300	2,275,000	302,850	14,472,100
2021	5,310,000	2,214,250	3,355,000	1,041,900	2,385,000	189,800	14,495,950
2022-2026	24,745,000	7,879,400	19,565,000	2,789,200	2,480,000	93,700	57,552,300
2027-2031	14,255,000	3,250,700	2,170,000	131,000	-	-	19,806,700
2032-2035	7,115,000	911,000	-	-	-	-	8,026,000
Total	<u>\$ 70,300,000</u>	<u>\$ 24,762,450</u>	<u>\$ 36,760,000</u>	<u>\$ 9,203,650</u>	<u>\$ 13,295,000</u>	<u>\$ 1,885,400</u>	<u>\$156,206,500</u>

Certificates of Obligations

Year Ending September 30,	Governmental Activities		Component Units		Total
	Principal	Interest	Principal	Interest	
2017	\$ 2,920,000	\$ 1,769,814	\$ 1,110,000	\$ 924,894	\$ 6,724,708
2018	1,215,000	1,698,489	1,145,000	902,694	4,961,183
2019	1,330,000	1,671,939	1,180,000	868,344	5,050,283
2020	1,485,000	1,640,814	1,215,000	832,944	5,173,758
2021	1,560,000	1,609,064	1,250,000	796,494	5,215,558
2022-2026	12,985,000	7,251,616	6,945,000	3,233,306	30,414,922
2027-2031	17,895,000	4,654,426	8,480,000	1,845,162	32,874,588
2032-2036	13,970,000	1,336,150	3,935,000	242,824	19,483,974
Total	<u>\$ 53,360,000</u>	<u>\$ 21,632,312</u>	<u>\$ 25,260,000</u>	<u>\$ 9,646,662</u>	<u>\$109,898,974</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

I. LONG-TERM DEBT (Continued)

Contractual Obligations

Year Ending September 30,	Governmental Activities		Total
	Principal	Interest	
2017	\$ 1,175,000	\$ 107,438	\$ 1,282,438
2018	1,190,000	87,229	1,277,229
2019	1,215,000	63,486	1,278,486
2020	1,250,000	39,196	1,289,196
2021	285,000	14,259	299,259
2022-2023	585,000	11,515	596,515
Total	<u>\$ 5,700,000</u>	<u>\$ 323,123</u>	<u>\$ 6,023,123</u>

Pass-Through Toll Agreement Revenue & Limited Tax Bonds

Year Ending September 30,	Governmental Activities		Total
	Principal	Interest	
2017	\$ 895,000	\$ 1,137,475	\$ 2,032,475
2018	925,000	1,110,625	2,035,625
2019	950,000	1,082,875	2,032,875
2020	990,000	1,044,875	2,034,875
2021	1,030,000	1,005,275	2,035,275
2022-2026	5,905,000	4,258,625	10,163,625
2027-2031	8,350,000	2,468,875	10,818,875
2032-2034	5,535,000	562,500	6,097,500
Total	<u>\$ 24,580,000</u>	<u>\$ 12,671,125</u>	<u>\$ 37,251,125</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

I. LONG-TERM DEBT (Continued)

Revenue Bonds

Year Ending September 30,	Business-type Activities		Component Units		Total
	Principal	Interest	Principal	Interest	
2017	\$ 2,380,000	\$ 2,061,599	\$ 910,000	\$ 330,096	\$ 5,681,695
2018	1,745,000	1,987,954	960,000	281,958	4,974,912
2019	1,795,000	1,939,269	1,010,000	231,174	4,975,443
2020	1,855,000	1,893,319	1,060,000	177,744	4,986,063
2021	1,905,000	1,842,977	1,120,000	121,670	4,989,647
2022-2026	10,650,000	8,171,745	1,180,000	62,420	20,064,165
2027-2031	15,755,000	5,509,988	-	-	21,264,988
2032-2036	8,950,000	2,531,663	-	-	11,481,663
2037-2041	3,090,000	1,052,925	-	-	4,142,925
2042-2044	2,255,000	231,541	-	-	2,486,541
Total	<u>\$ 50,380,000</u>	<u>\$ 27,222,980</u>	<u>\$ 6,240,000</u>	<u>\$ 1,205,062</u>	<u>\$ 85,048,042</u>

Notes Payable

Year Ending September 30,	Governmental Activities		Component Units Activities		Total
	Principal	Interest	Principal	Interest	
2017	\$ 50,096	\$ 5,074	\$ 61,012	\$ -	\$ 116,182
2018	97,618	948	49,253	-	147,819
2019	-	-	49,252	-	49,252
Total	<u>\$ 147,714</u>	<u>\$ 6,022</u>	<u>\$ 159,517</u>	<u>\$ -</u>	<u>\$ 313,253</u>

(1) General Obligation Bonds and Certificates of Obligation -

General Obligation Bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the City. General Obligation Bonds and Certificates of Obligation require the City to compute, at the time other taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) a fund to pay interest and principal at maturity. The City is in compliance with this requirement.

Arbitrage provisions of the Internal Revenue Tax Act of 1986 require the City to rebate excess arbitrage earnings from bond proceeds to the federal government.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

I. LONG-TERM DEBT (Continued)

(2) Revenue Bonds -

Water and Sewer Revenue Bonds constitute special obligations of the City solely secured by a lien on and pledge of the net revenues of the water and sewer system.

The Revenue Bonds are collateralized by the revenue of the water and sewer system established by the bond ordinances. The ordinances provide that the revenue of the system is to be used first to pay operating and maintenance expenses of the system and second to establish and maintain the Revenue Bond funds. Remaining revenues may then be used for any lawful purpose. The ordinances also contain provisions which, among other items, restrict the issuance of additional Revenue Bonds unless the special funds noted above contain the required amounts and certain financial ratios are met. The City is in compliance with all significant financial requirements as of September 30, 2016.

(3) Taxable Revenue Bonds -

Taxable Revenue Bonds constitute special obligations of the City and are payable from and secured by an irrevocable first lien on and pledge of the net revenues of the Airport, and said net revenues are further pledged irrevocably to the establishment and maintenance of the funds.

The Taxable Revenue Bonds, Series 2008, are collateralized by the tax increment generated by the Reinvestment Zone No.1 (a discretely presented component unit) by the First Supplemental Ordinance to the Master Ordinance Establishing the City of Temple, Texas Reinvestment Zone Number One Tax Increment Revenue Financing Program. The ordinance provides that the revenue of the Reinvestment Zone No. 1 be used to meet all financial obligations related to the bonds. The City is in compliance with all significant requirements as of September 30, 2016.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

I. LONG-TERM DEBT (Continued)

(4) 2016 Refunding/Issuances -

On February 17, 2016, the City partially advance refunded the Series 2009 General Obligation Bonds. The par amount of the 2016 General Obligation Refunding bonds was \$ 9,500,000. Net proceeds of \$ 10,618,801 of general obligation refunding bonds (after payment of underwriting fees and other issuance costs) were deposited into an irrevocable trust with an escrow agent for the purpose of generating resources for all future debt service payments for the refunded debt. As a result, the refunded bonds are considered defeased, and the debt for these bonds has been removed from the City's financial statements.

This advanced refunding will reduce the total debt service payments over the next 14 years by \$ 614,390 and will result in an economic gain (i.e. the difference between the present value of the debt service payments of the refunded debt and the refunding bonds) of \$ 518,451.

On February 17, 2016, the City issued \$ 18,285,000 of Combination Tax and Revenue Certificates of Obligation bonds. The interest rate of the bonds range from 2.0% to 5.0% and the maturity date of the bonds is August 1, 2036. These bonds were issued to construct, reconstruct, improve, extend, expand, upgrade and/or develop streets bridges, sidewalks, intersections, traffic signalization, and other traffic improvement projects as part of the third phase of the City's Transportation Capital Improvement Program.

On September 1, 2016, the City issued \$ 1,950,000 of Limited Tax Notes. The interest rate of the notes is 1.96% and the maturity date of the bonds is February 1, 2023. These notes were issued for the purchase of five commercial sanitation trucks, building security upgrades, and major building improvements.

In the debt service fund, a fund balance of \$ 724,003 is available to service general long-term debt.

The bond indentures require the establishment and maintenance of interest and sinking funds and reserve funds in varying amounts. Restricted cash on the accompanying combined balance sheet represents these amounts. The enterprise fund has restricted cash of \$ 20,788,214, of which \$ 1,639,298 will be used to pay accrued interest and current maturities of bond indentures, \$ 18,437,331 represents remaining bonds proceeds, and the remaining \$ 711,585 represents customer security deposits. In addition, there are restrictions concerning the maintenance of sufficient rates charged for services to users to generate enough funds for debt service requirements, the maintenance of accounting records and insurance as well as reporting the results of the City's operations to specified major bondholders. The City is in compliance with all significant requirements and restrictions contained in the bond indentures.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

III. DETAILED NOTES ON ALL FUNDS (Continued)

J. INTERFUND TRANSFERS

Interfund transfers during the year ended September 30, 2016 were as follows:

	Transfers In	Transfers Out
Major Funds:		
General	\$ -	\$ 1,592,057
Debt Service	941,270	-
Capital Projects	578,073	19,200
Nonmajor Governmental Funds:		
Special Revenue	91,914	-
Total	<u>\$ 1,611,257</u>	<u>\$ 1,611,257</u>

Transfers between major funds and other nonmajor governmental funds were primarily to support capital projects and operation of funds.

IV. OTHER INFORMATION

A. COMMITMENTS AND CONTINGENCIES

Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City Attorney the resolution of these matters will not have a material adverse effect on the financial condition of the government.

Grants

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

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

A. COMMITMENTS AND CONTINGENCIES (Continued)

Long-Term Agreements

The City has the following long-term agreements which represent significant commitments:

Operation of Doshier Farm and Temple-Belton Wastewater Treatment Plants – Two different commercial entities have provided operations and maintenance of the Doshier Farm and Temple-Belton Wastewater Plants (WWTP), twenty-nine (29) lift stations (serving the Doshier Farm WWTP and the Temple-Belton WWTP), and the City's industrial pretreatment program since October 1, 1994. In September 2003, the City added the operations and maintenance of the reuse system that delivers treated wastewater effluent to irrigate City owned ball fields and the service the Panda Power Plant.

On August 7, 2014, the City entered into an agreement with Brazos River Authority (BRA) to provide the operations listed above for the period October 1, 2014 through September 30, 2019. Upon mutual agreement of the parties, the agreement may be extended for two additional 5 year periods.

The City retains ownership of the Doshier Farm WWTP and the City's 75% share of the Temple-Belton WWTP and all associated equipment. The City of Belton owns the remaining 25%. The City also retains all relevant permits in its name.

The City's major responsibility is paying the contractor the agreed annual compensation in monthly installments due on the first of each month. The base fee for the third year (2017) of the agreement is \$ 1,200,470 for the Temple-Belton WWTP, \$ 1,089,159 for the Doshier Farm WWTP and Lift Stations, and \$ 151,659 for the City's industrial pretreatment program. On or before May 1st of each year, BRA will provide the City with an annual budget which will include an estimate of all operation and maintenance expenses plus a management fee of 3% for the Doshier WWTP, Temple-Belton WWTP, and the lift stations. The budget will be calculated based on the estimated amount of wastewater to be delivered to the plants in the next fiscal year. The City must approve the proposed budget by July 15th of each year. Operation and maintenance expenses and the maintenance fee for the Temple-Belton WWTP will be allocated based upon the annual flow percentages of each City. Any capital expenses for the Temple-Belton WWTP (costs of capital improvements) will be allocated to the Cities based on ownership - 75% to Temple and 25% to Belton. Payments to BRA will be made monthly and will equal 1/12 of the approved annual budget.

Landfill Operations - On March 16, 2011, the City renegotiated its agreement with the commercial entity to operate the City's solid waste landfill. Under the terms of the new agreement, the contractor pays the City \$ 659,587 annually (\$ 54,965.60 per month). In addition, the contractor pays a fee for each ton of solid waste disposed at the landfill, regardless of the source or point of origin of the waste, with a guaranteed minimum surcharge equivalent to 200,000 tons per year. The fee per ton is calculated as follows on waste disposed at the landfill each year:

\$ 2.78/ton up to 200,000 tons
\$ 3.46/ton over 200,000 tons

The new agreement is for a period of thirty years, or the life of the landfill, if less and may be extended by mutual agreement of the parties for additional ten (10) year period. Under the terms of the agreement,

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

A. COMMITMENTS AND CONTINGENCIES (Continued)

Long-Term Agreements (Continued)

Landfill Operations (Continued)

the contractor is responsible for all costs of operating the landfill, including the costs of closure, post-closure care cost and compliance with federal and state requirements.

Lease and Operating Agreement - Public Library - Effective September 7, 1995, the City entered into a ninety-nine (99) year lease and operating agreement with the Foundation of the Temple Public Library to use the E. Rhodes and Leona B. Carpenter Plaza for the location of the public library.

Under the lease agreement, the City will pay no rent or deposit in consideration of its operation of the public library and management of the commercial office spaces on the third floor. As part of the agreement, the City funded \$ 500,000 as its share of the cost of renovating the building for the library and applied the funds from a \$ 300,000 grant to the purchase of an automation system.

Pass-Through Toll Agreement

On September 16, 2010, City Council authorized a pass through financing agreement with the Texas Department of Transportation (Department) for improvements to Northwest Loop 363. On September 30, 2010, the Texas Transportation commission passed Minute Order 112305, authorizing the Department to enter a pass-through toll agreement with the City for the construction of the Loop 363 north frontage road, from the BNSF railroad overpass to FM 2305, and construction of interchanges at Wendland Road and SH 36/SH 53.

As of September 30, 2016, the total cost of this project was \$ 44.9 million of which the Department reimbursed the City \$ 20 million during fiscal years 2012 – 2014. The City issued pass-through agreement revenue and limited tax bonds on May 24, 2012 totaling \$ 24.7 million to fund its share of the cost.

On February 18, 2015, this project was substantially complete and was inspected and accepted as complete by the Department. At this time, the City became eligible to receive annual toll reimbursements from the state at each anniversary date of its completion. The agreement states that under no circumstance will the annual payment be less than \$ 752,500 over 20 years or more than \$ 1,505,000 over 10 years. The maximum amount of the toll agreement reimbursement is \$ 16,555,000.

In February 2016, on the first anniversary of the project's completion, the City received its first reimbursement totaling \$ 1,339,427. Based on this initial reimbursement, as well as, original projections based on state traffic counts on the loop, the City anticipates collecting the full \$ 16,555,000 over a period of approximately eleven to twelve years.

Effective February 2015, the City recorded the total anticipated receivable, net of implied interest at 4.783%, for a net receivable of \$ 12,013,000. Based on the first payment received, the anticipated collection period was revised, and as of September 30, 2016, the net receivable is \$ 11,732,169.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

A. RISK MANAGEMENT

The City is a member of the Texas Municipal League's Intergovernmental Risk Pool ("Pool"). The Pool was created for the purpose of providing coverage against risks which are inherent in operating a political subdivision. The City pays annual premiums to the Pool for liability, property and workers' compensation coverage. The City's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will provide through commercial companies reinsurance contracts. The Pool agrees to handle all liability, property and workers' compensation claims and provide any defense as is necessary. The Pool makes available to the City loss control services to assist the City in following a plan of loss control that may result in reduced losses. The City agrees that it will cooperate in instituting any and all reasonable loss control recommendations made by the Pool. The City also carries commercial insurance on all other risks of loss including employee health and accident insurance.

The City has experienced no significant reductions in coverage through the Pool over the past year. There have been no insurance settlements exceeding Pool coverage for any of the past three years.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

B. TAX ABATEMENTS

(1) Property Tax

The City has entered into contractual agreements with property owners (or lessee's) in which the City has agreed to reduce the amount of ad valorem taxes payable on certain improvements constructed after the date the agreement was reached in accordance with Chapter 312 of the State of Texas Tax Code. The property owner, in return for the abatement, contractually agreed to construct and maintain certain identifiable improvements within a definite period or repay the abated taxes if the improvements are not maintained. The following is a list of property owners (or lessee's) with which the City has entered into tax abatement agreements.

Date of Abatement Agreement	Effective Tax Year	Firm	2016 Abated Value	Term of Abatement	Abatement Percentage	First Yr of Abatement
07/06	Jan-07	McLane Group, LP	\$ 1,115,317	10 years	10% to 100%	FY 2008
02/09	Jan-11	H.E. Butt Grocery	47,595,339	10 years	100%	FY 2012
09/10	Jan-11	Akzo Nobel Paints LLC - Liquid Nails Division	2,689,536	5 years	50%	FY 2012
01/11	Jan-12	Fikes Wholesale, Inc.	3,644,489	5 years	100%	FY 2013
05/11	Jan-15	Panda Temple Power, LLC	198,860,950	10 years	50%	FY 2016
06/11	Jan-12	LJT Texas Realty, Inc.	765,802	5 years	50%	FY 2013
06/11	Jan-12	Reynolds Consumer Products, Inc. (Pactiv Corporation)	1,757,157	5 years	80%	FY 2013
01/12	Jan-13	Sparetime Entertainment, LLC	3,560,459	5 years	100%	FY 2014
10/12	Jan-15	Don-Nan Pump & Supply Company	517,470	5 years	50%	FY 2016
12/12	Jan-16	Panda Temple Power II, LLC	-	10 years	12% to 65%	FY 2017
05/13	Jan-16	Buc-ee's, LTD	-	10 years	50%	FY 2017
02/14	TBD	Thomas Biodiesel, LLC	-	10 years	50% to 100%	TBD
03/14	TBD	Wilsonart LLC	-	10 years	20% to 80%	TBD
12/14	Jan-16	DanHill Fulfillment Center	-	5 years	50%	FY 2017
12/14	TBD	Block 015 Doering, LLC	-	10 years	50% to 100%	TBD
12/14	TBD	Block 015 Arcadia, LLC	-	10 years	50% to 100%	TBD
10/15	TBD	Bush's Chicken United	-	5 years	45%	TBD
10/15	TBD	Temple TX Staturoy Trust & Performance Food Groups	-	5 years	100%	TBD
02/16	TBD	LSB Broadcasting	-	10 years	100%	TBD
			<u>\$ 260,506,519</u>			

During fiscal year 2016, the total amount of abated property value was \$ 260,506,519. Based on the city tax rate of \$ 0.6298 per \$ 100 of value, the foregone tax levy due to abatement agreements was \$ 1,640,670.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

C. TAX ABATEMENTS (Continued)

(2) Sales Tax

The City has entered into a Chapter 380 Economic Development Agreement with Buc-ee's, LTD. The City's participation in the agreement is authorized under Chapter 380 of the Texas Local Government Code, and under City Ordinance Number 2011-4504, Section III, B. This agreement provided an incentive to Buc-ee's, LTD in amount not to exceed 75% of the sales tax collected by Buc-ee's, LTD during each calendar year of the agreement. The term of the agreement is 10 years beginning January 1 of the year following the date the travel center opened to the public. The travel center opened in 2015; therefore, the agreement began January 1, 2016 and will expire December 31, 2025. Under the terms of the agreement, the total amount of the incentive for fiscal year 2016 was \$ 223,306.

D. EMPLOYEE BENEFITS

(1) Retirement Plans

The City participates in two retirement plans. The Texas Municipal Retirement System covered 666 employees as of December 31, 2015. The Temple Firefighter's Relief and Retirement Fund covered 119 employees as of September 30, 2015.

The Texas Municipal Retirement System

Plan Description

The City participates as one of 866 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

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

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

The Texas Municipal Retirement System (Continued)

Benefits Provided

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

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven actuarially equivalent payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Beginning in 1992, the City granted an annually repeating (automatic) basis a monetary credit referred to as an updated service credit (USC) which is a theoretical amount which takes into account salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest at 5% until retirement. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, initiated in 1992, the City provided on an annually repeating (automatic) basis cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

A summary of plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years at any age, 5 years at age 60 and above
Updated Service Credit	100% Repeating, Transfers
Annuity Increase to retirees	70% of CPI Repeating

The City does not participate in Social Security.

Employees Covered by Benefit Terms –

At the December 31, 2015 valuation and measurement date, the following employees were covered by the benefit terms:

Retirees or beneficiaries currently receiving benefits	360
Inactive employees entitled to but not yet receiving benefits	344
Active employees	<u>666</u>
	<u>1,370</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

The Texas Municipal Retirement System (Continued)

Contributions

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

Employees for the City of Temple were required to contribute 7% of their annual gross earnings during the fiscal year. For fiscal year 2016, the City made required contributions of 16.73% for the months in 2015 and required contributions of 15.85% for the months in 2016. The City's contributions for the year ended September 30, 2016, were \$ 4,870,468, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2015, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions –

The Total Pension Liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.0% per year
Investment rate of return	6.75%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2010 to December 31, 2014. They were adopted in 2015 and first used in the December 31, 2015 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, the system adopted the

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

The Texas Municipal Retirement System (Continued)

Net Pension Liability (Continued)

Actuarial Assumptions (Continued) –

Entry Age Normal actuarial cost method and a one-time change to the amortization policy. These assumptions apply to both the Pension Trust and the Supplemental Death Benefits as applicable.

The long-term expected rate of return on pension plan investments is 6.75%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Domestic equity	17.5%	4.80%
International equity	17.5%	6.05%
Core fixed income	10.0%	1.50%
Non-core fixed income	20.0%	3.50%
Real return	10.0%	1.75%
Real estate	10.0%	5.25%
Absolute return	10.0%	4.25%
Private equity	5.0%	8.50%
Total	<u>100.0%</u>	

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

The Texas Municipal Retirement System (Continued)

Net Pension Liability (Continued)

Discount Rate –

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will remain at the current 7% and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability -

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at December 31, 2014	\$ 164,924,797	\$ 142,131,259	\$ 22,793,538
Changes for the year:			
Service cost	4,778,653	-	4,778,653
Interest	11,472,372	-	11,472,372
Change of benefit terms	-	-	-
Difference between expected and actual experience	467,238	-	467,238
Changes of assumptions	-	-	-
Contributions - employer	-	4,857,267	(4,857,267)
Contributions - employee	-	2,033,251	(2,033,251)
Net investment income	-	209,717	(209,717)
Benefit payments, including refunds employee contributions	(6,846,202)	(6,846,202)	-
Administrative expense	-	(127,743)	127,743
Other changes	68,221	(6,309)	74,530
Net changes	9,940,282	119,981	9,820,301
Balance at December 31, 2015	<u>\$ 174,865,079</u>	<u>\$ 142,251,240</u>	<u>\$ 32,613,839</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

The Texas Municipal Retirement System (Continued)

Net Pension Liability (Continued)

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

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

	<u>1% Decrease in</u> <u>Discount Rate</u> (5.75%)	<u>Current</u> <u>Discount Rate</u> (6.75%)	<u>1% Increase in</u> <u>Discount Rate</u> (7.75%)
City's net pension liability	\$ 57,163,497	\$ 32,613,839	\$ 12,483,138

Pension Plan Fiduciary Net Position –

Detailed information about the pension plan's Fiduciary Net Position is available in a separately issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

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

For the year ended September 30, 2016, the City recognized pension expense of \$ 6,390,969.

At September 30, 2016, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Differences between actual assumptions and actual experience	\$ -	\$ 605,987
Changes in actuarial assumptions used	-	-
Differences between projected and actual investment earnings	8,827,363	-
Contributions subsequent to the measurement date	3,715,181	-
Total	<u>\$ 12,542,544</u>	<u>\$ 605,987</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

The Texas Municipal Retirement System (Continued)

Net Pension Liability (Continued)

Pension Plan Fiduciary Net Position (Continued) –

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$ 3,715,181 will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2016 (i.e. recognized in the City's financial statements September 30, 2017). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Year Ended December 31	
2016	\$ 1,988,331
2017	1,988,331
2018	2,256,007
2019	1,988,707
Total	<u>\$8,221,376</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

Temple Firefighters' Relief and Retirement Fund

Plan Description

The City contributes to the retirement plan for firefighters in the Temple Fire Department known as the Temple Firefighter's Relief and Retirement Fund (the Fund). The Fund is a single employer, contributory, defined benefit plan. The benefit provisions of the Fund are authorized by the Texas Local Fire Fighters' Retirement Act (TLFFRA). TLFFRA provides the authority and procedure to amend benefit provisions. The plan is administered by the Board of Trustees of the Temple Firefighter's Relief and Retirement Fund. The City does not have access to nor can it utilize assets within the retirement plan trust. The Fund issues a stand-alone report pursuant to GASB Statement No. 67, which may be obtained by writing the Temple Firefighter's Relief and Retirement Fund at 3615 S. 31st Street, Temple, Texas 76504. See that report for all information about the plan fiduciary net position.

Benefits Provided

Firefighters in the Temple Fire Department are covered by the Temple Firefighter's Relief and Retirement Fund which provides service retirement, death, disability, and withdrawal benefits. These benefits fully vest after 20 years of credited service. Firefighters may retire at age 50 with 20 years of service. A partially vested benefit is provided for firefighters who terminate employment with at least 10 but less than 20 years of service. If a terminated firefighter has a partially vested benefit, he may retire starting on the date he would have both completed 20 years of service if he had remained a Temple firefighter and attained age 50. As of the September 30, 2015 actuarial valuation date, the plan effective April 1, 2015 provided a monthly normal service retirement benefit, payable in a Joint and Two-Thirds to Spouse form of annuity, equal to 65.75% of Highest Five Year Average Monthly Salary plus \$98.00 per month for each year of service in excess of 20.

A retiring firefighter who is at least age 53 with at least 23 years of service has the option to elect the Deferred Retirement Option Plan (DROP) which will provide a lump sum benefit and a reduced monthly benefit. The reduced monthly benefit is based on the service and Highest Five Year Average Monthly Salary as if he had terminated employment on his selected DROP benefit calculation date, which is no earlier than the later of the date he meets the age 53 and 23 years of service requirements and the date two years prior to the date he actually retires. Upon retirement, the member will receive, in addition to his monthly retirement benefit, a lump sum equal to the sum of (1) the amount of monthly contributions the member has made to the Fund after the DROP benefit calculation date plus (2) the total of the monthly retirement benefits the member would have received between the DROP benefit calculation date and the date he retired under the plan. There are no account balances. The lump sum is calculated at the time of retirement and distributed as soon as administratively possible.

There is no provision for automatic postretirement benefit increases. The Fund has the authority to provide, and has periodically in the past provided, ad hoc postretirement benefit increases.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

Temple Firefighters' Relief and Retirement Fund (Continued)

Benefits Provided (Continued)

Members Covered by the Fund –

In the September 30, 2015 actuarial valuation, the following numbers of members were covered by the Fund:

Retirees and beneficiaries currently receiving benefits	67
Inactive employees entitled to but not yet receiving benefits	1
Active employees	<u>119</u>
	<u>187</u>

Funding Policy

The contribution provisions of the Fund are authorized by TLFFRA. TLFFRA provides the authority and procedure to change the amount of contributions determined as a percentage of pay by each firefighter and a percentage of payroll by the City.

The funding policy of the Temple Firefighter's Relief and Retirement Fund requires contributions equal to 15% of pay by the firefighters, the rate elected by the firefighters according to TLFFRA. The City currently contributes according to a city ordinance either the same percentage of payroll that the City contributes to the Texas Municipal Retirement System for other employees or the firefighter contribution rate (15% of payroll) if lesser. The City has also agreed to contribute an additional 0.24% of payroll. The actuarial valuation includes the assumption that the City contribution rate will be 15.24% over the UAAL amortization period. The costs of administering the plan are paid from the Fund assets.

Ultimately, the funding policy also depends upon the total return of the Fund's assets, which varies from year to year. Investment policy decisions are established and maintained by the Board of Trustees. The Board selects and employs investment managers with the advice of their investment consultant who is completely independent of the investment managers. For the year ending September 30, 2015, the money-weighted rate of return on pension plan investments was -3.44%. This measurement of the investment performance is net of investment-related expenses, reflecting the effect of the timing of the contributions received and the benefits paid during the year.

While the contribution requirements are not actuarially determined, state law requires that each change in plan benefits adopted by the Fund must first be approved by an eligible actuary, certifying that the contribution commitment by the firefighters and the assumed city contribution rate together provide an adequate contribution arrangement. Using the entry age actuarial cost method, the plan's normal cost contribution rate is determined as a percentage of payroll. The excess of the total contribution rate over the normal cost contribution rate is used to amortize the plan's unfunded actuarial accrued liability (UAAL). The number of years needed to amortize the plan's UAAL is actuarially determined using an open, level percentage of payroll method.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

Temple Firefighters' Relief and Retirement Fund (Continued)

Net Pension Liability

The City's net pension liability was measured as of September 30, 2015, and the total pension liability used to calculate the net pension liability was determined by a special study based on the actuarial valuation as of September 30, 2014 and rolled forward to September 30, 2015.

Total pension liability	\$ 53,217,119
Plan fiduciary net position	<u>(37,387,617)</u>
City's net pension liability	<u><u>\$ 15,829,502</u></u>

Plan fiduciary net position as a percentage of the total pension liability	70.3%
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Actuarial Assumptions –

The total pension liability in the September 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.75%
Salary increases	3.75%, plus promotion, step and longevity increases that vary by service
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables for males and for females (sex distinct) projected to 2024 by scale AA.

The long-term expected rate of return on pension plan investments is reviewed for each biennial actuarial valuation and was determined using a building-block method in which expected future net real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These components are combined to produce the long-term expected rate of return by weighting the expected future net real rates of return by the target asset allocation percentage (currently resulting in 4.6%) and by adding expected inflation (3.75%). In addition, the final 8.00% assumption was selected by "rounding down" and thereby reflects a reduction of 0.35% for adverse deviation. The target allocation and expected arithmetic net real rates of return for each major asset class are summarized in the following table:

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

Temple Firefighters' Relief and Retirement Fund (Continued)

Net Pension Liability (Continued)

Actuarial Assumptions (Continued) –

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Large Cap Domestic Equity	20.0%	5.90%
Small/Mid Cap Domestic Equity	10.0%	6.00%
International Equity	24.0%	6.30%
Real Estate	5.0%	3.90%
Commodities	7.5%	3.70%
Private Equity	5.0%	7.60%
Hedge Fund	5.0%	2.70%
Fixed Income	22.5%	1.40%
Cash	1.0%	0.10%
Total	<u>100.0%</u>	
Weighted Average		4.60%

Discount Rate –

The discount rate used to measure the total pension liability was 8%. No projection of cash flows was used to determine the discount rate because the September 30, 2014 actuarial valuation showed that expected contributions would pay the normal cost and amortize the unfunded actuarial accrued liability (UAAL) in twenty three years. That UAAL was based on an actuarial value of assets that was \$ 576,913 less than the plan fiduciary net position as of September 30, 2014. Because of the twenty three year amortization period of the UAAL with the lower value of assets, the pension plan's fiduciary net position is expected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments of 8% was applied to all periods of projected benefit payments as the discount rate to determine the total pension liability.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

Temple Firefighters' Relief and Retirement Fund (Continued)

Net Pension Liability (Continued)

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

The following presents the net pension liability of the City of Temple, calculated using the discount rate of 8.0%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.0%) or 1-percentage-point higher (9.0%) than the current rate:

	1% Decrease in <u>Discount Rate</u> (7.0%)	Current <u>Discount Rate</u> (8.0%)	1% Increase in <u>Discount Rate</u> (9.0%)
City's net pension liability	\$ 21,690,667	\$ 15,829,502	\$ 10,851,027

Pension Plan Fiduciary Net Position –

The plan fiduciary net position reported above is the same as reported by the Fund. Detailed information about the plan fiduciary net position is available in the Fund's separately issued audited financial statements, which are reported using the economic resources measurement focus and the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Investments are reported at fair value, the price that would be recognized to sell an asset in an orderly transaction between market participants at the measurement date.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

Temple Firefighters' Relief and Retirement Fund (Continued)

Net Pension Liability (Continued)

Changes in the Net Pension Liability –

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at September 30, 2014	\$ 50,613,335	\$ 39,633,562	\$ 10,979,773
Changes for the year:			
Service cost	1,339,217	-	1,339,217
Interest	4,062,023	-	4,062,023
Change of benefit terms	-	-	-
Difference between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	1,222,221	(1,222,221)
Contributions - employee	-	1,205,751	(1,205,751)
Net investment income		(1,348,337)	1,348,337
Benefit payments, including refunds of employee contributions	(3,240,391)	(3,240,391)	-
Administrative expense	-	(85,189)	85,189
Changes in benefit terms	442,935	-	442,935
Net changes	2,603,784	(2,245,945)	4,849,729
Balance at September 30, 2015	<u>\$ 53,217,119</u>	<u>\$ 37,387,617</u>	<u>\$ 15,829,502</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

Temple Firefighters' Relief and Retirement Fund (Continued)

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

For the year ended September 30, 2016, the City's GASB 68 pension expense was \$ 2,601,669.

Components of Pension Expense for the Fiscal Year Ended September 30, 2016 –

Service cost	\$ 1,339,217
Interest	4,062,023
Firefighter contributions	(1,205,751)
Projected earnings on pension plan investments	(3,134,781)
Amortization of differences between projected and actual earnings on plan investments	1,012,837
Amortization of changes of assumptions	-
Amortization of differences between expected and actual experience	-
Pension plan administrative expenses	85,189
Changes in benefit terms	442,935
Total pension expense	<u>\$ 2,601,669</u>

At September 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between actual assumptions and actual experience	\$ -	\$ -
Changes in actuarial assumptions used	-	-
Differences between projected and actual investment earnings	3,935,132	-
Contributions subsequent to the measurement date	1,217,974	-
Total	<u>\$ 5,153,106</u>	<u>\$ -</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(1) Retirement Plans (Continued)

Temple Firefighters' Relief and Retirement Fund (Continued)

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

***Deferred Outflows of Resources and Deferred Inflows of Resources to be Recognized in
Pension Expense in Future Years –***

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Year Ended September 30	
2017	\$1,012,837
2018	1,012,837
2019	1,012,836
2020	<u>896,622</u>
Total	<u><u>\$3,935,132</u></u>

The total of the contributions by the City to the Fund contributed subsequent to the measurement date of the net pension liability September 30, 2015, through September 30, 2016 is a deferred outflow of resources that will be recognized as a reduction in the net pension liability in the fiscal year ending September 30, 2017.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(2) Supplemental Death Benefits Fund

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1, of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). Retired employees are insured for \$ 7,500; this coverage is an "other postemployment benefit" or OPEB.

Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employee's entire careers.

The City's contributions to the TMRS SBDF for the fiscal years ended 2016, 2015, and 2014 were \$ 21,242, \$ 20,607, and \$ 18,649, respectively, which equaled the required contributions each year.

A summary of the annual required contributions is as follows:

Texas Municipal Retirement System - Supplemental Death Benefits Fund

Plan Year Ended	Total Annual Contribution as a Percentage of Payroll	Required Annual Contribution as a Percentage of Payroll	Annual Required Contribution (ARC)	Percentage of Required Contribution Contributed
9/30/2014	0.07%	0.07%	\$ 18,649	100%
9/30/2015	0.07%	0.07%	20,607	100%
9/30/2016	0.07%	0.07%	21,242	100%

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

D. EMPLOYEE BENEFITS (Continued)

(3) Deferred Compensation Fund

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan is administered by one trustee; the International City Management Association Retirement Corporation (ICMA-RC). In 1998, the City implemented the requirements of GASB Statement No. 32, "Accounting and Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans". In accordance with this statement and recent tax law changes, the City has amended their trust agreement which establishes that all assets and income of the trust are for the exclusive benefit of eligible employees and their beneficiaries. Due to the implementation of these changes, the City does not have any fiduciary responsibility or administrative duties relating to the deferred compensation plan other than remitting employees' contributions to the trustee. Accordingly, the City has not presented the assets and income from the plan in these Financial Statements. Deferred compensation investments are held by an outside trustee. Plan investments are chosen by the individual (employee) participant and include mutual funds whose focus is on stocks, bonds, treasury securities, money market-type investments or a combination of these.

The plan, available to all permanent City employees, permits them to defer until future years up to 100% of annual gross earnings not to exceed \$ 17,500. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

E. OTHER POST- EMPLOYMENT BENEFITS

Plan Description

In addition to providing pension benefits, the City provided certain other post-employment benefits to its retirees. Other post-employment benefits include health and dental insurances for the retiree and the retiree's family. The benefits described below represent the benefits currently in place and projected to be in place in the future. However, the projected future benefits do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. These benefits are part of a single-employer benefit OPEB plan. The plan does not issue a publicly available financial report.

Opportunity to Purchase Health and/or Dental Insurance

An employee leaving the employment of the City, who is eligible to receive retirement benefits from a municipal retirement plan, is entitled to purchase continued health and/or dental benefits for the employee and the employee's dependents (if covered by the City's plan at the time of separation) from the City unless the employee is eligible, or becomes eligible at a later date, for group health and/or dental benefits through another employer. To avail themselves of this opportunity to purchase health and/or dental benefits through the City, the employee must notify the City of his or her intent to continue to purchase health and/or dental benefit coverage no later than the date on which the person leaves employment with the City. The City will make coverage available to eligible retirees under the health care and/or dental coverage plan provided by the City to its employees or through a substitute Medicare Supplement Plan for over age 65 retirees for health insurance. A retired employee who elects to continue health and/or dental benefit coverage under this section prior to retirement, and who

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

E. OTHER POST- EMPLOYMENT BENEFITS (Continued)

subsequently enters employment with another employer who offers group health and/or benefits to its employees (regardless of whether or not the retired employee elects such coverage), is no longer eligible for coverage under this policy. A retired employee who elects to continue health and/or dental benefit coverage under this section prior to retirement, and who subsequently elects to discontinue such coverage, is no longer eligible for coverage under this policy. A retired employee who elects to continue coverage for any of the retired employee's dependents, and who then subsequently elects to discontinue such coverage for any of his dependents, abandons his right to obtain future coverage for the dependent for whom coverage was discontinued.

Contribution by City Towards Cost of Health and/or Dental Benefits for Certain Employees

Employees who retire prior to May 1, 2007:

- a. The City will pay an amount to be determined each fiscal year by the City offered actuarially calculated, non-blended, standard option health and/or dental insurance premium toward the City offered plan selected by a retired employee, who:
 1. was hired by the City prior to February 1, 2002;
 2. is not eligible to receive Medicare benefits;
 3. had not less than 10 years of continuous service with the City at the time of his or her retirement;
 4. notifies the City of his or her intent to continue health benefit and/or dental coverage with the City no later than the date on which he or she retires; and
 5. is eligible and elects to receive a monthly retirement annuity from the Texas Municipal Retirement System (TMRS) or the Temple Firefighter's Relief and Pension Fund commencing within 60 days of his or her retirement from the City.
- b. The City will pay an amount to be determined each fiscal year of the City offered actuarially calculated, non-blended, standard option health and/or dental insurance premium toward the City offered plan selected by a retired employee, who:
 1. was hired by the City after January 31, 2002;
 2. is not eligible to receive Medicare benefits;
 3. had not less than 25 years of continuous service with the City at the time of his or her retirement;
 4. notifies the City of his or her intent to continue health and/or dental benefit coverage with the City no later than the date on which he or she retires; and
 5. is eligible and elects to receive a monthly retirement annuity from the Texas Municipal Retirement System (TMRS) or the Temple Firefighter's Relief and Pension Fund commencing within 60 days of his or her retirement from the City.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

E. OTHER POST- EMPLOYMENT BENEFITS (Continued)

Contribution by City Towards Cost of Health and/or Dental Benefits for Certain Employees
(Continued)

Employees who retire on or after May 1, 2007:

- a. The City will pay an amount to be determined each fiscal year of the City offered actuarially calculated, non-blended, standard option health and/or dental insurance premium of retired employees who:
 1. had not less than 25 years of continuous service with the City of Temple at the time of his or her retirement;
 2. is not eligible to receive Medicare benefits;
 3. notifies the City of his or her intent to continue health and/or dental benefit coverage with the City no later than the date on which he or she retires; and
 4. is eligible and elects to receive a monthly retirement annuity from the Texas Municipal Retirement System (TMRS) or the Temple Firefighters' Relief and Pension Fund commencing within 60 days of his or her retirement from the City.
- b. Employees who retire with less than 25 years of continuous service with the City of Temple will be required to pay 100% of the actuarially calculated, non-blended rate for retirees.
- c. Employees who leave the employment of the City with retirement eligibility, but less than 25 years of continuous service at the City of Temple, may purchase health and/or dental benefit coverage for themselves or their dependents through COBRA continuation, subject to the terms contained herein, but are responsible for 100% of the cost of such coverage.

Provisions Regarding Medicare for Retirees Over the Age of 65

- a. An individual who retires from the City of Temple, and who informed the City not later than their date of retirement, upon attaining age 65 is no longer eligible for benefits under the City-sponsored plan for employees. Upon attaining age 65, such retiree is eligible to enroll in the Medicare Supplement Plan adopted by the City as a substitute for coverage under the Plan offered to employees. If a retiree attains age 65, and had coverage for a dependent that has not attained age 65, the dependent will be eligible to continue coverage, at 100% the retiree's cost, under the City Plan for employees until attaining age 65. The dependent, upon attaining age 65, will be eligible to enroll in the substitute Medicare Supplement adopted by the City at 100% the retiree's cost. The City will pay an amount to be determined each fiscal year for retirees selecting one of the City adopted substitute Medicare Supplement Plans not to exceed 50% of the City adopted standard option substitute Medicare Supplement for retirees who had at least 25 years of continuous service with the City of Temple.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

E. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Provisions Regarding Medicare for Retirees Over the Age of 65 (Continued)

- b. A retiree who retired from the City prior to 1998, is over 68 years old, and who is not eligible to receive Medicare benefits, will not be required to enroll in the City-adopted substitute Medicare Supplement program. The City will continue to pay an amount to be determined each fiscal year of the actuarially calculated, non-blended, standard option premium of health insurance for these retirees.
- c. The retiree will be responsible for 100% of the premium for any elected dependent coverage.
- d. To retain health and/or dental insurance benefits through the City, the retiree must pay the premium for the retiree coverage and any dependent coverage within 45 days of the date on which any premium is due. The City reserves the right to withdraw the eligibility to purchase health and/or dental insurance benefits through the City if a retiree fails to make a premium payment as required.

Dependents not on the employee's health and/or dental insurance at the time of the employee's retirement cannot be added at a later date. Once a covered individual (including the retiree) elects to drop coverage, or coverage is dropped due to lack of payment, they are no longer eligible to be enrolled in the City's health plan or substitute Medicare Supplement plan.

The City is under no obligation, statutory or otherwise to offer other post-employment benefits or pay any portion of the cost of other post-employment benefits to any retirees. Allocation of city funds to pay other post-employment benefits or to make other post-employment benefits available is determined on an annual basis by the City Council as part of the budget approval process.

Expenditures for other post-employment benefits are recognized on a pay-as-you-go basis. The City recognizes the cost of providing these benefits as payroll expenditures within the Human Resources Department. The cost of providing these benefits for the year ended September 30, 2015 for one hundred ten (110) retirees was \$ 147,138.

In the fiscal year 2009, the City implemented GASB Statement No. 45. The following liability is recognized in the government-wide financial statements as of September 30, 2015.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of the plan assets held in an irrevocable trust is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

E. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Annual Other Post-Employment (OPEB) Cost and Net OPEB Obligation

The annual OPEB cost associated with the City's retiree benefits for the fiscal year ended September 30, 2016, is as follows.

	Governmental	Proprietary	Total
Annual required contribution	\$ 353,049	\$ 57,473	\$ 410,522
Interest on prior year net OPEB obligation	102,640	16,709	119,349
Adjustment to ARC	(99,989)	(16,277)	(116,266)
Annual OPEB cost	355,700	57,905	413,605
Contributions made	(210,147)	-	(210,147)
Estimated increase in net OPEB obligation	145,553	57,905	203,458
Net OPEB obligation - beginning of year	2,364,333	619,389	2,983,722
Estimated net OPEB obligation - end of year	<u>\$ 2,509,886</u>	<u>\$ 677,294</u>	<u>\$ 3,187,180</u>

Schedule of Employer Contributions

Other Post-Employment Benefits

Plan Year Ended	Assumed Annual Contribution	Annual OPEB Benefit Cost (ABC)	Percentage of Required Contribution Contributed	Net OPEB Obligation
9/30/2014	\$ 259,760	\$ 480,198	54%	\$ 2,748,399
9/30/2015	259,760	495,083	52%	2,983,722
9/30/2016	210,147	413,605	51%	3,187,180

Schedule of Funding Progress

Other Post-Employment Benefits

Actuarial Valuation Date	Actuarial Value for Assets	Actuarial Accrued Liability (AAL) Unit Credit	Percentage Funded (1)/(2)	Unfunded Actuarial Accrued Liability (UAAL)	Annual Covered Payroll	UAAL as a Percentage of Payroll (4)/(5)
9/30/2012	\$ -	\$ 7,406,228	0.0%	\$ 7,406,228	\$ 32,051,174	23.1%
9/30/2014	-	5,727,264	0.0%	5,727,264	33,950,142	16.9%
9/30/2016	-	5,058,970	0.0%	5,058,970	38,346,970	13.2%

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

IV. OTHER INFORMATION (Continued)

E. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Annual Other Post-Employment (OPEB) Cost and Net OPEB Obligation (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of the plan is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and actuarial value of assets, consistent with the long-term perspective of the calculations.

The actuarial cost method and significant assumptions underlying the actuarial calculation are as follows:

Summary of Actuarial Valuations

Actuarial Valuation Date	9/30/2012	9/30/2014	9/30/2016
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization Method	Level as a percentage employee payroll	Level as a percentage employee payroll	Level as a percentage employee payroll
Amortization Period	30 years, open	30 years, open	30 years, open
Asset Valuation Method	Market Value, if any	Market Value, if any	Market Value, if any
Investment Rate of Return	4.50%	4.50%	4.00%
Inflation Rate	3.00%	3.00%	2.50%
Payroll Growth	3.00%	3.00%	3.00%
Health Care Cost Trend Rate	Initial rate of 8.5% declining to an ultimate rate of 4.50% after 8 years	Initial rate of 7.5% declining to an ultimate rate of 4.50% after 12 years	Initial rate of 7.5% declining to an ultimate rate of 4.25% after 15 years



Required Supplementary Information

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

Texas Municipal Retirement System
Schedule of Changes in Net Pension Liability and Related Ratios

	Measurement Year 2014*	Measurement Year 2015*
Total pension liability:		
Service cost	\$ 4,177,238	\$ 4,778,653
Interest	11,004,160	11,472,372
Changes of benefit terms	-	-
Difference between expected and actual experience	(1,874,758)	467,238
Change in assumptions	-	68,221
Benefit payments, including refunds of employee contributions	(6,991,011)	(6,846,202)
Net change in total pension liability	6,315,629	9,940,282
Total pension liability - beginning	158,609,168	164,924,797
Total pension liability - ending (a)	<u>\$ 164,924,797</u>	<u>\$ 174,865,079</u>
Plan fiduciary net position:		
Contributions - employer	\$ 4,687,061	\$ 4,857,267
Contributions - employee	1,874,825	2,033,251
Net investment income	7,718,713	209,717
Benefit payments, including refunds of employee contributions	(6,991,011)	(6,846,202)
Administrative expense	(80,587)	(127,743)
Other	(6,626)	(6,309)
Net change in plan fiduciary net position	7,202,375	119,981
Plan fiduciary net position - beginning	134,928,884	142,131,259
Plan fiduciary net position - ending (b)	142,131,259	142,251,240
Net pension liability - ending (a) - (b)	<u>\$ 22,793,538</u>	<u>\$ 32,613,839</u>
Plan fiduciary net position as a percentage of total pension liability	86.18%	81.35%
Covered employee payroll	\$ 26,783,210	\$ 28,996,683
Net pension liability as a percentage of covered employee payroll	85.10%	112.47%

*As of December 31

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

Texas Municipal Retirement System
Schedule of Changes in Net Pension Liability and Related Ratios (Continued)

	Fiscal Year 2015	Fiscal Year 2016
Actuarially determined contribution	\$ 4,981,397	\$ 4,870,468
Contribution in relation of the actuarially determined contribution	4,981,397	4,870,468
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 29,438,972	\$ 30,345,108
Contributions as a percentage of covered employee payroll	16.92%	16.05%

Notes to Schedule:

Valuation Date:

Actuarial determined contribution rates are calculated as of December 31st each year and become effective in January, 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	30 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 10.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010 – 2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Other Information:

There were no benefit changes during the year.

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

Temple Firefighter's Relief and Retirement Fund
Schedule of Changes in Net Pension Liability and Related Ratios

	Measurement Year 2014*	Measurement Year 2015*
Total pension liability:		
Service cost	\$ 1,282,932	\$ 1,339,217
Interest	3,846,369	4,062,023
Changes of benefit terms	-	442,935
Difference between expected and actual experience	-	-
Change in assumptions	-	-
Benefit payments, including refunds of employee contributions	(2,625,283)	(3,240,391)
Net change in total pension liability	2,504,018	2,603,784
Total pension liability - beginning	48,109,317	50,613,335
Total pension liability - ending (a)	<u>\$ 50,613,335</u>	<u>\$ 53,217,119</u>
Plan fiduciary net position:		
Contributions - employer	\$ 1,111,042	\$ 1,222,221
Contributions - employee	1,096,265	1,205,751
Net investment income	2,415,802	(1,348,337)
Benefit payments, including refunds of employee contributions	(2,625,283)	(3,240,391)
Administrative expense	(68,151)	(85,189)
Other	-	-
Net change in plan fiduciary net position	1,929,675	(2,245,945)
Plan fiduciary net position - beginning	37,703,887	39,633,562
Plan fiduciary net position - ending (b)	39,633,562	37,387,617
Net pension liability - ending (a) - (b)	<u>\$ 10,979,773</u>	<u>\$ 15,829,502</u>
Plan fiduciary net position as a percentage of total pension liability	78.31%	70.25%
Covered employee payroll	\$ 7,308,427	\$ 8,001,862
Net pension liability as a percentage of covered employee payroll	150.23%	197.82%

*As of September 30

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

Temple Firefighter's Relief and Retirement Fund
Schedule of Changes in Net Pension Liability and Related Ratios (Continued)

	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016
Actuarially determined contribution	\$ 1,111,042	\$ 1,222,757	\$ 1,217,439
Contribution in relation of the actuarially determined contribution	1,111,042	1,222,757	1,217,439
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 7,308,427	\$ 8,038,339	\$ 8,001,862
Contributions as a percentage of covered employee payroll	15.20%	15.21%	15.21%

Notes to Schedule:

Valuation Date:

Actuarial valuations are calculated as of September 30th every other year.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level Percentage of Payroll, Open
Remaining Amortization Period	23 years
Asset Valuation Method	Market value smoothed by a five-year deferred recognition method with a 90%/110% corridor on market
Inflation	3.75%
Salary Increases	3.75% plus promotion, step, and longevity increases that vary by service
Investment Rate of Return	8.00%, net of pension plan investment expense, including inflation
Mortality	RP-2000 Combined Healthy Lives Mortality Tables for males and for females projected to 2024 by scale AA.

Other Information:

There were no benefit changes during the year.

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS
(unaudited)

Other Post-Employment Benefits

Actuarial Valuation Date	Actuarial Value for Assets	Actuarial Accrued Liability (AAL) Unit Credit	Percentage Funded (1)/(2)	Unfunded Actuarial Accrued Liability (UAAL)	Annual Covered Payroll	UAAL as a Percentage of Payroll (4)/(5)
9/30/2012	\$ -	\$ 7,406,228	0.0%	\$ 7,406,228	\$ 32,051,174	23.1%
9/30/2014	-	5,727,264	0.0%	5,727,264	33,950,142	16.9%
9/30/2016	-	5,058,970	0.0%	5,058,970	38,346,970	13.2%

SCHEDULE OF EMPLOYER CONTRIBUTIONS
(unaudited)

Other Post-Employment Benefits

Plan Year Ended	Assumed Annual Contribution	Annual OPEB Benefit Cost (ABC)	Percentage of Required Contribution Contributed	Net OPEB Obligation
9/30/2014	\$ 259,760	\$ 480,198	54%	\$ 2,748,399
9/30/2015	259,760	495,083	52%	2,983,722
9/30/2016	210,147	413,605	51%	3,187,180

COMBINING FINANCIAL STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Hotel/Motel Tax Fund – to account for the accumulation of resources from the hotel/motel tax assessment levied by the City. These monies are to be spent to promote the progress, development or growth of the City within the guidelines set forth on disposition of revenues collected under the authority of the Texas Hotel Occupancy Tax Act.

Federal/State Grant Fund – to account for revenues received from award of federal and state grants. Such revenues are restricted to expenditures as specified in the applicable grant.

Drainage Fund – to account for the levy and utilization of a municipal drainage fee. Revenues are restricted to expenditures for maintenance of the City's drainage system.

CITY OF TEMPLE, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2016

	Special Revenue			Total
	Hotel/ Motel	Federal/State Grant	Drainage	Nonmajor Governmental Funds
ASSETS				
Cash	\$ 4,600	\$ -	\$ -	\$ 4,600
Investments	1,346,020	-	1,501,038	2,847,058
Receivables, net	161,288	30,774	50,090	242,152
Due from other governments	-	400,266	-	400,266
Inventories	13,875	-	-	13,875
Prepaid items	7,929	-	-	7,929
Other assets - museum collection	18,561	-	-	18,561
Total assets	\$ 1,552,273	\$ 431,040	\$ 1,551,128	\$ 3,534,441
LIABILITIES AND FUND BALANCES				
Liabilities:				
Vouchers and contracts payable	\$ 70,148	\$ 138,666	\$ 27,856	\$ 236,670
Retainage payable	3,165	-	-	3,165
Accrued payroll	25,880	-	19,776	45,656
Vacation and sick leave payable	18,263	-	13,807	32,070
Deposits	62,447	-	-	62,447
Due to other funds	-	275,398	-	275,398
Unearned revenues	-	16,976	-	16,976
Total liabilities	179,903	431,040	61,439	672,382
Fund Balances:				
Nonspendable:				
Inventory and prepaid items	21,804	-	-	21,804
Restricted for:				
Museum	11,775	-	-	11,775
Promotion of tourism	1,338,791	-	-	1,338,791
Committed to:				
Drainage	-	-	1,489,689	1,489,689
Total fund balances	1,372,370	-	1,489,689	2,862,059
Total liabilities and fund balances	\$ 1,552,273	\$ 431,040	\$ 1,551,128	\$ 3,534,441

CITY OF TEMPLE, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the year ended September 30, 2016

	Special Revenue			Total Nonmajor Governmental Funds
	Hotel/ Motel	Federal/State Grant	Drainage	
Revenues:				
Taxes	\$ 1,473,592	\$ -	\$ -	\$ 1,473,592
Intergovernmental	-	711,241	-	711,241
Drainage fees	-	-	1,157,851	1,157,851
Charges for services	523,522	-	-	523,522
Interest and other	27,745	67,075	128,676	223,496
Total revenues	<u>2,024,859</u>	<u>778,316</u>	<u>1,286,527</u>	<u>4,089,702</u>
Expenditures:				
General government	-	34,127	-	34,127
Public safety	-	89,492	-	89,492
Highways and streets	-	303,920	1,780,000	2,083,920
Sanitation	-	105,975	-	105,975
Health and welfare	-	83,828	-	83,828
Culture and leisure services	1,987,856	152,928	-	2,140,784
Airport	-	99,960	-	99,960
Total expenditures	<u>1,987,856</u>	<u>870,230</u>	<u>1,780,000</u>	<u>4,638,086</u>
Excess (deficiency) of revenues over expenditures	<u>37,003</u>	<u>(91,914)</u>	<u>(493,473)</u>	<u>(548,384)</u>
Other financing sources (uses):				
Transfers in - General Fund	-	72,714	-	72,714
Transfers in - Capital Projects Fund	-	19,200	-	19,200
Total other financing sources (uses)	<u>-</u>	<u>91,914</u>	<u>-</u>	<u>91,914</u>
Net change in fund balances	37,003	-	(493,473)	(456,470)
Fund balances, beginning of year	1,335,367	-	1,983,162	3,318,529
Fund balances, end of year	<u>\$ 1,372,370</u>	<u>\$ -</u>	<u>\$ 1,489,689</u>	<u>\$ 2,862,059</u>



**DISCRETELY PRESENTED
COMPONENT UNIT
FINANCIAL STATEMENTS**

Reinvestment Zone No. 1

CITY OF TEMPLE, TEXAS
REINVESTMENT ZONE NO. 1
COMPARATIVE BALANCE SHEET
September 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Current assets:		
Investments	\$20,329,562	\$ 9,646,528
Receivables (net of allowance for estimated uncollectible):		
Ad valorem taxes	74,178	63,704
Accounts receivable	<u>55,722</u>	<u>307,164</u>
Total current assets	<u>20,459,462</u>	<u>10,017,396</u>
Restricted assets:		
Bond proceeds	<u>8,620,941</u>	<u>12,888,766</u>
Total restricted assets	<u>8,620,941</u>	<u>12,888,766</u>
Total assets	<u><u>\$29,080,403</u></u>	<u><u>\$22,906,162</u></u>
LIABILITIES AND FUND BALANCES		
Current liabilities:		
Vouchers and contracts payable	\$ 494,983	\$ 938,193
Retainage payable	112,661	220,038
Unearned revenues	<u>74,178</u>	<u>63,704</u>
Total current liabilities	<u>681,822</u>	<u>1,221,935</u>
Liabilities from restricted assets:		
Vouchers and contracts payable	539,693	137,867
Retainage payable	<u>20,238</u>	<u>38,779</u>
Total liabilities from restricted assets	<u>559,931</u>	<u>176,646</u>
Total liabilities	<u>1,241,753</u>	<u>1,398,581</u>
Fund Balance:		
Restricted for:		
Construction	8,061,010	12,712,120
Committed to:		
Reinvestment Zone No. 1 Projects	<u>19,777,640</u>	<u>8,795,461</u>
Total fund balance	<u>27,838,650</u>	<u>21,507,581</u>
Total liabilities and fund balances	<u><u>\$29,080,403</u></u>	<u><u>\$22,906,162</u></u>

CITY OF TEMPLE, TEXAS
REINVESTMENT ZONE NO. 1
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended September 30, 2016
(With comparative amounts for the year ended September 30, 2015)

	2016			2015
	Budgeted Amounts		Variance with	
	Original	Final	Final Budget	Actual
Revenues:				
Taxes	\$ 21,676,204	\$ 23,200,006	\$ 23,432,039	\$ 14,586,939
Intergovernmental	-	970,000	-	350,000
Licenses and permits	36,000	36,000	78,277	61,730
Interest and other	50,000	896,376	857,223	1,683,433
Total revenues	<u>21,762,204</u>	<u>25,102,382</u>	<u>24,367,539</u>	<u>16,682,102</u>
Expenditures:				
General government	577,450	895,925	590,542	485,464
Capital outlay	15,381,353	37,294,925	12,773,666	21,455,254
Debt service:				
Principal retirement	2,820,000	2,820,000	2,820,000	2,655,000
Interest and fiscal charges	1,851,973	1,852,473	1,852,262	1,942,246
Total expenditures	<u>20,630,776</u>	<u>42,863,323</u>	<u>18,036,470</u>	<u>26,537,964</u>
Excess (deficiency) of revenues over expenditures	1,131,428	(17,760,941)	6,331,069	(9,855,862)
Fund balance, beginning of year	<u>21,507,581</u>	<u>21,507,581</u>	<u>21,507,581</u>	<u>31,363,443</u>
Fund balance, end of year	<u>\$ 22,639,009</u>	<u>\$ 3,746,640</u>	<u>\$ 27,838,650</u>	<u>\$ 21,507,581</u>



**Schedules of Revenues, Expenditures
and Changes in Fund Balance –
Budget and Actual**

CITY OF TEMPLE, TEXAS
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended September 30, 2016
(With comparative amounts for the year ended September 30, 2015)

	2016			2015
	Budgeted Amounts		Variance with	
	Original	Final	Final Budget	Actual
Revenues:				
Taxes	\$10,511,181	\$10,511,181	\$ (174,395)	\$ 8,282,873
Intergovernmental	1,178,205	1,178,205	161,222	8,282,873
Interest and other	137,019	137,019	17,962	495,383
Total revenues	11,826,405	11,826,405	4,789	17,061,129
Expenditures:				
Debt Service:				
Principal	7,485,000	7,625,000	-	5,775,000
Interest and fiscal charges	5,834,332	5,696,750	311,174	4,314,846
Refunding bond issuance costs	-	89,926	-	-
Total expenditures	13,319,332	13,411,676	311,174	10,089,846
Excess (deficiency) of revenues over expenditures	(1,492,927)	(1,585,271)	315,963	6,971,283
Other financing sources (uses):				
Transfers in - General Fund	941,270	941,270	-	889,270
Refunding bonds issued	-	9,500,000	-	6,970,000
Bond discount	-	(58,705)	-	(43,046)
Original issue premium	-	1,229,850	-	574,558
Payment to refunded bond escrow agent	-	(10,578,801)	-	(7,469,063)
Total other financing sources (uses)	941,270	1,033,614	-	921,719
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(551,657)	(551,657)	315,963	7,893,002
Fund balance, beginning of year	959,697	959,697	-	1,349,568
Fund balance, end of year	\$ 408,040	\$ 408,040	\$ 315,963	\$ 9,242,570

CITY OF TEMPLE, TEXAS
HOTEL/MOTEL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended September 30, 2016
(With comparative amounts for the year ended September 30, 2015)

	2016			2015	
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
Revenues:					
Taxes	\$ 1,459,320	\$ 1,459,320	\$ 1,473,592	\$ 14,272	\$ 1,440,351
Charges for services:					
Civic center	402,000	405,000	435,358	30,358	415,023
Railroad Museum	66,000	66,000	87,409	21,409	92,204
Visitor center	200	200	755	555	835
Interest and other	9,200	18,200	27,745	9,545	51,824
Total revenues	<u>1,936,720</u>	<u>1,948,720</u>	<u>2,024,859</u>	<u>76,139</u>	<u>2,000,237</u>
Expenditures:					
Civic center	1,278,310	1,415,013	1,060,519	354,494	1,046,848
Railroad museum	494,555	603,521	484,446	119,075	437,589
Tourism marketing	583,253	590,389	442,891	147,498	339,771
Total expenditures	<u>2,356,118</u>	<u>2,608,923</u>	<u>1,987,856</u>	<u>621,067</u>	<u>1,824,208</u>
Excess (deficiency) of revenues over expenditures	<u>(419,398)</u>	<u>(660,203)</u>	<u>37,003</u>	<u>697,206</u>	<u>176,029</u>
Other financing sources (uses):					
Transfers in - Health Insurance Fund	-	-	-	-	174
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>174</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(419,398)</u>	<u>(660,203)</u>	<u>37,003</u>	<u>697,206</u>	<u>176,203</u>
Fund balance, beginning of year	<u>1,335,367</u>	<u>1,335,367</u>	<u>1,335,367</u>	<u>-</u>	<u>1,159,164</u>
Fund balance, end of year	<u>\$ 915,969</u>	<u>\$ 675,164</u>	<u>\$ 1,372,370</u>	<u>\$ 697,206</u>	<u>\$ 1,335,367</u>

CITY OF TEMPLE, TEXAS
FEDERAL/STATE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended September 30, 2016
(With comparative amounts for the year ended September 30, 2015)

	2016				2015
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
Revenues:					
Intergovernmental	\$ 357,357	\$ 5,135,806	\$ 711,241	\$ (4,424,565)	\$ 808,031
Other	-	105,629	67,075	(38,554)	-
Total revenues	357,357	5,241,435	778,316	(4,463,119)	808,031
Expenditures:					
General government	71,471	71,471	34,127	37,344	83,132
Public safety	-	117,096	89,492	27,604	61,825
Highways and streets	75,000	7,063,653	303,920	6,759,733	83,353
Sanitation	-	105,975	105,975	-	-
Health and welfare	210,886	298,396	83,828	214,568	102,069
Culture and leisure services	-	248,443	152,928	95,515	380,293
Airport	-	153,799	99,960	53,839	161,884
Total expenditures	357,357	8,058,833	870,230	7,188,603	872,556
Excess (deficiency) of revenues over expenditures	-	(2,817,398)	(91,914)	2,725,484	(64,525)
Other financing sources :					
Transfers in - General Fund	-	126,269	72,714	(53,555)	49,450
Transfers in - Capital Projects	-	2,691,129	19,200	(2,671,929)	15,075
Total other financing sources	-	2,817,398	91,914	(2,725,484)	64,525
Excess of revenues and other financing sources over expenditures and other financing sources	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF TEMPLE, TEXAS
DRAINAGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
For the year ended September 30, 2016
(With comparative amounts for the year ended September 30, 2015)

	2016			2015
	Budgeted Amounts		Variance with	
	Original	Final	Final Budget	Actual
Revenues:				
Drainage fees	\$ 1,134,150	\$ 1,134,150	\$ 23,701	\$ 1,125,126
Interest and other	4,500	82,932	45,744	17,645
Total revenues	<u>1,138,650</u>	<u>1,217,082</u>	<u>69,445</u>	<u>1,142,771</u>
Expenditures:				
Highways and streets:				
Personnel services	819,920	798,387	53,694	655,501
Operations	222,230	319,398	845	174,975
Capital outlay	606,000	733,476	16,722	122,322
Total expenditures	<u>1,648,150</u>	<u>1,851,261</u>	<u>71,261</u>	<u>952,798</u>
Excess (deficiency) of revenues over expenditures	<u>(509,500)</u>	<u>(634,179)</u>	<u>140,706</u>	<u>189,973</u>
Other financing sources (uses):				
Transfers in-Health Insurance Fund	-	-	-	174
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>174</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(509,500)</u>	<u>(634,179)</u>	<u>140,706</u>	<u>190,147</u>
Fund balance, beginning of year	<u>1,983,162</u>	<u>1,983,162</u>	<u>-</u>	<u>1,793,015</u>
Fund balance, end of year	<u>\$ 1,473,662</u>	<u>\$ 1,348,983</u>	<u>\$ 140,706</u>	<u>\$ 1,983,162</u>



Supplementary Individual Fund Financial Schedules

General Fund

These supplementary schedules are included to provide management additional information for financial analysis.

CITY OF TEMPLE, TEXAS
GENERAL FUND
COMPARATIVE BALANCE SHEET
September 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>	<u>Increase (Decrease)</u>
ASSETS			
Current Assets:			
Cash	\$ 5,700	\$ 5,050	\$ 650
Investments	30,257,390	30,772,526	(515,136)
Receivables (net of allowance for estimated uncollectible):			
State sales tax	1,685,981	1,509,256	176,725
Accounts	1,084,124	974,753	109,371
Franchise fees	203,954	193,816	10,138
Ad valorem taxes - delinquent	212,012	259,039	(47,027)
Due from other funds	275,398	-	275,398
Due from other governments	84,509	46,454	38,055
Inventories	298,160	272,842	25,318
Prepaid items	143,581	102,197	41,384
Total current assets	<u>34,250,809</u>	<u>34,135,933</u>	<u>114,876</u>
Restricted Assets:			
Drug enforcement	204,399	345,852	(141,453)
Public safety	31,867	32,975	(1,108)
R.O.W. escrow	192,439	269,313	(76,874)
Parks escrow	262,918	334,803	(71,885)
Rob Roy MacGregor Trust - Library	12,827	12,790	37
Total restricted assets	<u>704,450</u>	<u>995,733</u>	<u>(291,283)</u>
Total assets	<u>\$ 34,955,259</u>	<u>\$ 35,131,666</u>	<u>\$ (176,407)</u>

	2016	2015	Increase (Decrease)
LIABILITIES AND FUND BALANCES			
Vouchers payable	\$ 2,939,659	\$ 3,314,556	\$ (374,897)
Retainage payable	4,986	4,600	386
Accrued payroll	1,318,957	1,098,512	220,445
Vacation and sick leave payable	614,186	579,803	34,383
Deposits	47,351	52,772	(5,421)
Unearned revenues:			
Ad valorm taxes - delinquent	184,427	231,454	(47,027)
R.O.W. escrow	192,439	269,313	(76,874)
Parks escrow	262,918	334,803	(71,885)
Electric franchise	1,464,092	1,478,184	(14,092)
Gas franchise	233,322	310,477	(77,155)
Other	141,151	127,936	13,215
Total liabilities	<u>7,403,488</u>	<u>7,802,410</u>	<u>(398,922)</u>
Fund Balance:			
Nonspendable:			
Inventories and prepaid items	441,741	375,039	66,702
Restricted for:			
Drug enforcement	204,399	345,852	(141,453)
Public safety	31,867	32,975	(1,108)
Rob Roy MacGregor Trust - Library	12,827	12,790	37
Municipal court restricted fees	660,072	617,769	42,303
Vital statistics preservation fund	34,543	48,504	(13,961)
Public education channel	135,197	155,432	(20,235)
Assigned to:			
Technology replacement	379,099	420,476	(41,377)
Capital projects	5,091,813	4,920,337	171,476
Purchases on order	1,429,303	2,106,552	(677,249)
Unassigned	<u>19,130,910</u>	<u>18,293,530</u>	<u>837,380</u>
Total fund balance	<u>27,551,771</u>	<u>27,329,256</u>	<u>222,515</u>
Total liabilities and fund balances	<u>\$ 34,955,259</u>	<u>\$ 35,131,666</u>	<u>\$ (176,407)</u>

CITY OF TEMPLE, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the year ended September 30, 2016

(With comparative amounts for the year ended September 30, 2015)

	2016			2015	
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
Revenues:					
Taxes	\$ 33,467,720	\$ 33,467,720	\$ 33,989,898	\$ 522,178	\$ 34,058,553
Franchise fees	6,538,949	6,538,949	6,712,490	173,541	6,780,354
Licenses and permits	593,570	593,570	961,527	367,957	613,187
Intergovernmental	98,340	88,602	112,862	24,260	71,823
Charges for services	22,531,403	23,806,427	23,183,784	(622,643)	22,404,557
Fines	1,950,813	1,996,236	2,173,835	177,599	2,086,676
Interest and other	753,899	1,082,876	1,519,927	437,051	1,096,521
Total revenues	65,934,694	67,574,380	68,654,323	1,079,943	67,111,671
Expenditures:					
General government	15,197,319	16,376,598	14,605,188	1,771,410	14,782,723
Public safety	30,043,901	31,582,062	30,639,068	942,994	29,204,662
Highways and streets	3,647,538	3,736,630	3,244,888	491,742	3,018,125
Sanitation	5,418,447	6,029,753	5,869,985	159,768	5,171,235
Parks and recreation	10,355,499	11,369,618	10,178,215	1,191,403	9,335,393
Airport	3,071,071	2,995,291	2,247,236	748,055	2,478,744
Debt Service:					
Principal	48,106	48,106	48,106	-	46,194
Interest	7,065	7,065	7,065	-	8,976
Total expenditures	67,788,946	72,145,123	66,839,751	5,305,372	64,046,052
Excess (deficiency) of revenues over expenditures	(1,854,252)	(4,570,743)	1,814,572	6,385,315	3,065,619
Other financing sources (uses):					
Transfers in (out):					
Transfers in - Health Insurance Fund	-	-	-	-	14,824
Transfers out - Grant Fund	-	(126,269)	(72,714)	53,555	(49,450)
Transfers out - Capital Projects	-	(528,513)	(500,423)	28,090	(907,432)
Transfers out - Debt Service Fund	(941,270)	(941,270)	(941,270)	-	(889,270)
Transfers out - Bond Programs	-	(77,650)	(77,650)	-	(12,259)
Total other financing sources (uses)	(941,270)	(1,673,702)	(1,592,057)	81,645	(1,843,587)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(2,795,522)	(6,244,445)	222,515	6,466,960	1,222,032
Fund balance, beginning of period	27,329,256	27,329,256	27,329,256	-	26,107,224
Fund balance, end of period	\$ 24,533,734	\$ 21,084,811	\$ 27,551,771	\$ 6,466,960	\$ 27,329,256

CITY OF TEMPLE, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
For the year ended September 30, 2016
(With comparative amounts for the year ended September 30, 2015)

	2016			2015
	Budgeted Amounts		Variance with	
	Original	Final	Final Budget	Actual
Taxes:				
Ad valorem:				
Property, current year	\$ 12,690,837	\$ 12,690,837	\$ 30,565	\$ 12,361,868
Property, prior year	131,883	131,883	(28,535)	71,187
Penalty and interest	90,000	90,000	4,904	85,333
Total ad valorem taxes	12,912,720	12,912,720	6,934	12,518,388
Non-property taxes:				
City sales	20,335,000	20,335,000	524,081	21,311,743
Mixed beverage	160,000	160,000	(11,753)	156,030
Occupation	42,000	42,000	(2,077)	48,753
Bingo	18,000	18,000	4,993	23,639
Total non-property taxes	20,555,000	20,555,000	515,244	21,540,165
Total taxes	33,467,720	33,467,720	522,178	34,058,553
Franchise Fees:				
Electric franchise	3,045,000	3,045,000	155,418	3,080,962
Gas franchise	650,000	650,000	(128,853)	776,821
Telephone franchise	405,000	405,000	27,809	417,820
Cable franchise	663,630	663,630	109,175	738,303
Water/Sewer franchise	1,673,319	1,673,319	-	1,649,840
Other	102,000	102,000	9,992	116,608
Total franchise fees	6,538,949	6,538,949	173,541	6,780,354
Licenses and permits:				
Building permits	250,000	250,000	236,634	208,147
Electrical permits and licenses	67,525	67,525	36,916	83,907
Mechanical	72,000	72,000	18,284	71,208
Plumbing permit fees	107,545	107,545	34,393	124,310
Other	96,500	96,500	41,730	125,615
Total licenses and permits	593,570	593,570	367,957	613,187
Intergovernmental revenues:				
Federal grants	-	5,237	29,082	16,595
State grants	50,000	35,025	35,650	7,800
State reimbursements	8,352	8,352	8,352	8,352
Department of Civil Preparedness	39,988	39,988	(210)	39,076
Total intergovernmental revenues	\$ 98,340	\$ 88,602	\$ 112,862	\$ 71,823

(Continued)

CITY OF TEMPLE, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the year ended September 30, 2016

(With comparative amounts for the year ended September 30, 2015)

(Continued)

	2016			2015	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
Charges for services:					
Library fees	\$ 23,500	\$ 26,146	\$ 34,107	\$ 7,961	\$ 32,118
Recreational entry fees	128,800	128,800	120,492	(8,308)	120,588
Summit recreational fees	479,000	479,000	389,249	(89,751)	486,234
Golf course revenues	956,500	956,500	690,985	(265,515)	789,908
Swimming pool	40,000	40,000	37,242	(2,758)	48,870
Lions Junction water park	294,800	315,532	478,483	162,951	351,788
Sammons indoor pool	91,500	91,500	94,050	2,550	91,330
Vital statistics	110,000	110,000	130,034	20,034	124,847
Police revenue	639,502	1,428,958	1,587,110	158,152	1,602,266
Contractual services					
-proprietary fund	3,750,356	3,750,356	3,789,646	39,290	3,702,807
County fire protection	3,500	4,136	4,136	-	4,630
Curb and street cuts	25,000	25,000	96,155	71,155	62,195
Other	1,500	1,500	62,014	60,514	240,918
Solid waste collection - residential	4,243,000	4,243,000	4,310,048	67,048	4,169,597
Solid waste collection - commercial	3,075,582	3,075,582	3,127,171	51,589	2,945,727
Solid waste collection - roll-off	2,143,414	2,143,414	2,414,007	270,593	2,216,659
Landfill contract	1,829,000	1,829,000	1,913,357	84,357	1,971,203
Airport sales and rental	3,151,449	3,151,449	2,174,080	(977,369)	2,294,963
Recreational services	948,000	1,269,228	1,269,230	2	1,034,161
Fire department	76,000	91,826	51,854	(39,972)	34,758
Subdivision fees	15,000	15,000	22,298	7,298	18,465
Reinvestment Zone reimbursements	506,000	630,500	388,036	(242,464)	60,525
Total charges for services	22,531,403	23,806,427	23,183,784	(622,643)	22,404,557
Fines:					
Court	1,450,288	1,450,288	1,539,388	89,100	1,474,837
Animal pound	42,000	42,000	55,852	13,852	51,514
Overparking	6,000	6,000	2,695	(3,305)	8,405
Administrative fees	452,525	497,948	575,900	77,952	551,920
Total fines	1,950,813	1,996,236	2,173,835	177,599	2,086,676
Interest and other:					
Interest	95,000	95,000	171,210	76,210	110,032
Lease and rental	353,602	353,602	356,243	2,641	371,686
Sale of assets	96,500	98,579	128,384	29,805	99,455
Insurance claims	42,000	170,563	180,681	10,118	177,665
Payment in lieu of taxes	14,548	14,548	15,195	647	14,548
Building rental -					
BOA bldg.	82,149	85,580	97,649	12,069	90,664
Other	70,100	265,004	570,565	305,561	232,471
Total interest and other	753,899	1,082,876	1,519,927	437,051	1,096,521
Total revenues	\$ 65,934,694	\$ 67,574,380	\$ 68,654,323	\$ 1,079,943	\$ 67,111,671

CITY OF TEMPLE, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the year ended September 30, 2016
(With comparative amounts for the year ended September 30, 2015)

	2016				2015
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
General government:					
City council	\$ 209,179	\$ 209,210	\$ 138,860	\$ 70,350	\$ 161,848
City manager	948,838	1,036,320	754,204	282,116	577,167
Assistant city manager	235,485	253,072	241,983	11,089	188,886
General services	274,047	308,158	246,856	61,302	204,114
Finance	1,464,071	1,496,898	1,450,413	46,485	1,340,039
Purchasing	377,868	385,850	363,070	22,780	372,628
City secretary	413,271	464,056	374,706	89,350	320,763
Special services	1,297,580	1,438,045	1,186,220	251,825	1,057,421
Legal	803,105	826,389	815,132	11,257	712,091
City planning	631,883	648,954	565,655	83,299	547,756
Information technology services	2,582,632	2,945,094	2,709,799	235,295	2,811,338
Human resources	837,535	870,690	750,616	120,074	506,272
Economic development	2,158,461	2,284,300	2,263,800	20,500	3,241,849
Fleet services	1,103,300	1,164,022	1,012,353	151,669	1,012,107
Inspections	464,890	486,296	480,504	5,792	470,301
Facility services	1,395,174	1,559,244	1,251,017	308,227	1,258,143
	<u>15,197,319</u>	<u>16,376,598</u>	<u>14,605,188</u>	<u>1,771,410</u>	<u>14,782,723</u>
Public safety:					
Municipal court	721,161	753,683	710,570	43,113	681,058
Police	15,888,031	17,106,208	16,504,807	601,401	15,342,229
Animal control	476,309	502,596	444,655	57,941	437,426
Fire	11,532,611	11,699,230	11,532,123	167,107	11,462,456
Communications	843,748	843,748	843,748	-	749,220
Code enforcement	582,041	676,597	603,165	73,432	532,273
	<u>30,043,901</u>	<u>31,582,062</u>	<u>30,639,068</u>	<u>942,994</u>	<u>29,204,662</u>
Highways and streets:					
Street	2,679,050	2,693,915	2,319,773	374,142	2,228,880
Traffic signals	407,302	471,938	433,117	38,821	307,040
Engineering	561,186	570,777	491,998	78,779	482,205
	<u>3,647,538</u>	<u>3,736,630</u>	<u>3,244,888</u>	<u>491,742</u>	<u>3,018,125</u>
Sanitation:	<u>5,418,447</u>	<u>6,029,753</u>	<u>5,869,985</u>	<u>159,768</u>	<u>5,171,235</u>
Parks and recreation:					
Parks	3,436,705	3,870,422	3,351,251	519,171	3,025,039
Recreation	3,299,015	3,757,059	3,441,385	315,674	3,084,331
Administration	538,547	546,807	534,294	12,513	542,871
Golf course	1,383,552	1,448,825	1,206,038	242,787	1,110,934
Library	1,697,680	1,746,505	1,645,247	101,258	1,572,218
	<u>10,355,499</u>	<u>11,369,618</u>	<u>10,178,215</u>	<u>1,191,403</u>	<u>9,335,393</u>
Airport:	<u>3,071,071</u>	<u>2,995,291</u>	<u>2,247,236</u>	<u>748,055</u>	<u>2,478,744</u>
Debt service:	<u>55,171</u>	<u>55,171</u>	<u>55,171</u>	<u>-</u>	<u>55,170</u>
Totals	<u>\$ 67,788,946</u>	<u>\$ 72,145,123</u>	<u>\$ 66,839,751</u>	<u>\$ 5,305,372</u>	<u>\$ 64,046,052</u>

CITY OF TEMPLE, TEXAS
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the year ended September 30, 2016
(With comparative amounts for the year ended September 30, 2015)

	2016			2015	
	Budgeted Amounts		Actual	Variance with	Actual
	Original	Final		Final Budget	
General government:					
City council:					
Personnel services	\$ 26,900	\$ 26,900	\$ 6,923	\$ 19,977	\$ 5,972
Operations	182,279	182,310	131,937	50,373	155,876
	209,179	209,210	138,860	70,350	161,848
City manager:					
Personnel services	594,788	607,089	597,869	9,220	475,572
Operations	354,050	342,822	89,575	253,247	58,249
Capital outlay	-	86,409	66,760	19,649	43,346
	948,838	1,036,320	754,204	282,116	577,167
Assistant city manager:					
Personnel services	211,420	228,979	228,793	186	180,647
Operations	24,065	24,093	13,190	10,903	8,239
	235,485	253,072	241,983	11,089	188,886
General services:					
Personnel services	179,532	183,782	183,592	190	181,099
Operations	94,515	94,695	33,628	61,067	14,050
Capital outlay	-	29,681	29,636	45	8,965
	274,047	308,158	246,856	61,302	204,114
Finance:					
Personnel services	878,576	939,795	906,914	32,881	845,266
Operations	525,495	544,603	530,999	13,604	494,773
Capital outlay	60,000	12,500	12,500	-	-
	1,464,071	1,496,898	1,450,413	46,485	1,340,039
Purchasing:					
Personnel services	362,763	368,658	348,724	19,934	351,543
Operations	15,105	17,192	14,346	2,846	21,085
	377,868	385,850	363,070	22,780	372,628
City secretary:					
Personnel services	330,081	365,456	318,780	46,676	269,571
Operations	83,190	79,730	43,147	36,583	51,192
Capital outlay	-	18,870	12,779	6,091	-
	413,271	464,056	374,706	89,350	320,763
Special services:					
Personnel services	351,081	575,581	574,586	995	459,812
Operations	527,269	862,464	611,634	250,830	587,641
Capital outlay	-	-	-	-	9,968
	1,297,580	1,438,045	1,186,220	251,825	1,057,421
Legal:					
Personnel services	734,414	757,704	757,447	257	656,722
Operations	68,691	68,685	57,685	11,000	55,369
	803,105	826,389	815,132	11,257	712,091
City planning:					
Personnel services	578,974	592,037	522,471	69,566	521,351
Operations	52,909	56,917	43,184	13,733	26,405
	631,883	648,954	565,655	83,299	547,756
Information technology services:					
Personnel services	1,290,408	1,309,227	1,284,550	24,677	1,179,544
Operations	1,292,224	1,261,233	1,177,784	83,449	1,121,287
Capital outlay	-	374,634	247,465	127,169	510,507
	2,582,632	2,945,094	2,709,799	235,295	2,811,338
Human resources:					
Personnel services	575,553	581,712	533,729	47,983	410,226
Operations	261,982	288,978	216,887	72,091	96,046
	837,535	870,690	750,616	120,074	506,272
Economic development:					
Operations	2,158,461	2,284,300	2,263,800	20,500	3,241,849
	2,158,461	2,284,300	2,263,800	20,500	3,241,849
Fleet services:					
Personnel services	960,732	976,250	915,724	60,526	919,587
Operations	82,568	82,832	57,726	25,106	60,530
Capital outlay	60,000	104,940	38,903	66,037	31,990
	1,103,300	1,164,022	1,012,353	151,669	1,012,107

(Continued)

CITY OF TEMPLE, TEXAS
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the year ended September 30, 2016
(With comparative amounts for the year ended September 30, 2015)

(Continued)

	2016				2015
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
Inspections/Permits:					
Personnel services	\$ 410,363	\$ 431,949	\$ 431,628	\$ 321	\$ 385,020
Operations	54,527	53,847	48,376	5,471	37,281
Capital outlay	-	500	500	-	48,000
	<u>464,890</u>	<u>486,296</u>	<u>480,504</u>	<u>5,792</u>	<u>470,301</u>
Facility services:					
Personnel services	684,482	691,601	556,437	135,164	553,896
Operations	636,692	644,384	530,604	113,780	515,740
Capital outlay	74,000	223,259	163,976	59,283	188,507
	<u>1,395,174</u>	<u>1,559,244</u>	<u>1,251,017</u>	<u>308,227</u>	<u>1,258,143</u>
Total general government	<u>15,197,319</u>	<u>16,376,598</u>	<u>14,605,188</u>	<u>1,771,410</u>	<u>14,782,723</u>
Public safety:					
Municipal court:					
Personnel services	652,347	666,415	639,342	27,073	619,109
Operations	68,814	87,268	71,228	16,040	61,949
	<u>721,161</u>	<u>753,683</u>	<u>710,570</u>	<u>43,113</u>	<u>681,058</u>
Police:					
Personnel services	13,164,071	13,912,972	13,664,556	248,416	13,073,232
Operations	1,519,160	1,562,574	1,300,104	262,470	1,547,044
Capital outlay	1,204,800	1,630,662	1,540,147	90,515	721,953
	<u>15,888,031</u>	<u>17,106,208</u>	<u>16,504,807</u>	<u>601,401</u>	<u>15,342,229</u>
Animal control:					
Personnel services	368,452	373,321	364,823	8,498	354,648
Operations	97,857	100,864	74,505	26,359	82,778
Capital outlay	10,000	28,411	5,327	23,084	-
	<u>476,309</u>	<u>502,596</u>	<u>444,655</u>	<u>57,941</u>	<u>437,426</u>
Fire:					
Personnel services	10,352,330	10,474,244	10,461,863	12,381	10,070,231
Operations	967,481	1,010,688	908,726	101,962	844,687
Capital outlay	212,800	214,298	161,534	52,764	547,538
	<u>11,532,611</u>	<u>11,699,230</u>	<u>11,532,123</u>	<u>167,107</u>	<u>11,462,456</u>
Communications:					
Operations	843,748	843,748	843,748	-	749,220
	<u>843,748</u>	<u>843,748</u>	<u>843,748</u>	<u>-</u>	<u>749,220</u>
Code enforcement:					
Personnel services	420,758	435,353	432,060	3,293	378,580
Operations	121,783	161,651	99,536	62,115	141,579
Capital outlay	39,500	79,593	71,569	8,024	12,114
	<u>582,041</u>	<u>676,597</u>	<u>603,165</u>	<u>73,432</u>	<u>532,273</u>
Total public safety	<u>30,043,901</u>	<u>31,582,062</u>	<u>30,639,068</u>	<u>942,994</u>	<u>29,204,662</u>
Highways and streets:					
Street :					
Personnel services	1,096,232	1,128,170	1,050,622	77,548	916,401
Operations	1,275,318	1,258,245	1,098,739	159,506	1,080,254
Capital outlay	307,500	307,500	170,412	137,088	232,225
	<u>2,679,050</u>	<u>2,693,915</u>	<u>2,319,773</u>	<u>374,142</u>	<u>2,228,880</u>
Traffic signals:					
Personnel services	254,308	266,924	259,490	7,434	244,851
Operations	77,994	89,392	63,020	26,372	43,396
Capital outlay	75,000	115,622	110,607	5,015	18,793
	<u>407,302</u>	<u>471,938</u>	<u>433,117</u>	<u>38,821</u>	<u>307,040</u>
Engineering:					
Personnel services	447,488	457,097	424,723	32,374	415,906
Operations	113,698	113,680	67,275	46,405	66,299
	<u>561,186</u>	<u>570,777</u>	<u>491,998</u>	<u>78,779</u>	<u>482,205</u>
Total highways and streets	<u>3,647,538</u>	<u>3,736,630</u>	<u>3,244,888</u>	<u>491,742</u>	<u>3,018,125</u>

(Continued)

CITY OF TEMPLE, TEXAS
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the year ended September 30, 2016
(With comparative amounts for the year ended September 30, 2015)

(Continued)

	2016				2015
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
Sanitation:					
Personnel services	\$ 2,252,976	\$ 2,282,681	\$ 2,262,973	\$ 19,708	\$ 2,115,783
Operations	3,138,721	3,175,397	3,108,647	66,750	3,014,741
Capital outlay	26,750	571,675	498,365	73,310	40,711
Total sanitation	5,418,447	6,029,753	5,869,985	159,768	5,171,235
Parks & recreation:					
Parks					
Personnel services	1,582,912	1,581,953	1,528,051	53,902	1,439,019
Operations	1,653,543	1,785,379	1,396,100	389,279	1,438,218
Capital outlay	200,250	503,090	427,100	75,990	147,802
	3,436,705	3,870,422	3,351,251	519,171	3,025,039
Recreation					
Personnel services	2,080,818	2,157,818	2,008,179	149,639	1,936,010
Operations	1,150,197	1,417,682	1,340,124	77,558	1,070,515
Capital outlay	68,000	181,559	93,082	88,477	77,806
	3,299,015	3,757,059	3,441,385	315,674	3,084,331
Administration					
Personnel services	396,196	403,140	399,810	3,330	380,574
Operations	142,351	137,197	128,014	9,183	162,297
Capital outlay	-	6,470	6,470	-	-
	538,547	546,807	534,294	12,513	542,871
Golf course					
Personnel services	696,896	705,926	665,190	40,736	667,481
Operations	489,734	474,075	388,992	85,083	364,627
Capital outlay	196,922	268,824	151,856	116,968	78,826
	1,383,552	1,448,825	1,206,038	242,787	1,110,934
Library:					
Personnel services	1,160,842	1,180,274	1,128,217	52,057	1,039,151
Operations	536,838	566,231	517,030	49,201	514,142
Capital outlay	-	-	-	-	18,925
	1,697,680	1,746,505	1,645,247	101,258	1,572,218
Total parks & recreation	10,355,499	11,369,618	10,178,215	1,191,403	9,335,393
Airport:					
Personnel services	853,958	865,993	820,233	45,760	776,763
Operations	2,117,113	2,119,431	1,420,853	698,578	1,570,223
Capital outlay	100,000	9,867	6,150	3,717	131,758
Total airport	3,071,071	2,995,291	2,247,236	748,055	2,478,744
Debt service:					
Principal	48,106	48,106	48,106	-	46,194
Interest	7,065	7,065	7,065	-	8,976
Total debt service	55,171	55,171	55,171	-	55,170
Total	\$ 67,788,946	\$ 72,145,123	\$ 66,839,751	\$ 5,305,372	\$ 64,046,052

Agency Fund

Statement of Changes in Assets and Liabilities

CITY OF TEMPLE, TEXAS
AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
TEMPLE HEALTH & BIOSCIENCE ECONOMIC DISTRICT
For the year ended September 30, 2016

	Balances October 1, 2015	Additions	Deductions	Balances September 30, 2016
ASSETS				
Cash and cash equivalents	\$ 3,248,694	\$ -	\$ 3,248,694	\$ -
Property taxes receivable	19,194	-	19,194	-
Other assets	12,941	-	12,941	-
Total assets	<u>\$ 3,280,829</u>	<u>\$ -</u>	<u>\$ 3,280,829</u>	<u>\$ -</u>
LIABILITIES				
Vouchers payable	\$ 18,396	\$ -	\$ 18,396	\$ -
Unearned revenue	17,689	-	17,689	-
Other	3,244,744	-	3,244,744	-
Total liabilities	<u>\$ 3,280,829</u>	<u>\$ -</u>	<u>\$ 3,280,829</u>	<u>\$ -</u>

Supplementary Schedules

CITY OF TEMPLE, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the year ended September 30, 2016

Federal/State Grantor Agency or Pass-Through Program Title	Federal CFDA Number	Grant Number	Program or Award Amount	Passed Through to Subrecipients	Program Expenditures
Federal Assistance:					
<u>U.S. Department of H.U.D.</u>					
CDBG 2014	14.218	B-14-MC-48-0021	\$ 390,268	\$ 50,000	\$ 92,013
CDBG 2015	14.218	B-15-MC-48-0021	357,357	-	54,514
					<u>146,527</u>
<u>U.S. Department of Homeland Security</u>					
Texas Department of Public Safety:					
Civil Defense	97.042	16TX-EMPG-1142	39,778	-	39,778
Texas Engineering Extension Service					
Urban Search and Rescue	97.025	2178-PP12 2015	23,845	-	23,845
					<u>63,623</u>
<u>U.S. Department of Justice</u>					
2015 Bullet Proof Vests Grant	16.607	2015-BU-BX-13069168	27,920	-	26,144
Equitable Sharing Program	16.922	TX0140700	24,504	-	24,504
Killeen Police Department:					
2015 Edward Byrne Memorial Justice Assistance Grant	16.738	2015-DJ-BX-0695	16,688	-	16,137
					<u>66,785</u>
<u>U.S. Department of Health and Human Services</u>					
2016 Community Health Related to Contamination at Land Reuse/Brownfield Sites Grant	93.07	1E11TS000265-01	150,000	-	139,428
					<u>139,428</u>
<u>U.S. Department of Transportation</u>					
Texas Department of Transportation:					
Surface Transportation Program (through KTMPO)	20.205	0909-36-155	3,888,000	-	-
Pass-Through Agreement	20.205	0320-06-001	16,555,000	-	1,339,427
Transportation Alternatives Project North 31st Sidewalks	20.205	0909-36-150	234,064	-	156,002
					<u>1,495,429</u>
<u>U.S. Environmental Protection Agency</u>					
Special Appropriation Act Projects	66.202	01F18601	970,000	-	-
					<u>-</u>
<u>U.S. General Services Administration</u>					
Federal Surplus Property Program	39.003	25165	18,749	-	18,749
					<u>18,749</u>
<u>Institute of Museum and Library Services</u>					
Texas State Library and Archives Commission					
Interlibrary Loan Program	45.310	LS-00-13-0044-13	5,238	-	5,238
					<u>5,238</u>
Total Federal Financial Assistance			22,701,411	50,000	1,935,779
State Financial Assistance:					
<u>Office of the Attorney General</u>					
Chapter 59 Asset Forfeitures	-	-	180,078	-	180,078
					<u>180,078</u>
<u>Office of the Governor - Criminal Justice Division</u>					
Crisis Assistance Program	-	2820001	41,719	-	19,569
					<u>19,569</u>
<u>Texas Commission on Environmental Quality</u>					
Texas Natural Gas Vehicle Grant Program	-	582-13-32486-1795	150,000	-	75,975
Texas Natural Gas Vehicle Grant Program	-	582-15-54980-0838	30,000	-	30,000
Texas Natural Gas Vehicle Grant Program	-	582-16-63808-0484	30,000	-	30,000
					<u>135,975</u>
<u>Texas Department of Transportation</u>					
2016 Routine Airport Maintenance Program (RAMP)	-	M1609TEMP	50,000	-	50,000
					<u>50,000</u>
<u>Texas A&M Forest Service</u>					
TIFMAS Grant Assistance Program	-	-	2,220	-	2,125
					<u>2,125</u>
<u>Texas State University System</u>					
Texas School Safety Center					
Tobacco Prevention and Community Services Division					
Tobacco Enforcement Program	-	-	5,025	-	5,025
					<u>5,025</u>
Total State Financial Assistance			489,042	-	392,772
Total Federal and State Financial Assistance			\$ 23,190,453	\$ 50,000	\$ 2,328,551

CITY OF TEMPLE, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the year ended September 30, 2016

Basis of Presentation - The accompanying Schedule of Expenditures of Federal and State Awards presents the activity of all federal and state financial assistance programs of the City of Temple, Texas. The City's reporting entity is defined in Note I to the City's financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City. Federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies is included on the schedule. State financial assistance received directly from state agencies is also included on the schedule.

Summary of Significant Accounting Policies - The accompanying schedule of federal and state financial assistance is presented using the modified accrual basis of accounting, which is described in Note I to the City's financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Indirect Cost Rate – The City has elected not to use the 10% de minimis indirect cost rate allowed under Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Relationship to Federal and State Financial Reports - Amounts reported in the accompanying schedule agree with the amounts reported in the related federal and state financial reports in all material respects.

Subgrantees – The federal expenditures for the Community Development Block Grant program include grants to subrecipients as follows:

<u>Subrecipient</u>	<u>Community Development Block Grant</u>
Families in Crisis	\$ 20,000
Hill Country Community Action Association	20,000
United Way of Central Texas	<u>10,000</u>
	<u>\$ 50,000</u>

Program Income – In accordance with terms of the Community Development Block Grant Program, program income totaling \$ 0 was used to reduce the amount of federal funds in conjunction with the program's objective.



Statistical Section

(Unaudited)

This part of the City of Temple's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Page
Financial Trends	170
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity	176
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	182
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	187
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	
Operating Information	189
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	
Other Information	199
<i>These schedules contain other information related to government's operations.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF TEMPLE, TEXAS
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

Table I

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Net investment in capital assets	\$ 52,985,354	\$ 52,489,279	\$ 52,235,300	\$ 55,403,473	\$ 52,200,366	\$ 48,379,646	\$ 46,131,460	\$ 44,686,194	\$ 40,996,292	\$ 43,934,442
Restricted	1,130,345	1,744,532	1,538,432	1,758,817	854,162	2,205,455	6,616,901	706,237	959,697	724,003
Unrestricted	19,846,723	17,283,475	17,387,358	17,244,063	18,762,548	18,302,720	19,413,974	18,278,736	7,146,291	3,032,699
Total governmental activities net position	<u>\$ 73,962,422</u>	<u>\$ 71,517,286</u>	<u>\$ 71,161,090</u>	<u>\$ 74,406,353</u>	<u>\$ 71,817,076</u>	<u>\$ 68,887,821</u>	<u>\$ 72,162,335</u>	<u>\$ 63,671,167</u>	<u>\$ 49,102,280</u>	<u>\$ 47,691,144</u>
Business-type activities										
Net investment in capital assets	\$ 49,636,049	\$ 50,857,397	\$ 54,645,573	\$ 56,948,517	\$ 62,157,571	\$ 65,054,555	\$ 68,521,536	\$ 72,979,933	\$ 69,469,800	\$ 71,123,596
Restricted	3,876,084	3,973,724	3,951,535	4,433,417	4,559,630	2,723,415	925,059	1,330,549	1,334,468	1,639,298
Unrestricted	12,398,097	16,447,880	18,016,855	17,483,818	18,278,226	22,075,622	24,794,589	24,712,330	31,192,966	33,129,804
Total business-type activities net position	<u>\$ 65,910,230</u>	<u>\$ 71,279,001</u>	<u>\$ 76,613,963</u>	<u>\$ 78,865,752</u>	<u>\$ 84,995,427</u>	<u>\$ 89,853,592</u>	<u>\$ 94,241,184</u>	<u>\$ 99,022,812</u>	<u>\$ 101,997,234</u>	<u>\$ 105,892,698</u>
Primary government										
Net investment in capital assets	\$102,621,403	\$ 103,346,676	\$ 106,880,873	\$ 112,351,990	\$ 114,357,937	\$ 113,434,201	\$ 114,652,996	\$ 117,666,127	\$ 110,466,092	\$ 115,058,038
Restricted	5,006,429	5,718,256	5,489,967	6,192,234	5,413,792	4,928,870	7,541,960	2,036,786	2,294,165	2,363,301
Unrestricted	32,244,820	33,731,355	35,404,213	34,727,881	37,040,774	40,378,342	44,208,563	42,991,066	38,339,257	36,162,503
Total primary government net position	<u>\$139,872,652</u>	<u>\$ 142,796,287</u>	<u>\$ 147,775,053</u>	<u>\$ 153,272,105</u>	<u>\$ 156,812,503</u>	<u>\$ 158,741,413</u>	<u>\$ 166,403,519</u>	<u>\$ 162,693,979</u>	<u>\$ 151,099,514</u>	<u>\$ 153,583,842</u>

CITY OF TEMPLE, TEXAS
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

Table II

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	\$ 11,021,864	\$ 12,399,274	\$ 11,973,280	\$ 11,469,892	\$ 12,099,128	\$ 12,308,008	\$ 13,493,386	\$ 14,634,734	\$ 14,904,124	\$ 15,656,749
Public safety	22,895,298	23,967,943	25,002,639	24,674,521	29,791,300	26,988,933	27,732,226	28,224,373	29,912,951	33,628,711
Highways and streets	5,131,500	8,605,895	6,307,841	6,090,841	7,155,289	10,413,550	22,080,671	28,047,101	10,259,565	7,273,731
Sanitation	5,646,430	5,578,902	4,945,085	5,241,149	5,131,467	5,469,440	6,039,912	7,080,709	5,990,896	6,455,973
Health and welfare	349,971	272,490	220,728	318,782	273,641	244,943	93,539	35,755	112,058	149,961
Cultural and leisure services	9,352,959	10,593,111	10,556,001	10,659,300	10,908,726	11,463,800	13,471,535	12,365,268	12,312,968	13,589,344
Airport	2,775,654	3,719,181	3,068,653	3,178,623	3,791,164	3,980,015	3,725,020	3,655,194	3,683,154	3,500,076
Interest on long term debt	2,707,472	2,433,438	3,246,906	3,421,182	3,039,907	2,690,036	4,232,163	3,639,945	4,237,351	5,351,692
Total governmental activities expenses	59,881,148	67,570,234	65,321,133	65,054,290	72,190,622	73,558,725	90,868,452	97,683,079	81,413,067	85,606,237
Business-type activities:										
Water and sewer	19,355,126	20,852,467	22,293,459	23,926,631	23,384,255	24,220,726	25,713,333	26,882,060	26,081,271	28,649,118
Total business-type activities expenses	19,355,126	20,852,467	22,293,459	23,926,631	23,384,255	24,220,726	25,713,333	26,882,060	26,081,271	28,649,118
Total primary government expenses	79,236,274	88,422,701	87,614,592	88,980,921	95,574,877	97,779,451	116,581,785	124,565,139	107,494,338	114,255,355
Program Revenues										
Governmental activities:										
Fees, Fines, and Charges for Services:										
General government	3,365,992	3,357,505	3,447,523	3,432,373	3,285,507	3,359,920	3,691,433	3,900,990	4,143,573	4,189,072
Public safety	2,584,509	2,875,433	2,418,173	2,501,244	2,886,737	2,756,996	3,140,024	3,753,119	4,341,516	4,778,461
Highways and streets	729,368	802,199	1,111,834	1,111,434	1,127,601	1,235,792	1,202,744	1,238,493	1,322,099	1,425,168
Sanitation	8,807,165	8,972,328	9,398,631	10,045,117	10,065,522	10,145,513	10,509,545	11,222,768	11,303,186	11,764,582
Cultural and leisure services	2,371,659	2,662,145	2,807,967	3,157,108	2,935,299	3,689,340	3,759,669	3,710,483	3,703,956	4,025,396
Airport	2,388,479	3,175,668	2,224,004	2,311,344	2,874,462	3,037,702	2,847,211	2,732,476	2,294,963	2,174,080
Operating grants and contributions	461,062	562,086	482,504	732,270	867,166	517,463	225,720	513,508	12,501,829	453,554
Capital grants and contributions	971,480	899,528	1,202,640	3,249,962	978,717	1,558,087	17,403,845	12,724,001	391,026	899,586
Total governmental activities program revenues	21,679,714	23,306,892	23,093,276	26,540,852	25,021,011	26,300,813	42,780,191	39,795,838	40,002,148	29,709,899
Business-type activities:										
Charges for services:										
Water and sewer	21,815,931	25,014,928	27,390,285	25,929,814	29,387,212	28,645,921	30,046,938	29,824,871	30,375,811	31,720,917
Capital grants and contributions	1,366,031	564,609	2,763	106,221	-	74,735	248,996	1,330,056	381,295	134,570
Total business-type activities program revenues	23,181,962	25,579,537	27,393,048	26,036,035	29,387,212	28,720,656	30,295,934	31,154,927	30,757,106	31,855,487
Total primary government program revenues	\$ 44,861,676	\$ 48,886,429	\$ 50,486,324	\$ 52,576,887	\$ 54,408,223	\$ 55,021,469	\$ 73,076,125	\$ 70,950,765	\$ 70,759,254	\$ 61,565,386

(continued)

CITY OF TEMPLE, TEXAS
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

Table II
(Continued)

	2007	2008	2009	2010	Fiscal Year 2011	2012	2013	2014	2015	2016
Net (Expense) Revenue										
Governmental activities	\$ (38,201,434)	\$ (44,263,342)	\$ (42,227,857)	\$ (38,513,438)	\$ (47,169,611)	\$ (47,257,912)	\$ (48,088,261)	\$ (57,887,241)	\$ (41,410,919)	\$ (55,896,338)
Business-type activities	3,826,836	4,727,070	5,099,589	2,109,404	6,002,957	4,499,930	4,582,601	4,272,867	4,675,835	3,206,369
Total primary government net expense	<u>\$ (34,374,598)</u>	<u>\$ (39,536,272)</u>	<u>\$ (37,128,268)</u>	<u>\$ (36,404,034)</u>	<u>\$ (41,166,654)</u>	<u>\$ (42,757,982)</u>	<u>\$ (43,505,660)</u>	<u>\$ (53,614,374)</u>	<u>\$ (36,735,084)</u>	<u>\$ (52,689,969)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Ad valorem	\$ 14,788,877	\$ 15,825,309	\$ 16,837,010	\$ 17,655,483	\$ 17,582,789	\$ 18,195,808	\$ 19,195,036	\$ 20,187,267	\$ 20,847,366	\$ 23,231,944
Sales	14,933,628	15,510,913	15,238,812	15,134,138	16,125,862	16,967,401	18,017,575	18,981,471	21,311,743	20,859,081
Franchise	5,855,401	6,066,459	6,373,864	6,152,140	6,216,239	6,260,051	6,178,547	6,382,781	6,780,354	6,712,490
Hotel/Motel	1,029,398	1,210,494	1,067,836	1,104,894	1,215,396	1,223,910	1,306,257	1,445,935	1,440,351	1,473,592
Mixed beverage	96,724	108,764	106,387	106,418	123,581	100,164	110,409	155,280	156,030	148,247
Other taxes	52,539	54,077	54,198	55,750	70,191	77,451	80,817	71,750	72,392	62,915
Investment earnings	2,319,714	1,487,908	464,244	164,385	88,140	81,493	122,330	108,848	156,778	398,306
Miscellaneous	1,743,245	1,554,282	1,729,310	1,385,493	3,150,409	1,422,379	1,762,894	2,055,938	746,050	1,598,627
Settlement income, net expense	-	-	-	-	-	-	5,350,000	-	-	-
Transfers	-	-	-	-	-	-	47,492	6,803	(2,267)	-
Total governmental activities	<u>40,819,526</u>	<u>41,818,206</u>	<u>41,871,661</u>	<u>41,758,701</u>	<u>44,572,607</u>	<u>44,328,657</u>	<u>52,171,357</u>	<u>49,396,073</u>	<u>51,508,797</u>	<u>54,485,202</u>
Business-type activities:										
Investment earnings	932,660	641,701	235,373	142,385	126,718	358,235	323,317	515,564	353,239	689,095
Transfers	-	-	-	-	-	-	(47,492)	(6,803)	2,267	-
Total business-type activities	<u>932,660</u>	<u>641,701</u>	<u>235,373</u>	<u>142,385</u>	<u>126,718</u>	<u>358,235</u>	<u>275,825</u>	<u>508,761</u>	<u>355,506</u>	<u>689,095</u>
Total primary government	<u>41,752,186</u>	<u>42,459,907</u>	<u>42,107,034</u>	<u>41,901,086</u>	<u>44,699,325</u>	<u>44,686,892</u>	<u>52,447,182</u>	<u>49,904,834</u>	<u>51,864,303</u>	<u>55,174,297</u>
Changes in Net Position										
Governmental activities	2,618,092	(2,445,136)	(356,196)	3,245,263	(2,597,004)	(2,929,255)	4,083,096	(8,491,168)	10,097,878	(1,411,136)
Business-type activities	4,759,496	5,368,771	5,334,962	2,251,789	6,129,675	4,858,165	4,858,426	4,781,628	5,031,341	3,895,464
Total primary government	<u>\$ 7,377,588</u>	<u>\$ 2,923,635</u>	<u>\$ 4,978,766</u>	<u>\$ 5,497,052</u>	<u>\$ 3,532,671</u>	<u>\$ 1,928,910</u>	<u>\$ 8,941,522</u>	<u>\$ (3,709,540)</u>	<u>\$ 15,129,219</u>	<u>\$ 2,484,328</u>

CITY OF TEMPLE, TEXAS
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table III

	Fiscal Year ⁽¹⁾									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General fund										
Nonspendable:										
Inventories and prepaid items	\$ 360,101	\$ 389,222	\$ 361,371	\$ 375,993	\$ 448,025	\$ 498,812	\$ 451,696	\$ 435,073	\$ 375,039	\$ 441,741
Restricted for:										
Drug enforcement	197,743	304,931	298,679	329,408	384,797	321,867	329,651	290,550	345,852	204,399
Library, museum, and other	575,459	642,816	368,817	469,706	636,101	629,792	764,285	772,510	867,470	874,506
Assigned to:										
Capital technology acquisition	526,345	349,587	569,240	231,207	329,162	315,618	390,979	403,071	420,476	379,099
Capital projects	5,924,986	3,793,396	4,634,697	5,630,052	6,375,154	4,277,846	5,431,542	5,211,128	4,920,337	5,061,813
Self-funded health insurance	-	-	-	-	275,000	300,000	-	-	-	-
Purchases on order	1,482,391	1,135,807	1,951,008	1,532,988	1,109,456	2,060,396	1,960,290	1,454,214	2,106,552	1,429,303
Unassigned	14,478,768	15,048,035	15,048,035	15,050,138	15,368,477	16,100,649	16,785,630	17,540,678	18,293,530	19,160,910
Total general fund	<u>\$ 23,545,793</u>	<u>\$ 21,663,794</u>	<u>\$ 23,231,847</u>	<u>\$ 23,619,492</u>	<u>\$ 24,926,172</u>	<u>\$ 24,504,980</u>	<u>\$ 26,114,073</u>	<u>\$ 26,107,224</u>	<u>\$ 27,329,256</u>	<u>\$ 27,551,771</u>
All other governmental funds										
Nonspendable:										
Prepaid items	\$ 2,000	\$ 2,000	\$ 5,098	\$ 4,581	\$ 4,555	\$ 4,203	\$ 15,527	\$ 20,086	\$ 19,400	\$ 21,804
Restricted for:										
Debt service	1,130,345	1,744,532	1,538,432	1,758,817	1,364,049	2,960,522	7,356,612	1,349,568	959,697	724,003
Construction	7,443,797	22,212,809	9,310,110	15,349,088	4,585,041	30,398,210	37,708,729	11,652,509	44,922,504	41,698,442
Museum	-	-	-	-	-	-	8,348	13,049	11,149	11,775
Promotion of tourism	970,497	1,208,688	1,027,344	913,293	1,149,063	1,350,812	1,077,954	1,126,029	1,305,093	1,338,791
Committed to:										
Drainage	766,162	558,905	999,253	1,265,722	1,279,068	1,503,965	1,855,290	1,793,015	1,982,887	1,489,689
Total all other governmental funds	<u>\$ 10,312,801</u>	<u>\$ 25,726,934</u>	<u>\$ 12,880,237</u>	<u>\$ 19,291,501</u>	<u>\$ 8,381,776</u>	<u>\$ 36,217,712</u>	<u>\$ 48,022,460</u>	<u>\$ 15,954,256</u>	<u>\$ 49,200,730</u>	<u>\$ 45,284,504</u>

¹ - The City implemented GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* in fiscal year 2011. Fiscal years 2005 through 2010 have been reclassified with the implementation of GASB Statement No. 54.

CITY OF TEMPLE, TEXAS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table IV

	2007	2008	2009	2010	Fiscal Year 2011	2012	2013	2014	2015	2016
REVENUES:										
Taxes:										
Ad valorem	\$ 14,749,272	\$ 15,821,743	\$ 16,741,749	\$ 17,617,718	\$ 17,647,927	\$ 18,246,346	\$ 19,164,488	\$ 20,184,854	\$ 20,801,261	\$ 23,256,440
Sales	14,933,628	15,510,913	15,238,812	15,134,138	16,125,862	16,967,401	18,017,575	18,981,471	21,311,743	20,859,081
Hotel/Motel	1,029,398	1,210,494	1,067,836	1,104,894	1,215,396	1,223,910	1,306,256	1,445,935	1,440,351	1,473,592
Mixed beverage	96,724	108,764	106,387	106,418	123,581	100,164	110,409	155,280	156,030	148,247
Other taxes	52,539	54,077	54,198	55,751	70,191	77,451	80,817	71,750	72,392	62,916
Franchise fees	5,855,401	6,066,459	6,373,864	6,152,141	6,216,239	6,260,051	6,178,547	6,382,782	6,780,354	6,712,490
Licenses and permits	419,367	407,634	333,085	323,817	448,076	377,290	738,449	662,666	613,187	961,527
Intergovernmental	1,432,542	1,461,614	1,685,144	3,982,232	1,847,522	2,265,741	17,629,564	13,237,510	879,854	2,163,530
Drainage fees	638,591	685,848	981,950	999,274	1,016,748	1,084,423	1,098,165	1,109,378	1,125,126	1,157,851
Charges for services:										
Library fees	43,295	48,070	46,664	37,678	40,202	35,829	34,900	32,498	32,118	34,107
Recreational entry fees	168,358	171,812	162,965	168,238	154,637	136,498	133,153	126,845	120,588	120,492
Summit recreational fees	460,064	469,840	468,832	624,394	773,341	751,824	627,333	526,310	486,234	389,249
Golf course revenues	931,270	1,017,243	911,780	788,981	239,610	1,017,595	950,200	874,917	789,908	690,985
Swimming pool	87,268	93,160	51,358	30,016	37,922	33,169	42,845	48,030	48,870	37,242
Lions Junction water park	-	-	275,978	270,067	298,497	259,976	300,008	298,690	351,788	478,483
Sammons indoor pool	-	-	10,507	60,445	72,336	82,530	93,645	91,705	91,330	94,050
Vital statistics	229,874	228,691	224,293	174,537	138,342	124,135	126,605	120,542	124,847	130,034
Police revenue	250,619	466,471	268,804	277,769	278,136	228,156	344,477	629,586	1,602,266	1,587,110
Contractual services - proprietary fund	2,564,022	2,815,038	2,916,744	2,965,786	2,968,883	3,063,081	3,251,073	3,480,132	3,702,807	3,789,646
County fire protection	1,084	1,353	5,007	2,058	4,095	3,988	3,583	1,341	4,630	4,136
Curb and street cuts	32,043	36,925	51,896	42,658	42,745	69,762	23,292	38,732	62,195	96,155
Other	116,099	115,091	107,866	173,520	177,315	183,078	151,617	159,130	301,443	62,014
Solid waste collection - residential	2,721,927	2,832,858	3,178,301	3,572,061	3,658,361	3,731,899	3,824,407	4,041,272	4,169,597	4,310,048
Solid waste collection - commercial	2,556,689	2,639,211	2,798,699	2,842,700	2,845,635	2,844,135	2,849,455	2,902,758	2,945,727	3,127,171
Solid waste collection - roll-off	2,305,986	2,203,748	1,904,048	2,016,329	1,920,793	1,894,753	2,061,942	2,314,814	2,216,659	2,414,007
Landfill contract	1,222,563	1,296,510	1,517,583	1,614,027	1,640,732	1,674,726	1,773,741	1,963,924	1,971,203	1,913,357
Airport sales and rental	2,388,479	3,175,668	2,224,005	2,311,344	2,874,462	3,037,702	2,847,211	2,732,476	2,294,963	2,174,080
Recreational services	376,134	537,091	550,001	728,785	760,084	819,626	953,425	1,028,223	1,034,161	1,269,230
Fire department	19,804	11,812	6,079	10,981	17,636	11,964	14,128	20,620	34,758	51,854
Subdivision fees	17,788	20,533	12,201	17,975	21,818	15,648	25,724	24,727	18,465	22,298
Reinvestment zone reimbursements	-	-	-	-	-	-	-	-	-	388,036
Civic center & railroad museum revenues	230,271	249,930	254,882	298,504	408,671	402,293	474,161	533,266	508,062	523,522
Fines	1,890,845	1,985,417	1,801,732	1,883,604	2,136,454	2,133,078	2,185,239	2,438,908	2,086,676	2,173,835
Interest and other	4,516,612	3,662,986	2,536,426	1,884,590	1,866,347	1,700,329	2,160,307	2,581,670	1,728,607	2,082,522
Total revenues	62,338,556	65,407,004	64,869,676	68,273,430	68,088,596	70,858,551	89,576,741	89,242,742	79,908,200	84,759,337
EXPENDITURES:										
Current:										
General government	10,388,342	12,486,714	10,996,117	11,408,326	11,324,780	11,703,131	13,660,816	15,223,119	15,445,404	15,286,507
Public safety	22,407,229	23,983,300	24,608,006	28,959,139	31,542,542	27,628,257	25,743,401	28,225,738	31,013,726	32,680,185
Highways and streets	6,417,838	9,932,915	6,250,717	4,435,722	5,908,268	9,204,905	24,913,821	29,731,928	17,506,619	22,407,217
Sanitation	5,764,373	5,516,414	4,471,564	5,188,280	5,391,763	5,056,524	10,190,353	9,923,731	5,177,927	7,380,079
Health and welfare	236,520	620,472	130,494	238,743	461,209	205,125	249,711	308,783	102,069	83,828
Culture and leisure services	9,482,059	12,211,783	18,805,709	11,865,596	11,183,792	10,978,275	12,937,428	12,078,707	12,361,459	18,135,207
Airport	3,305,438	3,724,449	3,504,554	5,153,234	3,273,341	3,626,089	3,392,606	10,011,998	2,640,628	2,347,196
Debt service:										
Principal retirement	4,026,314	4,338,388	4,332,453	4,868,482	4,772,004	5,405,563	5,110,646	5,608,336	5,821,194	7,673,106
Interest and fiscal charges	2,554,604	2,706,182	3,314,077	3,381,115	3,244,597	3,236,670	4,797,337	4,110,853	4,540,888	5,598,274
Total expenditures	\$ 64,582,717	\$ 75,520,617	\$ 76,413,691	\$ 75,498,637	\$ 77,102,296	\$ 77,044,539	\$ 100,996,119	\$ 115,223,193	\$ 94,609,914	\$ 111,591,599

(continued)

CITY OF TEMPLE, TEXAS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table IV
(continued)

	2007	2008	2009	2010	Fiscal Year 2011	2012	2013	2014	2015	2016
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (2,244,161)</u>	<u>\$ (10,113,613)</u>	<u>\$ (11,544,015)</u>	<u>\$ (7,225,207)</u>	<u>\$ (9,013,700)</u>	<u>\$ (6,185,988)</u>	<u>\$ (11,419,378)</u>	<u>\$ (25,980,451)</u>	<u>\$ (14,701,714)</u>	<u>\$ (26,832,262)</u>
OTHER FINANCING SOURCES (USES):										
Transfer in	2,123,769	2,261,777	1,206,082	1,240,854	1,042,837	1,330,355	8,112,971	2,282,094	1,888,658	1,611,257
Transfer out	(2,123,769)	(2,261,777)	(1,206,082)	(1,240,854)	(1,692,472)	(1,845,849)	(8,571,235)	(2,327,620)	(1,873,486)	(1,611,257)
Issuance of loans and bonds	10,635,000	23,180,000	265,371	13,995,000	-	30,445,000	19,775,000	420,121	46,360,000	20,235,000
Original issue premium	-	-	-	-	-	-	385,580	-	3,275,997	4,158,590
Discount on bond issuance	(99,022)	(155,766)	-	-	(68,241)	(291,156)	(219,097)	(88,929)	(556,444)	(176,238)
Issuance of refunding bonds	-	-	-	3,950,000	9,820,000	9,290,000	-	16,671,941	7,544,558	9,500,000
Payment to refunded bond escrow agent	-	-	-	(3,926,713)	(9,903,444)	(10,482,241)	-	(23,052,209)	(7,469,063)	(10,578,801)
Premium on bond issuance	-	621,513	-	5,829	204,248	5,154,623	-	-	-	-
Claims settlement	-	-	-	-	-	-	7,250,000	-	-	-
Attorney fees	-	-	-	-	-	-	(1,900,000)	-	-	-
Total other financing sources (uses)	<u>10,535,978</u>	<u>23,645,747</u>	<u>265,371</u>	<u>14,024,116</u>	<u>(597,072)</u>	<u>33,600,732</u>	<u>24,833,219</u>	<u>(6,094,602)</u>	<u>49,170,220</u>	<u>23,138,551</u>
NET CHANGE IN FUND BALANCES	<u>\$ 8,291,817</u>	<u>\$ 13,532,134</u>	<u>\$ (11,278,644)</u>	<u>\$ 6,798,909</u>	<u>\$ (9,610,772)</u>	<u>\$ 27,414,744</u>	<u>\$ 13,413,841</u>	<u>\$ (32,075,053)</u>	<u>\$ 34,468,506</u>	<u>\$ (3,693,711)</u>
Debt service as a percentage of noncapital expenditures	11.8%	11.0%	12.7%	13.5%	13.0%	12.3%	11.5%	10.3%	13.2%	16.6%
Capital Outlay	\$ 8,718,456	\$ 11,703,515	\$ 16,423,100	\$ 14,306,611	\$ 15,437,565	\$ 6,873,201	\$ 15,122,317	\$ 20,442,125	\$ 15,920,233	\$ 31,519,203

CITY OF TEMPLE, TEXAS

Table V

GENERAL GOVERNMENTAL TAX & FRANCHISE REVENUES BY SOURCE ⁽¹⁾

Last Ten Fiscal Years

(modified accrual basis of accounting)

Fiscal Year	General Property Tax	City Sales Tax	Hotel/Motel Tax	Mixed Beverage Tax	Other Tax	Franchise Fee	Total
2007	\$ 14,749,272	\$ 14,933,628	\$ 1,029,398	\$ 96,724	\$ 52,539	\$ 5,855,401	\$ 36,716,962
2008	15,821,743	15,510,913	1,210,494	108,764	54,077	6,066,459	38,772,450
2009	16,741,749	15,238,812	1,067,836	106,387	54,198	6,373,864	39,582,846
2010	17,617,718	15,134,138	1,104,894	106,418	55,751	6,152,141	40,171,060
2011	17,647,927	16,125,862	1,215,396	123,581	70,191	6,216,239	41,399,196
2012	18,246,346	16,967,401	1,223,910	100,164	77,451	6,260,051	42,875,323
2013	19,164,488	18,017,575	1,306,256	110,409	80,817	6,178,547	44,858,092
2014	20,184,854	18,981,471	1,445,935	155,280	71,750	6,382,782	47,222,072
2015	20,801,261	21,311,743	1,440,351	156,030	72,392	6,780,354	50,562,131
2016	23,256,440	20,859,081	1,473,592	148,247	62,916	6,712,490	52,512,766

⁽¹⁾ Includes the General Fund tax revenues on a GAAP basis.

CITY OF TEMPLE, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(unaudited)

Table VI

Fiscal Year ¹	Estimated Market Value		Less: Productivity Loss	Less: Homestead Cap	Less: Tax-Exempt Property	Total Taxable Assessed Value	Less: Tax Increment District	Less: Applicable Adjustments	Total Taxable Value ²	Total Direct Tax Rate	Assessed Value ¹ as a Percentage of Actual Value
	Real Property	Personal Property									
2007	\$ 2,776,793,922	\$ 867,247,320	\$ 32,245,657	\$ 29,952,122	\$ 839,553,516	\$ 2,742,289,947	\$ 119,486,508	\$ -	\$ 2,622,803,439	\$ 0.5734	75.25%
2008	3,010,380,513	890,891,949	34,753,485	30,407,611	857,950,357	2,978,161,009	123,405,421	-	2,854,755,588	0.5681	76.34%
2009	3,236,662,897	920,505,493	34,032,591	27,964,590	864,617,679	3,230,553,530	129,959,299	-	3,100,594,231	0.5595	77.71%
2010	3,328,646,073	913,243,710	36,416,466	12,780,852	842,391,021	3,350,301,444	129,278,930	-	3,221,022,514	0.5646	78.98%
2011	3,360,739,695	865,160,292	39,920,753	5,630,033	849,088,073	3,331,261,128	129,282,220	-	3,201,978,908	0.5679	78.83%
2012	3,489,946,100	921,088,202	40,788,663	7,005,234	915,915,243	3,447,325,162	136,065,299	-	3,311,259,863	0.5679	78.15%
2013	3,571,566,347	938,279,608	39,981,995	4,092,340	931,868,067	3,533,903,553	151,501,569	-	3,382,401,984	0.5864	78.36%
2014	3,691,482,902	1,033,449,368	39,934,752	2,322,216	940,324,968	3,742,350,334	169,927,193	-	3,572,423,141	0.5864	79.20%
2015	4,173,699,490	1,074,874,361	39,043,656	2,470,938	1,027,167,363	4,179,891,894	480,646,226	-	3,699,245,668	0.5864	79.64%
2016	4,711,559,006	1,087,575,985	42,551,747	3,064,323	1,242,700,918	4,510,818,003	670,071,846	-	3,840,746,157	0.6298	77.78%

Source: Property tax information - Tax Appraisal District of Bell County

Note: Property is reassessed annually. The Tax Appraisal District of Bell County assesses property at approximately 100 percent of actual value for all types of real and personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$100 of assessed value.

¹ - Includes tax-exempt property.

² - Net taxable value not adjusted for frozen values.

**CITY OF TEMPLE, TEXAS
PROPERTY TAX RATES
DIRECT AND OVERLAPPING ¹ GOVERNMENTS
Last Ten Fiscal Years**

Table VII

Fiscal Year	City of Temple			Overlapping Rates						
	Operating	Debt Service	Total Direct Tax Rate	Bell County	Bell County Road District	Temple College	Elm Creek Flood Control District	Temple Independent School District	Belton Independent School District	Troy Independent School District
2007	\$ 0.3395	\$ 0.2339	\$ 0.5734	\$ 0.3815	\$ 0.0295	\$ 0.2000	\$ 0.0294	\$ 1.4900	\$ 1.6685	\$ 1.5435
2008	0.3392	0.2289	0.5681	0.3795	0.0295	0.2180	0.0309	1.2401	1.2870	1.2681
2009	0.3322	0.2273	0.5595	0.3779	0.0295	0.2100	0.0283	1.2300	1.4110	1.5217
2010	0.3173	0.2473	0.5646	0.3759	0.0295	0.2100	0.0306	1.2100	1.4110	1.4030
2011	0.3300	0.2379	0.5679	0.3820	0.0299	0.2100	0.0327	1.2100	1.4210	1.3517
2012	0.3240	0.2439	0.5679	0.4096	0.0299	0.2054	0.0327	1.2850	1.4060	1.3517
2013	0.3300	0.2564	0.5864	0.4212	0.0299	0.2036	0.0327	1.2800	1.5210	1.3317
2014	0.3324	0.2540	0.5864	0.4212	0.0299	0.2036	0.0327	1.3600	1.4500	1.3317
2015	0.3300	0.2564	0.5864	0.4212	0.0299	0.2065	0.0327	1.3600	1.4400	1.3317
2016	0.3234	0.3064	0.6298	0.4212	0.0299	0.2100	0.0327	1.3600	1.4400	1.3317

Source: Tax Appraisal District of Bell County

Notes: Statutes of the State of Texas (Article 1028) limit the maximum amount that a city can designate for debt service to \$ 2.50 per \$ 100 of assessed valuation. However, under City Charter, a limitation on taxes levied for general municipal operating purposes and for the purpose of paying interest and providing a proper sinking fund for paying the outstanding bonds and other obligations of the City, issued for municipal purposes, and any such future bonds or obligations which may be authorized, may not exceed \$ 1.20 per \$ 100 assessed valuation.

¹ Overlapping rates are those of local and county governments that apply to property owners within the City of Temple. Not all overlapping rates apply to all City of Temple property owners (e.g. rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district). A property's location within the City limits will determine which school district's tax will be applicable for the property.

Tax rate limit, City:	\$ 1.20
Is limitation by statute or constitution?	Statute.
Do they include debt service?	Yes.
Tax due date:	January 31.
Discount allowed?	Yes: October 31, 3%; November 30, 2%; December 31, 1%.
Penalty and interest:	1.5% per month beginning on the first day of delinquency (February 1) until tax is 12 months delinquent, at which time a 1.0% per monthly penalty is assessed until taxes are paid.
Uncollected taxes:	1. Second notice mailed in March or April following due date. 2. Letter of intent to sue sent. 3. Tax suit filed. As ordered; not set by date.
Source:	Tax Appraisal District of Bell County.

**CITY OF TEMPLE, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Ten Years Ago**

Table VIII

Taxpayer	2016			2007		
	Taxable Assessed Value ¹	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value ²	Rank	Percentage of Total Taxable Assessed Value
Panda Temple Power, LLC	\$ 496,618,871	1	12.93%	\$ -	-	-
McLane Company, Inc.	124,529,355	2	3.24%	91,593,945	2	3.49%
Wal-Mart Distribution Center	93,742,098	3	2.44%	91,812,285	1	3.50%
Pactiv Corporation	86,599,829	4	2.25%	78,053,738	4	2.98%
Wilsonart International	74,564,540	5	1.94%	78,113,576	3	2.98%
Oncor Electric Delivery Company	58,607,211	6	1.53%	-	-	-
H.E. Butt Grocery	55,805,550	7	1.45%	-	-	-
Sam's East, Inc.	41,846,780	8	1.09%	12,878,219	10	0.49%
Reynolds Consumer Products, Inc.	35,764,260	9	0.93%	-	-	-
BNSF Railway Company	27,094,736	10	0.71%	-	-	-
TXU Electric Delivery Company	-		-	43,879,590	5	1.67%
Southwestern Bell Telephone Company	-		-	19,191,380	6	0.73%
Coyote Temple Mall	-		-	16,468,970	7	0.63%
Performance Food Group	-		-	15,008,368	8	0.57%
Tenneco Plastics Company	-		-	14,169,114	9	0.54%
Totals	<u>\$1,095,173,230</u>		<u>28.51%</u>	<u>\$ 461,169,185</u>		<u>17.58%</u>

Source: Tax Appraisal District of Bell County

¹- Total taxable value including real and personal property for fiscal year 2016 is \$ 3,840,746,157 (net taxable value not adjusted for frozen values).

²- Total taxable value including real and personal property for fiscal year 2007 is \$ 2,622,803,439 (net taxable value not adjusted for frozen values).

**CITY OF TEMPLE, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years**

Table IX

Fiscal Year	Taxes Levied Within the Fiscal Year of the Levy	Adjustments to Levy in Subsequent Years	Adjusted Taxes Levied for the Fiscal Year	Collected within the Tax Year of the Levy		Collections in Subsequent Years ¹	Total Collections to Date	
				Amount	% of Levy		Amount	% of Levy
2007	\$ 14,970,102	\$ -	\$ 14,970,102	\$ 14,705,740	98.23%	\$ 118,562	\$ 14,824,302	99.03%
2008	16,089,326	-	16,089,326	15,783,170	98.10%	135,249	15,918,419	98.94%
2009	17,162,704	-	17,162,704	16,794,390	97.85%	136,539	16,930,929	98.65%
2010	17,957,542	-	17,957,542	17,582,962	97.91%	148,710	17,731,672	98.74%
2011	17,957,507	-	17,957,507	17,538,771	97.67%	164,379	17,703,150	98.58%
2012	18,585,931	-	18,585,931	18,276,652	98.34%	144,535	18,421,187	99.11%
2013	19,534,480	-	19,534,480	19,295,759	98.78%	101,932	19,397,691	99.30%
2014	20,793,147	-	20,793,147	20,295,608	97.61%	77,303	20,372,911	97.98%
2015	21,446,210	-	21,446,210	21,046,789	98.14%	105,988	21,152,777	98.63%
2016	23,742,734	-	23,742,734	23,489,014	98.93%	-	23,489,014	98.93%

¹ - Collections from subsequent years restated to reflect collections net of refunds.

Source: Tax Appraisal District of Bell County

**CITY OF TEMPLE, TEXAS
TAXABLE SALES BY CATEGORY
Last Ten Calendar Years**

Table X

	Calendar Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Building Material	\$ 71,437,840	\$ 88,416,785	\$ 89,613,352	\$ 82,462,311	\$ 88,576,484	\$ 87,314,928	\$ 114,672,337	\$ 125,260,898	\$ 134,845,790	\$ 144,716,363
General Merchandise Stores	129,664,014	166,315,129	175,596,330	164,686,634	170,470,503	170,797,914	173,890,968	175,654,007	170,777,243	183,917,251
Food Stores ¹	47,944,503	37,103,364	39,420,176	41,712,916	49,113,761	56,881,719	59,918,860	62,771,429	64,320,005	63,619,055
Auto Dealers & Service Stations	29,640,807	53,782,893	55,042,952	57,044,251	58,364,792	59,241,754	60,851,311	62,511,559	66,193,984	83,718,933
Apparel & Accessory Stores	23,396,775	30,424,610	28,783,684	24,779,772	24,857,770	25,852,811	30,199,552	31,759,721	32,629,286	30,461,426
Furniture & Home Furnishings	45,858,144	43,464,834	44,804,031	39,113,284	45,981,591	40,458,746	42,097,157	40,792,351	43,053,963	46,769,756
Eating & Drinking Places	88,975,925	106,970,841	112,977,388	113,463,147	118,255,769	123,216,814	129,906,448	134,804,234	144,994,011	150,750,242
Miscellaneous Retail	41,634,298	63,350,221	66,585,331	67,017,206	67,267,029	62,914,213	65,086,919	68,545,563	67,608,100	68,765,668
Nonstore Retailers	20,917	15,024	613,748	323,075	13,731	3,894	37,625	67,888	57,976	520,740
Total Retail Sales	478,573,223	589,843,701	613,436,992	590,602,596	622,901,430	626,682,793	676,661,177	702,167,650	724,480,358	773,239,434
Total Non-Retail Sales	420,299,019	239,215,347	199,854,667	179,375,190	188,040,333	191,399,847	201,318,871	210,353,735	235,550,282	248,333,632
Total Taxable Sales	\$898,872,242	\$ 829,059,048	\$ 813,291,659	\$ 769,977,786	\$ 810,941,763	\$ 818,082,640	\$ 877,980,048	\$ 912,521,385	\$ 960,030,640	\$ 1,021,573,066
Applicable Sales Tax Rates:										
City of Temple	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Bell County	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
State of Texas	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
TOTAL SALES TAX RATE	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%

Source: State of Texas Comptroller, City of Temple, and Bell County.

Notes: Retail sales information is not available on a fiscal-year basis.

¹ - General grocery items are not taxable; the sales tax applies only to prepared food items and nonfood items.

² - In prior years erroneously reported Miscellaneous Retail in Non-Retail Sales category.

CITY OF TEMPLE, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Table XI

Fiscal Year	Governmental Activities						Business-Type Activities			Total Primary Government	Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Certificates of Obligation Bonds	Contractual Obligations	Revenue Bonds	Pass-Through Revenue & Limited Tax Bonds	Notes Payable	General Obligation Bonds	Water & Sewer Revenue Bonds	Notes Payable			
2007	\$ 28,390,000	\$ 19,165,000	\$ 850,000	\$ 3,440,000	\$ -	\$ 1,872,509	\$ -	\$ 51,095,000	\$ 579,932	\$105,392,441	\$ 32,812	\$ 1,707
2008	35,135,000	32,180,000	575,000	3,135,000	-	1,534,112	-	63,395,000	490,352	136,444,464	35,255	2,173
2009	32,410,000	31,525,000	290,000	2,810,000	-	1,457,030	-	60,125,000	398,055	129,015,085	37,106	2,031
2010	46,835,000	27,400,000	-	2,470,000	-	1,063,548	-	73,885,000	302,959	151,956,507	37,917	2,299
2011	47,040,000	23,625,000	-	2,110,000	-	771,478	14,150,000	56,770,000	204,974	144,671,452	38,174	2,158
2012	48,315,000	17,160,000	5,745,000	1,730,000	24,700,000	455,915	32,390,000	34,110,000	104,018	164,709,933	39,971	2,411
2013	44,990,000	30,150,000	11,455,000	1,330,000	24,700,000	137,235	31,230,000	30,700,000	-	174,692,235	38,852	2,486
2014	49,525,000	20,830,000	5,065,000	910,000	24,700,000	242,013	36,480,000	35,120,000	-	172,872,013	37,862	2,409
2015	75,420,000	36,650,000	4,415,000	465,000	24,700,000	195,819	39,000,000	52,855,000	-	233,700,819	38,786	3,184
2016	70,300,000	53,360,000	5,700,000	-	24,580,000	147,714	36,760,000	50,380,000	-	241,227,714	40,237	3,204

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹- See the Schedule of Demographic and Economic Statistics on page 187 for personal income and population data. (Table XVI)

CITY OF TEMPLE, TEXAS
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Table XII

Fiscal Year	General Bonded Debt Outstanding						Total General Bonded Debt Outstanding	Less: Amounts Available in Debt Service Fund	Total General Net Bonded Debt Outstanding	% of Estimated Actual Taxable Value ² of Property	Per Capita ³
	General Obligation Bonds ¹	Certificates of Obligation Bonds	Contractual Obligations	Revenue Bonds	Pass-Through Revenue & Limited Tax Bonds	Notes Payable					
2007	\$ 28,390,000	\$ 19,165,000	\$ 850,000	\$ 3,440,000	\$ -	\$ 1,872,509	\$ 53,717,509	\$ 1,130,345	\$ 52,587,164	75.25%	\$ 852
2008	35,135,000	32,180,000	575,000	3,135,000	-	1,534,112	72,559,112	1,744,532	70,814,580	76.34%	1,128
2009	32,410,000	31,525,000	290,000	2,810,000	-	1,457,030	68,492,030	1,538,432	66,953,598	77.71%	1,054
2010	46,835,000	27,400,000	-	2,470,000	-	1,063,548	77,768,548	1,758,817	76,009,731	78.98%	1,150
2011	61,190,000	23,625,000	-	2,110,000	-	771,478	87,696,478	1,364,049	86,332,429	78.83%	1,288
2012	80,705,000	17,160,000	5,745,000	1,730,000	24,700,000	455,915	130,495,915	2,960,522	127,535,393	78.15%	1,867
2013	76,220,000	30,150,000	11,455,000	1,330,000	24,700,000	137,235	143,992,235	7,356,612	136,635,623	78.36%	1,944
2014	86,005,000	20,830,000	5,065,000	910,000	24,700,000	242,013	137,752,013	1,349,568	136,402,445	79.20%	1,901
2015	114,420,000	36,650,000	4,415,000	465,000	24,700,000	195,819	180,845,819	959,697	179,886,122	79.64%	2,450
2016	107,060,000	53,360,000	5,700,000	-	24,580,000	147,714	190,847,714	724,003	190,123,711	77.78%	2,525

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ - Amounts reported include governmental and business type general obligation bonds.

² - See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 177 for property value data. (Table VI)

³ - Population data can be found in the Schedule of Demographic and Economic Statistics on page 187. (Table XVI)

**CITY OF TEMPLE, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
September 30, 2016**

Table XIII

<u>Governmental Unit</u>	<u>Net General Obligation Bonded Debt Outstanding ¹</u>	<u>Percentage Applicable to City of Temple</u>	<u>Amount Applicable to City of Temple</u>
Direct Debt:			
City of Temple	\$ 190,123,711	100.00%	\$ 190,123,711
Reinvestment Zone No. 1 ²	44,795,000	100.00%	44,795,000
Total direct debt	<u>234,918,711</u>		<u>234,918,711</u>
Overlapping Debt:			
Temple Independent School District	135,470,000	94.51%	128,032,697
Temple College	21,710,000	100.00%	21,710,000
Bell County	137,430,000	25.53%	35,085,879
Belton Independent School District	123,057,000	24.09%	29,644,431
Troy Independent School District	<u>16,865,010</u>	7.65%	<u>1,290,173</u>
Total estimated overlapping debt	<u>434,532,010</u>		<u>215,763,180</u>
Total direct and overlapping debt	<u><u>\$ 669,450,721</u></u>		<u><u>\$ 450,681,891</u></u>

Sources: Finance departments of respective entities.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Temple. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident -- and therefore responsible for repaying the debt -- of each overlapping government.

¹ - For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

² - Debt is secured by pledged property taxes attributable to incremental growth in real property within the Zone. Bell County, Temple I.S.D., Belton I.S.D., Troy I.S.D. and Temple College each participate in the Zone.

CITY OF TEMPLE, TEXAS
COMPUTATION OF LEGAL DEBT MARGIN
Last Ten Fiscal Years

Table XIV

Legal Debt Margin Calculation for Fiscal Year 2016										
Assessed value 2015/2016 tax roll ¹	\$ 34,443,956									
Limit on amount designated for debt service per \$ 100 assessed valuation (\$ 3,444,395,637 / \$ 100 = \$ 34,443,956)	x \$ 1.20									
Legal debt service limit	\$ 41,332,748									
Actual amount expended by debt Service fund for general obligation debt service during the year ended September 30, 2016	(11,552,053)									
Legal Debt Margin	\$ 29,780,695									
	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt service limit	\$ 28,538,710	\$ 31,159,190	\$ 33,506,296	\$ 34,778,639	\$ 34,475,515	\$ 35,704,035	\$ 36,299,104	\$ 38,747,288	\$ 39,964,632	\$ 41,332,748
Total net debt applicable to limit	(5,780,876)	(5,756,359)	(6,744,944)	(6,921,079)	(7,144,451)	(7,597,902)	(8,893,165)	(9,057,343)	(8,687,176)	(11,552,053)
Legal debt margin	\$ 22,757,834	\$ 25,402,831	\$ 26,761,352	\$ 27,857,560	\$ 27,331,064	\$ 28,106,133	\$ 27,405,938	\$ 29,689,945	\$ 31,277,456	\$ 29,780,695
Total net debt applicable to the limit as a percentage of debt service limit	20.26%	18.47%	20.13%	19.90%	20.72%	21.28%	24.50%	23.38%	21.74%	27.95%

Notes: Statutes of the State of Texas (Article 1028) limit the maximum amount that a city can designate for debt service to \$ 2.50 per \$ 100 of assessed valuation. However, under City Charter, a limitation on taxes levied for general municipal operating purposes and for the purpose of paying interest and providing a proper sinking fund for paying the outstanding bonds and other obligations of the City, issued for municipal purposes, and any such future bonds or obligations which may be authorized, may not exceed \$ 1.20 per \$ 100 assessed valuation.

¹ - Net taxable value adjusted for frozen taxable value. Frozen taxable value is not included in debt service calculation.

**CITY OF TEMPLE, TEXAS
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years**

Table XV

Water Revenue Bonds					
Fiscal Year	Gross Revenue ¹	Less: Operating Expenses ²	Net Available Revenue	Average Annual Debt Service ³	Coverage
2007	\$ 22,748,591	\$ 13,454,119	\$ 9,294,472	\$ 3,982,479	2.33
2008	25,656,629	14,967,382	10,689,247	4,697,031	2.28
2009	27,625,658	16,455,192	11,170,466	4,686,147	2.38
2010	26,072,200	17,037,596	9,034,604	5,352,275	1.69
2011	29,513,930	16,271,594	13,242,336	5,275,264	2.51
2012	29,078,891	16,753,197	12,325,694	5,104,498	2.41
2013	30,619,249	17,505,732	13,113,517	4,990,904	2.63
2014	31,670,491	18,216,001	13,454,490	3,453,040	3.90
2015	31,110,346	18,124,858	12,985,488	4,600,597	2.82
2016	32,544,582	19,120,589	13,423,993	4,541,253	2.96

Water Revenue Bonds					
Fiscal Year	Gross Revenue ¹	Less: Operating Expenses ²	Net Available Revenue	Maximum Annual Debt Service ⁴	Coverage
2008	\$ 25,656,629	\$ 14,967,382	\$ 10,689,247	\$ 4,677,725	2.29
2009	27,625,658	16,455,192	11,170,466	4,677,625	2.39
2010	26,072,200	17,037,596	9,034,604	5,792,125	1.56
2011	29,513,930	16,271,594	13,242,336	5,792,125	2.29
2012	29,078,891	16,753,197	12,325,694	3,158,581	3.90
2013	30,619,249	17,505,732	13,113,517	3,158,581	4.15
2014	31,670,491	18,216,001	13,454,490	3,989,972	3.37
2015	31,110,346	18,124,858	12,985,488	4,661,879	2.79
2016	32,544,582	19,120,589	13,423,993	4,661,879	2.88

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial section. Operating expenses do not include interest, depreciation, or amortization expenses.

¹ - Gross revenues (as defined by revenue bond covenants) includes all income of the water and sewer system including interest income and noncash contributions of capital.

² - Total operating expense less depreciation.

³ - Includes Revenue Debt and 1993 Combination Tax & Revenue Debt for fiscal years 1995 - 2003. Includes Revenue Debt and 2003 General Obligation Refunding & Improvement Debt for fiscal years beginning in 2004 through 2006. Includes 2006 Utility Revenue Bonds for fiscal years beginning in 2007, plus 2008 Utility Revenue Bonds for fiscal years beginning in 2009, plus 2010 Utility Revenue Bonds for fiscal years beginning in 2010, plus 2014 Utility Revenue Bonds for fiscal years beginning in 2015.

⁴ - FY 2007 is the first year of the new Junior Lien Master Ordinance requiring calculation of the Junior Lien Debt coverage based on the greater of 1.25 times the average annual debt service requirements or 1.10 times the maximum annual debt service requirements. Maximum annual debt service only includes the 2006 Utility Revenue Bonds for FY 2007, plus 2008 Utility Revenue Bonds for fiscal years beginning in 2009, plus 2010 Utility Revenue Bonds for fiscal years beginning in 2010.

**CITY OF TEMPLE, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years**

Table XVI

Calendar Year	Population ¹	Personal Income ²	Per Capita Personal Income ³	Median Age ⁴	School Enrollment ⁵	Unemployment Rate ⁶
2007	61,755	\$ 2,026,305,060	\$ 32,812	35.2	8,359	3.75
2008	62,790	2,213,661,450	35,255	35.2	8,499	4.04
2009	63,524	2,357,121,544	37,106	35.2	8,629	5.93
2010	66,102	2,506,389,534	37,917	34.6	8,981	6.48
2011	67,036	2,559,032,264	38,174	34.6	8,953	6.68
2012	68,315	2,730,618,865	39,971	34.6	8,850	5.85
2013	70,274	2,730,285,448	38,852	34.6	8,749	5.46
2014	71,761	2,717,014,982	37,862	34.6	8,509	4.67
2015	73,408	2,847,202,688	38,786	34.6	8,635	3.75
2016	75,293	3,029,564,441	40,237	34.6	8,658	3.58

Source: 2010 population based on 2010 Bureau of Census report.

¹ - 2002 thru 2009 population is based on new residential water customers multiplied by 2000 Census data of average household size of 2.44. 2010 population is based on the 2010 Census and 2011 population is based on new residential water customers multiplied by 2010 Census data of average household size of 2.47.

² - Calculating Personal Income based on Per Capita Personal Income and estimated population.

³ - Per Capita Income provided by Metropolitan Area publication on the U.S. Department of Commerce's Bureau of Economic Analysis website (2007-2010). Based on most recent data available which will lag one year behind. This includes updates to prior years as they are updated by the Bureau of Economic Analysis.

⁴ - Median age of 35.2 provided in 2000 Census and 34.6 provided in the 2010 Census.

⁵ - School enrollment (for public schools in Temple) provided by Temple Independent School District.

⁶ - Unemployment rates provided on the Texas Workforce Commission website. This includes updates to prior years as they are updated by the Texas Workforce Commission.

**CITY OF TEMPLE, TEXAS
PRINCIPAL EMPLOYERS
Current Year and Ten Years Ago**

Table XVII

Employer	FY 2016			FY 2007		
	Employees ¹	Rank	Percentage of Total City Employment ²	Employees ³	Rank	Percentage of Total City Employment ⁴
Scott & White Hospital	8,770	1	25.77%	5,500	1	19.13%
Central Texas Veterans Healthcare Systems	2,693	2	7.91%	2,753	2	9.58%
McLane Company - Corporation Headquarters & SW Distribution Center	1,700	3	5.00%	1,549	4	5.39%
Wilsonart International	1,450	4	4.26%	1,685	3	5.86%
Temple Independent School District	1,194	5	3.51%	1,368	5	4.76%
City of Temple	850	6	2.50%	-	-	-
Wal-Mart Superstore, Distribution Center and Sam's Club	714	7	2.10%	660	10	2.30%
PACTIV Packaging Corporation	700	8	2.06%	1,046	7	3.64%
Scott & White Health Plan	500	9	1.47%	-	-	-
H-E-B Retail Distribution Center	500	10	1.47%	-	-	-
Sprint Communications	-	-	-	1,050	6	3.65%
Texas Hydraulics	-	-	-	709	8	2.47%
King's Daughters Hospital and Clinic	-	-	-	688	9	2.39%
Totals	19,071		56.05%	17,008		59.17%

¹ - Source: Temple Economic Development Corporation

² - Source: Texas Workforce Commission website

³ - Source: Temple Chamber of Commerce

⁴ - Source: Texas Workforce Commission website

CITY OF TEMPLE, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XVIII

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government -										
Assistant city manager ^{58 & 77}	-	-	-	-	-	-	-	2.00	2.00	2.00
City council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City manager ^{1, 12, 18, 31, 50, 58, 96 & 110}	4.38	4.38	6.00	6.00	8.00	6.75	6.00	4.00	6.00	7.00
City secretary ^{51, 78, 97 & 111}	4.63	4.63	4.63	4.63	4.63	4.63	4.63	4.63	5.00	6.00
Facility services ^{11, 23, 32, 52, 53, 59, 79 & 112}	15.00	15.00	15.00	16.70	16.70	14.68	15.02	15.45	15.45	16.45
Finance ^{13, 19 & 46}	10.75	10.75	11.00	11.00	10.50	11.00	11.00	11.00	11.00	11.00
Fleet services ^{33 & 60}	16.00	16.00	16.10	16.10	16.10	16.00	17.00	18.00	18.00	18.00
General services ^{31, 47, 57, 77, 80, 98, 110 & 113}	-	-	-	-	-	-	2.25	4.25	3.35	2.90
Human resources ^{21, 99 & 114}	6.00	6.00	6.00	6.00	6.00	5.00	5.00	5.00	5.00	6.00
Information technology services ^{2, 11, 12, 14, 48, 72, 81 & 100}	19.00	17.50	17.50	17.50	16.50	16.50	15.50	16.50	18.00	18.00
Inspections/Permits ^{54, 62, 82, 84 & 115}	-	-	-	-	-	-	-	4.00	4.00	7.00
Legal ^{75, 83 & 116}	6.13	7.13	6.63	6.63	6.63	6.63	6.63	7.00	9.00	9.00
Planning ^{11, 20, 34, 85, 101 & 117}	6.33	6.33	6.45	6.45	6.45	5.95	6.95	6.45	8.00	8.00
Permits ^{54, 82 & 115}	-	-	-	-	-	-	-	3.50	3.00	-
Purchasing ¹⁰²	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	7.00	7.00
Total general government	98.22	97.72	99.31	101.01	101.51	97.14	99.98	111.78	119.80	123.35
Public safety -										
Animal control ³⁵	6.50	6.50	6.50	6.50	6.50	6.50	7.50	7.50	7.50	7.50
Code enforcement ^{5, 20, 34, 52, 54, 61, 86 & 103}	12.50	14.50	14.50	13.50	13.50	14.00	14.00	7.00	9.00	9.00
Fire ^{4, 25, 36, 87 & 118}	103.00	103.00	107.00	112.00	112.00	115.00	118.00	118.00	121.00	121.00
Municipal court ^{3, 11 & 119}	13.03	13.53	12.03	12.03	12.03	12.03	12.03	12.03	12.03	12.03
Police ^{3, 11, 15, 24, 37, 63, 80 & 120}	155.98	155.98	157.50	157.50	158.50	160.50	161.50	164.50	170.50	171.50
Total public safety	291.01	293.51	297.53	301.53	302.53	308.03	313.03	309.03	320.03	321.03
Highways and streets -										
Engineering ^{6, 7, 11, 27, 28, 38, 55, 56, 64, 73 & 104}	8.40	10.40	8.80	8.35	8.35	6.95	6.95	7.95	7.95	7.95
Drainage ^{6, 29, 38, 40, 55, 95, 108 & 128}	12.43	12.43	11.58	11.83	11.83	12.98	13.98	14.23	17.23	16.40
Street ^{11, 16, 26, 65 & 121}	21.00	21.00	20.75	20.15	25.15	25.00	24.00	23.50	23.50	24.50
Traffic signals ⁸⁹	3.00	3.00	3.00	3.55	3.55	3.50	3.50	3.75	4.75	4.75
Total highway and streets	44.83	46.83	44.13	43.88	48.88	48.43	48.43	49.43	53.43	53.60
Sanitation ^{60, 90 & 122} -										
	41.26	42.26	42.46	42.42	42.42	42.22	42.22	43.22	47.22	48.22
Health and welfare -										
Community development projects/grants ^{13, 18, 19, 46 & 113}	-	-	-	-	0.50	1.25	0.75	0.75	0.65	1.10
Total health and welfare	-	-	-	-	0.50	1.25	0.75	0.75	0.65	1.10

(continued)

CITY OF TEMPLE, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XVIII
(Continued)

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Cultural and leisure services -										
Golf course ^{11, 14, 17, 23, 30, 67 & 129}	27.00	27.00	27.00	17.87	15.77	18.13	18.13	19.16	19.16	19.16
Recreation ^{8, 14, 42, 43 & 91}	41.83	41.83	45.10	63.06	62.27	66.46	68.54	64.26	65.24	68.49
Library ^{11, 41 & 123}	30.23	30.13	29.79	28.66	28.65	28.65	28.15	28.15	28.15	28.15
Mayborn center ⁹⁴	15.58	15.58	15.58	12.70	12.70	13.40	13.40	14.40	15.40	18.29
Parks ^{8, 11, 14, 29, 52 & 103}	35.46	35.46	37.00	36.53	36.06	37.01	36.01	36.41	35.41	35.41
Parks & recreation administration services ^{9, 49 & 68}	-	-	-	5.75	5.75	5.75	6.23	6.75	6.75	6.75
Railroad museum ^{69 & 126}	-	-	-	-	-	-	4.05	4.88	4.88	5.38
Tourism/Marketing ^{9, 45 & 127}	-	-	-	1.28	1.60	1.60	1.85	1.85	1.85	2.60
Total cultural and leisure services	150.10	150.00	154.47	165.85	162.80	171.00	176.36	175.86	176.84	184.23
Airport ^{92 & 124} -	12.88	14.38	14.38	14.38	14.38	14.38	14.38	14.38	13.38	14.38
Water and sewer ^{10, 22, 27, 38, 39, 44, 55, 56, 70, 71, 74, 76, 93, 105, 106, 107, 109, 125 & 130} -	81.13	89.13	89.53	90.43	90.43	91.18	92.18	89.19	88.19	91.78
Totals	719.43	733.83	741.81	759.50	763.45	773.63	787.33	793.64	819.54	837.69

Source: City Budget Office

¹ - An Assistant to City Manager position was added during FY 07-08 as part of the City Manager Reorganization Plan. In addition, two Administrative Assistant II positions were added, one of these positions is 25% funded by Public Education Government Access Channel (PEG). One Administrative Assistant II position is a reclassification of the Executive Assistant position.

² - In FY 07-08, two GIS Specialist positions were transferred to Engineering as part of the Public Works Reorganization, Phase II.

³ - In FY 08-09, the Parking Enforcement Official position was transferred from Municipal Court to the Police Department. In addition, the Facility Attendant at the Police Department was reclassified from a part-time to a full-time position.

⁴ - In FY 08-09, the SAFER Grant was awarded to the City to hire four Fire Control Rescue Officers (FCRO) as part of a plan to hire a total of 12 FCRO's for the new Fire Station # 8 that was completed in March 2011. In FY 09-10, the City was awarded the SAFER Grant to hire an additional four Fire Control Rescue Officers.

⁵ - In FY 07-08, added one additional Code Enforcement Officer and a Plans Examiner/Inspector position.

⁶ - During FY 07-08, the Public Works Reorganization was implemented to include transferring of positions between departments, changing titles, and splitting positions between funds to allocate positions based on function.

⁷ - In FY 08-09, the percentage allocation of personnel positions based on function changed.

⁸ - In FY 08-09, the Parks & Facilities Maintenance Superintendent was transferred from Recreation to the Parks Department. In addition, positions were reclassified, added, and lump sum funding added due to the opening of the Family Aquatic Center and Indoor Pool; added part-time funding for enhancements to the After School Program.

⁹ - In FY 09-10, new division was created.

¹⁰ - In FY 07-08, Public Works added Crew Leader-Sewer Collection, Senior Utility Technician, Utility Technician II, and Utility Technician I positions to implement the Construction Crew for Sewer Line Repair/Replacement (referred to as the In-House Sewer Crew).

¹¹ - In FY 09-10, division has position(s) that are authorized but unfunded.

¹² - In FY 10-11, Communication Specialist position transferred to City Manager from Information Technology Services

¹³ - In FY 10-11, the Accounting Clerk position was funded 56% in General Fund and 44% with Community Development Block Grant (CDBG).

¹⁴ - In FY 10-11, positions were authorized but unfunded.

¹⁵ - In July 2009, Council approved an additional Police Officer position for the TISD Grant.

¹⁶ - In FY 10-11, the budget included the addition of one Crew Leader and four Maintenance Worker positions to implement a Crack Sealing Program.

¹⁷ - In FY 10-11, the reduction of staff was due to renovation project.

¹⁸ - In FY 11-12, the City Manager's Office was reorganized to eliminate the Assistant to the City Manager and one Administrative Assistant II position and add a Director of Administrative Services and an Executive Assistant II position. 25% of the Director of Administrative Services position was funded in the Federal/State Grant Fund.

(continued)

CITY OF TEMPLE, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XVIII
(Continued)

- ¹⁹ - In FY 11-12, an Accounting Clerk position transferred to the Federal/State Grant Fund. An additional Accounting Clerk position was funded in the General Fund. The Budget Analyst position was reclassified to a Senior Accountant. The Accounting Clerk position was eliminated and an Accountant position was added.
- ²⁰ - In FY 11-12, Director of Community Services position was funded 50% in Planning and 50% in Construction Safety.
- ²¹ - In FY 11-12, City Health Doctor position eliminated.
- ²² - In FY 11-12, Assistant Director of Public Works-Operations position was eliminated as a result of a reorganization of Public Works.
- ²³ - In FY 11-12, 0.3 FTE of the Maintenance Worker positions and 1.92 FTE's of the Facility Attendant/Custodian positions budgeted in Leisure Services and Golf Course. Part-time Facility Attendant/Custodian position reclassified to a full-time position.
- ²⁴ - In FY 11-12, two Police Officer positions added.
- ²⁵ - In FY 11-12, three Captain positions added and three Fire Control Rescue Officer positions reclassified to Driver positions.
- ²⁶ - In FY 11-12, Construction Supervisor and Maintenance Supervisor - Street/Signs positions changed to Street Services Foreman positions as a result of Public Works reorganization. During FY 2011, the Director of Public Works and Assistant Director of Public Works position allocations were changed.
- ²⁷ - In FY 11-12, the CIP Project Manager position was reclassified as a Project Engineer.
- ²⁸ - In FY 11-12 Assistant City Engineer position was unfrozen and the Mapping & Records Supervisor position was reclassified to a PW Mapping & Technology Manager during FY 2011 as a result of a reorganization of Public Works. During FY 2011, the reorganization included changes in position allocations.
- ²⁹ - In FY 11-12, City Council authorized a TxDOT Mowing/Drainage Crew. Council approved entering into an agreement with TxDOT to mow their ROW's in Temple in-house. The crew is to be utilized by Parks for mowing approximately 6 months of the year and then utilize the crew to clean the city storm drain inlets for the remaining 6 months. 50% of funding from General Fund and 50% funding from Drainage.
- ³⁰ - In FY 11-12, reclassified Crew Leader position to Assistant Golf Course Superintendent.
- ³¹ - In FY 12-13, the Administrative Services Division was created and the Director of Administrative Services position was transferred from the City Manager's budget.
- ³² - One Facility Attendant/Custodian position was an authorized position but was unfunded in FY 09-10, FY 10-11, and FY 11-12. This position was funded in FY 12-13.
- ³³ - Eliminated one Lead Automotive Technician position and added two Automotive Technician II positions for FY 11-12.
- ³⁴ - In FY 12-13, a Development Coordinator position was added. This position was funded with increased permit fees, in addition, the Director of Community Services position was retired to Director of Planning and the Director of Planning position was reclassified to an Assistant Director of Planning position. The Director of Planning was funded 50% in Planning and 50% in Construction Safety.
- ³⁵ - One Animal Control Officer position added in FY 12-13.
- ³⁶ - On June 27, 2011, the Civil Service Commission approved changing the title of the Fire Control & Rescue Officer (FCRO) to Firefighter. Three Firefighter positions were added in
- ³⁷ - Two Police Officer positions were added to the Investigations Unit in FY 12-13. One Community Service/Records Tech. I position is not authorized in FY 12-13.
- ³⁸ - One GIS Specialist position was unfrozen in FY 12-13 and reclassified as a GPS Assessment Field Collection Technician position.
- ³⁹ - One Equipment Operator I position and one Equipment Operator II position that was authorized but unfunded in FY 09-10, FY 10-11 and FY 11-12 was funded in FY 12-13.
- ⁴⁰ - In FY 12-13, the Street Sweeping program transferred to the Drainage Fund.
- ⁴¹ - Part-time Circulation Technician position (.5 FTE) that was authorized but unfunded in FY 09-10, FY 10-11 and FY 11-12 was funded in FY 12-13. The vacant part-time Facility Attendant/Custodian was eliminated in FY 12-13.
- ⁴² - Reclassified a part-time Recreation Leader II position to full-time and added Extra-Help Season part-time funding for Adult Athletics and Lion's Junctions Water Park.
- ⁴³ - One Program Coordinator position that was authorized but unfunded in FY 09-10, FY 10-11 and FY 11-12 was funded in FY 12-13.
- ⁴⁴ - Added three Maintenance Laborers and one Maintenance Technician I position in FY 2013.
- ⁴⁵ - In FY 2013, reclassified a part-time Office Assistant II position to full-time.
- ⁴⁶ - In FY 2012, re-titled Accounting Clerk to Grants Specialist. In FY 2013, 50% of Grants Specialist position was funded in the Administrative Services division in the General Fund and 50% will be funded in the CDBG budget.
- ⁴⁷ - Grant funding for the Sustainability and Grant Manager position ended in October 2012. At that time, this position transferred to the Administrative Services division in the General Fund.
- ⁴⁸ - Administrative Assistant II position not authorized in FY 2013.
- ⁴⁹ - Wellness Program transferred from Human Resources to Parks & Leisure Services in FY 2013. Part-time Health & Wellness Coordinator position added.
- ⁵⁰ - During FY 2013, the Management Assistant position was retitled to Executive Assistant to the City Manager.
- ⁵¹ - During FY 2013, the Records Technician position was reclassified to a Records Specialist position.
- ⁵² - During FY 2013, supervision of the Facility Services division transferred from PALS to Administrative Services. The Asst Director of Parks & Leisure Services and Park Planning & Construction Superintendent positions are now 100% funded in the Parks Division.

(continued)

CITY OF TEMPLE, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XVIII
(Continued)

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- ⁵³ - In June 2013, the janitorial services for the Summit Fitness & Recreation Center was contracted out. A vacant Facility Attendant/Custodian position was eliminated to fund this contract.
 - ⁵⁴ - During FY 2013, Planning and Construction Safety underwent a reorganization. The reorganization included splitting Construction Safety into three new divisions: Inspections, Permits and Code Enforcement. The Director of Planning will now be 100% funded in Planning. The Development Coordinator, Permit Assistants, and the part-time position will be transferred to the Permits division. The Chief Building Official, three Building Inspector positions and one Administrative Assistant I (frozen, unfunded) position will be transferred to the Inspection division. As part of the reorganization plan, a Code Enforcement Officer position was eliminated and a Code Enforcement Manager position was added.
 - ⁵⁵ - Unfroze GIS Specialist in FY 2013 and reclassified as a GPS Assessment Field Collection Technician position. This position is funded 40% in General Fund - Engineering, 40% in Water & Wastewater Fund - Public Works Admin and 20% in Drainage Fund.
 - ⁵⁶ - During FY 2013, the Assistant Director of Public Works - City Engineer position was changed to a City Engineer position.
 - ⁵⁷ - In FY 2014, a Management Analyst position was added.
 - ⁵⁸ - In FY 2014, the Assistant City Manager division was added and the Assistant City Manager and Administrative Assistant II positions were transferred from the City Manager's budget to the new division.
 - ⁵⁹ - In FY 2014, a Building Maintenance Worker position was added.
 - ⁶⁰ - In FY 2014 a Fleet Services Foreman position was added for a succession plan. The Fleet Services Asst. Director position will be eliminated once the succession takes place.
 - ⁶¹ - In FY 2014, a new Code Enforcement Officer position was authorized as part of the East Temple Redevelopment.
 - ⁶² - In FY 2014, the Administrative Assistant I position is not authorized.
 - ⁶³ - Two Police Officer positions were added to the Patrol Unit in FY 2014, as well as, implementation of the Civil Service Compensation Study. The Compensation Study includes changes to rank structure.
 - ⁶⁴ - In FY 2014, a CIP R.O.W. Agent position was authorized. This position is funded with bond proceeds.
 - ⁶⁵ - In FY 2014, a Street Services Foreman position was reclassified to a Street & Drainage Services Asst. Director position.
 - ⁶⁶ - In FY 2014, the Recycling Attendant position was reclassified to a Recycling Assistant. In addition, a Recycling Coordinator position was added due to the implementation of the Curbside Recycling Program.
 - ⁶⁷ - In FY 2014, an Assistant Golf Professional position was added. This position is offset by a reduction in part-time \$'s and an increase in revenues due to increased sales from the addition of the position.
 - ⁶⁸ - In FY 2014, the Recreation Specialist position for the Wellness Program was reclassified from a part-time to a full-time position.
 - ⁶⁹ - In FY 2014, a part-time Office Assistant II was added.
 - ⁷⁰ - During FY 2014, the remaining three Meter Reader positions were eliminated as the final phase to outsourcing meter reading.
 - ⁷¹ - During FY 2014, an Assistant Director Water Production position was created and a Maintenance Laborer position was eliminated.
 - ⁷² - During FY 2014, a Systems Analyst position was added.
 - ⁷³ - During FY 2014, one Project Engineer position was reclassified to a CIP Project Manager - EIT position.
 - ⁷⁴ - During FY 2014, the Administrative Assistant I position was eliminated and a Customer Service Rep II position was added.
 - ⁷⁵ - In FY 2014, the part-time Office Assistant I position was reclassified to full-time.
 - ⁷⁶ - During FY 2014, an Assistant Director Water Production position was created and a Maintenance Laborer position was eliminated.
 - ⁷⁷ - During FY 2015, the Administrative Assistant II position was reclassified to a Transformation Coordinator position.
 - ⁷⁸ - In FY 2015, the Records Assistant position was reclassified to full time. The position is funded 50% with restricted revenues and 50% from the General Fund.
 - ⁷⁹ - In FY 2015, three Facility Attendant/Custodian positions were reclassified to Crew Leader positions.
 - ⁸⁰ - In FY 2015, the Administrative Services division was retitled to General Services division. The Director of Administrative Services was retitled to General Services Director and funded 100% in this division. 85% of the Sustainability & Grant Manager position is now funded in the General Services division and 15% funded in the CDBG budget.
 - ⁸¹ - In FY 2015, a Systems Analyst position and a Network Analyst position was added and a part-time Systems Analyst position was eliminated.
 - ⁸² - In FY 2015, Permits and Inspections merged into one department - Inspections/Permits. In addition, three Building Inspector positions were reclassified to a new Combination Building Inspector position.
 - ⁸³ - In FY 2015, one Deputy City Attorney position was reclassified to a First Assistant City Attorney position.
 - ⁸⁴ - In FY 2015, the Permit Assistant - PT position was reclassified to a full-time Permit Supervisor.
 - ⁸⁵ - In FY 2015, the Planning Intern position was reclassified to a full-time Planning Technician position.
 - ⁸⁶ - In FY 2015, an Equipment Operator position was added.
 - ⁸⁷ - In FY 2015, three Firefighter positions were added.

(continued)

CITY OF TEMPLE, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XVIII
(Continued)

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- ⁸⁸ - In FY 2015, six Corporal positions were added in FY 2015.
 - ⁸⁹ - In FY 2015, a Traffic Signal Communication Technician position were added.
 - ⁹⁰ - In FY 2015, three Automated Route Operator positions and one Maintenance Worker position were added.
 - ⁹¹ - In FY 2015, an Assistant Aquatics Coordinator position were added.
 - ⁹² - In FY 2015, the Operations Specialist I position was reclassified to an ARFF Specialist I position and one position was eliminated. The Operations Manager was retitled to Assistant Airport Director. The Operations Specialist II position was reclassified to ARFF Supervisor. The ARFF Coordinator (part-time) position was reclassified to ARFF Specialist I (part-time). The Maintenance Specialist position was retitled Operations Supervisor. The Maintenance Technician positions was retitled Operations Specialists. The Operations Specialist II (part-time) was reclassified to an Operations Specialist (part-time) position.
 - ⁹³ - In FY 2015, an Assistant Lab Technician, Solids Operator, Instrument Technician and Maintenance Technician I positions were reclassified to Operator positions.
 - ⁹⁴ - In FY 2015, a Food & Beverage Specialist position was added.
 - ⁹⁵ - In FY 2015, one Equipment Operator I position, one Equipment Operator II position and one Crew Leader position were added.
 - ⁹⁶ - During FY 2015, the Transformation Agent - Lead and Transformation Agent positions were added.
 - ⁹⁷ - During FY 2015, the Records Assistant position was reclassified to an Administrative Assistant III position.
 - ⁹⁸ - During FY 2015, the Sustainability & Grant Manager position was eliminated.
 - ⁹⁹ - During FY 2015, the Assistant Director of Human Resources and Benefits Specialist positions were reclassified to HR Generalist positions. The Human Resources Specialist and Compensation Specialist positions were reclassified to HR Technician positions.
 - ¹⁰⁰ - During FY 2015, the Computer Operator position was eliminated and the Information Technology Specialist position was added.
 - ¹⁰¹ - During FY 2015, the Development Coordinator position was transferred to the Planning Department.
 - ¹⁰² - During FY 2015, the Senior Buyer and the Senior Buyer II positions were added. The Senior Buyer II position is funded with Bond Funds.
 - ¹⁰³ - During FY 2015, a Maintenance Worker position was transferred from Parks to Code Enforcement.
 - ¹⁰⁴ - During FY 2015, the Assistant City Engineer position was reclassified to Deputy City Engineer. The CIP - Project Engineer - EIT was retitled to Project Manager during FY 2015.
 - ¹⁰⁵ - During FY 2015, the Utility Director position was transferred from the Water Treatment Plant.
 - ¹⁰⁶ - During FY 2015, the Utility Services Director position was eliminated and the Assistant Utility Services Director position was renamed to Utility Manager.
 - ¹⁰⁷ - During FY 2015, the Water Production Director position was renamed to Utility Director and moved to the Public Works Admin department. The Assistant Director Water Production was renamed Deputy Utility Director. The Chief Operator position was renamed Treatment Chief of Operations.
 - ¹⁰⁸ - During FY 2015, the Stormwater Program Technician was renamed to Stormwater Program Specialist.
 - ¹⁰⁹ - During FY 2015, the ROW Coordinator position was transferred from the City Manager's department. The ROW Coordinator position is funded with Bond Funds.
 - ¹¹⁰ - In FY 2016, an Administrative Assistant II position was transferred from General Services to the City Manager.
 - ¹¹¹ - In FY 2016, a Public Records Administrator position was added.
 - ¹¹² - In FY 2016, one Troubleshooter position was added.
 - ¹¹³ - In FY 2016, a Community Development Manager was added and funded 90% in the Federal/State Grant fund for CDBG Administration and 10% in General Services. The Program Specialist was funded 80% in the General Services department and 20% in the Federal/State Grant fund for CDBG Administration. The General Services Manager position was funded 100% in General Services.
 - ¹¹⁴ - In FY 2016, one HR Generalist position was added.
 - ¹¹⁵ - In FY 2016, the Inspections and Permits departments was combined. Two Permit Assistant position and one Permit Supervisor position was transferred to the combined Inspections/Permits department.
 - ¹¹⁶ - In FY 2016, the Administrative Assistant III position was reclassified to the Executive Assistant to the City Attorney.
 - ¹¹⁷ - In FY 2016, the Planner position was reclassified to a Senior Planner position. Planning Technician was reclassified to a Planner position.
 - ¹¹⁸ - In FY 2016, one Deputy Chief position was reclassified to an Assistant Fire Chief - Operations position.
 - ¹¹⁹ - In FY 2016, one Deputy Court Clerk position was reclassified to a Senior Deputy Court Clerk position.
 - ¹²⁰ - In FY 2016, one Evidence & Property Technician position was added.
 - ¹²¹ - In FY 2016, one Foreman - Concrete Const/Maint position was added.
 - ¹²² - In FY 2016, one Automated Route Operator position was added.
 - ¹²³ - In FY 2016, one part-time Reference Librarian was added and one part-time Circulation Technician was deleted.
 - ¹²⁴ - In FY 2016, an Administrative Assistant I position was added.

(continued)

CITY OF TEMPLE, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XVIII
(Continued)

¹²⁵ - In FY 2016, two Utility Technician I position were reclassified to Utility Technician II positions. The Office Assistant I part-time position was reclassified to an Administrative Assistant I position. The part-time Special Programs Clerk position was reclassified to full-time. One Environmental Compliance Technician position was also added. Mid-year, a complete reorganization was done reclassifying the positions of Foreman, Crew Leader, Troubleshooter, Senior Utility Technician, Utility Technician II and Utility Technician I to new positions of Utility Services Foreman, Utility Technician III, Utility Technician II, and Utility Technician I. The actual number of positions for each title will vary each year as certification requirements are obtained but the total number of positions in the new titles will not exceed thirty-seven.

¹²⁶ - In FY 2016, a part-time Museum Development Assistant position was added.

¹²⁷ - In FY 2016, a Downtown Development Coordinator position was added and the part-time Convention Center Staff was eliminated.

¹²⁸ - In FY 2016, the Office Assistant I part-time position was reclassified to a full-time Administrative Assistant I position. The Maintenance Worker - Seasonal positions was eliminated.

¹²⁹ - During FY 2016, one Assistant Director of Golf was created and the Food & Beverage Coordinator and Pro Shop Manager positions were eliminated. One Maintenance Worker was added.

¹³⁰ - In FY 2016, a complete reorganization took place eliminating the positions of Maintenance Supervisor, Maintenance Technician II, Maintenance Technician I, Maintenance Laborer, and Operator. New positons were created for Lead Water Operator, Water Operator I, Water Operator II, and Water Operator III. Actual number of employees in these positions will change each year as certification requirements are met but the overall total employees between these new positions will not exceed eighteen positions.

CITY OF TEMPLE, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XIX

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government -										
Capital projects obligated	\$58M	\$120M	\$114M	\$106M	\$115M	\$110M	\$159M	\$186M	\$235M	\$251M
Total funds invested @ 9/30	\$ 67,494,871	\$ 94,790,751	\$ 77,527,829	\$ 97,408,266	\$ 91,702,563	\$ 112,611,694	\$ 145,606,448	\$ 119,314,561	\$ 165,743,994	\$ 159,839,429
Average return on investments	5.28%	3.07%	0.09%	0.20%	0.14%	0.14%	0.15%	0.15%	0.23%	0.42%
Public safety -										
Police:										
Noise violations	138	156	110	52	41	41	25	10	17	13
Speeding citations	7,396	7,321	6,082	7,021	9,126	7,349	8,458	8,204	7,137	9,310
Stop sign/red light citations	1,372	1,342	963	1,014	795	708	685	851	651	637
Priority 1 calls	7 min 47 sec	7 min 33 sec	7 min 38 sec	5 min 3 sec	4 min 51 sec	4 min 43 sec	4 min 50 sec	4 min 43 sec	7 min 13 sec	6 min 44 sec
Priority 2 calls	13 min 55 sec	13 min 49 sec	13 min 52 sec	14 min 33 sec	13 min 56 sec	14 min 24 sec	14 min 27 sec	13 min 4 sec	12 min 34 sec	9 min 44 sec
Fire:										
Fire/EMS response time average (minutes)	5 min 11 sec	5 min 13 sec	5 min 15 sec	5 min 9 sec	5 min 6 sec	5 min 14 sec	4 min 11 sec	4 min 36 sec	4 min 44 sec	5 min 4 sec
Fire/EMS incidents responded to	10,982	10,544	11,071	9,747	12,548	12,334	13,851	13,044	13,010	12,659
% of one & two-family residential structure fires confined to room/structure of origin	41% / 65%	36% / 73%	31% / 73%	39% / 89%	60% / 90%	62% / 92%	86% / 87%	79% / 98%	86% / 97%	76% / 96%
Animal control:										
Animals handled	5,110	5,242	4,704	5,009	4,780	4,582	4,082	4,258	4,021	5,034
Animals euthanized	2,441	2,124	2,249	2,471	2,315	1,956	1,685	1,765	1,622	1,574
Animals adopted	2,049	1,692	1,884	1,960	1,862	2,008	1,830	1,710	1,719	1,822
Animals reclaimed by owner	610	576	562	532	538	596	526	668	619	612
Inspections:										
Permits issued ¹	3,525	5,383	4,658	4,949	4,584	4,855	6,106	6,097	7,286	9,094
Building inspections	14,250	11,584	9,914	11,396	8,934	13,837	15,396	12,595	13,475	15,549
Highways & streets -										
Street:										
New lane miles	5.0	32.0	7.0	11.0	7.9	4.0	8.7	7.0	13.0	17.5
Streets seal coated (lane miles)	12.0	11.0	10.0	50.0	15.0	64.0	-	-	-	-
Streets overlaid (lane miles)	10.3	10.2	9.0	-	-	-	52.0	62.0	50.3	26.9
Traffic signals:										
Signal lights repaired	120	110	95	192	312	330	390	460	383	580
Equipment upgraded by intersection	4	2	8	-	-	-	-	27	24	18
Engineering:										
Construction contracts administered/manage	10	14	10	22	17	Not Available	48	84	75	75
Construction/building plans & plats reviewed	278	324	324	404	586	Not Available	489	498	538	523
Health and welfare -										
Public service contracts	5	5	6	5	3	3	4	4	4	3
Sanitation -										
Number of residential customers	16,900	17,350	18,507	19,064	19,494	19,933	20,576	21,146	21,178	22,496
Number of commercial/industrial customers	1,875	1,982	2,133	2,097	2,055	2,001	1,984	2,004	1,905	2,025
Tons of garbage and bulk collected	90,910	90,905	78,545	83,589	79,590	81,697	84,088	84,417	83,614	88,097

* = Not available

(continued)

CITY OF TEMPLE, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XIX
(Continued)

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Culture and leisure services -										
Parks:										
Ratio of acres maintained per maintenance staff employee	57.2	61.7	61.2	32.5	33.0	33.0	34.0	34.0	34.0	37.5
Park master plans designed	8	2	2	2	3	3	2	3	2	6
Park/city improvement projects completed	100	115	151	134	161	141	165	214	224	217
Leisure services:										
Number of classes offered	599	650	830	807	1,141	1,182	1,438	1,399	1,544	2,140
Overall customer satisfaction	91.0%	93.6%	94.0%	98.6%	99.4%	99.5%	98.0%	97.0%	97.0%	97.0%
Mayborn center:										
Number of room nights	5,360	5,628	4,210	10,379	8,030	9,200	6,550	12,210	14,180	15,490
Event days booked	283	259	192	210	266	305	306	330	336	322
Golf course:										
Number of rounds of golf played	35,506	40,500	29,506	27,771	6,642	29,654	32,081	29,990	32,081	24,334
Number of youth in 'Learn to Golf' program	492	600	240	40	144	176	126	161	126	220
Education:										
Circulation per capita	8.07	8.23	7.31	7.03	6.68	6.53	6.16	5.71	5.58	5.03
Library visits per capita	5.34	5.48	4.65	4.75	4.78	4.34	4.05	3.74	3.66	3.68
Airport -										
Airshow attendance	23,000	22,000	23,000	26,000	28,600	22,000	22,500	24,262	26,500	21,000
T-Hangars available / occupancy rate	86 / 100%	86 / 100%	86 / 100%	86 / 100%	86 / 100%	74 / 100%	74 / 100%	74 / 100%	74 / 100%	74 / 100%
Water/sewer -										
Surface water treated (billions of gallons)	4.00	4.75	4.88	4.80	5.68	5.73	5.54	5.46	5.32	5.14
Number of customers (active meters)	22,747	22,418	22,467	22,871	23,245	23,802	24,616	25,226	25,953	26,765
Water billed (billions of gallons)	3.51	4.12	4.50	4.02	4.95	4.68	4.53	4.26	4.21	4.39
Sewer billed (billions of gallons)	2.18	2.29	2.33	2.31	2.37	2.36	2.39	2.39	2.25	2.38
Average daily production of treated water in MG (millions of gallons)	10.936	12.069	13.332	11.966	15.551	13.965	15.086	14.950	14.400	14.000
Highest daily production of treated water in MG (millions of gallons)	26.071	22.832	25.175	21.298	27.047	24.655	22.982	23.800	25.200	26.970
Average Cost of water treated per 1,000 gallons	\$0.68	\$0.69	\$0.76	\$0.84	\$0.71	\$0.79	\$0.84	\$1.13	\$1.05	\$1.12
Water main breaks repaired	324	325	325	301	689	595	539	613	289	311
New water taps installed	713	700	700	475	444	646	873	629	837	893
Sewer mains replaced (linear feet)	17,510	17,000	5,300	10,597	39,934	26,284	24,265	9,406	20,570	18,717
Average cost for wastewater per 1,000 gallons (Doshier Only)	\$2.50	\$2.55	\$1.15	\$1.96	\$2.06	\$1.79	\$1.95	\$1.73	\$1.44	\$2.00

* = Not available

Source: Data collected from various city departments for the budget.

¹ In FY 2015, permits issued were restated for FY 2013 and FY 2014.

CITY OF TEMPLE, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XX

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public safety -										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Stations	7	7	7	7	8	8	8	8	8	8
Hydrants ³	2,500	2,690	2,690	2,772	2,831	2,889	3,111	3,368	3,441	3,500
Highways & streets -										
Paved streets (lane miles) ²	751.21	765.00	765.00	765.00	765.00	1,028.00	1,044.00	1,044.00	1,058.00	1,083.00
Unpaved streets (miles)	0.20	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Paved alleys (miles)	7.60	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Culture & leisure services -										
Parks & recreation:										
Park acreage developed	678	678	678	688	688	688	688	718	718	718
Park acreage undeveloped	49	49	49	49	109	109	109	109	109	396
Golf course	1	1	1	1	1	1	1	1	1	1
Baseball/softball fields	17	17	17	17	17	17	17	17	17	17
Football field	-	-	-	-	-	-	-	-	-	1
Tennis courts	16	16	16	14	16	16	16	16	14	14
Swimming pools/water park	4	4	4	4	5	5	5	5	5	5
Soccer fields	6	6	6	6	6	6	8	8	8	8
Picnic pavilions	24	25	25	27	26	27	27	27	26	28
Basketball courts	18	18	18	18	18	18	18	18	18	19
Playgrounds	38	36	36	37	39	40	41	41	41	41
Community centers	2	2	2	2	2	2	1	1	1	3
Recreation centers	3	3	3	3	3	3	3	3	3	3
Multi-use fields	7	7	7	8	8	11	9	8	8	8
Sand volleyball courts	2	2	2	2	2	2	2	2	2	2
Hike and bike trails	11	12	12	16	18	18	18	18	18	19
Roller hockey court	1	-	-	-	-	-	-	-	-	-
Extreme skate park	1	1	1	1	1	1	1	1	1	1
Disc golf course	2	2	2	2	2	2	2	2	2	2
Education:										
Number of volumes	157,467	159,767	153,056	166,747	167,550	177,035	189,168	185,450	184,993	190,835

(continued)

* = Not available

CITY OF TEMPLE, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XX
(Continued)

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Water and sewer -										
Water:										
Water system (square miles)	97.5	97.5	97.5	97.5	97.5	97.5	97.5	97.5	97.5	97.5
Water mains (miles)	537	593	593	600	600	600	600	594	599	608
Daily average production (MGD ¹)	10.936	12.069	13.332	11.966	15.551	13.965	15.086	14.950	14.400	14.000
Plant capacity (MGD ¹)	41.4	41.4	41.4	41.4	41.4	41.4	41.4	41.4	41.4	41.4
Number of service connections	21,765	22,149	22,467	22,871	23,245	23,802	24,616	25,226	25,953	26,765
Sewer:										
Sewage system (square miles)	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
Sanitary sewers (miles)	362	410	410	410	410	410	410	400	389	397
Number of lift stations	24	24	24	27	27	29	29	31	32	32
Daily average treatment:										
Doshier Farm (MGD ¹)	4.080	4.080	4.080	3.430	1.900	2.290	2.200	1.430	2.240	3.210
Temple-Belton WWTP (MGD ¹)	6.590	6.590	6.590	5.659	5.470	6.380	6.340	6.490	7.070	8.460
Maximum capacity of treatment plants:										
Doshier Farm (MGD ¹)	7.500	7.500	7.500	7.500	7.500	7.500	7.500	7.500	7.500	7.500
Temple-Belton WWTP (MGD ¹)	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000
Number of disposal plants	2	2	2	2	2	2	2	2	2	2
Number of service connections	17,930	18,564	18,945	19,395	19,791	20,206	20,826	21,386	21,983	22,757

¹ - MGD = million gallons daily

² - FY 2012, paved streets' total was restated from 1,607 lane miles to 1,028

³ - FY 2015, hydrants' total was restated from 3,500 to 3,368

Source: Data collected from various departments for the budget statistical section.

**CITY OF TEMPLE, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
ANALYSIS OF FUNDING PROGRESS AND CONTRIBUTION RATES
Last Ten Calendar Years**

Table XXI

Calendar Year	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability	(3) Funded Ratio (1/2)	(4) Unfunded Actuarial Accrued Liability	(5) Annual Covered Payroll	(6) UAAL as a Percentage of ACP (4/5)	(7) Total TMRS Required Contribution Rate ⁽¹⁾	(8) Prior Service Portion of the TMRS Rate
2006	\$ 48,011,224	\$ 66,943,722	71.7%	\$ 18,932,498	\$ 19,545,194	96.9%	13.93%	4.56%
2007	49,247,868	81,792,995	60.2%	32,545,127	21,602,818	150.7%	14.06%	4.56%
2008	51,738,536	86,582,734	59.8%	34,844,198	25,028,861	139.2%	14.31%	4.74%
2009	56,517,812	91,876,796	61.5%	35,358,984	25,179,120	140.4%	14.69%	4.60%
2010 ⁽²⁾	59,088,284	96,482,373	61.2%	37,394,089	25,450,326	146.9%	14.69%	4.60%
2010 ⁽³⁾	102,715,806	132,228,203	77.7%	29,512,397	25,450,326	116.0%	15.39%	4.71%
2011	110,135,037	138,612,957	79.5%	28,477,920	26,260,983	108.4%	16.76%	5.57%
2012	118,079,941	144,378,679	81.8%	26,298,738	26,738,649	98.4%	17.51%	6.42%
2013	127,071,062	158,609,168	80.1%	31,538,106	27,491,028	114.7%	17.51%	6.34%
2014	136,099,382	164,924,797	82.5%	28,825,415	28,503,722	101.1%	17.50%	6.16%
2015	145,276,139	174,865,079	83.1%	29,588,940	30,081,165	98.4%	16.73%	7.06%

Source: Texas Municipal Retirement System

Note: In June, 2011, SB 350 was enacted by the Texas Legislature, resulting in a restructure of the TMRS funds. This legislation provided for the actuarial valuation to be completed, as if restructuring had occurred on December 31, 2010. In addition, the actuarial assumptions were updated for the new fund structure, based on an actuarial experience study that was adopted by the TMRS Board at their May, 2011 meeting (the review compared actual to expected experience for the four-year period of January 1, 2006 through December 31, 2009). For a complete description of the combined impact of the legislation and new actuarial assumptions, including the effects on TMRS city rates and funding ratios, please see the December 31, 2010 TMRS Comprehensive Annual Financial Report (CAFR).

⁽¹⁾ This rate does not include the supplemental death benefit component of the total TMRS rate.

⁽²⁾ Prior to restructuring

⁽³⁾ Restructured

CITY OF TEMPLE, TEXAS
TEMPLE FIREFIGHTERS' RELIEF AND RETIREMENT FUND
ANALYSIS OF FUNDING PROGRESS AND CONTRIBUTION RATES
Last Ten Fiscal Years

Table XXII

Fiscal Year*	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability	(3) Funded Ratio (1/2)	(4) Unfunded Actuarial Accrued Liability	(5) Annual Covered Payroll	(6) UAAL as a Percentage of ACP (4/5)	(7) Total Actual Contribution Rate
2007	-	-	-	Not Available	-	-	-
2008	\$ 30,270,841	\$ 39,027,627	77.6%	\$ 8,756,786	\$ 6,176,101	141.8%	14.31%
2009	-	-	-	Not Available	-	-	-
2010	33,272,723	43,373,453	76.7%	10,100,730	6,164,329	163.9%	14.93%
2011	-	-	-	Not Available	-	-	-
2012	34,400,736	45,148,511	76.2%	10,747,775	6,503,608	165.3%	14.93%
2013	-	-	-	Not Available	-	-	-
2014	39,633,562	50,613,335	78.3%	10,979,773	7,308,427	150.2%	15.24%
2015	37,387,617	53,217,119	70.3%	15,829,502	8,001,862	197.8%	15.21%

Source: Temple Firefighters' Relief and Retirement Fund

* Measurement date September 30

CITY OF TEMPLE, TEXAS
ACTIVE AND RETIREE HEALTH CARE COSTS
Last Ten Fiscal Years

Table XXIII

Fiscal Year ¹	Total Health Care Expenses	Retiree Expense	Percentage Retiree Costs to Total	Active Members	Retirees Using City Health Care	Total TMRS Retirees	Total Firemens' Retirees	Percentage Retirees Using Plan to Total Members	Retiree Contributions	Net Subsidy of Retirees	Subsidy as Percentage of Total Expense	Cost per Active Member	Cost per Retiree
2007	\$ 2,741,567	\$ 378,312	13.8%	636	107	247	51	16.8%	\$ 243,050	\$ (135,262)	4.9%	\$ 3,716	\$ 3,536
2008	2,803,703	451,326	16.1%	665	110	258	50	16.5%	292,279	(159,047)	5.7%	3,537	4,103
2009	2,873,954	459,334	16.0%	678	113	250	52	16.7%	306,720	(152,614)	5.3%	3,561	4,065
2010	2,990,243	507,156	17.0%	640	109	264	54	17.0%	353,534	(153,622)	5.1%	3,880	4,653
2011 ²	2,883,066	478,695	16.6%	618	109	273	56	17.6%	312,355	(166,340)	5.8%	3,891	4,392
2012	3,607,614	655,846	18.2%	636	109	302	60	17.1%	304,384	(351,462)	9.7%	4,641	6,017
2013	3,778,482	609,871	16.1%	559	106	319	63	19.0%	327,884	(281,987)	7.5%	5,668	5,754
2014 ³	3,835,827	483,487	12.6%	585	99	340	67	16.9%	327,376	(156,110)	4.1%	5,730	4,884
2015	4,228,885	489,387	11.6%	588	110	354	73	18.7%	342,249	(147,138)	3.5%	6,360	4,449
2016	4,595,754	506,246	11.0%	609	101	377	78	16.6%	361,625	(144,620)	3.1%	6,715	5,012
Total	\$ 34,339,095	\$ 5,019,661							\$ 3,171,458	\$ (1,848,203)		\$ 47,700	\$ 46,863
Average	\$ 3,433,909	\$ 501,966	14.9%	621	107	298	60	17.3%	\$ 317,146	\$ (184,820)	5.5%	\$ 4,770	\$ 4,686

Source: City records, Texas Municipal Retirement System and the Temple Firefighters' Relief and Retirement Fund.

¹ - Information prior to FY 2005 is not available in this format. As additional years of data become available, the City will report 10 years of historical data.

² - In FY 2011 the City changed from a group health insurance plan to self funded plan for both employees and retirees.

³ - In FY 2014 the City changed from self funded plan to a group health insurance plan both employees and retirees.

AVERAGE DAILY TREATED WATER VS. AVERAGE DAILY TREATMENT CAPACITY

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Average Daily Treatment (MGD)</u>	<u>Average Daily Treatment Capacity (MGD)</u>	<u>Peak Day Usage (MGD)</u>
2007	10.9360	41.40	18.55
2008	12.0690	41.40	22.83
2009	13.3220	41.40	25.18
2010	11.9660	41.40	21.30
2011	15.5510	41.40	27.05
2012	13.9650	41.40	24.66
2013	15.0860	41.40	22.98
2014	14.9500	41.40	23.80
2015	14.4000	41.40	25.20
2016	14.0000	41.40	26.97

Source: Public Works Administration Office

CITY OF TEMPLE, TEXAS
ANNUAL TREATED WATER VS. TOTAL AVAILABLE WATER
Last Ten Fiscal Years

Table XXV

Fiscal Year	Annual Treated Water (Acre feet)	Total Available Water (Acre feet)
2007	12,308	41,953
2008	14,568	44,453
2009	14,952	44,453
2010	14,733	44,453
2011	19,041	44,453
2012	15,699	44,453
2013	17,006	44,453
2014	14,775	44,453
2015	16,313	44,453
2016	15,767	44,453

Source: Public Works Administration Office

CITY OF TEMPLE, TEXAS
WATER AND SEWER UTILITY SYSTEM
Schedule of Water Pumped to Town vs. Water Billed

Table XXVI

Fiscal Year Ending Sept 30,	Water Pumped to Town (gals) ¹	Water Billed (gals) ¹	City Usage (gals) ¹	%(Billed + City) vs Pumped	Water Revenues	% Increase (Decrease)	
						Water Revenues	Water Billed
2007	4,010,618	3,510,152	78,432	89.48%	\$ 11,652,316	-11.91%	-19.79%
2008	4,746,950	4,121,433	106,891	89.07%	14,364,289	23.27%	17.41%
2009	4,875,819	4,507,169	104,772	94.59%	16,226,526	12.96%	9.36%
2010	4,800,000	4,019,774	92,223	85.67%	14,466,103	-10.85%	-10.81%
2011	5,685,057	4,947,980	156,261	89.78%	17,784,551	22.94%	23.09%
2012	5,733,506	4,678,166	129,123	83.85%	16,948,961	-4.70%	-5.45%
2013	4,995,801	4,539,199	120,740	93.28%	16,968,854	0.12%	-2.97%
2014	4,814,440	4,260,031	106,503	90.70%	16,297,510	-3.96%	-6.15%
2015	4,750,924	4,213,140	97,517	90.73%	16,278,062	-0.12%	-1.10%
2016	4,922,493	4,391,601	91,018	91.06%	16,780,446	3.09%	4.24%

¹ - Information is reported in thousands of gallons

Source: Public Works Administration Office and Utility Business Office

CITY OF TEMPLE, TEXAS
WATER AND SEWER UTILITY SYSTEM
Schedule of Water Customers - Residential and Commercial

Table XXVII

<u>Fiscal Year Ending September 30,</u>	<u>Residential</u>	<u>Commercial</u>	<u>Total</u>	<u>Percentage Growth</u>
2007	18,961	2,804	21,765	2.36%
2008	19,385	2,764	22,149	1.76%
2009	19,686	2,781	22,467	1.44%
2010	20,139	2,732	22,871	1.80%
2011	20,517	2,728	23,245	1.64%
2012	21,035	2,767	23,802	2.40%
2013	21,828	2,788	24,616	3.42%
2014	22,430	2,796	25,226	2.48%
2015	23,097	2,856	25,953	2.88%
2016	23,860	2,905	26,765	3.13%

Source: Utility Business Office

AVERAGE DAILY TREATED WASTEWATER VS. AVERAGE DAILY TREATMENT CAPACITY
Last Ten Fiscal Years

Fiscal Year	Average Daily Wastewater Treated (MGD)			Average Daily Treatment Capacity (MGD)
	Temple-Belton WWTP	Doshier	Total	
2007	4.55	2.21	6.76	17.50
2008	5.71	2.14	7.85	17.50
2009	3.46	2.25	5.71	17.50
2010	5.66	2.43	8.09	17.50
2011	5.47	1.90	7.37	17.50
2012	6.38	2.29	8.67	17.50
2013	6.34	2.20	8.54	17.50
2014	6.49	1.43	7.92	17.50
2015	7.07	2.24	9.31	17.50
2016	8.46	3.21	11.67	17.50

Source: Public Works Administration Office

CITY OF TEMPLE, TEXAS
WATER AND SEWER UTILITY SYSTEM
Schedule of Sewer Customers - Residential and Commercial

Table XXIX

Fiscal Year Ending September 30,	Residential	Commercial	Total	Percentage Growth
2007	15,886	2,044	17,930	3.31%
2008	16,485	2,079	18,564	3.54%
2009	16,849	2,096	18,945	2.05%
2010	17,314	2,081	19,395	2.38%
2011	17,704	2,087	19,791	2.04%
2012	18,101	2,105	20,206	2.10%
2013	18,715	2,111	20,826	3.07%
2014	19,259	2,127	21,386	2.69%
2015	19,823	2,160	21,983	2.79%
2016	20,582	2,175	22,757	3.52%

Source: Utility Business Office

**City of Temple, Texas
Top 10 Water Customers
For the year ended September 30, 2016**

Customer	Gallons	Revenue	% of Total Annual Revenue	% of Total Usage
Baylor Scott & White Hospital	194,055,700	\$ 719,694	4.29%	4.42%
City of Morgan's Point Resort *	148,641,200	498,513	2.97%	3.38%
City of Temple	91,017,753	422,453	2.52%	2.07%
VA Hospital	83,475,900	294,089	1.75%	1.90%
Pactiv Corporation	77,071,500	269,515	1.61%	1.75%
City of Troy *	63,732,500	213,495	1.27%	1.45%
Wilsonart International	55,440,200	207,102	1.23%	1.26%
Panda Temple Power, LLC	52,456,500	183,314	1.09%	1.19%
Temple Public Schools	43,682,300	178,179	1.06%	0.99%
Housing Authority	39,124,700	148,007	0.88%	0.89%
	848,698,253	\$ 3,134,360	18.67%	19.30%

* Wholesale customers \$ 1,134,461

**City of Temple, Texas
Top 10 Wastewater Customers
For the year ended September 30, 2016**

Customer	Gallons	Revenue	% of Total Annual Revenue	% of Total Usage
Baylor Scott & White Hospital	160,319,000	\$ 723,931	6.10%	6.73%
VA Hospital	69,594,000	313,221	2.64%	2.92%
Pactiv Corporation	44,328,900	199,782	1.68%	1.86%
Housing Authority	34,317,800	155,200	1.31%	1.44%
Temple Public Schools	29,266,300	133,546	1.12%	1.23%
Wilsonart International	27,719,900	125,996	1.06%	1.16%
City of Temple	19,315,100	90,722	0.76%	0.81%
Meadow Village Apartments	15,335,400	69,297	0.58%	0.64%
Twin Oaks Apartments	15,008,400	67,586	0.57%	0.63%
Dr Pepper Bottling	14,243,900	64,146	0.54%	0.60%
	429,448,700	\$ 1,943,426	16.36%	18.02%

Source: Utility Business Office

Type of Coverage and Insurer	Amount of Coverage		Deductible Amounts ⁽¹⁾	Policy Expiration Date ⁽²⁾
Property:				
Building & Contents: Texas Municipal League	\$ 268,586,472	Real and Personal	\$ 5,000	10/01/16
Fine Arts/Valuable Papers: Texas Municipal League	\$ 239,689	Fine Arts	\$ 500	10/01/16
	\$ 1,600,000	Valuable Papers & Records: Includes EDP Media	\$ 5,000	10/01/16
Mobile equipment: Texas Municipal League	\$ 6,115,090		\$ 1,000	10/01/16
Portable Equipment: Texas Municipal League	\$ 485,000	Equipment	\$ 1,000	10/01/16
Liability:				
Employee Dishonesty, Theft, Disappearance, & Destruction: Texas Municipal League	\$ 200,000		\$ 5,000 per event	10/01/16
Airport: Texas Municipal League	\$ 1,000,000	Premises	\$ -	10/01/16
	\$ 1,000,000	Products/ Completed Operations	\$ -	10/01/16
	\$ 1,000,000	Hangar- Keepers-Each Aircraft	\$ 2,500	10/01/16
	\$ 1,000,000	Non-Owned- Each Occurrence	\$ -	10/01/16
Error & omissions: Texas Municipal League	\$ 1,000,000		\$ 10,000	10/01/16
General: Texas Municipal League	\$ 1,000,000		\$ -	10/01/16
(Continued)				

(Continued)

**City of Temple, Texas
Insurance Coverage**

**Table XXXI
(Continued)**

Type of Coverage and Insurer	Amount of Coverage		Deductible Amounts ⁽¹⁾	Policy Expiration Date ⁽²⁾
Liability (Cont'd):				
Auto:				
Texas Municipal League	\$	1,000,000	\$ -	10/01/16
Auto Physical Damage:				
Texas Municipal League		Per Schedule	\$ 25,000	
Law Enforcement:				
Texas Municipal League	\$	1,000,000	\$ 10,000	10/01/16
Bonds:				
Western Surety Company	\$	500,000	Finance Director	03/03/16
Hartford Casualty Ins. Co	\$	500,000	City Manager	05/19/16
Hartford Casualty Ins. Co	\$	600,000	Each (3) Finance	10/01/16
Hartford Casualty Ins. Co	\$	200,000	City Secretary	10/01/16
Insurer's Indemnity	\$	5,000	Electrical Inspector	06/08/16
	\$	5,000	Plumbing Inspector	09/01/16
Worker's Compensation:				
Texas Municipal League				10/01/16

Source: City of Temple Legal Department

⁽¹⁾ Per occurrence, unless noted.

⁽²⁾ Policies are renewed annually or replaced with similar coverage.



Fast Facts*

2016 Population: 75,293¹

2016 Assessed Value: \$3,970,340,738

Median Age: 35.6

Median Household Income: \$47,962

Total Employment in Temple: 32,707

Total Labor Force in Temple: 33,913

Square Miles: 75.151

Developable Land Remaining: 16.22 Square Miles

Housing Units:

- Owner Occupied: 57.5%
- Renter Occupied: 42.5%
- Vacant: 16.8%

Average Home Sale Price: \$151,319

Average Temperatures in January: HI: upper 50's LOW: upper 30's

Average Temperatures in July: HI: upper 90's LOW: lower 70's

Average Annual Temperature: 66.6 degrees

Rainfall:

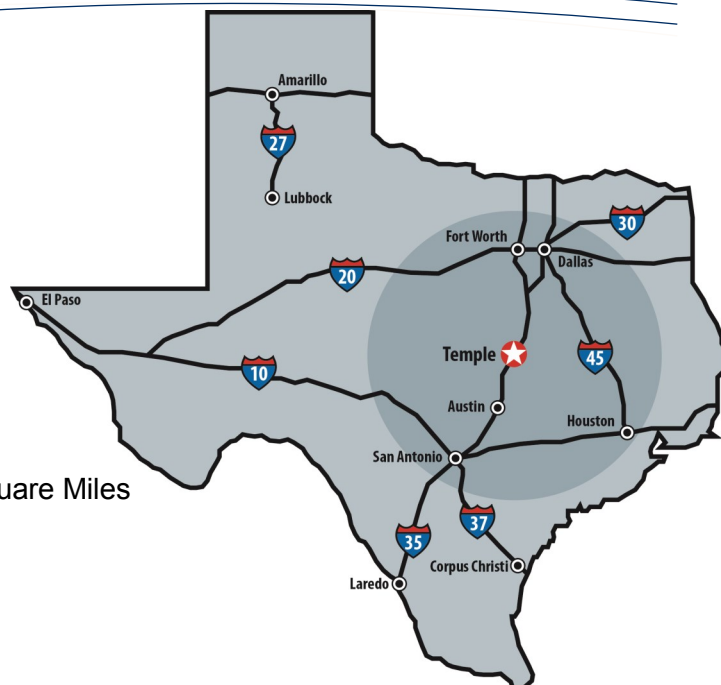
- Wettest Month: May / 4.12"
- Driest Month: August / 1.28"
- Average Annual Rainfall: 28.53"

Only Health & Bioscience District in Texas

Baylor Scott & White Hospital - Only Level I Trauma Center between Dallas and Austin

McLane Children's Hospital Scott & White - Only acute care pediatric hospital between Dallas and Austin

80% of Texas' population is within 180 miles of Temple



¹ 2016 Population based on new residential water customers multiplied by 2010 Census data of average household size of 2.47.

* Sources: 2010 United States Census, Temple Economic Development Corporation, Texas Workforce Commission, Texas Labor Market Information, Weather Base and the City of Temple.



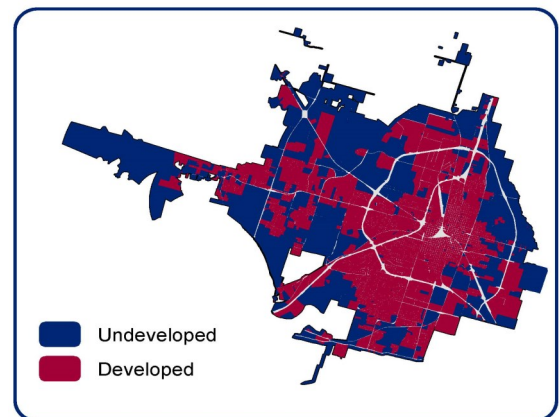
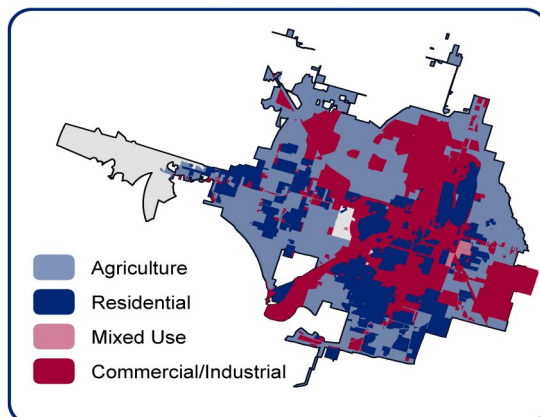
Miscellaneous Statistical Data

GOVERNMENT

Form of government:	Council-Manager, July 8, 1922
Area in square miles:	75.151
Date of original public sale of town lots:	June 20, 1881
Original charter, special:	March 27, 1907
Amendment to charter:	August 5, 1919
Second charter, home rule city:	July 8, 1922
Amendment to charter:	April 7, 1926
Third charter, present:	September 23, 1953
Amendment to charter:	October 23, 1967
Amendment to charter:	April 2, 1977
Amendment to charter:	January 20, 1990
Amendment to charter:	May 4, 1996
Amendment to charter:	May 6, 2000
Amendment to charter:	November 4, 2014
2016 Population (est.):	75,293

LAND USE (Square Miles)

Agriculture:	29.69
Commercial/Industrial:	23.15
Mixed use:	0.323
Residential:	16.32





Miscellaneous Statistical Data

SERVICE STATISTICS

Airport

Number of airports: 1

7,000' full precision approach runway and a
4,740' crosswind runway serving general
aviation, jet, charter, medical,
helicopter and military operations

Open 5 am—10 pm 7 days a week, 365
days a year

Home of the Central Texas Air Show!



Fire Protection

Number of stations: 8

Number of hydrants: 3,500

Number of firefighters: 118

Firefighters per 1,000 population: 1.57

Insurers Services Office (ISO) Rating: . 3



Police Protection

Number of stations: 1

Number of officers: 150

Officers per 1,000 population: 1.99





Miscellaneous Statistical Data

SERVICE STATISTICS CONTINUED



Libraries

Number of libraries (public):	1
Number of volumes:	190,835
Circulation of volumes:	378,447
Library cards in force:	61,434

Parks and Recreation

Park acreage developed:	718
Park acreage undeveloped:...	396
Golf course:	1
Baseball/softball fields:	17
Football field:	1
Tennis courts:	14
Swimming pools:	4
Soccer fields:	8
Picnic pavilions:	28
Basketball courts:	19
Playgrounds:	41
Community center:	3
Recreation center:	3
Multi-use fields:	8
Sand volleyball courts:	2
Trail miles:	19
Extreme skate park:	1
Disc golf course:	2
Family water park:	1





Miscellaneous Statistical Data

SERVICE STATISTICS CONTINUED

Utilities

Water system:.....	97.5 sq. miles
Miles of water mains:	608 miles
Daily average water treatment:.....	14.00 MGD
Water treatment plant capacity:	41.40 MGD
Number of water service connections:	26,765
Source of water:	Surface Water
Wastewater collection system:	90 sq. miles
Miles of wastewater collection system lines:	397 miles
Number of lift stations:	32
Daily average wastewater treatment:	
Doshier Farm WWTP	3.21 MGD
Temple-Belton WWTP	8.46 MGD
Maximum capacity of treatment plants:	
Doshier Farm WWTP	7.5 MGD
Temple-Belton WWTP	10.0 MGD
Number of wastewater treatment plants:	2
Number of wastewater service connections:	22,757

*MGD—Million gallons daily



Streets

Paved streets:	1,083 lane miles
Unpaved streets:	1.5 miles
Paved alleys:	7.5 miles
Unpaved alleys:	72.5 miles

(all figures are approximate)



Miscellaneous Statistical Data

EDUCATION STATISTICS

Temple Independent School District

Senior high schools: 2

Number of classrooms:..... 140

Number of students: 2,211

Middle schools:..... 3

Number of classrooms:..... 142

Number of students: 1,789

Elementary schools: 8

Number of classrooms:..... 265

Number of students: 4,076

Early childhood academy: 8
(pre-kindergarten school)

Number of classrooms:..... 14

Number of students: 561

Alternative education program: . 1

Number of classrooms:..... 6

Number of students: 39



Private Schools

Central Texas Christian School

(Pre K3 - 12th grade)

Christ Church School

(Pre K3 - 5th grade)

Holy Trinity Catholic School

(9th - 12th grade)

Immanuel Lutheran School

(Pre K2 - Pre K4)

St. Francis Episcopal Church & School

(Pre K3 - Kindergarten)

St. Mary's Catholic School

(Pre K3 - 8th grade)

Temple Christian Academy

(1st - 12th grade)

Temple Montessori School

(2 yrs. - 6th grade)

Young World Kindergarten & Daycare Center

(Pre K2 - 5yrs.)





Miscellaneous Statistical Data

EDUCATION STATISTICS CONTINUED

Temple College

Number of classrooms & labs:	190
Number of administrative personnel:	44
Number of full-time professors:	130
Number of full-time students:	1,547
Number of part-time students:	3,399
Population served	198,588
Counties served:	3
(East Bell, Milam and East Williamson Counties)	
Annual budget:	\$43,497,318



Higher Educational Institutions

(within 75 miles of Temple)

Austin Community College

Baylor University

Central Texas College

Concordia Lutheran College

Hill Junior College

Huston-Tillotson College

McLennan Community College

St. Edward's University

Southwestern University

Tarleton State University

Temple College

Texas A&M University

Texas State Technical College

The University of Texas at Austin

University of Mary Hardin-Baylor



Miscellaneous Statistical Data

OTHER STATISTICS

Hospitals

Number of hospitals: 3

Baylor Scott & White Memorial Hospital & Clinic

McLane Children's Hospital at Scott & White

Veteran's Administration Hospital

Number of beds:..... 1,157



Bond Rating—General Obligation (G.O.) Debt

Moody's Investors Service: Aa2 Rating

Standard & Poor's:..... AA Rating

Bond Rating—Utility System Revenue Debt

Moody's Investors Service: Aa2 Rating

Standard & Poor's:..... AA Rating

Compliance Section





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

The Honorable Mayor and
Members of the City Council
City of Temple, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Temple, Texas (the City), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 27, 2017.

Internal Control over Financial Reporting

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

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Brockway, Dindach, Franklin & Nimmick, P.C.

Temple, Texas
January 27, 2017

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

The Honorable Mayor and
Members of the City Council
City of Temple, Texas

Report on Compliance for Each Major Federal Program

We have audited the City of Temple, Texas' (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2016. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Temple, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2016.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE
(CONTINUED)**

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

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

Brockway, Dordach, Franklin & Nimsin, P.C.

Temple, Texas
January 27, 2017

**CITY OF TEMPLE, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

Section I-Summary of Auditors' Results

Financial Statements

Type of auditor's report issued was unmodified.

Internal control over financial reporting:

Material weakness(es) identified:	<u> </u> yes	<u> X </u> no
Significant deficiency(ies) identified:	<u> </u> yes	<u> X </u> none reported
Noncompliance material to financial statements noted?	<u> </u> yes	<u> X </u> no

Federal Awards

Internal control over major programs:

Material weakness(es) identified:	<u> </u> yes	<u> X </u> no
Significant deficiency(ies) identified:	<u> </u> yes	<u> X </u> no none reported

Type of auditors' report issued on compliance for major programs was unmodified.

Any audit findings disclosed that are required to be reported in accordance with
2 CFR 200.516(a)?

 yes X no

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

20.205

Highway Construction Cluster

Dollar threshold used to distinguish between
type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 X yes no

**CITY OF TEMPLE, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

Section II-Financial Statement Findings

There were no findings and no matters were reported.

Section III-Federal Award Findings and Questioned Costs

There were no findings and no matters were reported.



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(A)
Consent Agenda
Page 1 of 1

DEPT./DIVISION SUBMISSION & REVIEW:

Lacy Borgeson, City Secretary

ITEM DESCRIPTION: Approve Minutes:

(A) January 19, 2017 Special and Regular Meeting

STAFF RECOMMENDATION: Approve minutes as presented in item description.

ITEM SUMMARY: Copies of minutes are enclosed for Council review.

FISCAL IMPACT: N/A

ATTACHMENTS:

[January 19, 2017 Special and Regular Meeting](#)



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(B)
Consent Agenda
Page 1 of 1

DEPT./DIVISION SUBMISSION & REVIEW:

Kevin Beavers, Director of Parks & Recreation
Belinda Mattke, Director of Purchasing

ITEM DESCRIPTION: Consider adopting a resolution authorizing the purchase of furniture for the Sammons Community Center from Perry Office Plus of Temple in an amount not to exceed \$100,000.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: Renovations to the Sammons Community Center located at 2220 West Avenue D are scheduled to be complete in April 2017. Included in the original budget for the facility was funding to acquire new furniture that will replace the existing aged furniture in the facility.

The proposed furniture purchase will furnish the Lounge, Classroom, Computer Lab, Crochet Room, Dining Room, Library, Jack Morris Ballroom, Wilson Room, and staff offices with new furniture. A summary of the proposed furniture purchase is as follows:

- Hon, Jasper, and Allsteel - task, visitor and office chairs – 405
- Hon, Correll, and SurfaceWorks tables – 94
- Hon Desks and Jasper bookcases - 10
- Other miscellaneous credenzas, tables, and chair carts

Staff is recommending that the furniture purchases be made through Perry Office Plus utilizing a State of Texas TxMAS contract. Contracts awarded through the State of Texas TxMAS contract have been competitively procured and meet the statutory procurement requirements for Texas municipalities.

FISCAL IMPACT: This project is funded by the Parks GO Bonds that were approved by the voters on May 9, 2015, and sold on September 24, 2015. Funding is available for the furniture purchase in account 362-3500-552-6413, Project 101322, as follows:

Project Budget	\$	1,825,000
Encumbered/Committed to Date		(1,674,063)
Perry Office Plus		<u>(100,000)</u>
Remaining Project Funds	\$	<u><u>50,937</u></u>

ATTACHMENTS:

[Resolution](#)

RESOLUTION NO. 2017-8528-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING THE PURCHASE OF FURNITURE FOR THE SAMMONS COMMUNITY CENTER, IN AN AMOUNT NOT TO EXCEED \$100,000, FROM PERRY OFFICE PLUS OF TEMPLE, TEXAS; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, renovations to the Sammons Community Center located at 2220 West Avenue D, are scheduled to be completed in April 2017 - included in the original budget for the facility was funding to acquire new furniture that will replace the existing aged furniture in the facility;

Whereas, furniture purchased will furnish multiple rooms including the lounge, classroom, computer lab, crochet room, dining room, library, Jack Morris Ballroom, Wilson Room, and Staff offices;

Whereas, Staff recommends this furniture purchase be made through Perry Office Plus utilizing a State of Texas TxMAS contract - contracts awarded through the State of Texas TxMAS contract have been competitively procured and meet the statutory procurement requirements for Texas municipalities;

Whereas, Staff recommends Council authorize the purchase of furniture for the Sammons Community Center in an amount not to exceed \$100,000, from Perry Office Plus of Temple, Texas;

Whereas, this project is funded by the Parks GO Bonds that were approved by the voters on May 9, 2015, and sold on September 24, 2015 - funding is available for this purchase in Account No. 362-3500-552-6413, Project No. 101322; and

Whereas, the City Council has considered the matter and deems it in the public interest to authorize this action.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Part 2: The City Council authorizes the purchase of furniture for the Sammons Community Center, in an amount not to exceed \$100,000, from Perry Office Plus of Temple, Texas.

Part 3: The City Council authorizes the City Manager, or his designee, after approval as to form by the City Attorney, to execute any documents that may be necessary for this purchase.

Part 4: It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED this the **2nd** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(C)
Consent Agenda
Page 1 of 1

DEPT./DIVISION SUBMISSION & REVIEW:

Nicole Torralva, P.E., Public Works Director
Damon B. Boniface, Utility Director

ITEM DESCRIPTION: Consider adopting a resolution authorizing payment of the annual invoice from Brazos River Authority in the amount of \$127,804.56 which covers the availability of 9,453 acre-feet of water to the City for FY 2017.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: Pursuant to the Replacement Water Supply Agreement 7801-01 between the Brazos River Authority ("BRA") and the City, dated July 1, 1992, the City is allocated 9,453 acre-feet of option water per year. The City is required to make an annual payment to BRA for this water. BRA has requested payment in the amount of \$127,804.56 for fiscal year 2017. Staff is seeking authorization to make this payment to BRA.

FISCAL IMPACT: Funding is appropriated in the FY 2017 Operating Budget to fund payment of the invoice to Brazos River Authority in the amount of \$127,804.56 as shown below:

Account	Description	Amount Available
520-5100-535-2651	BRA-Water Services	\$ 127,805
Total Funding Available		<u>\$ 127,805</u>

ATTACHMENTS:

[BRA Invoice](#)
[Resolution](#)



Brazos
RIVER AUTHORITY

DEVELOP ★ MANAGE ★ PROTECT
WATER RESOURCES OF THE BRAZOS RIVER BASIN



4600 COBBS DRIVE ★ P.O. BOX 7555 ★ WACO, TEXAS 76714-7555
(254) 761-3100

City of Temple
3210 East Avenue H
Building A, Suite #130
Temple, TX 76501-8402

Customer No. 7801
Invoice No. FR00007726
Invoice Date: 01/15/2017
Due Date: 02/15/2017

INVOICE

Item/Description	Qty	UOM	Price	Amount
7801-01-OP REPLACEMENT WATER SUPPLY AGRMT Option Water	9,453.00	AF	13.52	127,804.56

RECEIVED
JAN 17 2017
CITY OF TEMPLE
PUBLIC WORKS ADMINISTRATION



Fast & Easy Pay Option



Total Amount Due: \$127,804.56

Save Postage & Time: Brazos River Authority now offers our customers an on-line payment option. Visit our website at www.brazos.org and click on 'Doing Business' then select 'Make an Online Payment' to pay by ACH (electronic check) via our secure website.

Please remit by due date to prevent additional late fees and finance charges.

Important Notice: There is a security flap on the back of this form showing your name, address, and customer account number. **Please** remove this security flap and **return with your payment** to the mailing address below. If unable to include this remittance flap, your customer account number must be written legibly on the check to ensure proper credit.

Remit to: **Brazos River Authority**
P.O. Box 7555
Waco, Texas 76714-7555

RESOLUTION NO. 2017-8529-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING PAYMENT OF THE ANNUAL INVOICE FROM BRAZOS RIVER AUTHORITY IN THE AMOUNT OF \$127,804.56, WHICH COVERS THE AVAILABILITY OF 9,453 ACRE-FEET OF WATER TO THE CITY OF TEMPLE FOR FISCAL YEAR 2017; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, pursuant to the Water Supply Agreement between the Brazos River Authority and the City of Temple dated July 1, 1992, the City is allocated a certain acre-feet of water per year;

Whereas, Staff recommends Council authorize payment of the annual invoice from the Brazos River Authority in the amount of \$127,804.56, which covers the availability of 9,453 acre-feet of water to the City of Temple for fiscal year 2017;

Whereas, funding for this annual invoice is appropriated in the fiscal year 2017 Operating Budget, Account No. 520-5100-535-2651; and

Whereas, the City Council has considered the matter and deems it in the public interest to authorize this action.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Part 2: The City Council authorizes payment of the annual invoice from the Brazos River Authority in the amount of \$127,804.56, which covers the availability of 9,453 acre-feet of water to the City of Temple for fiscal year 2017.

Part 3: It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED this the **2nd** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(D)
Consent Agenda
Page 1 of 2

DEPT./DIVISION SUBMISSION & REVIEW:

Ashley Williams, Director of General Services

ITEM DESCRIPTION: Consider adopting a resolution authorizing a construction contract with Tecta America Austin, LLC of Pflugerville, in the amount of \$59,421 for the roof replacements at the Katy Depot and Animal Shelter.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: The project entails the replacement of roofs at the following facilities that were damaged in a hail storm.

Facility	Address	Cost
Katy Depot (Old MKT Depot)	1806 Curtis Elliot Dr	\$ 26,933
Animal Shelter	1203 E Adams Ave	30,758
Payment & Performance Bond (Katy Depot)	N/A	807
Payment & Performance Bond (Animal Shelter)		923
TOTAL		\$ 59,421

Tecta America Austin, LLC of Pflugerville, was identified through Choice Partners Cooperative, a national cooperative purchasing service out of Harris County, TX. Choice Partners Coop offers contracts for facility services through a Job Order Contract (JOC). Through the use of Tecta America contract, the City pays 87% of the costs identified through RS Means (construction cost estimating data).

Staff has worked closely with Tecta America through this process and recommends approval of this contract.

FISCAL IMPACT: In July 2015, Council authorized a budget adjustment in the amount of \$224,230 to recognize insurance proceeds, as well as, anticipated proceeds from Texas Municipal League (TML) related to hail damage that occurred during May 2013 to several City facilities.

The FY 2017 General Fund carry forwards included \$161,240 for roof repairs to the City facilities that still need to be repaired. A budget adjustment is being presented for Council approval to recognize additional anticipated insurance proceeds to be received for the Animal Shelter and the Katy Depot. Funding for the roof repairs at these facilities is appropriated as shown below:

	<u>Animal Shelter</u> <u>110-2100-529-6310</u> <u>Project 101445</u>	<u>Katy Depot</u> <u>110-2400-519-6310</u> <u>Project 101446</u>	<u>Total</u>
Project Budget	\$ 20,373	\$ 19,230	\$ 39,603
Budget Adjustment	11,308	8,510	19,818
Encumbered/Committed to Date	-	-	-
Tecta America - Roof Replacements	(31,681)	(27,740)	(59,421)
Remaining Project Funds	\$ -	\$ -	\$ -

ATTACHMENTS:

[Tecta America Proposal](#)
[Budget Adjustment](#)
[Resolution](#)



PROPOSAL AND CONTRACT

Roofing & Sheet Metal
Waterproofing
Roof Specialties

DATE: January 23, 2017

PROPOSAL NO. 001-16

Tecta America Austin, LLC (hereinafter referred to as "Contractor") proposes to perform and furnish the labor, materials, insurance, supervision, equipment and warranty (herein together referred to as the "Work") described herein for:

OWNER/CUSTOMER: CITY OF TEMPLE

PROJECT: OLD MKT DEPOT & NEW ANIMAL SHELTER

A. CONTRACT PRICE: Contractor shall perform the Work for **FIFTY-NINE THOUSAND, FOUR HUNDRED TWENTY-ONE DOLLARS \$59,421.00** in current funds

Payment of the Contract Price shall be paid as follows: Per mutually agreed terms and conditions and per AIA contract or similar

B. SCOPE OF WORK – ROOFING

Spec Section (07 31 13) Asphalt Shingles

Description of the work:

- *Remove the existing asphalt shingles down to the wood decking.*
- *Inspect wood decking for damages and/or deterioration.*
- *Repair wood decking at the unit price per sheet of plywood. (\$75.00 per 1/2" x4'x8' sheet)*
- *Install a 15# underlayment felt.*
- *Install a pre-finished metal drip edge.*
- *Install a 3-Tab Asphalt shingle.*
- *Dispose of all roofing debris from premises.*
- **Cost breakout for Old Mkt Depot = \$26,933.00**
- **Cost breakout for New Animal Shelter = \$30,758.00**
- **Payment & Performance Bonds = \$1,730**

C. **TERMS AND CONDITIONS:** The terms and conditions set forth on the reverse side are a part of this proposal. Per AIA contract document or mutually agreed similar document.

D. This Proposal is subject to revision or withdrawal by Contractor for any reason until communication of acceptance, and may be revised after communication of acceptance where an inadvertent error by Contractor has occurred. This Proposal expires thirty (30) days after the date stated above if not earlier accepted, revised or withdrawn. AND without regard to any other provision of this Agreement, Owner shall be liable to Contractor for additional costs incurred by Contractor as the result of any increase in the rate of an applicable state or local sales, excise, or use tax that occurs after the effective date of this Agreement.

By: Russell Johnson

Title: Estimating Manager

ACCEPTANCE

The undersigned hereby accepts this Proposal and, intending to be legally bound hereby, agrees that this writing shall be a binding contract and shall constitute the entire contract.

Owner/Customer: _____

By: _____

Title: _____

Date: _____

Tecta America Austin LLC

Russell E Johnson

2319 Patterson Industrial Drive

Pflugerville, Texas 78660

512-389-0063 Office

512-389-0384 Fax

TERMS AND CONDITIONS

- 1. Nature of Work.** Tecta America CS. ("Tecta") shall furnish the labor and material to perform the work described herein or in the referenced contract documents. 1. Tecta does not provide engineering, consulting or architectural services. It is the Customer's responsibility to retain a licensed architect or engineer to determine proper design and code compliance. If plans, specifications or other design documents have been furnished to Tecta, Customer warrants that they are sufficient and conform to all applicable laws and building codes. Tecta is not responsible for loss, damage or expense due to defects in plans or specifications or building code violations unless such damage results from a deviation by Tecta from the contract documents. Customer warrants all structures to be in sound condition capable of withstanding normal roofing construction equipment and operations. Tecta is not responsible for location of roof drains, adequacy of drainage, ponding on the roof or structural conditions.
- 2. Commencement of Work.** Customer warrants that the structures on which Tecta is to work are in sound condition and capable of withstanding normal activities of roofing construction, equipment and operations. Tecta's prosecution of the roof work indicates only that the surface of the deck appears satisfactory to Tecta to attach roofing materials. Tecta is not responsible for the construction, undulations or structural sufficiency of the roof deck or other trades' work or design.
- 3. Asbestos and Toxic Materials.** This proposal is based on Tecta not coming into contact with asbestos-containing or toxic materials. Tecta is not responsible for expenses, claims or damages arising out of the presence, disturbance or removal of asbestos-containing or toxic materials. Tecta shall be entitled to reasonable compensation for all additional expenses incurred as a result of the presence of asbestos-containing or toxic materials at the work site. Customer agrees to indemnify Tecta from and against any liability, damages, losses, claims, demands or citations arising out of the presence of asbestos or toxic materials at the work site.
- 4. Payment.** Unless stated otherwise on the face of this proposal, Customer shall pay the contract price plus any additional charges for changed or extra work within ten (10) days of substantial completion of the Work. If completion of the Work extends beyond one month, Customer shall make monthly progress payments to Tecta by or before the fifth (5th) day of each month for the value of Work completed during the preceding month, plus the value of materials suitably stored for the project. All sums not paid when due shall earn interest at the rate of 1-1/2% per month. Tecta shall be entitled to recover from Customer costs of collection, including attorney's fees, resulting from Customer's failure to make proper payment when due. Tecta's entitlement to payment is not dependent upon criteria promulgated by Factory Mutual Global, including wind uplift testing.
- 5. Right to Stop Work.** The failure of Customer to make proper payment to Tecta when due shall, in addition to all other rights, constitute a material breach of contract and shall entitle Tecta, at its discretion, to suspend all work and shipments, including furnishing warranty, until full payment is made. The time period in which Tecta shall perform the work shall be extended for a period equal to the period during which the Work was suspended, and the contract sum to be paid Tecta shall be increased by the amount of Tecta's reasonable costs of shut-down, delay and start-up.
- 6. Insurance.** Tecta shall carry worker's compensation, and commercial general liability insurance. Tecta will furnish a Certificate of Insurance, evidencing the types and amounts of its coverages, upon request. Customer shall purchase and maintain builder's risk and property insurance, including the labor and materials furnished by Tecta, covering fire, extended coverage, malicious mischief, vandalism and theft on the premises to protect against loss or damage to material and equipment and partially completed work until the job is completed and accepted. Moneys owed to Tecta shall not be withheld by reason of any damage or claim against Tecta covered by liability or property damage insurance maintained by Tecta or claims covered under builder's risk insurance.
- 7. Additional Insured.** If Customer requires and Tecta agrees to name Customer or others as additional insureds on Tecta's liability insurance policy, Customer and Tecta agree that the naming of Customer or other parties as an additional insured is intended to apply to claims made against the additional insured to the extent the claim is due to the negligence of Tecta and is not intended to make the Tecta's insurer liable for claims that are due to the fault of the additional insured.
- 8. Interior Protection.** Customer acknowledges that re-roofing of an existing building may cause disturbance, dust or debris to fall into the interior. Customer agrees to remove or protect property directly below the roof in order to minimize potential interior damage. Tecta shall not be responsible for disturbance, damage, clean up or loss to interior property that Customer did not remove or protect prior to commencement of roofing operations. Customer shall notify tenants of re-roofing and the need to provide protection underneath areas being re-roofed. Customer agrees to hold Tecta harmless from claims of tenants who were not so notified and did not provide protection.
- 9. Damages and Delays.** Tecta will not be responsible for damage done to Tecta's Work by others. Any repairing of the same by Tecta will be charged as an extra item of work. Tecta shall not be liable for liquidated or delay damages due to a delay in completion of the Project unless the delay was caused by Tecta. Tecta shall not be responsible for loss, damage or delay caused by circumstances beyond its reasonable control, including but not limited to acts of God, accidents, fire, weather, vandalism, strikes, jurisdictional disputes, failure or delay of transportation, shortage of or inability to obtain materials, equipment or labor. In the event of these occurrences, Tecta's time for performance under this proposal shall be extended for a time sufficient to permit completion of the Work.
- 10. Roof Projections.** Tecta will flash all projections through roofing that are shown on the architectural plans provided to Tecta and that are in place prior to installation of roofing. Any penetrations through the roofing to be installed by Tecta not shown on the plans provided to Tecta prior to submittal of this proposal or required after installation of roofing shall be considered an order for extra work, and Tecta shall be compensated at its customary time and material rates.
- 11. Wind Loads or Uplift Pressures.** Design professional is responsible to design the work to be in compliance with applicable codes and regulations and to specify or show the work that is to be performed. Tecta is not responsible for design, including calculation or verification of wind-load design. To the extent minimum wind loads or uplift pressures are required Tecta's bid is based solely on manufacturer's printed test results. Tecta itself makes no representation regarding wind uplift capacity and assumes no liability for wind uplift.
- 12. Backcharges.** No back charges or claims for payment of services or materials and equipment furnished by Customer to Tecta shall be valid unless previously authorized in writing by Tecta and unless written notice is given to Tecta within five (5) days of the event, act, or omission which is the basis of the back charge.
- 13. Electrical Safety.** Customer warrants that there will be no live power lines on or near the roof servicing the building where Tecta will be working and that Customer will turn off any such power supplies to avoid an electrocution risk to Tecta's employees. Tecta's price is based upon there not being electrical conduit or other materials embedded within the roof assembly or attached directly to the underside or top side of the roof deck upon which Tecta will be working. Customer will indemnify Tecta from personal injury and other claims and expenses if Customer fails to turn off power so as to avoid injury to Tecta's personnel or resulting from the presence of concealed electrical conduit and live electrical power. Tecta is not responsible for costs of repair or damages, including disruption of service, resulting from damage to undisclosed or concealed electrical or other utility lines.
- 14. Availability of Site.** Tecta shall be provided with direct access to the work site for the passage of trucks and materials and direct access to the roof. Tecta shall not be required to begin work until underlying areas are ready and acceptable to receive Tecta's work and sufficient areas of roof deck are clear and available and free from snow, water or debris to allow for continuous full operation. The expense of any extra trips by Tecta to and from the job as a result of the site not being ready for the Work after Tecta has been notified to proceed will be charged as an extra cost.
- 15. Warranty.** Tecta's work will be warranted by Tecta in accordance with its standard warranty, which is made a part of this proposal and contract and incorporated by reference. A facsimile of Tecta's standard warranty is attached or, if not, will be furnished upon request. Tecta SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES. The acceptance of this proposal by the Customer signifies Customer's agreement that this

TERMS AND CONDITIONS

warranty shall be and is the exclusive remedy against Tecta. A manufacturer's warranty shall be furnished to Customer if a manufacturer's warranty is called for on the face of this proposal. It is expressly agreed that in the event of alleged defects in the materials furnished pursuant to this contract, Customer shall have recourse only against the manufacturer of such material.

16. Existing Conditions. Tecta is not responsible for leakage due to existing conditions through the existing roof or other portions of the building that have not yet been reroofed by Tecta.

17. Mold. Tecta and Customer are committed to acting promptly so that roof leaks are not a source of potential interior mold growth. Customer will make periodic inspections for signs of water intrusion and act promptly including prompt notice to Tecta if Customer believes there are roof leaks, to correct the condition. Upon receiving notice, Tecta will make roof repairs. The Customer is responsible for monitoring any leak areas and for indoor air quality. Tecta is not responsible for indoor air quality. Customer shall hold harmless and indemnify Tecta from claims due to indoor air quality and resulting from failure by Customer to maintain the building in a manner to avoid growth of mold. Customer agrees to indemnify and hold harmless Tecta from claims brought by tenants and third parties arising from mold growth.

18. Material Cost Escalation. Steel products, asphalt, polyisocyanurate and other roofing products are sometimes subject to unusual price volatility due to conditions that are beyond the control or anticipation of Tecta. If there is a substantial increase in these or other roofing products between the date of this proposal and the time when the work is to be performed, the amount of the contract may be increased to reflect the additional cost of the roofing, upon submittal of written documentation and advance notice.

19. Material References. Tecta is not responsible for the actual verification of technical specifications of product manufacturers; i.e., R-value or ASTM or UL compliance, but rather the materials used are represented as such by the material manufacturer.

20. Tolerances. All labor and materials shall be furnished in accordance with normal industry standards and industry tolerances for uniformity, color, variation, thickness, size, weight, finish and texture. Specified quantities are intended to represent an average over the entire roof area.

21. Fumes and Emissions. Customer acknowledges that odors and emissions from roofing products will be released and noise will be generated as part of the roofing operations to be performed by Tecta. Customer shall be responsible for interior air quality, including controlling mechanical equipment, HVAC units, intake vents, wall vents, windows, doors and other openings to prevent fumes and odors from entering the building. Customer is aware that roofing products emit fumes, vapors and odors during the application process. Some people are more sensitive to these emissions than others. Customer shall hold Tecta harmless from claims from third parties relating to fumes and odors that are emitted during the normal roofing process.

22. Oil-canning. Metal roofing and especially lengthy flat-span sheet-metal panels often will exhibit waviness, commonly referred to as "oil-canning." The degree of oil-canning and the appearance of the panels will vary depending on factors such as the length and color of the panels, alloy, gauge, galvanizing process, substrate condition, and exposure to sunlight. Oil-canning pertains to aesthetics and not the performance of the panels and is not controlled by Tecta roof work. The type of metal roofing panels specified can affect the degree of oil-canning. Tecta is not responsible for oil-canning or aesthetics. Oil-canning shall not be grounds to withhold payment or reject panels of the type specified.

23. Indemnification. To the fullest extent permitted by law, Tecta shall indemnify and hold harmless the Customer, and all of their agents, officers, directors, and employees from and against all claims, damages, and losses directly caused by Tecta's work under this contract, provided that any such claim, damage, loss or expense is caused in whole or in part, and only to the extent from a negligent act or omission of Tecta or anyone for whose work Tecta is responsible under this contract. IN NO EVENT SHALL SUCH LIABILITY INCLUDE INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, UNMITIGATED, OR CONSEQUENTIAL DAMAGES. Consequential damages shall mean any consequential, indirect, or incidental loss or damage, including but not limited to, loss of rents, profits, and rental costs; down time and loss of productivity; interest, finance charges, and depreciation; additional labor, energy, operations, and material escalation costs.

24. Dispute Resolution. If a dispute shall arise between Tecta and Customer with respect to any matters or questions arising out of or relating to this contract or the breach thereof, Tecta and Customer will seek to mediate the dispute. If mediation is not successful, arbitration shall be administered by and conducted in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association unless the parties mutually agree otherwise. This contract to arbitrate shall be specifically enforceable under the prevailing arbitration law. The award rendered by the arbitrators shall be final, and judgment may be entered upon it in any Court having jurisdiction thereof. Any legal claim against Tecta alleging any breach of this contract or negligence by Tecta must be initiated no later than two (2) years after Tecta performed the roofing installation covered by this contract. Collection matters may be processed through litigation or arbitration at the sole discretion of Tecta.

25. Construction Materials Standards. Design professional is responsible to design the work to be in compliance with applicable codes and regulations and to specify or show the work that is to be performed. Tecta is not responsible for design, including calculation or verification of concrete, solar, LEED, and green materials standards. To the extent minimum standards are required, Tecta's bid is based solely on manufacturer's printed test results. Tecta itself makes no representation and assumes no liability regarding design and material standards.

26. Concrete Decks. In the event that roofing is to be installed over a concrete or other wet deck or substrate, the determination as to when the concrete or wet substrate is sufficiently cured and dried so that roofing materials can be installed without potential future adverse effect shall be made by the general contractor in consultation with the concrete subcontractor, concrete manufacturer, and design professional. Tecta is not responsible to test or assess moisture content of the deck or substrate.

By signing below, you agree the terms and conditions in this Work Order take precedence over any other conflicting writings that pertain to the work described herein.

TERMS AND CONDITIONS ACCEPTANCE:

Customer:	_____	Tecta:	_____
Signed by:	_____	Signed by:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

FY 2017**BUDGET ADJUSTMENT FORM**

Use this form to make adjustments to your budget. All adjustments must balance within a Department.

Adjustments should be rounded to the nearest \$1.

+

-

ACCOUNT NUMBER	PROJECT #	ACCOUNT DESCRIPTION	INCREASE	DECREASE
110-2100-529-63-10	101445	Capital Building & Grounds / Animal Shelter	\$ 11,308	
110-2400-519-63-10	101446	Capital Building & Grounds / Old MKT Depot	8,510	
110-0000-461-05-54		Insurance Claims / Insurance Claims	19,818	
TOTAL.....			\$ 39,636	\$ -

EXPLANATION OF ADJUSTMENT REQUEST- Include justification for increases AND reason why funds in decreased account are available.

To recognize anticipated additional insurance proceeds for the Animal Shelter (\$11,308) and the MKT Depot (\$8,510), totaling \$19,818, to assist in the roof replacements due to hail damage in May 2013.

DOES THIS REQUEST REQUIRE COUNCIL APPROVAL?

☒

Yes

☐

No

DATE OF COUNCIL MEETING

2/2/2017

WITH AGENDA ITEM?

☒

Yes

☐

No

Department Head/Division Director

Date

☐

Approved

☐

Disapproved

Finance

Date

☐

Approved

☐

Disapproved

City Manager

Date

☐

Approved

☐

Disapproved

RESOLUTION NO. 2017-8530-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A CONSTRUCTION CONTRACT WITH TECTA AMERICA AUSTIN, LLC OF PFLUGERVILLE, TEXAS, IN THE AMOUNT OF \$59,421 FOR ROOF REPLACEMENTS AT THE KATY DEPOT (OLD MKT DEPOT) AND THE ANIMAL SHELTER; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, in May, 2013, several City buildings sustained damages as a result of a severe hail storm;

Whereas, on December 15, 2016, Council authorized the repair of fourteen roofs and Staff has identified two additional roofs which require replacement – those facilities are:

Katy Depot (Old MKT Depot)

Animal Shelter

Whereas, Tecta America Austin, LLC of Pflugerville, Texas was identified through Choice Partners Cooperative, a national cooperative purchasing service out of Harris County, Texas - Choice Partners Coop offers contracts for facility services through a Job Order Contract;

Whereas, through the use of the Tecta America Austin contract, the City pays 87% of the costs identified through RS Means (construction cost estimating data);

Whereas, Staff has worked closely with Tecta America Austin through this process and recommends Council authorize a construction contract for roof replacement at the two facilities identified above;

Whereas, in July 2015, Council authorized a budget adjustment which recognized insurance proceeds, as well as, anticipated proceeds from Texas Municipal League related to hail damage that occurred during May 2013 to several City facilities;

Whereas, the fiscal year 2017 General Fund carry forwards included funds for roof repairs to the City facilities that still need to be repaired, but an amendment to the fiscal year 2017 budget needs to be approved to recognize additional anticipated insurance proceeds to be received for the Animal Shelter and the Katy Depot;

Whereas, funding for the roof repairs at these facilities is appropriated as shown below:

- Katy Depot (Old MKT Depot) - Account No. 110-2410-519-6310, Project No. 101446;
- Animal Shelter – Account No. 110-2100-529-6310, Project No. 101445; and

Whereas, the City Council has considered the matter and deems it in the public interest to authorize this action.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Part 2: The City Council authorizes the City Manager, or his designee, after approval as to form by the City Attorney, to execute a construction contract with Tecta America Austin, LLC of Pflugerville, Texas, in the amount of \$59,421, for roof replacement at the Katy Depot (Old MKT Depot) and the Animal Shelter.

Part 3: The City Council authorizes an amendment to the fiscal year 2017 budget, substantially in the form of the copy attached hereto as Exhibit 'A.'

Part 4: It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED this the 2nd day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(E)
Consent Agenda
Page 1 of 2

DEPT./DIVISION SUBMISSION & REVIEW:

Nicole Torralva, P.E., Public Works Director
Don Bond, P.E., CFM, City Engineer

ITEM DESCRIPTION: Consider adopting a resolution authorizing change order #2 to the construction contract with T. Morales Company Electric & Controls, Ltd. of Florence, in the amount of \$37,385 for the Booster Pump Stations Backup Power project.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: On August 21, 2014, Council authorized an agreement with Rabroker & Associates for \$69,300 for professional services for engineering design services required to provide emergency back-up power for the six potable water booster pump stations.

On June 16, 2016, Council authorized a construction contract with T. Morales Company for \$1,339,000.

On December 7, 2016, additive change order #1 was approved for \$16,990.

As indicated in the attached Engineer's Recommendation Letter and Change Order Form, change order #2 proposes to remove and replace the existing service entrance conductors from the utility transformer to the Avenue G pump station building. During construction the contractor discovered the insulation on these existing wire cables is showing signs of aging and cracking, which could lead to failure of this pump station's electrical system and serious injury to personnel. The lump sum of \$37,385.00 is for the cost of the materials and labor to replace the existing electrical cables. This and the previous change order would result in a total contract of \$1,393,375, a net increase of 4.1% to the original amount. This change order includes seven additional contract days.

FISCAL IMPACT: Funding for this change order with T. Morales Company is appropriated in account 561-5100-535-6960, project #101089 in the amount of \$37,385.00 as follows:

Project Budget	\$ 1,450,000
Encumbered/Committed to Date	(1,356,171)
T. Morales Company Change Order #2	(37,385)
Remaining Funds Available	\$ 56,444

ATTACHMENTS:

Recommendation Letter
Change Order Form
Resolution



RABROKER

& ASSOCIATES

Texas Registered Engineering Firm #F-12538

MEP Consulting Engineers

P.O. Box 2061

Belton, TX 76513

January 23, 2017

Mr. Diego Yorsky

Project Manager

City of Temple

3210 East Avenue H, Building A

Temple, TX 76501

Re: Backup Power for Potable Water Pump Stations Project – Change Order Request #COR-02 Rev 02

Dear Mr. Yorsky,

We have reviewed the attached Change Order Request COR-02 Rev 02 for the above mentioned project and have provided justifications below.

While preparing the site for the installation of the new standby generator set and associated automatic transfer switch, the Contractor discovered the existing service entrance conductors were damaged. These are the wires that run from the electrical utility transformer to the building. The insulation on these existing wires are showing signs of cracking and could be compromised during the required modifications to the electrical system. Should the insulation on the conductors fail during the proposed modifications, they would obviously require immediate replacement. Should the insulation fail at a later date after this project is complete, it may lead to a serious failure of this pump station's entire electrical system or injury to personnel who may come into contact with equipment at this pump station that is inadvertently energized. We agree that this project presents an opportune time to replace these conductors, but only after the new standby generator set is installed, tested, and completely functional.

With these factors in mind, I recommend the City of Temple approve T. Morales' Change Order #02 Rev 02, in the amount of \$37,385.00.



RABROKER

& ASSOCIATES

Texas Registered Engineering Firm #F-12538

MEP Consulting Engineers

P.O. Box 2061

Belton, TX 76513

Sincerely,

A handwritten signature in black ink that reads "Nicholas E. Rabroker". The signature is written in a cursive style, with the first letters of the first and last names being capitalized and prominent.

Nicholas Rabroker, P.E.

Backup Power for Potable Water Pump Stations project

Enclosures: Change Order Request information from the Contractor, (7) pages



Correspondence #029
Filed: 12-02
Cc: 02-4A

Project: Backup Power for Potable Water
Pump Stations

Date: November 29, 2016
TMC Change #: **COR-02 Rev 02**

Owner: City of Temple

Project Change #: **02**

Change Order Request

T. Morales Company is pleased to offer change pricing for consideration by the Owner to replace the main feeder conductors at the Avenue G Pump Station site. The existing conductors are showing signs of cracking in the insulation and could be compromised during the required modifications to the electrical service feeders (please see attached pictures of existing conductors).

The work for this change consists of the removing and replacing the conductors from the existing pad mounted transformer to the existing junction box consisting of (6) 4" conduits with (4) #400 KCMIL conductors each.

This quotation includes the following services and materials:

- Wiring and terminations for power and control.
- Equipment costs for small tools (benders, drills, saws).

Total cost for the additional work associated with this change is **\$37,385.00.** Please see attached "Exhibit A" for the pricing summary breakdown.

Extension in Time Request:

Submittals and approvals: None
Lead time for procurement: None
Approx. time for installation: 1 Week

Change Initiated By: Aaron Hoelker / TMC

Change Prepared By: Kyle R. Barnes / TMC

Change Delivered To: Nick Rabroker / RAA

Response Rqst'd By: ASAP

Carbon Copy To: None

JOB 1047 2016-053: 2016-053 COT Ba...

T Morales Company

ESTIMATE 1 2016-053: 2016-053 COT Ba...

PO Box 859

DATA SET 9 TMC WTP - NECA dataset

Florence, Tx 76527

DATE 11/29/2016 1:44:47 PM

254-793-4344 / 254-793-3044

kbarnes@moralescompany.com

Index	Description	Reference Type	Refere...	Ref Amount	Operation	Rate	Amount
1	MATERIALS / QUOTES:						0.00
2	Misc Materials:	Material	Total	16,084.32	*	1.00	16,084.32
3	Quote #1	Calculated		0.00	*	1.00	0.00
4	Quote #2	Calculated		0.00	*	1.00	0.00
5	SUBTOTAL						16,084.32
6	#####						0.00
7	LABOR:						0.00
8	Straight Time Labor	Labor	Total	264.72	*	39.00	10,324.08
9	Overtime Labor	Calculated		0.00	*	55.00	0.00
10	IC Tech S-Time	Calculated		0.00	*	40.42	0.00
11	IC Tech O-Time	Calculated		0.00	*	58.80	0.00
12	Gen Foreman Hours	Labor	Total	264.72	%		0.00
13	Gen Foreman Rate	Component	12	0.00	*	49.00	0.00
14	Material Hndler Hrs	Labor	Total	264.72	%	3.00	7.94
15	Material Hndler Rate	Component	14	7.94	*	24.24	192.50
16	Update As Built Dwgs	Calculated		1.00	*	49.00	49.00
17	Programmer	Calculated		0.00	*	70.00	0.00
18	SUBTOTAL						10,565.58
19	#####						0.00
20	DIRECT JOB EXPENSES:						0.00
21	Expendable Tools	Material	Total	16,084.32	%		0.00
22	Equipment						0.00
23	Warranty on Material	Component	5	16,084.32	%	3.00	482.53
24	Warranty on Labor	Component	18	10,565.58	%	3.00	316.97
25	SUBTOTAL						799.50
26	#####						0.00
27	SUBCONTRACTS:						0.00
28	Sub #1	Calculated		0.00	*		0.00
29	Sub #2	Calculated		0.00	*		0.00
30	SUBTOTAL						0.00
31	#####						0.00
32	JOB SUBTOTAL						27,449.40
33	#####						0.00
34	MARKUPS:						0.00
35	Liability/Bldrs Risk	Component	32	27,449.40	%	2.00	548.99
36	WrkComp/SS/Unmplymnt	Component	18	10,565.58	%	25.00	2,641.40
37	Overhead @ 10%	Component	32	27,449.40	%	10.00	2,744.94
38	JOB TOTAL						33,384.73
39	#####						0.00
40	Profit @ 10%	Component	38	33,384.73	%	10.00	3,338.47
41	JOB TOTAL + PROFIT	Component	40	3,338.47	*	1.00	36,723.20
42	Perf .Payment Bond	Component	41	36,723.20	%	1.80	661.02
43	ADD BOND	Component	42	661.02	*	1.00	37,384.22
44	#####						0.00
45	BID TOTAL						37,384.22

JOB 1047 2016-053: 2016-053 COT Ba...
ESTIMATE 1 2016-053: 2016-053 COT Ba...
DATA SET 9 TMC WTP - NECA dataset

COR02 - Replace Feeder Conduits
T Morales Company
PO Box 859
Florence, Tx 76527
254-793-4344 / 254-793-3044
kbarnes@moralescompany.com

PRINTED 11/15/2016 10:04:41 AM
MATERIAL Discounted
LABOR Primary

NOTES

Item			
Qty	UOM	Size	Item Desc
960.00	FEET		NYLON LINE
3,360.00	FEET	400	THHN STR CU
24.00	EACH	400	AL/CU CRIMP LUG
840.00	FEET	2.	WIRE TO PULL OUT
2,520.00	FEET	400	WIRE TO PULL OUT



ESSEX 400 MCM TYPE THHN OR THWN OR GASOLINE AND OIL RESISTANT II E14656 F (UL) 600V SUNLIGHT RESISTANT, FOR CT USE

ESSEX 400 MCM TYPE THHN OR THWN OR GASOLINE AND OIL RESISTANT II E14656 F (UL) 600V SUNLIGHT RESISTANT, FOR CT USE

ESSEX 400 MCM TYPE THHN OR THWN OR GASOLINE AND OIL RESISTANT II E14656 F (UL) 600V SUNLIGHT RESISTANT, FOR CT USE

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ESSEX 400 MCM TYPE THHN OR THWN OR GASOLINE AND OIL RESISTANT II E14656 F (UL) 600V SUNLIGHT RESISTANT, FOR CT USE

109-714656 F (UL) 600

RESISTANT TO OIL AND GASOLINE

RESISTANT TO SUNLIGHT

RESISTANT TO SUNLIGHT



TYPE THIN OF 100 MCM

400 MCM

EX

8 F (UL) 600V SUNLIGHT RESISTANT, FOR CT USE

TYPE THIN OR THIN COATLINE AND CUT

CHANGE ORDER

PROJECT: Emergency Backup Power for Water Pump stations
OWNER: City of Temple
CONTRACTOR: Team Morales Company
ENGINEER: Rabroker and Associates, P.C
CHANGE ORDER #: Two (2)

Make the following additions, modifications to the work described in the Contract Documents:

Additional funds for the replacing of the electrical cables from Ave G water pump house to the transformer on the power pole.

LUMP SUM AMOUNT: \$37,385

PO188294

The compensation agreed upon in this Change Order is full, complete and final payment for all costs the Contractor may incur as a result of or relating to this change whether said costs are known, unknown, foreseen or unforeseen at this time, including without limitation, any cost for delay (for which only revised time is available), extended overhead, ripple or impact cost, or any other effect on changed or unchanged work as a result of this Change Order.

Original Contract Amount:	\$ <u>1,339,000.00</u>
Previous Change in Contract Amount:	\$ <u>16,990.00</u>
Change in Contract Amount:	\$ <u>37,385.00</u>
Revised Contract Amount:	\$ <u>1,393,375.00</u>
Original Contract Time:	<u>240</u> Days
Previous Change in Contract Time:	<u>7</u> Days
Change in Contract Time:	<u>7</u> Days
Revised Contract Time:	<u>254</u> Days
Original Final Completion Date:	<u>08-19-2017</u>
Revised Final Completion Date:	<u>09-02-2017</u>

Recommended by:

Project Manager (City Staff) Date

Agreed to:

Contractor Date

Approved as to form:

City Attorney's Office Date

Recommended by:

Architect/Engineer Date

Approved by City of Temple:

Jonathan Graham, City Manager Date

Approved by Finance Department:

Finance Date

RESOLUTION NO. 2017-8531-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING CHANGE ORDER NUMBER 2 IN THE AMOUNT OF \$37,385, TO THE CONSTRUCTION CONTRACT WITH T. MORALES COMPANY ELECTRIC AND CONTROLS, LTD, OF FLORENCE, TEXAS, FOR THE BOOSTER PUMP STATIONS BACKUP POWER PROJECT; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, on August 21, 2014, Council authorized an agreement with Rabroker & Associates for engineering design services required to provide emergency back-up power for the six potable water booster pump stations;

Whereas, on June 16, 2016, Council authorized a construction contract with T. Morales Company Electric and Controls, Ltd. to construct the booster pump stations backup power in an amount not to exceed \$1,339,000 – and on December 7, 2016, Council approved Change Order No. 1 in the amount of \$16,990;

Whereas, during construction of the booster pump stations, the contractor discovered the insulation on existing wire cables that were showing signs of aging and cracking, which could eventually lead to failure of this pump station's electrical system and serious injury to personnel;

Whereas, Change Order No. 2 represents the removal and replacement of the existing service entrance conductors from the utility transformer to the Avenue G pump station building - this and the previous change order will result in a total contract amount of \$1,393,375, which is a net increase of 4.1% to the original amount;

Whereas, Staff recommends Council authorize Change Order No. 2 to the construction contract with T. Morales Company in the amount of \$37,385 for the Booster Pump Stations Backup Power project;

Whereas, funds are available for this change order in Account No. 561-5100-535-6960, Project No. 101089; and

Whereas, the City Council has considered the matter and deems it in the public interest to authorize this action.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Part 2: The City Council authorizes the City Manager, or his designee, after approval as to form by the City Attorney, to execute Change Order No. 2 in the amount of \$37,385, to the construction contract with T. Morales Company & Electric Controls, Ltd of Florence, Texas for the Booster Pump Stations Backup Power project.

Part 3: It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED this the **2nd** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(F)
Consent Agenda
Page 1 of 2

DEPT./DIVISION SUBMISSION & REVIEW:

Nicole Torralva, P.E., Public Works Director
Don Bond, P.E., City Engineer

ITEM DESCRIPTION: Consider adopting a resolution authorizing an agreement with Kasberg, Patrick, & Associates, LP, of Temple, in an amount not to exceed \$268,560 for professional services required for final design and bidding of the third project in the Water Treatment Plant upgrades (Task 3: Conventional Treatment Solids & Lagoon).

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: The attached map shows the City's water treatment plant on the north side of the Leon River by Charter Oak Drive. The plant consists of a conventional water treatment train (CWTT) and a membrane water treatment train (MWTT), which ultimately combine through shared storage and pumping facilities and operate as one plant which delivers water to customers along the distribution system. The 29.4 MGD CWTT is an aging facility that has been renovated and expanded several times since its construction in 1957. In 2004, the 11.6 MGD MWTT was constructed in response to increasing water demands.

On December 17, 2015, Council authorized an agreement with KPA in the amount of \$242,649 for preliminary engineering on Task 1 – Raw Water Intake Zebra Mussel Control, Task 2 - MWTT Optimization Pilot Studies, and Task 3 - CWTT Solids Handling and Lagoon Improvements. Preliminary engineering for Tasks 1 and 3 have been completed; the Task 2 pilots are in progress.

This contract is for final design and bidding services of Task 3 and is based on the recommendations from the preliminary engineering phase. Please see the attached proposal from KPA. Staff recommends authorizing the following scope of services and costs under this contract:

Basic Services

Final Design	\$ 243,930
Bidding	<u>\$ 7,600</u>
Subtotal	\$ 251,530

Special Services

Surveying	\$ 8,360
Sampling, Analysis and Coord. with the Brazos River Authority	<u>\$ 8,670</u>
Subtotal	\$ 17,030

Total Professional Services \$ 268,560

The elements of Task 3 are illustrated on the attached map. Time required to complete plans and specifications is 270 calendar days from notice to proceed. The engineer's opinion of probable construction cost is \$3,100,000.

FISCAL IMPACT: Funding is available in account 561-5100-535-6954, project #101614, for KPA for professional services required for final design and bidding of the third project in the Water Treatment Plant upgrades (Task 3: Conventional Treatment Solids & Lagoon) in an amount not to exceed \$268,560 as follows:

Available Funding	\$ 517,414
Kasberg, Patrick & Associates, LP	<u>(268,560)</u>
Remaining Funds Available	<u><u>\$ 248,854</u></u>

ATTACHMENTS:

[Engineer's Proposal](#)
[Project Map](#)
[Resolution](#)



KASBERG, PATRICK & ASSOCIATES, LP
CONSULTING ENGINEERS
Texas Firm F-510

Temple
One South Main Street
Temple, Texas 76501
(254) 773-3731

RICK N. KASBERG, P.E.
R. DAVID PATRICK, P.E., CFM
THOMAS D. VALLE, P.E.
GINGER R. TOLBERT, P.E.
ALVIN R. ATRAE SUTTON, III, P.E., CFM

Georgetown
1008 South Main Street
Georgetown, Texas 78626
(512) 819-9478

January 17, 2017

Mr. James Billeck, P.E.
3210 E. Avenue H
Building A

Re: City of Temple, Texas
Water Treatment Plant Task 3B
Conventional WTP Solids Handling & Lagoon Infrastructure Improvements – Final Design

Dear Mr. Billeck:

This letter is in response to your request for engineering services required for final design and bidding phases (Task 3B) of the Conventional WTP Solids Handling & Lagoon Infrastructure Improvements. The existing City of Temple Water Treatment Plant produces high quality drinking water by removing the impurities from the Leon River water via direct barriers and/or coagulation, sedimentation and filtering. The impurities removed from the “raw water” produce a significant waste stream that must be accounted for and disposed of. The Conventional WTP (CWTP) utilizes five (5) lagoons to settle backwash and/or clarifier waste. The supernatant (clean, settled water) is recycled through the treatment process while the sludge waste is pumped from the bottom of the lagoons and hauled off site for disposal.

The City of Temple contracted with KPA Engineers to perform a study on the existing sludge (solids) handling procedure and infrastructure and recommend necessary improvements (Task 3A). The final Technical Memorandum (TM), dated October 31, 2016, included the following observations and recommendations which can be broken into three categories:

1. Lagoon Infrastructure

- a. Lagoon No. 1 has shown signs of differential settlement (or movement) in the concrete structure and should be replaced.
- b. The existing lagoon system is not sized to accommodate the additional waste stream associated with the current filter backwash system.
 - i. Originally, the duration and volume of water that could be used for a single backwash was limited by the volume of the backwash tank.
 - ii. Modifications to the piping have allowed the ability to utilize the high service pumps for backwash purposes and the volume of each backwash has increased. It should be noted that the filters can be more thoroughly backwashed by this method, increasing the filter run times.
- c. The existing lagoon system is labor intensive to operate and clean.
- d. Recommendation – construct four (4, 2 sets of 2) new sedimentation basins with automatic sludge removal systems, including associated temporary piping and infrastructure to remove Lagoons No. 1 and No. 2 from service to allow construction.

2. Gravity Sewer
 - a. The WTP does not contain any gravity sewer components.
 - b. The construction of the Leon River Trunk Sewer will provide wastewater service to the WTP property and a collection system should be implemented beginning at the Membrane Facility that would allow both (conventional and membrane) existing septic tanks to be abandoned and would allow sludge from the lagoons (or subsequent systems) to be disposed of via gravity instead of haul truck.
 - c. KPA will coordinate with BRA concerning the volume and/or constituent limitations for sludge and/or CIP waste to be conveyed to the TBWWTP including necessary sampling to determine concentrations of constituents.
 - d. Recommendation – construct gravity sewer from the Membrane Facility, through the Conventional Facility and connect it to the Leon River Trunk Sewer on the west side of the CWTP.
3. Recycle Stream
 - a. The existing recycle stream enters the 24” Raw Water Line between Clarifiers No. 4 and No. 1. The following two items are associated with the existing location:
 - i. The recycle stream does not obtain the full disinfection “contact time” that the raw water receives.
 - ii. The recycle stream is not evenly distributed between the two conventional plant raw water lines.
 - b. Recommendation – construct a new recycle line from the Recycle Pump Station down to the Raw Water Intake structure and connect to the discharge header near the Leon River including necessary pump modifications/improvements.

The preliminary opinions of probable construction costs prepared under Task 3A and included in the referenced TM have been modified and are summarized as follows:

• Sedimentation Basins (including Recycle Line) =	\$ 2,400,000
• Gravity Sewer =	\$ 700,000
○ Total Construction Cost =	\$ 3,100,000

The attached Exhibit B provides the Scope of Services for Task 3B of the project. Please note that services associated with the construction of the recommended improvements has not been included in this proposal. A separate proposal will be forwarded for the construction phase services which will be referred to as Task 3C. In order for us to provide services required for completion of this project, the following not-to-exceed lump sum amounts will be applicable:

1) Basic Services	
a) Final Design =	\$ 243,930
b) Bidding =	\$ 7,600
Subtotal Basic Services	\$ 251,530
2) Special Services	
a) Surveying =	\$ 8,360
b) Sampling, Analysis & Coord. w/ BRA	\$ 8,670
Subtotal Basic Services	\$ 17,030
Total Professional Services =	\$ 268,560

Mr. James Billeck, P.E.
January 17, 2017
Page Three

Exhibit C outlines rates which would be used to charge for special or additional services authorized beyond the scope as described in this proposal. KPA will begin work once a written notice to proceed is issued by the City and will complete plans and specifications within 270 calendar days from receipt of the notice to proceed. We are available to address any questions or comments that you may have about this proposal. As always, we look forward to working with you on the project and to the enhancement that it will bring to the City of Temple.

Sincerely,



Thomas D. Valle, P.E.

TDV/

EXHIBIT B

Scope of Services

Water Treatment Plant Task 3B

Conventional WTP Solids Handling & Lagoon Infrastructure Improvements

I. BASIC SERVICES

A. Final Design

1. Prepare construction drawings and specifications showing the character and extent of the project based on the site surveys and historical records. The construction plans will be drawn on 11-inch by 17-inch sheets (half-scale). The 11x17 prints will be used for bidding purposes and for field copies. The 11x17 prints will also be used for record drawings. This proposal includes ten (10) sets of 11x17 prints for bidding and construction purposes. Project to consist of the following:
 - a. 4 (2 sets of 2) Sedimentation Basins with automatic sludge removal systems.
 - b. Temporary piping and pumping improvements to allow isolation of Lagoons No. 1 and No. 2 during construction phase.
 - c. Piping modifications
 - d. Recycle Pump Station Modifications (replacement of pumps)
 - e. 1,200 LF of 12" Recycle Line
 - f. Approximately 2,300 LF of 6" and 8" Gravity Sewer
 - g. Associated appurtenances and surface restoration
2. Provide necessary Civil, Mechanical, Structural, Electrical and Geotechnical professional services as required to detail improvements in construction plans.
3. Prepare plan, profile and applicable sectional drawings of improvements.
4. Basic documents related to construction contracts will be provided by the City. These will include contract agreement forms, general conditions and supplementary conditions, invitations to bid, instructions to bidders, insurance and bonding requirements and other contract-related documents. KPA will provide the technical specifications and bid schedule for the project documents. KPA will also provide the recommended contract time (number of construction days).
5. Attend meetings with City Staff Members concerning project progress and plan reviews.
6. Progress meetings with City Staff for status reports and plan reviews.
7. Prepare a revised opinion of probable total project costs based on the final drawings and specifications. OPC will be sealed by project engineer.

B. Bidding

1. Provide final opinion of probable construction cost, sealed by Project Engineer/Manager;
2. Assist in soliciting bidders;
3. Monitor status/number of bidders on plan holders list;
4. Answer potential bidders questions;
5. Conduct pre-bid conference;
6. Prepare addenda as required;
7. Attend bid opening;
8. Tabulate bids and recommend contract award.
9. Submit sealed recommendation of award letter and attend Council meeting when construction contract is awarded.

II. SPECIAL SERVICES

A. Design Surveys

1. Field Surveys detailing the existing groundline and structures along a 30' wide path centered on the proposed alignment of the gravity sewer. Surveys will also detail the existing Lagoon Infrastructure including flowlines, piping, valves and adjacent structures (fences, roadway, etc.)

B. Sampling, Analysis & Coordination with BRA

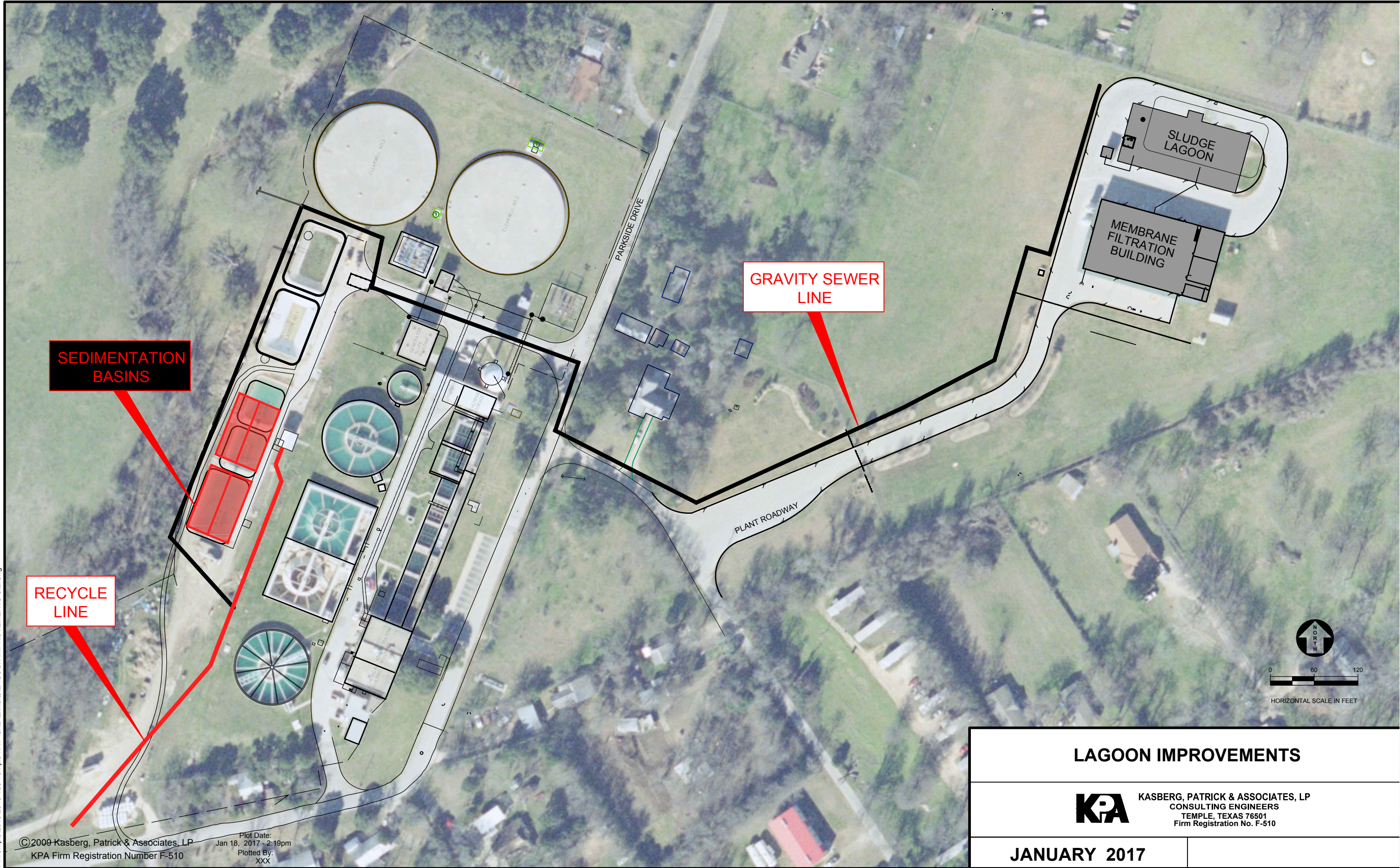
1. Coordinate and obtain field samples of Conventional WTP Sludge, Membrane Sludge and CIP Waste on three (3) occasions for sludge and two (2) for CIP Waste (for a total of 8 sample sets).
2. Deliver samples to laboratory and have tested for the following constituents:
 - a. Arsenic
 - b. Cadmium
 - c. Chromium
 - d. Copper
 - e. Lead
 - f. Mercury
 - g. Molybdenum
 - h. Nickel
 - i. Selenium
 - j. Zinc
 - k. Aluminum
3. Coordinate with BRA and City of Temple Pre-Treatment Coordinator to determine allowable constituents and concentrations to be input to wastewater system.
4. Prepare written recommendation on volume of sludge that can be conveyed to the TBWWTP.

EXHIBIT C

Charges for Additional Services

**City of Temple
Water Treatment Plant Task 3B
Conventional WTP Solids Handling & Lagoon Infrastructure Improvements**

<u>POSITION</u>	<u>MULTIPLIER</u>	<u>SALARY COST/RATES</u>
Principal	2.4	\$ 70.00 – 90.00/hour
Project Manager	2.4	55.00 – 70.00/hour
Project Engineer	2.4	45.00 – 55.00/hour
Engineer-in-Training	2.4	35.00 – 45.00/hour
Engineering Technician	2.4	25.00 – 45.00/hour
CAD Technician	2.4	20.00 – 40.00/hour
Clerical	2.4	15.00 – 30.00/hour
Expenses	1.1	actual cost
Computer	1.0	15.00/hour
Survey Crew	1.1	100.00 – 135.00/hour
Registered Public Surveyor	1.0	130.00/hour
On-Site Representative	2.1	30.00 – 40.00/hour



LAGOON IMPROVEMENTS



KASBERG, PATRICK & ASSOCIATES, LP
CONSULTING ENGINEERS
TEMPLE, TEXAS 76501
Firm Registration No. F-510

JANUARY 2017

©2009 Kasberg, Patrick & Associates, LP
KPA Firm Registration Number F-510
Plot Date: Jan 18, 2017 - 2:19pm
Plotted By: XXX

P:\Temple\2015\2015-153 Temple WTP\CAD Exhibits\LAGOON IMPROVEMENTS CIB.dwg

RESOLUTION NO. 2017-8532-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH KASBERG, PATRICK & ASSOCIATES, LP OF TEMPLE, TEXAS, IN THE AMOUNT OF \$268,560, FOR SERVICES REQUIRED FOR FINAL DESIGN AND BIDDING OF THE THIRD PROJECT IN THE WATER TREATMENT PLANT UPGRADES; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the Water Treatment Plant consists of a conventional water treatment train (CWTT) and a membrane water treatment train (MWTT), which ultimately combine through shared storage and pumping facilities and operate as one plant which delivers water to customers along the distribution system;

Whereas, the 29.4 MGD CWTT is an aging facility that has been renovated and expanded several times since its construction in 1957 and in 2004 - the 11.6 MGD MWTT was constructed in response to increasing water demands;

Whereas, on December 17, 2015, Council authorized an agreement with Kasberg, Patrick & Associates, LP (KPA) for preliminary engineering on Task 1 (Raw Water Intake Zebra Mussel Control), Task 2 (MWTT Optimization Pilot Studies), and Task 3 (CWTT Solids Handling and Lagoon Improvements) – preliminary engineering for Tasks 1 and 3 have been completed and the Task 2 pilot studies are in progress;

Whereas, Staff recommends Council authorize a professional services agreement with KPA, in the amount of \$268,560 for final design and bidding of the third project in the Water Treatment Plant upgrades;

Whereas, funding for this professional services agreement is available in Account No. 561-5100-535-6954, Project No. 101614; and

Whereas, the City Council has considered the matter and deems it in the public interest to authorize this action.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Part 2: The City Council authorizes the City Manager, or his designee, after approval as to form by the City Attorney, to execute a professional services agreement with Kasberg, Patrick & Associates, LP of Temple, Texas, in the amount of \$268,560, for services required for final design and bidding of the third project in the Water Treatment Plant upgrades.

Part 3: It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED this the **2nd** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(G)
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DEPT./DIVISION SUBMISSION & REVIEW:

Jonathan Graham, City Manager
Kayla Landeros, City Attorney

ITEM DESCRIPTION: Consider adopting a resolution authorizing a Chapter 380 Economic Development Agreement between the City of Temple and the Temple Economic Development Corporation for the conveyance of a 0.830 acre tract of land legally described as Lot 4, Block 2 of the Final Plat of Santa Fe Plaza West.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: The Temple Economic Development Corporation is in the design and planning stages for the construction of the Temple Business Center. The proposed Business Center will house TEDC, the Temple Chamber of Commerce, and the Texas Workforce Commission. TEDC has requested that the City convey to it Lot 4, Block 2 of the Final Plat of Santa Fe Plaza West which consists of a 0.830 acre tract of land. TEDC will construct the Business Center within the planned Santa Fe Plaza area.

The City may convey property to TEDC for economic development purposes pursuant to Chapter 380 of the Texas Local Government Code and City Ordinance Number 2016-4783, which is the City's local implementation of Chapter 380. TEDC's construction of the Business Center will generate needed employment and economic development within the Downtown area.

The Chapter 380 Agreement will also include a long term lease to TEDC of several parking spaces to be located on the east side of the Business Center.

FISCAL IMPACT: At the present time, the property is exempt from property taxes, and it will remain so under the ownership of TEDC.

ATTACHMENTS:

[Resolution](#)

RESOLUTION NO. 2017-8533-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A CHAPTER 380 DEVELOPMENT AGREEMENT WITH THE TEMPLE ECONOMIC DEVELOPMENT CORPORATION FOR CONVEYANCE OF AN APPROXIMATELY 0.830 ACRE TRACT OF LAND LEGALLY DESCRIBED AS LOT 4, BLOCK 2 OF THE FINAL PLAT OF SANTA FE PLAZA WEST; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the Temple Economic Development Corporation (TEDC) is in the design and planning stages of the construction of the Temple Business Center which will house TEDC, the Temple Chamber of Commerce, and the Texas Workforce Commission;

Whereas, TEDC has requested that the City convey to it lot 4, block 2 of the Final Plat of Santa Fe Plaza West which consists of an approximately 0.830 acre tract of land – TEDC will construct the Business Center within the planned Santa Fe Plaza area;

Whereas, the City may convey property to TEDC for economic development purposes pursuant to Chapter 380 of the Texas Local Government Code and City Ordinance Number 2016-4783, which is the City's local implementation of Chapter 380;

Whereas, TEDC's construction of the Business Center will generate needed employment and economic development within the Downtown area - the Chapter 380 Agreement will also include a long term lease to TEDC of several parking spaces to be located on the east side of the Business Center;

Whereas, at the present time, the property is exempt from property taxes, and will remain so under the ownership of TEDC; and

Whereas, the City Council has considered the matter and deems it in the public interest to authorize this action.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Part 2: The City Council authorizes the City Manager, or his designee, after approval as to form by the City Attorney, to execute a Chapter 380 Development Agreement with the Temple Economic Development Corporation for the conveyance of an approximately 0.830 acre tract of land, legally described as lot 4, block 2 of the Final Plat of Santa Fe Plaza West.

Part 3: It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED this the 2nd day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN MAYOR

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(H)
Consent Agenda
Page 1 of 3

DEPT./DIVISION SUBMISSION & REVIEW:

Jonathan Graham, City Manager
Kayla Landeros, City Attorney

ITEM DESCRIPTION: Consider adopting resolutions:

1. Authorizing a first amendment to the 1999 and 2010 agreements between the City of Temple and Temple Independent School District regarding the School District's participation in the City of Temple Tax Increment Financing Reinvestment Zone Number One; and
2. Authorizing a Chapter 380 Economic Development Agreement between the City of Temple and Temple Independent School District for the conveyance of a 0.692 acre tract of land legally described as Lot 2, Block 2 of the Final Plat of Santa Fe Plaza West.

STAFF RECOMMENDATION: Adopt resolutions as presented in item description.

ITEM SUMMARY: (1) In September, 1982, the City Council created, established, and designated Tax Increment Financing Reinvestment Zone Number One (the "Zone"). On August 26, 1999, the City and Temple Independent School District ("TISD") entered into an agreement (the "1999 TISD Agreement") under which TISD agreed to contribute to the tax increment fund for the Zone 100% of the taxes it levied on the increased value of real property in the Zone. On November 4, 2010, the City expanded the boundaries of the Zone to include the area commonly known as the Temple Medical Education District and on the same date, extended the life of the Zone from December 31, 2022 to December 31, 2062. On September 3, 2011, the City and TISD entered into another agreement (the "2010 TISD Agreement") under which TISD agreed to contribute 100% of the taxes it levied on the increased value of real property within the boundaries of the Zone (excluding the TMED area) into the tax increment fund for the Zone until December 31, 2062.

The City is authorized to enter into the proposed "First Amendment" pursuant to Texas Tax Code Section 311.008(b). The City is authorized to make all payments set forth in the First Amendment from the tax increment fund for the Zone because such payments are considered "project costs" under Texas Tax Code Section 311.002.

In both the 1999 and 2010 agreements, the City agreed to hold TISD harmless from any negative financial impact on TISD as a result of its participation in the Zone. In the proposed First Amendment, the City agrees to provide financial compensation to TISD for the negative financial impacts it has experienced as a result of its participation in the Zone and TISD agrees to use the compensation to construct an administrative and training facility.

In recognition of its agreement in the 1999 and 2010 agreements to hold TISD harmless from any negative financial impact, the City would agree to pay to TISD the sum of \$10,000,000. The payment will compensate TISD for any and all negative financial impact on TISD as a result of TISD's participation in the Zone that has or will occur during the time period from September 3, 2011 (the date the 2010 TISD Agreement was signed) and September 30, 2017.

In the proposed First Amendment, TISD would agree to use the \$10,000,000 for construction of an administration and training facility and agree to start construction by December 31, 2018.

The draft Amendment also includes language that would change how "negative financial impact" is calculated. If the First Amendment is executed, "negative financial impact" will be referred to as "financial impact" and will be calculated as the difference between the total state and local maintenance and operation revenue that TISD would receive, but for its participation in the Zone, and the total state and local maintenance and operation revenue actually received by TISD.

At the end of each 36-month period, starting on October 1, 2017, the parties will calculate the financial impact to TISD because of its participation in the Zone. If, at the end of the applicable 36-month period, TISD received less funding than it would have received, but for its participation in the Zone, the City will make TISD whole by reimbursing to TISD an amount equal to the financial impact calculation. If TISD received the same or more funding than it would have received, but for its participation in the Zone, TISD will not be entitled to any reimbursement. And if more funding was received, the City will be entitled to a credit of that amount at the end of the next 36-month period.

The First Amendment requires TISD to use any funds received from the City to cover the costs of construction of or improvements to school buildings, other education buildings, other education facilities, or other buildings owned by or on behalf of TISD.

The First Amendment also allows either party to terminate the agreement if a change in applicable law occurs such that it becomes financially or economically impractical for TISD to continue to participate in the Zone or for the City to reimburse TISD for the financial impact it incurs from participation in the Zone.

(2) TISD is in the design and planning stages for the construction of its administrative and training facility. The proposed facility will result in a major capital investment and will office several TISD employees. TISD has requested that the City convey to it Lot 2, Block 2 of the Final Plat of Santa Fe Plaza West which consists of a 0.692 acre tract of land. TISD will construct the facility within the proposed Santa Fe Plaza area.

The City may convey the property to TISD for economic development purposes pursuant to Chapter 380 of the Texas Local Government Code and City Ordinance Number 2016-4783, which is the City's local implementation of Chapter 380. TISD's construction of the facility will generate needed employment and economic development within the Downtown area.

FISCAL IMPACT:

1. Funding for the payment to TISD in the amount of \$10,000,000 is available in the Reinvestment Zone No. 1 Financing and Project Plans, Line 408 in account 795-9500-531-2627, in FY 2017.
2. At the present time, the property is exempt from property taxes, and it will remain so under the ownership of TISD.

ATTACHMENTS:

[Resolutions](#)

RESOLUTION NO. 2017-8534-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A FIRST AMENDMENT TO THE 1999 AND 2010 AGREEMENTS BETWEEN THE CITY OF TEMPLE AND THE TEMPLE INDEPENDENT SCHOOL DISTRICT REGARDING THE SCHOOL DISTRICT'S PARTICIPATION IN THE CITY OF TEMPLE TAX INCREMENT FINANCING REINVESTMENT ZONE NUMBER ONE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, in September, 1982, the City Council created, established, and designated Tax Increment Financing Reinvestment Zone Number One (the "Zone");

Whereas, on August 26, 1999, the City and Temple Independent School District ("TISD") entered into an agreement (the "1999 TISD Agreement") under which TISD agreed to contribute to the tax increment fund for the Zone 100% of the taxes it levied on the increased value of real property in the Zone;

Whereas, on November 4, 2010, the City expanded the boundaries of the Zone to include the area commonly known as the Temple Medical Education District and on the same date, extended the life of the Zone from December 31, 2022 to December 31, 2062;

Whereas, on September 3, 2011, the City and TISD entered into another agreement (the "2010 TISD Agreement") under which TISD agreed to contribute 100% of the taxes it levied on the increased value of real property within the boundaries of the Zone (excluding the TMED area) into the tax increment fund for the Zone until December 31, 2062;

Whereas, the City is authorized to enter into the proposed "First Amendment" pursuant to Texas Tax Code Section 311.008(b) and the City is authorized to make all payments set forth in the First Amendment from the tax increment fund for the Zone because such payments are considered "project costs" under Texas Tax Code Section 311.002;

Whereas, in both the 1999 and 2010 agreements, the City agreed to hold TISD harmless from any negative financial impact on TISD as a result of its participation in the Zone - in the proposed First Amendment, the City agrees to provide financial compensation to TISD for the negative financial impact it has experienced as a result of its participation in the Zone and TISD agrees to use the compensation to construct an administrative and training facility;

Whereas, in recognition of its agreement in the 1999 and 2010 agreements to hold TISD harmless from any negative financial impact, the City will pay TISD the sum of \$10,000,000 as compensation for any and all negative financial impact on TISD as a result of TISD's participation in the Zone that has or will occur during the time period from September 3, 2011 (the date the 2010 TISD Agreement was signed) and September 30, 2017;

Whereas, in the proposed First Amendment, TISD would agree to use the \$10,000,000 for construction of an administration and training facility and agree to start construction by December 31, 2018;

Whereas, the Amendment includes language that changes how “negative financial impact” is calculated – it will be referred to as “financial impact” and will be calculated as the difference between the total state and local maintenance and operation revenue that TISD will receive, but for its participation in the Zone, and the total state and local maintenance and operation revenue actually received by TISD;

Whereas, at the end of each 36-month period, starting on October 1, 2017, the parties will calculate the financial impact to TISD because of its participation in the Zone and if, at the end of the applicable 36-month period, TISD received less funding than it would have received, but for its participation in the Zone, the City will make TISD whole by reimbursing to TISD an amount equal to the financial impact calculation;

Whereas, if TISD received the same or more funding than it would have received, but for its participation in the Zone, TISD will not be entitled to any reimbursement - if more funding was received, the City will be entitled to a credit of that amount at the end of the next 36-month period;

Whereas, the First Amendment requires TISD to use any funds received from the City to cover the costs of construction of or improvements to school buildings, other education buildings, other education facilities, or other buildings owned by or on behalf of TISD and allows either party to terminate the agreement if a change in applicable law occurs such that it becomes financially or economically impractical for TISD to continue to participate in the Zone or for the City to reimburse TISD for the financial impact it incurs from participation in the Zone;

Whereas, funding for the payment to TISD is available in the Reinvestment Zone No. 1 Financing and Project Plans, Line 408, Account No. 795-9500-531-2627; and

Whereas, the City Council has considered the matter and deems it in the public interest to authorize this action.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Part 2: The City Council authorizes the City Manager, or his designee, after approval as to form by the City Attorney, to execute a first amendment to the 1999 and 2010 agreements between the City of Temple and Temple Independent School District regarding the School District’s participation in the City of Temple Tax Increment Financing Reinvestment Zone Number One.

Part 3: It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED this the **2nd** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney

RESOLUTION NO. 2017-8535-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE,
TEXAS, AUTHORIZING A CHAPTER 380 ECONOMIC DEVELOPMENT
AGREEMENT BETWEEN THE CITY OF TEMPLE AND TEMPLE
INDEPENDENT SCHOOL DISTRICT FOR THE CONVEYANCE OF AN
APPROXIMATELY 0.692 ACRE TRACT OF CITY-OWNED LAND; AND
PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the Temple Independent School District (“TISD”) is in the design and planning stages for the construction of its administrative and training facility which will result in a major capital investment by the District and will house approximately several TISD employees;

Whereas, TISD has requested that the City convey to it Lot 2, Block 2 of the Final Plat of Santa Fe Plaza West which consists of an approximately 0.692 acre tract of land on which they will construct the facility within the proposed Santa Fe Plaza area;

Whereas, pursuant to Chapter 380 of the Texas Local Government Code and City Ordinance Number 2016-4783, which is the City’s local implementation of Chapter 380, the City may convey the property to TISD for economic development purposes;

Whereas, TISD’s construction of the facility will generate needed employment and economic development within the Downtown area;

Whereas, Staff recommends Council authorize a Chapter 380 Economic Development Agreement between the City of Temple and TISD for the conveyance of an approximately 0.692 acre tract of land legally described as Lot 2, Block 2 of the Final Plat of Santa Fe Plaza West;

Whereas, at the present time, the property is exempt from property taxes, and it will remain so under the ownership of TISD; and

Whereas, the City Council has considered the matter and deems it in the public interest to authorize this action.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Part 2: The City Council authorizes the City Manager, or his designee, after approval as to form by the City Attorney, to execute a Chapter 380 Economic Development Agreement between the City of Temple and TISD for the conveyance of an approximately 0.692 acre tract of land legally described as Lot 2, Block 2 of the Final Plat of Santa Fe Plaza West.

Part 3: It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED this the **2nd** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

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DEPT./DIVISION SUBMISSION & REVIEW:

Kayla Landeros, City Attorney

ITEM DESCRIPTION: Consider adopting a resolution authorizing a First Amendment to the 2014 Tax Abatement Agreement with Danhil Fulfillment Center.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

BACKGROUND: The City Council previously approved a Tax Abatement Agreement with Danhil Fulfillment Center which authorized tax abatement on property located at the corner of Wilsonart Drive and Wendland Road in Temple. The City was recently made aware that Danhil is now operating under a different name – StarCorr Sheets, LLC. An amendment is needed to the Agreement to reflect that the company is operating as “StarCorr Sheets, LLC d/b/a DanHil Fulfillment Center.”

FISCAL IMPACT: The tax abatement agreement with StarCorr Sheets, LLC d/b/a DanHil Fulfillment Center abated \$92,305 in property taxes in FY 2017. The amount of property taxes potentially abated over the life of the agreement (50% for five years) using the City’s current tax rate of \$0.6572 per \$100 value is \$461,526. This amount is based on the 2017 abated value of real and personal property of \$14,045,216.

ATTACHMENTS:

[Resolution](#)

RESOLUTION NO. 2017-8536-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS,
AUTHORIZING A FIRST AMENDMENT TO THE 2014 TAX ABATEMENT
AGREEMENT WITH DANHIL FULFILLMENT CENTER; AND PROVIDING AN
OPEN MEETINGS CLAUSE.

Whereas, on December 18, 2014, Council approved a Tax Abatement Agreement with DanHil Fulfillment Center which authorized tax abatement on property located at the corner of Wilsonart Drive and Wendland Road in Temple;

Whereas, the City was recently made aware that DanHil Fulfillment Center is now operating under the name StarCorr Sheets, LLC, and therefore an amendment is needed to the Agreement to reflect that the company is operating as “StarCorr Sheets, LLC d/b/a DanHil Fulfillment Center;”

Whereas, the tax abatement agreement with StarCorr Sheets, LLC d/b/a DanHil Fulfillment Center abated approximately \$92,305 in property taxes in fiscal year 2017 and the amount of property taxes potentially abated over the life of the agreement (50% for five years) using the City’s current tax rate of \$0.6572 per \$100 value will be approximately \$461,526; and

Whereas, the City Council has considered the matter and deems it in the public interest to authorize this action.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Part 2: The City Council authorizes the City Manager, or his designee, after approval as to form by the City Attorney, to execute a First Amendment to the 2014 Tax Abatement Agreement with DanHil Fulfillment Center to reflect the name “StarCorr Sheets, LLC d/b/a DanHil Fulfillment Center.”

Part 3: It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED this the 2nd day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(J)
Consent Agenda
Page 1 of 1

DEPT./DIVISION SUBMISSION & REVIEW:

Brian Chandler, Director of Planning

ITEM DESCRIPTION: SECOND READING – X-FY-17-01: Consider adopting an ordinance authorizing the annexation of 60.33 acres of land Redding Roberts Survey, Abstract 692, Bell County, Texas, a portion of a 86.91 acre tract conveyed as Tract Four to Roy Skaff, as the Independent Executor of the estate of Leonard Apt, in Document No. 2016-00009203, Official Public Records of Real Property, Bell County, Texas.

STAFF RECOMMENDATION: Adopt ordinance as presented on second and final reading.

ITEM SUMMARY: WGG Land, LLC filed a petition on November 3, 2016, seeking voluntary annexation of 60.33 acres into the City of Temple. Voluntary annexation is governed by Section 43.028 of the Texas Local Government Code and applies only to the annexation of an area that is:

1. Less than one-half mile in width,
2. Contiguous to the annexing municipality, and
3. Vacant and without residents or on which fewer than three qualified voters reside.

On November 17, 2016, the City Council adopted a resolution directing City staff to create a Municipal Service Plan and public hearing schedule to consider the annexation of the subject property. The two public hearings for the Plan were held at City Council on December 15, 2016 and December 16, 2016.

The applicant has indicated that he will request a zoning designation of Planned Development Single Family One (PD-SF-1), which will require a site/development plan, once the site plan is ready for submittal.

FISCAL IMPACT: The Municipal Service Plan does not contain any proposal to extend water or wastewater services to the area, or any other new physical facilities to serve this tract.

ATTACHMENTS:

[Voluntary Annexation Map](#)
[Municipal Service Plan](#)
[Survey](#)
[Field Notes](#)
[Voluntary Annexation Schedule](#)
[Ordinance](#)



AERIAL MAP

Annexation Case :
X-FY-17-01

Address :
6851 Southwood Dr

- Streets
- EXPRESSWAY
 - MAJOR ARTERIAL
 - COLLECTOR
 - LOCAL STREET
 - MINOR ARTERIAL
 - PRIVATE
 - RAMP
 - Railroad
- Temple Municipal Boundary
- Parcels
- ETJ Parcels
- CaseArea

GIS products are for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. They do not represent an on-the-ground survey and represent only the approximate relative location of property boundaries and other features.

tlyerly
Date: 11/10/2016



CITY OF TEMPLE
ANNEXATION SERVICE PLAN—VOLUNTARY ANNEXATION
J.C. Wall III and WGG Land, LLC.

For a 60.33 acre tract of land situated in the Redding Roberts Survey, Abstract 692, Bell County, Texas, embracing a portion of a called 86.91 acre tract conveyed as Tract Four to Roy Skaff, as the Independent Executor of the estate of Leonard Apt, in Document No. 2016-00009203, Official Public Records of Real Property, Bell County, Texas, and being more particularly described as Exhibit "A" (Fields) and depicted as Exhibit "B" (Survey) of the Annexation Ordinance (2016-####).

SERVICES TO BE PROVIDED ON THE EFFECTIVE DATE OF ANNEXATION

1. POLICE PROTECTION

The City will provide protection to the newly-annexed tract at the same or similar level of service now being provided to other areas of the City, with the same or similar topography, land use and population density.

2. FIRE PROTECTION AND AMBULANCE SERVICE

The City will provide fire protection from Stations #3 and #4 to the newly-annexed area at the same or similar level of service now being provided to other areas of the City with the same or similar topography, land use and population density. The City will provide First Responder services through its Fire Department and contract for emergency medical services (EMS) with a licensed emergency medical services provider.

3. SOLID WASTE COLLECTION

Upon payment of any required deposits and the agreement to pay lawful service fees and charges, solid waste collection will be provided to the newly-annexed area to the extent that the City has access to the area to be serviced. Private contractors currently providing sanitation collecting services in the area may continue to do so for up to two years.

4. MAINTENANCE OF WATER AND WASTEWATER FACILITIES

Any and all water or wastewater facilities owned or maintained by the City at the time of the proposed annexation shall continue to be maintained by the City. Any and all water or wastewater facilities which may be acquired subsequent to the annexation of the proposed area shall be maintained by the City, to the extent of its ownership. Any and all water or wastewater facilities owned by other water or wastewater treatment providers shall continue to be allowed to provide those services to the newly-annexed tract.

5. MAINTENANCE OF ROADS AND STREETS

Any and all public roads, streets or alleyways which have been dedicated to the City, or which are owned by the City, shall be maintained to the same degree and extent that other roads, streets and alleyways are maintained in areas with similar topography, land use and population density. Any and all lighting of roads, streets and alleyways which may be positioned in a right-of-way, roadway or utility

company easement shall be maintained by the applicable utility company servicing the City, pursuant to the rules, regulations and fees of such utility.

6. MAINTENANCE OF PUBLIC PARKS, PLAYGROUNDS AND SWIMMING POOLS

The City Council is not aware of the existence of any public parks, playgrounds or swimming pools now located in the area proposed for annexation. In the event any such parks, playgrounds or swimming pools do exist and are public facilities, the City will maintain such areas to the same extent and degree that it maintains parks, playgrounds and swimming pools and other similar areas of the City now incorporated in the City.

7. MAINTENANCE OF MUNICIPALLY-OWNED FACILITY, BUILDING OR MUNICIPAL SERVICE

The City Council is not aware of the existence of any publicly-owned facility, building or other municipal service now located in the area proposed for annexation. In the event any such publicly-owned facility, building or municipal service does exist and are public facilities, the City will maintain such areas to the same extent and degree that it maintains publicly-owned facilities, buildings or municipal services of the City now incorporated in the City.

8. INSPECTIONS

The City will provide building inspection services upon approved building permits from the City to the newly-annexed tract at the same or similar level of service now being provided to other areas of the City with the same or similar topography, land use and population density.

9. CODE ENFORCEMENT

The City will provide code enforcement services to the newly-annexed tract at the same or similar level of service now being provided to other areas of the City with the same or similar topography, land use and population density.

10. MOWING

The City will provide right-of-way mowing services adjacent to the newly-annexed tract at the same or similar level of service now being provided to other areas of the City with the same or similar topography, land use and population density.

CAPITAL IMPROVEMENTS

1. POLICE PROTECTION, FIRE PROTECTION AND EMERGENCY MEDICAL SERVICES

The City Council finds and determines it to be unnecessary to acquire or construct any capital improvements for the purposes of providing police protection, fire protection, or emergency medical services. The City Council finds and determines that it has at the present time adequate facilities to provide the same type, kind and level of protection and service which is presently being administered to other areas already incorporated in the City with the same or similar topography, land use and population density.

2. ROADS AND STREETS

The City will undertake to provide the same degree of road and street lighting as is provided in areas of the same or similar topography, land use and population density within the present corporate limits of the City. Maintenance of properly dedicated roads and streets will be consistent with the maintenance provided by the City to other roads and streets in areas of similar topography, land use and subdivision development of the annexed property. Developers will be required, pursuant to the ordinances of the City to provide internal and peripheral streets and to construct those streets in accordance with the specifications required by the City for the properly dedicated street. City participation in capital expenditures will be in accordance with city policies.

3. WATER AND WASTEWATER FACILITIES

The City of Temple has water facilities in the West FM 93 right-of way along the north the boundary of the voluntary annexation, and proposes no other extension of water facilities to the area, taking into consideration the existing land use, and topography and population density relative to areas within the existing City Limits which do not have water services.

Currently, there are no wastewater treatment providers within the boundaries of the voluntary annexation and property owners rely on on-site sewage facilities (septic systems). Other areas of the City of Temple with similar topography, land use, and population density as those found in the boundaries of the voluntary annexation also rely on on-site sewage facilities for wastewater infrastructure. For this reason and in accordance with Local Government Code Section 43.056(g), the City proposes no extensions of wastewater facilities within the boundaries of the voluntary annexation.

4. CAPITAL IMPROVEMENTS

Notwithstanding any other provision of this service plan, a landowner within the newly annexed area will not be required to fund capital improvements as necessary for municipal services in a manner inconsistent with Chapter 395 of the Local Government Code, unless otherwise agreed to by the landowner.

SPECIFIC FINDINGS

The City Council finds and determines that this proposed Service Plan will not provide any fewer services, and it will not provide a lower level of service in the area proposed to be annexed than were in existence in the proposed area at the time immediately preceding the annexation process.

Because of the differing characteristics of topography, land utilization and population density, the service levels which may ultimately be provided in the newly annexed area may differ somewhat from services provided in other areas of the City. These differences are specifically dictated because of differing characteristics of the property and the City will provide the newly-annexed area with the same type, kind and quality of service presently enjoyed by the citizens of the City who reside in areas of the same or similar topography, land utilization and population density.

APPROVED ON THIS _____ DAY OF _____, 2016.

City of Temple, Texas

Mayor

ATTEST:

City Secretary

Survey showing 60.33 ACRES OF LAND,
situated in the REDDING ROBERTS SURVEY,
ABSTRACT 692, Bell County, Texas.

This sketch to accompany a metes and bounds
description of the hereon shown 60.33 Acre tract.

REMAINDER OF
CALLED 60.430 ACRES
SECOND TRACT
JEANNE A. RAFFAPORT and
LEONARD APT
Vol. 1524, Pg. 218

REMAINDER OF
CALLED 42.191 ACRES
HIGHWAY 91 PROPERTIES, LLC
Doc. No. 2013-00041474

A - 251.68'
R - 2789.79'
D - 5°10'08"
B - S 83°11'20" E
C - 251.60'

(150' ROW) (Asphalt Surface)
F. M. 93
Vol. 2617, Pg. 348

Concrete
Monument
Found

Concrete
Monument
Found

Concrete
Monument
Found

Concrete
Monument
Found

A - 178.57'
R - 2289.79'
C - 178.53'
B - S 83°32'20" E
D - 4°28'06"

26.58 ACRES
(inside existing
City Limits)

EXISTING CITY LIMITS
Ordinance No. 44-2310

EXTRA-TERRITORIAL JURISDICTION

CALLED 86.91 ACRES
ROY SKAFF, INDEPENDENT EXECUTOR
OF THE ESTATE OF LEONARD APT
TRACT FOUR
Doc. No. 2016-00009203

60.33 ACRES
(inside ETJ)

EXISTING CITY LIMITS
EXTRA-TERRITORIAL JURISDICTION
CALLED 6.73 ACRES
TRACT NO. 1
MILLARD LEE HUBBARD, JR. and
wife, BETH ELAINE HUBBARD
Vol. 1084, Pg. 621

CALLED 3.28 ACRES
TRACT NO. 1
EDWARD E. BELLENS and
wife, MIA J. BELLENS
Vol. 1486, Pg. 827

CALLED 37.09 ACRES
HUGH D. SHINE and wife,
DEBRA H. SHINE
Doc. No. 2007-00033432

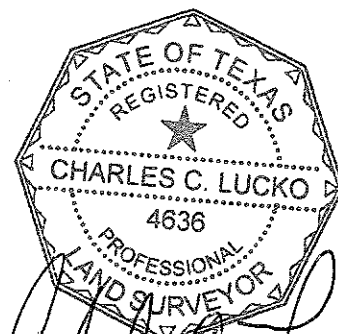
CALLED 1.674 ACRES
TXU ELECTRIC DELIVERY
Vol. 5346, Pg. 178
(described in
Vol. 2057, Pg. 125)

CALLED 23.047 ACRES
TRACT 1
JIMMY SCOTT THOMAS and BELINDA
MELISSA KOHL-THOMAS
Doc. No. 2013-00025446

LINE	BEARING	DISTANCE
L1	S 47°18'30" W	245.50'
L2	S 67°45'20" W	112.75'
L3	S 86°12'20" W	324.75'
L4	N 16°50'21" E	225.14'
L5	N 73°02'06" W	324.25'
L6	S 85°46'31" E	71.16'
L7	S 73°55'26" E	125.54'
L8	S 85°46'31" E	183.62'
L9	S 73°55'26" E	121.66'

0 200 400 600

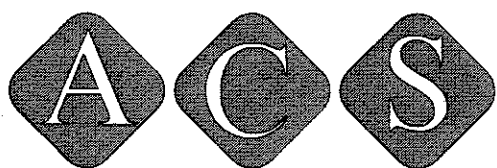
IRF - Iron Rod Found
IRF - Iron Pipe Found
IRCF - Iron Rod with cap stamped "ACS" Found
IRCS - Iron Rod with cap stamped "ACS" Set



Bearings cited hereon are based upon the Texas State Plane Coordinate System, Central
Zone, NAD 83, as per GPS observations, utilizing the Western Data Systems network.

This sketch represents a survey made on the ground. During the performance of this survey, persons working
under my supervision observed conditions within and along the boundaries and to the best of my knowledge they
are as shown. The location of visual structural improvements with respect to the boundary lines are as shown. This
document is not valid for any purpose unless signed and sealed by a Registered Professional Land Surveyor.

Copyright 2016 All County Surveying, Inc.



1303 South 21st Street
Temple, Texas 76504
254-TT8-2272 Killeen 254-634-4636
Fax 254-TT4-7608
Tx. Firm Lic. No. 10023600

Survey showing 60.33 ACRES OF LAND, situated
in the REDDING ROBERTS SURVEY, ABSTRACT
692, Bell County, Texas.

Plot Date: 11-09-2016
Survey
completed 10-28-2015
Scale: 1" = 200'
Job No. 160853.1
Dwg No. 160853.1
Drawn by SLN
Surveyor CCL #4636

FIELD NOTES PREPARED BY ALL COUNTY SURVEYING, INC.

November 9, 2016

Surveyor's Field Notes for:

60.33 ACRES, situated in the **REDDING ROBERTS SURVEY, ABSTRACT 692**, Bell County, Texas, embracing a portion of a called 86.91 Acre tract conveyed as Tract Four to Roy Skaff, as he Independent Executor of the estate of Leonard Apt, in Document No. 2016-00009203, Official Public Records of Real Property, Bell County, Texas, and being more particularly described as follows:

BEGINNING at a calculated point which bears S 17° 25' 34" W – 500.13' from a 5/8" iron rod with cap stamped "ACS" at the northeast corner of Said 86.91 Acre tract, being the northwest corner of a called 6.73 Acre tract conveyed as Tract No. 1 to Willard Lee Hubbard, Jr. and wife, Beth Elaine Hubbard in Volume 1084, Page 621, Deed Records of Bell County, Texas, and being on the south line of F. M. 93, as conveyed in Volume 2617, Page 348, Official Public Records of Real Property, Bell County, Texas, said calculated point being the northeast corner of the herein described tract;

THENCE, in a southerly direction, with the west line of said 6.73 Acre tract, **S 17° 25' 34" W – 184.63'**, to a calculated point in the center of a creek, being the southwest corner of said 6.73 Acre tract and the northeast corner of a called 37.09 Acre tract conveyed to Hugh D. Shine and wife, Debra H. Shine in Document No. 2007-00033932, Official Public Records of Real Property, Bell County, Texas, said calculated point bears N 17° 25' 34" E – 25.00' from a 5/8" iron rod found for reference, for the easternmost southeast corner of the herein described tract;

THENCE, in a southwesterly direction, with the northwest line of said 37.09 Acre tract, with the approximate center of said creek, the following calls:

1. **S 47° 18' 30" W – 245.50'**, a calculated point,
2. **S 67° 45' 20" W – 112.75'**, a calculated point,
3. **S 86° 12' 20" W – 324.75'**, a calculated point, and
4. **S 44° 56' 50" W – 1048.66'**, to a calculated point at the westernmost northwest corner of said 37.09 Acre tract, being the northeast corner of a called 23.047 Acre tract conveyed as Tract 1 to Jimmy Scott Thomas and Belinda Melissa Kohl-Thomas in Document No. 2013-00025446, Official Public Records of Real Property, Bell County, Texas, which said calculated point bears N 60° 40' 51" W – 46.01' from a 5/8" iron rod found for reference, for the southernmost southeast corner of the herein described tract;

THENCE, in a westerly direction, with the north line of said 23.047 Acre tract, same being the south line of said 88.639 Acre tract, **N 72° 57' 37" W – 971.82'**, to a 1/2" iron rod found at the southeast corner of a called 1.679 Acre tract in the name of TXU Electric Delivery as conveyed in Volume 5396, Page 178, Official Public Records of Real Property, Bell County, Texas and described in Volume 2057, Page 725, Deed Records of Bell County, Texas, for the southernmost southwest corner of the herein described tract;

THENCE, in a northerly direction, with the east line of said 1.679 Acre tract, **N 16° 50' 21" E – 225.14'**, to a 1/2" iron rod found at the northeast corner of said 1.679 Acre tract, for an interior corner of the herein described tract;

Surveyor's Field Notes for **60.33 ACRES** (continued):

THENCE, in a westerly direction, with the north line of said 1.679 Acre tract, **N 73° 02' 06" W – 324.25'**, to a ½" iron rod found on the west line of said 88.639 Acre tract, same being the east line of Valley Ranch Addition, Phase II, an addition in the City of Temple, Bell County, Texas, according to the plat of record in Cabinet D, Slide 160-C, Plat Records of Bell County, Texas,, for the westernmost southwest corner of the herein described tract;

THENCE, in a northerly direction, with the east line of said Valley Ranch Addition, Phase II, **N 16° 53' 34" E – 1207.73'**, to a calculated point, for the northwest corner of the herein described tract;

THENCE, in an easterly direction, severing said 86.91 Acre tract, the following calls:

1. **S 85° 46' 31" E – 183.62'**, a calculated point,
2. With a curve to the right; having a radius of **2289.79'**, a delta angle of **04° 28' 06"**, and a long chord which bears **S 83° 32' 20" E – 178.53'**, an arc length of **178.57'**, a calculated point,
3. **S 73° 51' 57" E – 959.32'**, a calculated point,
4. **S 72° 06' 43" E – 871.27'**, a calculated point, and
5. **S 73° 55' 26" E – 121.66'**, to the **POINT OF BEGINNING** and containing 60.33 Acres of Land.

Bearings cited hereon are based upon the Texas State Plane Coordinate System, Central Zone, NAD 83, as per GPS observations, utilizing the Western Data Systems network.

This document is not valid for any purpose unless signed and sealed by a Registered Professional Land Surveyor.

This metes and bounds description to accompany a Surveyor's Sketch of the herein described 60.33 Acre tract.

Surveyed October 28, 2015

ALL COUNTY SURVEYING, INC.

1-800-749-PLAT

Tx. Firm Lic. No. 10023600

server/projects/pro160000/160800/160853/160853.1.doc



Charles C. Lucko
Registered Professional Land Surveyor
Registration No. 4636

SCHEDULE

Voluntary Annexation – WGG Land, LLC (60.33 acres)

DATE	ACTION	TIME LIMIT/NOTES
11-3-16	CITY RECEIVES PETITION of landowner to annex area adjacent to city limits; fewer than 3 qualified voters reside in the area.	N/A
11-17-16 Regular Meeting	COUNCIL ADOPTS RESOLUTION 1. Granting petition (14th day after petition filed); 2. Directing staff to develop service plans; and 3. Setting dates, times, places for public hearings	1. Hear and grant or deny petition after the 5 th day, but on or before the 30 th day after petition is filed. 2. Council must direct Staff to develop the services plan before publication of notice of 1 st hearing required under § 43.063 LGC. § 43.065 LGC
11-14-16	CITY SECRETARY MAILS NOTICES TO 1. Property owners 2. Public and private service entities 3. Railroads <i>31st day before 1st public hearing</i>	Before the 30 th day before the date of the first hearing required under § 43.063. § 43.062(b) LGC
12-02-16	CITY SECRETARY SENDS NOTICE TO Public school districts located in annexation area <i>13th day before 1st public hearing</i>	Within the period prescribed for publishing the notice of the 1 st hearing under § 43.063 LGC
12-04-16	CITY SECRETARY PUBLISHES NOTICES FOR PUBLIC HEARINGS ON ANNEXATION Posts notice on City web site Publishes notice in Telegram <i>11th day before 1st public hearing</i> <i>12th day before 2nd public hearing</i>	Publish hearing notice on or after the 20 th day but before the 10 th day before the date of the hearing § 43.063(c)LGC
12-14-16	RESIDENTS' LAST DAY TO FILE PROTEST <i>10th day after publication of hearing notice</i>	Hold one hearing in area proposed for annexation if more than 10% of adults who are permanent residents of area file written protest within 10 days after publication of notice. § 43.063(b) LGC
12-15-16 Regular meeting	COUNCIL HOLDS 1st PUBLIC HEARING Staff presents service plan <i>35th day before 1st reading of ordinance</i>	Hold hearings on or after the 40 th day but before the 20 th day before the date of institution of annexation proceedings with 1 st reading of ordinance. § 43.063(a) LGC.
12-16-16 Special meeting	COUNCIL HOLDS 2nd PUBLIC HEARING Staff presents service plan <i>34th day before 1st reading of ordinance</i>	Hold hearings on or after the 40 th day but before the 20 th day before the date of institution of annexation proceedings with 1 st reading of ordinance. LGC § 43.063(a)
01-19-17 Regular Meeting	COUNCIL CONSIDERS ANNEXATION ORDINANCE ON 1ST READING & HOLDS PUBLIC HEARING	First reading institutes proceedings for purposes of statutory time limits.
02-02-17 Regular Meeting	COUNCIL CONSIDERS ANNEXATION ORDINANCES ON 2ND READING <i>14th day from 1st reading</i>	Complete annexation proceedings within 90 days from 1 st reading. § 43.064(A) LGC.

DATE	ACTION	TIME LIMIT/NOTES
	INFORMATION TECHNOLOGY SERVICES PREPARES AMENDED CITY MAP 1. Amended City limit boundary 2. Amended City ETJ boundary	

	CITY SECRETARY SENDS NOTICES TO: TEXAS SECRETARY OF STATE 1. Copy of annexation ordinance 2. Annexation map 3. Statement that annexation is not involved in any litigation	Secretary of State certifies to U. S. Department of Commerce that annexation was valid. <i>[No citation found.]</i>
	VOTER REGISTRAR FOR BELL COUNTY 1. Map in format compatible with mapping format used by registrar's office.	Not later than the 30 th day after the date the change is adopted. § 42.0615 Election Code The County Election Administrator is the Voter Registrar for Bell County.
	STATE COMPTROLLER, SALES TAX DIVISION 1. Annexation ordinance 2. Map showing whole municipality	§ 321.102 Tax Code Delivery of notice affects implementation of tax collection.
	BELL COUNTY CLERK 1. Certified copy of annexation ordinance including legal description of annexed area.	Within 30 days after obtaining preclearance for the annexation under the Federal Voting Rights Act. § 41.0015 LGC
	BELL COUNTY CLERK 1. Certified copy of annexation ordinance 2. Copy of petition	For annexation of Sparsely Occupied Area on Petition of Area Landowners § 43.028(f)
	PUC AND FRANCHISEES Utility, telecommunication, transportation, and EMS providers	
	TxDOT If state road is affected.	
	TEXAS COMMISSION ON FIRE PROTECTION	<i>[No citation found. No information found on Commission's web site.]</i>
	U. S. BUREAU OF THE CENSUS	<i>[Or does SOS notify Bureau of the Census?]</i>

	CITY ATTORNEY SENDS INFORMATION TO U. S. ARMY CORPS OF ENGINEERS: 1. Ordinance 2. Map 3. Service plan 4. Copies of pertinent laws /regulations	If annexation affects Corps' property. Army Regulation 405-25
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ORDINANCE NO. 2017-4820

AN ORDINANCE OF THE CITY OF TEMPLE, TEXAS, ANNEXING 60.33 ACRES OF LAND SITUATED IN THE REDDING ROBERTS SURVEY, ABSTRACT 692, BELL COUNTY, TEXAS, A PORTION OF AN 86.91 ACRE TRACT CONVEYED AS TRACT FOUR TO ROY SKAFF, AS THE INDEPENDENT EXECUTOR OF THE ESTATE OF LEONARD APT, IN DOCUMENT NO. 2016-00009203, OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, BELL COUNTY, TEXAS, PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, WGG Land, LLC filed a petition on November 3, 2016, seeking voluntary annexation of 60.33 acres into the City of Temple - voluntary annexation is governed by Section 43.028 of the Texas Local Government Code and applies only to the annexation of an area that is (1) less than one-half mile in width, (2) contiguous to the annexing municipality, and (3) vacant and without residents or on which fewer than three qualified voters reside;

Whereas, on November 17, 2016, the City Council adopted a resolution directing City staff to create a Municipal Service Plan and public hearing schedule to consider the annexation of the subject property - the two public hearings took place at City Council meetings held on December 15, 2016 and December 16, 2016; and

Whereas, the City Council has considered these matters and deems it in the public interest to authorize these actions.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

Part 2: The property consisting of approximately 60.33 acres of land situated in the Redding Roberts Survey, Abstract 692, Bell County, Texas, a portion of an 86.91 acre tract conveyed as Tract Four to Roy Skaff, as the Independent Executor of the estate of Leonard Apt, in Document No. 2016-00009203, Official Public Records of Real Property, Bell County, Texas, described in Exhibit 'A' attached hereto, is hereby annexed and brought within the corporate limits of the City of Temple, Bell County, Texas, and is made an integral part thereof.

Part 3: The service plan submitted in accordance with Chapter 43 of the Texas Local Government Code is hereby approved as part of this ordinance, made a part hereof and attached hereto as Exhibit "B."

Part 4: The official map and boundaries of the City of Temple are hereby amended so as to include the annexed Property as part of the City of Temple.

Part 5: The annexed Property shall be zoned at a future date, in compliance with the Zoning Ordinance of the City of Temple.

Part 6: The annexed Property shall be included in, and become a part of, the City of Temple City Council Election District Number 3.

Part 7: If the taking of any territory annexed by this ordinance is declared by a court of competent jurisdiction to be invalid and/or illegal, it shall not affect the balance of the property annexed and attempted to be annexed, and that property shall remain as part of the City of Temple, Texas. It is the intent of this ordinance that any territory that is not lawful for the City to incorporate be excluded from this annexation and that such exclusion be documented by having a qualified surveyor correct the property description of the annexed area to conform to the Council's intention and to insure that the boundary description closes.

Part 8: Severability. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity 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 invalid phrase, clause, sentence, paragraph or section.

Part 9: Effective Date. This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 10: Open Meetings. It is hereby officially found and determined that the meeting at which this Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings.

PASSED AND APPROVED on First Reading and Public Hearing on the **19th** day of **January**, 2017.

PASSED AND APPROVED on Second and Final Reading on the **2nd** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

APPROVED AS TO FORM:

ATTEST:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(K)
Consent Agenda
Page 1 of 4

DEPT. / DIVISION SUBMISSION & REVIEW:

Mark Baker, Senior Planner

ITEM DESCRIPTION: SECOND READING - Z-FY-17-04: Consider adopting an ordinance authorizing rezoning from Two Family zoning district to Commercial zoning district, Lot 4, Block 011, Temple Heights subdivision, located at 1107 South 53rd Street, Temple.

STAFF RECOMMENDATION: Staff recommends approval for a rezoning from Two Family district (2F) to Commercial (C) district for the following reasons:

1. The proposed rezoning is in compliance with the Future Land Use Plan's (FLUP) Auto-Urban Commercial District;
2. The proposed zoning is compatible with surrounding zoning and automotive-related uses; and
3. Public facilities are available to serve the subject property.

PLANNING & ZONING COMMISSION RECOMMENDATION: At their December 19, 2016 meeting, the Planning & Zoning Commission voted seven to zero to recommend approval of the proposed rezoning from Two-Family district to Commercial district.

ITEM SUMMARY: The applicant, Neil Wisener requests rezoning of one lot (Lot 4, Block 011, Temple Heights subdivision) from Two-Family dwelling to Commercial for expansion of existing automotive uses. Lot 4 is approximately 0.16 +/- acres (7,000 square feet) in area. This request is the third in the immediate area within four years, the last two of which were from the same applicant (Z-FY-16-08 & Z-FY-12-22). Both of these previous requests were from the Two-Family district to Commercial zoning district.

Most recently, Ordinance 2016-4752 was approved on February 2, 2016 to rezone the property immediately to the south of the requested parcel, from Two Family district to Commercial district for prospective automotive uses. To date, the property has not been redeveloped.

Additionally, the same applicant, per Ordinance 2012-4518, received approval, for Lots 9-12, Block 017, Temple Heights subdivision to rezone from Two Family Dwelling district to Commercial district. Similarly, both of these zoning cases were requested to accommodate automotive uses, as well.

This current request would convert the last remaining 2F-zoned parcel to C zoning on this block, west of the alley, which has been established west of South 51st Street and more specifically west of the mid-block alley between South 51st Street and South 53rd Street and continuing westward toward Interstate 35.

The only remaining 2F-zoned properties are the three parcels across from the subject property which are currently occupied by single family residential uses.

A staff initiated neighborhood land use inventory was created during the review of the adjacent zoning case Z-FY-16-08. The inventory has been updated and attached which shows existing uses within a one-half to one block radius of the subject property. The inventory continues to suggest that while the area was initially developed with detached single family residences in the first-half of the 20th Century, the area is transitioning to more intensive commercialized uses, namely automotive related uses. This continues to support recent changes to surrounding zoning, the current request is consistent with the underlying Future Land Use designation of Auto-Urban Commercial.

Relative to the requested zoning of commercial, according to UDC Section 4.3.18:

The Commercial zoning district permits all retail and most commercial land uses including auto dealerships with complete servicing facilities, building material sales, light manufacturing and heavy machinery sales and storage. The Commercial zoning district is intended to serve Citywide or regional service areas. This district should be located along major highways and should provide total on-site traffic maneuvering such that traffic entering and existing the facility should have room to turn, queue for parking area and park within the confines of the facility. This district should be located away from low and medium density residential development.

While commercial uses, specifically, automotive uses have been established along the adjacent local roads, additional commercial uses may complicate the infrastructure inadequacies. Commercial uses are more acceptable along thoroughfares and arterial streets and the subject property is one full block removed from West Avenue M, a collector street. While the introduction of additional commercial zoning is still consistent with the surrounding zoning, this block of South 53rd street, containing the subject property is problematic, since concerns have been identified relative to compliance to the Thoroughfare Plan and the adequacy of the existing roadway infrastructure. See additional discussion about the Thoroughfare Plan later in this report.

Although it is anticipated the property will be expanded by the neighboring Wisener Automotive facility, there are a number of residential and non-residential uses that are permitted by right in the Commercial zoning district. It should be noted that while the Commercial zoning district permits a wide range of uses either by right or with a Conditional Use Permit, not all uses can be accommodated on the subject property, if they do not meet development standards. The attached use table shows a number of permitted and Conditional uses in the "2F" and "C" zoning districts.

COMPREHENSIVE PLAN (CP) COMPLIANCE: The proposed rezoning relates to the following goals, objectives or maps of the Comprehensive Plan and Sidewalk and Trails Plan:

Future Land Use Plan (FLUP) (CP Map 3.1)

The property is within the Auto-Urban Commercial land use district. The Auto-Urban Commercial district is intended for the majority of the areas identified for commercial use, generally concentrated at intersections versus strip development along the major roads. As discussed in the Item Description of this report, an inventory supporting rezoning efforts from a multi-family district to a Commercial district have transitioned the area to commercialized uses, namely those of an automotive nature. This transitioning is supported by the underlying FLUM, Auto-Urban Commercial district. Therefore, the requested Commercial zoning district is in compliance with the Auto-Urban Commercial district.

Thoroughfare Plan (CP Map 5.2)

The requested property fronts on both South 53rd Street and West Avenue L. Both streets are identified in the Thoroughfare Plan as local streets. No additional improvements are anticipated. However, as local streets, a minimum 31 feet of pavement is required.

According to the Temple Comprehensive Plan “Choices 08” – Land Use Policy No. 13, which states that commercial development should be concentrated in nodes at major intersections and other appropriate locations along highway frontages and primary roadways to maintain safe and efficient traffic flow on major roads. This is not being achieved since both South 53rd Street and West Avenue L are local streets rather than collector or arterial streets. This deficiency could be problematic particularly since the applicant is proposing expansion to an existing automotive use but in general the proposed Commercial zoning will introduce the potential for more intensive uses in the neighborhood.

Further, as described in UDC Section 4.3.16, there are retail and service zoning districts, such as the Neighborhood Service district, that are intended to be located at the corners of collector and local streets which serve neighborhoods. This is further indicative that local streets are not appropriate for commercial traffic.

Per the attached table, according to the trip generation values identified in the 9th Edition of the Institute of Transportation Engineers manual, the potential peak-hour trip rates associated with automotive uses, such as a care center or parts and service center, would likely increase traffic onto a local street, compared with a two-family residential use that is typical with the 2F district, such as a duplex.

Availability of Public Facilities (CP Goal 4.1)

Sewer is available to the subject property through an existing 6-inch sewer line in the alley between South 53rd Street & South 51st Street. Water is available through an existing 12” water line in South 53rd Street and a 6” water line in West Avenue L.

Temple Trails Master Plan Map and Sidewalks Ordinance

The Trails Master Plan does not identify any trails on either West Avenue L or South 53rd Street. Since both roads are identified as local roads, no sidewalks are required. However, existing sidewalk will need to remain or be replaced if disturbed by any future development or expansion.

BUFFERING AND SCREENING: Buffering and screening are required per UDC Section 7.7.4. Buffering and screening may consist of evergreen hedges composed of five gallon plants or larger, with a planted height of six feet on 36-inch centers. Buffering may also consist of a six foot to eight foot high fence or wall, constructed by any allowed materials per UDC Section 7.7.5, to include but not limited to:

1. Wood,
2. Masonry,
3. Stone or pre-cast concrete

PUBLIC NOTICE: Sixteen notices, representing 11 property owners within 200-feet of the subject property were sent notice of the public hearing as required by State law and City Ordinance. As of Tuesday January 10, 2017 at 9:00 AM, six notices in agreement, represented by two property owners have been received. No notices in disagreement have been received.

The newspaper printed notice of the public hearing on December 8, 2016, in accordance with state law and local ordinance.

FISCAL IMPACT: Not Applicable

ATTACHMENTS:

[Boundary Survey \(Exhibit A\)](#)

[Photos](#)

[Maps](#)

[Tables](#)

[Neighborhood Land Use Inventory](#)

[Ord 2016-4752](#)

[Ord 2012-4518](#)

[P&Z Excerpts \(Dec 19, 2016\)](#)

[Ordinance](#)

(60' ROW) (Asphalt Surface)
AVENUE K
Vol. 195, Pg. 634

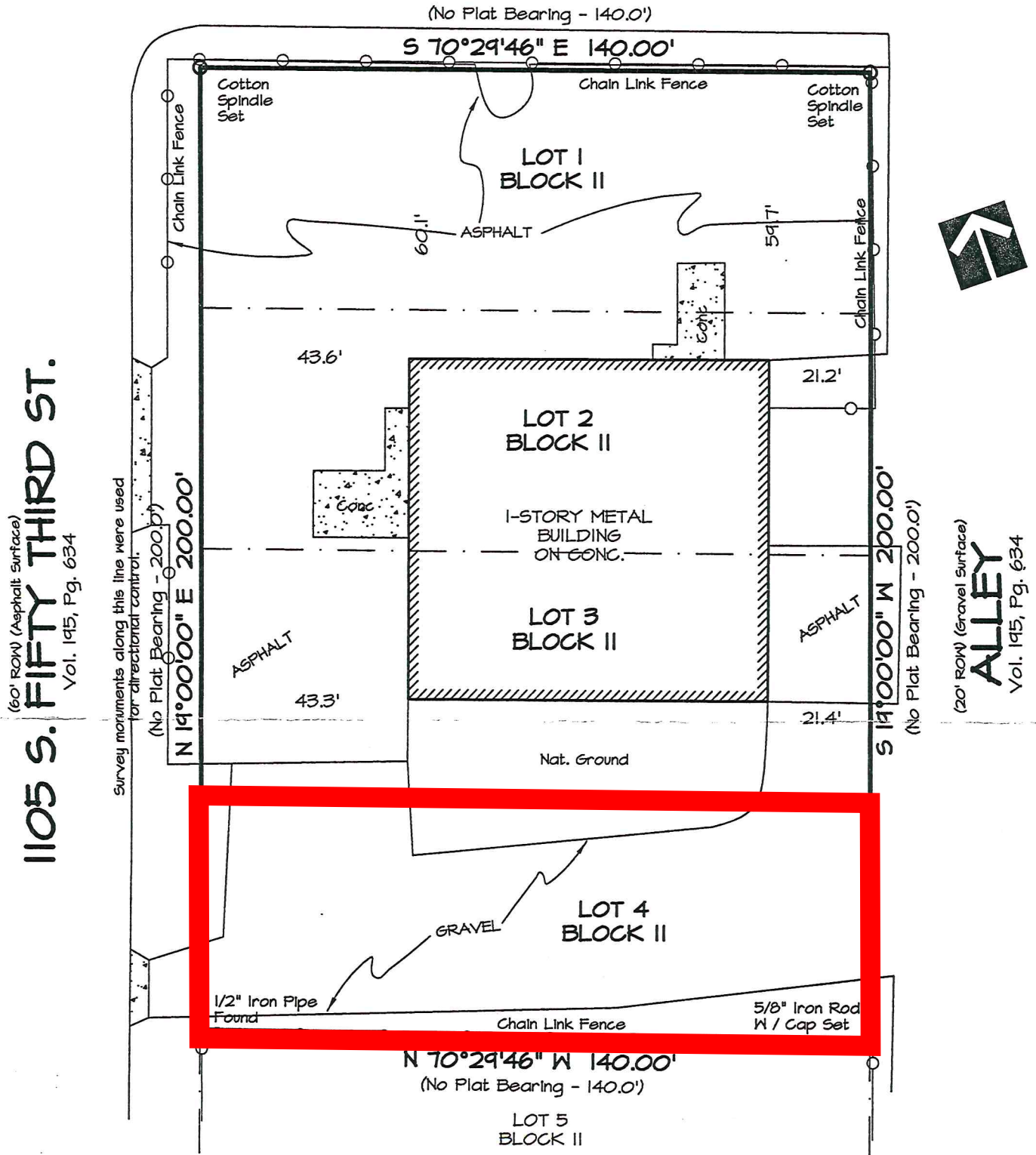


Exhibit A

Site & Surrounding Property Photos



**Site: Undeveloped – Currently used for Parking
(2F)**



**North: Existing Automotive Uses
(C)**



East: Alleyway Behind Subject Property



East: Alleyway Behind Subject Property (from W. Ave K)



**East: Existing Residential Uses Associated with Faith Baptist Church
(Seen from Alley)
(2F)**



**East: Existing Residential Uses Associated with Faith Baptist Church
(Seen from South 51st Street)
(2F)**

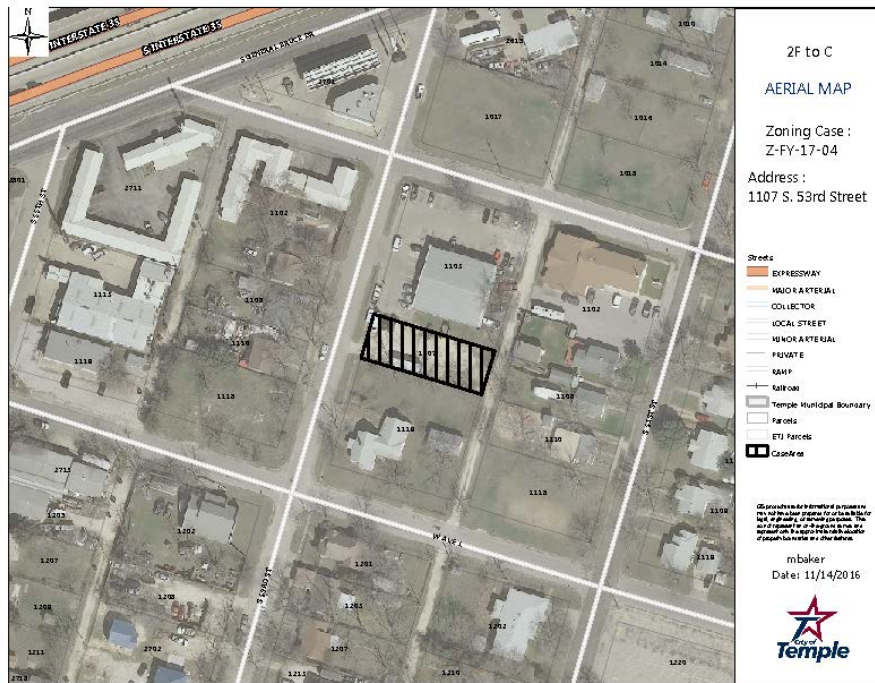


**West: Existing Residential Uses along South 53rd Street
(2F)**

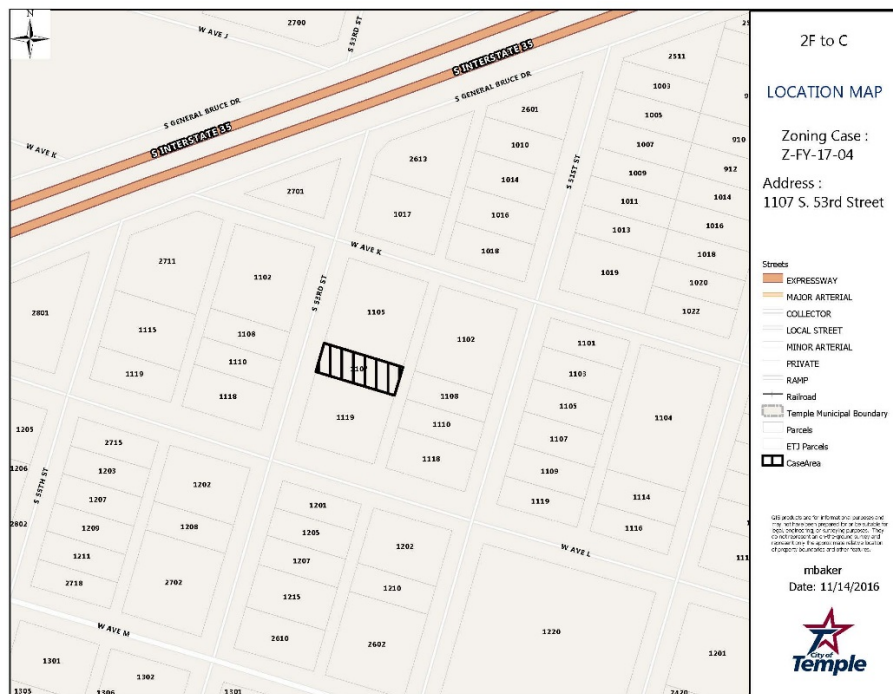


**South: Unoccupied Single-Family Residence
(C)**

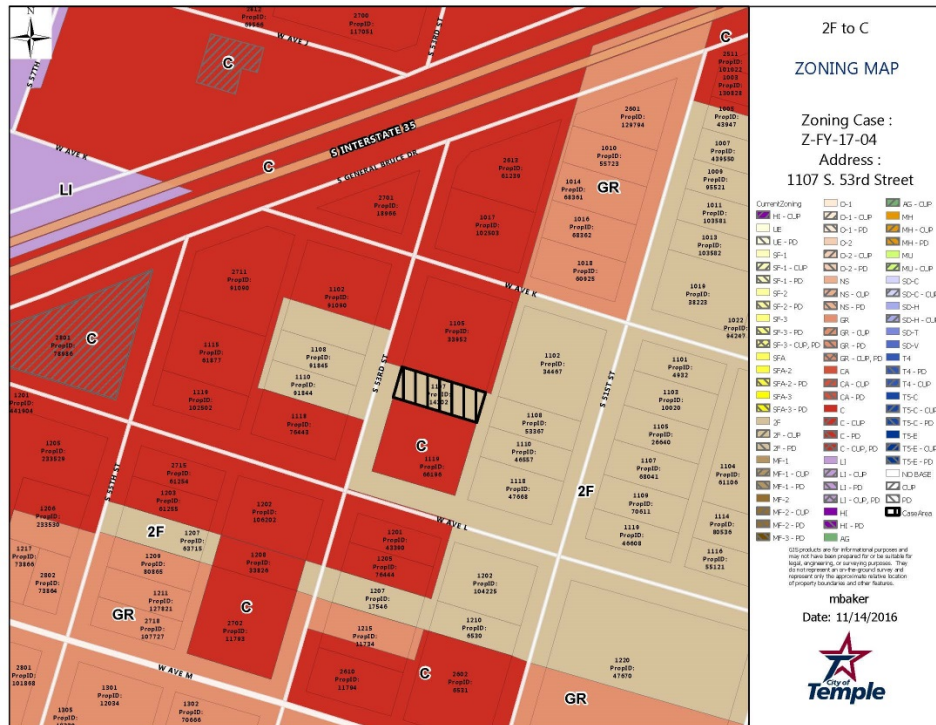
Maps



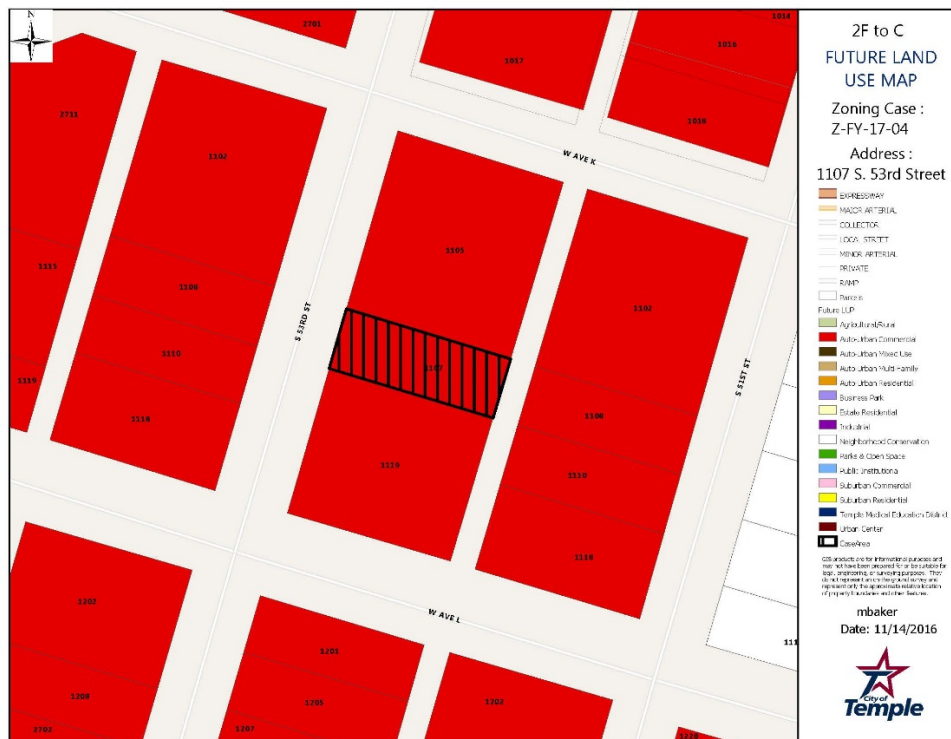
Aerial Map



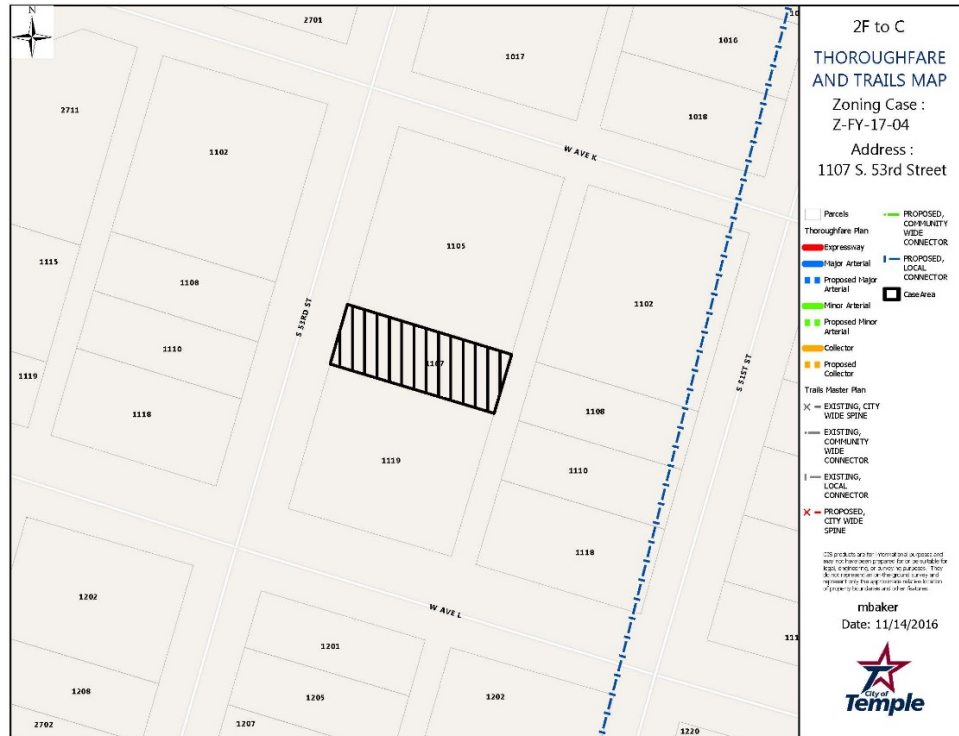
Location Map



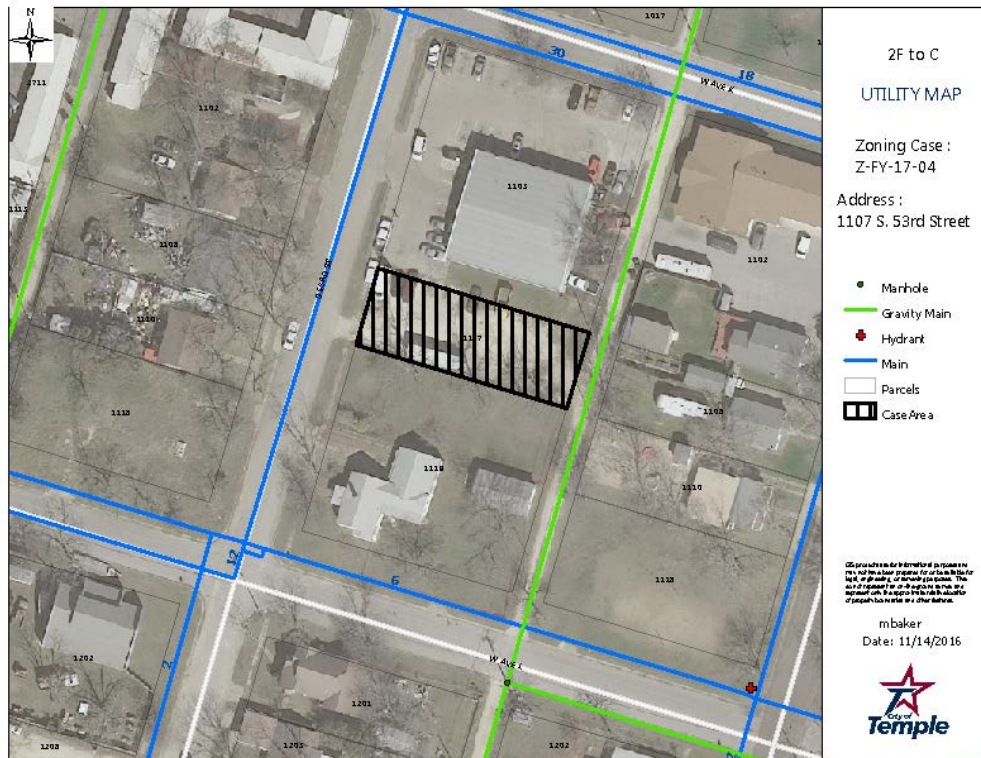
Zoning Map



Future Land Use Map



Thoroughfare & Trails Map



Utility Map

Tables

Permitted & Conditional Uses Table (Comparison between 2F & C)

Use Type	Two Family (2F) Existing	Commercial (C) Proposed
Agricultural Uses	* Farm, Ranch or Orchard	* Same as 2F * Livestock Auction (CUP)
Residential Uses	* Single Family (Detached & Attached) * Industrialized Housing * Family or Group Home	* Same as 2F * Duplex * Townhouse * Family or Group Home (CUP)
Retail & Service Uses	* None	* All Retail & Service Uses * Veterinary Hosp. (Kennels (CUP)
Commercial Uses	* None	* All Commercial Uses * Bakery / Confectionary * Cabinet Shop * Open Storage of furniture, appliances or machinery
Industrial Uses	* Temporary Asphalt & Concrete Batching Plat (CUP)	* Same as 2F * Laboratory Manufacturing * Storage Warehouse * Wholesale storage & sales
Recreational Uses	* Park or Playground	* Same as GR * All Alcohol (On Premise Consumption) > 75% (CUP)
Vehicle Service Uses	* None	* Auto Leasing, Rental * Auto Sales - New & Used * Car Wash * Vehicle Servicing (Minor)
Restaurant Uses	* None	* With & Without Drive-In
Overnight Accommodations	* None	* Hotel or Motel
Transportation Uses	* None	* Emergency Vehicle Service

Surrounding Property Uses

	<u>Surrounding Property & Uses</u>		
<u>Direction</u>	<u>FLUP</u>	<u>Zoning</u>	<u>Current Land Use</u>
Site	Auto-Urban Commercial	2F	
North	Auto-Urban Commercial	2F & C	Commercial Uses
South	Auto-Urban Commercial	2F, C & GR	Commercial Uses
East	Auto-Urban Commercial	2F	Single Family Uses & Existing Businesses
West	Auto-Urban Commercial	C	Commercial Uses

Comprehensive Plan Compliance

Document	Policy, Goal, Objective or Map	Compliance?
CP	Map 3.1 - Future Land Use Map	YES
CP	Map 5.2 - Thoroughfare Plan	NO
CP	Goal 4.1 - Growth and development patterns should be consistent with the City's infrastructure and public service capacities	YES
STP	Temple Trails Master Plan Map and Sidewalks Ordinance	YES
CP = Comprehensive Plan STP = Sidewalk and Trails Plan		

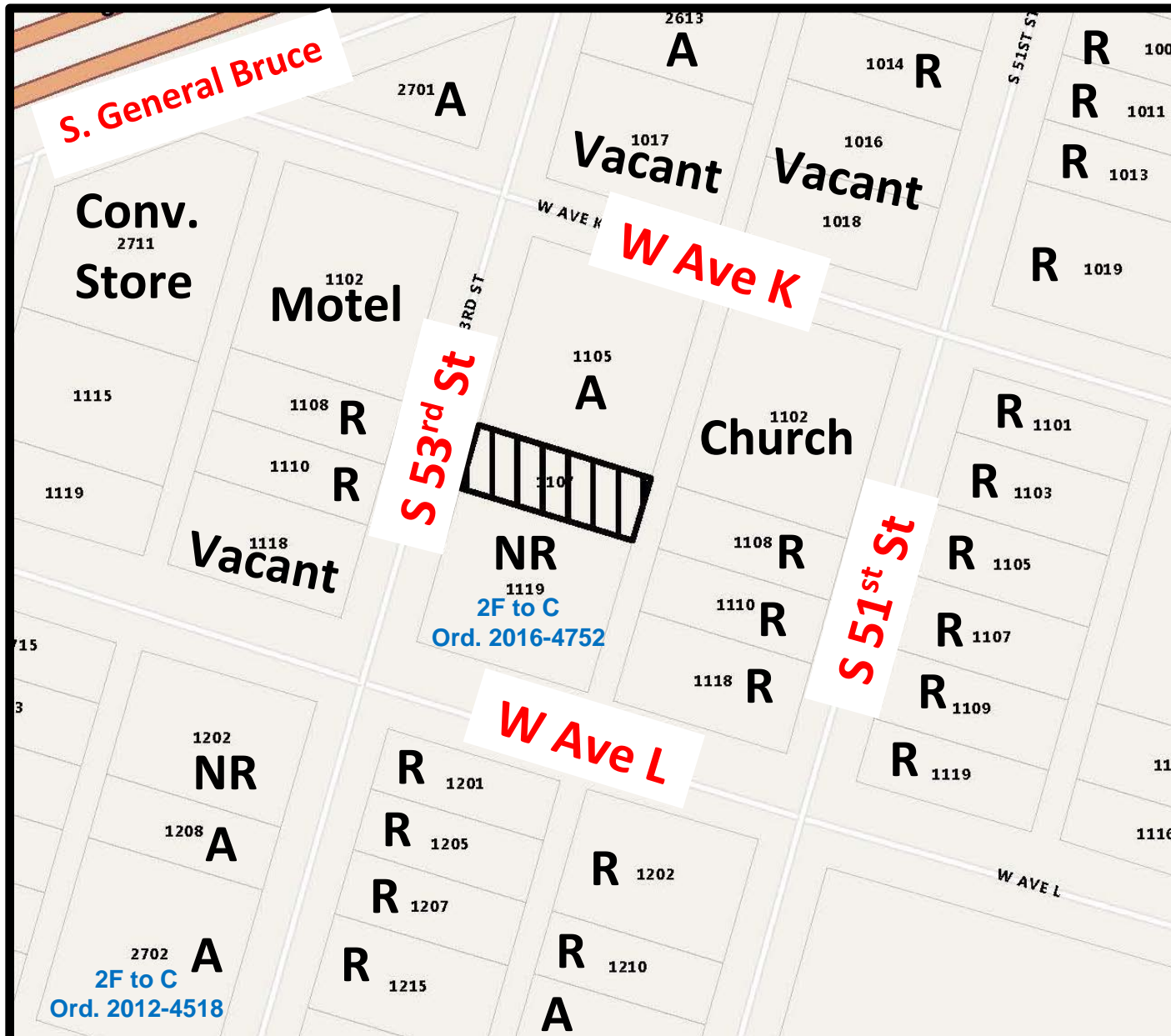
Development Standards

	<u>Current (2F)</u> <u>Detached SF Res</u>	<u>Proposed (C)</u> <u>Non-Res</u>
Minimum Lot Size	6,000 SF	N/A
Minimum Lot Width	50	N/A
Minimum Lot Depth	100	N/A
Front Setback	25 Feet	30 Feet Centerline (UDC Sec. 4.4.4F.d)
Side Setback	5 Feet	0 Feet
Side Setback (corner)	15 Feet	0 Feet
Rear Setback	10 Feet	0 Feet
Max Building Height	2 1/2 Stories	* ALH
* ALH - Any Legal Height not Prohibited by other Laws		

Peak Hour Trip Rates Table

<u>Peak Hour Trip Rates Table (9th Ed. ITE Manual)</u>	
<u>Use</u>	<u>Peak Hour Trip Rate</u>
Single Family Detached Residence	1.00 per DU
Automotive Care Center	3.11 (Per 1,000 S.F.)
Automotive Parts & Service Center	4.46 (Per 1,000 S.F.)
Quick Lubrication Vehicle Stop	5.19 (Per Service Bay)

Existing Neighborhood Land Use Inventory



A = Automotive Use NR = Other Non-Residential Use R = Residential Use

ORDINANCE NO. 2016-4752

(PLANNING NO. Z-FY-16-08)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A REZONING FROM TWO FAMILY DISTRICT TO COMMERCIAL DISTRICT, ON LOTS 5 AND 6, BLOCK 011, TEMPLE HEIGHTS, LOCATED AT 1119 SOUTH 53RD STREET; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:

Part 1: The City Council approves a rezoning from Two Family district to Commercial district on lots 5 and 6, block 011, Temple Heights, located at 1119 South 53rd Street, as outlined in the map attached hereto as Exhibit 'A.'

Part 2: The City Council directs the Director of Planning to make the necessary changes to the City Zoning Map.

Part 3: It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such phrase, clause, sentence, paragraph or section.

Part 4: This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 5: It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.


PASSED AND APPROVED on First Reading and Public Hearing on the **4th** day of **February**, 2016.

PASSED AND APPROVED on Second Reading on the **18th** day of **February**, 2016.


THE CITY OF TEMPLE, TEXAS


DANIEL A. DUNN, Mayor

APPROVED AS TO FORM:


Kayla Landeros
City Attorney

ATTEST:


Lacy Borgeson
City Secretary



LOCK MAP SYSTEM OF BELL COUNTY, TEXAS

CITY OF TEMPLE

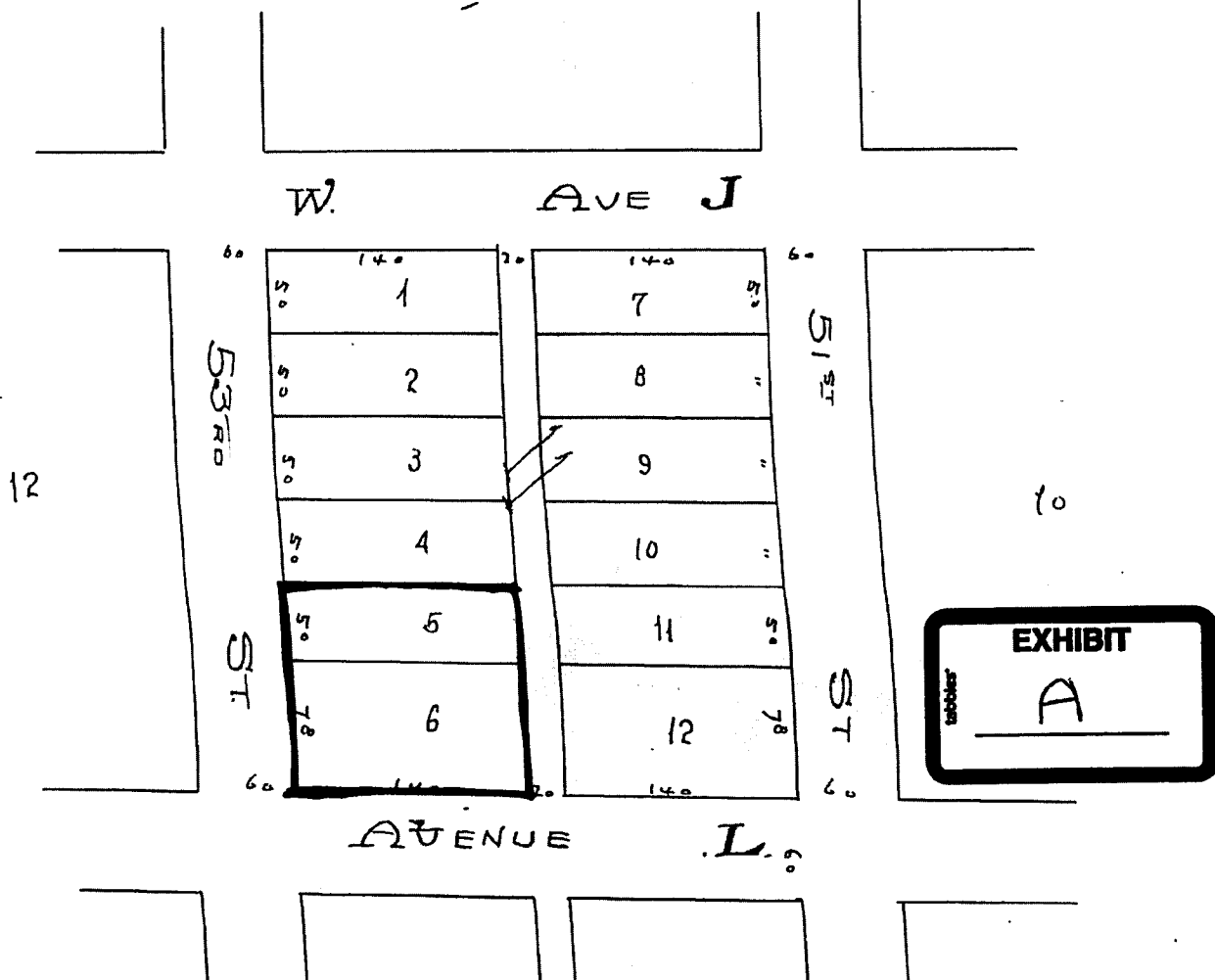
CITY BLOCK No. _____

CITY ADDITION TEMPLE HEIGHTS

OLD BLOCK No. 11

SCALE 100ft-1 INCH

-15-



ORDINANCE NO. 2012-4518

[PLANNING NO. Z-FY-12-22]

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, APPROVING A ZONING CHANGE FROM TWO FAMILY DISTRICT (2F), GENERAL RETAIL (GR), AND GENERAL RETAIL WITH A CONDITIONAL USE PERMIT (GR-CUP) TO COMMERCIAL DISTRICT (C), ON LOTS 9-12, BLOCK 17, TEMPLE HEIGHTS ADDITION, LOCATED AT 1208 AND 1210 SOUTH 53RD STREET AND 2702 AND 2706 WEST AVENUE M; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:

Part 1: The City Council approves a zoning change from Two Family District (2F), General Retail (GR), and General Retail with a Conditional Use Permit (GR-CUP) to Commercial District (C) on Lots 9 - 12, Block 17, Temple Heights Addition, located at 1208 and 1210 South 53rd Street and 2702 and 2706 West Avenue M, and more fully described in Exhibit A, attached hereto and made a part hereof for all purposes.

Part 2: The City Council directs the Director of Planning to make the necessary changes to the City Zoning Map accordingly.

Part 3: It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such phrase, clause, sentence, paragraph or section.

Part 4: This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 5: It is hereby officially found and determined that the meeting at which this Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading and Public Hearing on the 1st day of March, 2012.


PASSED AND APPROVED on Second Reading on the 15th day of March, 2012.

THE CITY OF TEMPLE, TEXAS





WILLIAM A. JONES, III, Mayor

ATTEST:


Lacy Borgeson
City Secretary

APPROVED AS TO FORM:


Jonathan Graham
City Attorney



3 Separate Notices Received

RESPONSE TO PROPOSED REZONING REQUEST CITY OF TEMPLE

FAITH BAPTIST CHURCH
1102 S 51ST ST
TEMPLE, TX 76504-6412

Zoning Application Number: Z-FY-17-04

Case Manager: Mark Baker

Location: 1107 South 53rd Street

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree

() disagree with this request

Comments:

Signature

Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, mbaker@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **December 19, 2016**.

City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501

RECEIVED

DEC 15 2016

City of Temple
Planning & Development

Number of Notices Mailed: 16

Date Mailed: December 8, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.



**RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE**

HARRISON, DAVID ETAL TRUSTEES
FOR FAITH BAPTIST CHURCH
1102 S 51ST ST
TEMPLE, TX 76504-6412

Zoning Application Number: Z-FY-17-04

Case Manager: Mark Baker

Location: 1107 South 53rd Street

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree

() disagree with this request

Comments:

Mike D. Lewis

Signature

Mike D. Lewis

Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, mbaker@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **December 19, 2016**.

City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501

RECEIVED
DEC 15 2016
City of Temple
Planning & Development

Number of Notices Mailed: 16

Date Mailed: December 8, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.



2 Separate Notices Received

RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE

MILLER, KARL G ETUX CAROLYN D
1358 EAGLE BLUFF DR
TROY, TX 76579-3337

Zoning Application Number: Z-FY-17-04

Case Manager: Mark Baker

Location: 1107 South 53rd Street

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree

() disagree with this request

Comments:

RECEIVED

DEC 16 2016

City of Temple
Planning & Development

Carol Miller
Signature

Carolyn Miller
Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, mbaker@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **December 19, 2016**.

City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501

Number of Notices Mailed: 16

Date Mailed: December 8, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.



**RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE**

MILLER, KARL & CAROLYN
1358 EAGLE BLUFF DR
TROY, TX 76579

Zoning Application Number: Z-FY-17-04

Case Manager: Mark Baker

Location: 1107 South 53rd Street

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree

() disagree with this request

Comments:

RECEIVED

DEC 16 2016

City of Temple
Planning & Development



Signature



Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, mbaker@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **December 19, 2016**.

City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501

Number of Notices Mailed: 16

Date Mailed: December 8, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.

**EXCERPTS FROM THE
PLANNING & ZONING COMMISSION MEETING
MONDAY, DECEMBER 19, 2016**

ACTION ITEMS

Item 32: Z-FY-17-04 – Hold a public hearing to consider and recommend action on a rezoning from Two Family (2F) zoning district to Commercial (C) zoning district, Lot 4, Block 011, Temple Heights Subdivision, located at 1107 South 53rd Street, Temple, Texas.

Commissioner Armstrong informed the P&Z Commission he would be abstaining from this item.

Mr. Mark Baker, Senior Planner, stated this item is scheduled to go forward to City Council for first reading on January 19, 2017 and second reading on February 2, 2017.

Vicinity and aerial maps shown.

This request is for the rezoning of approximately 7,000 square feet, on Lot 4, Block 011, of the Temple Heights Subdivision and is being proposed for Commercial “C” zoning. It is anticipated for the expansion of the adjacent automotive-related uses.

This is the third rezoning request along South 53rd Street in four years (Ord. No. 2016-4752, and Ord. No. 2012-4518, both from the same applicant).

Zoning map shown. Commercial zoning lies to the north, west, and south, which are primarily automotive-related uses established on South 53rd Street.

The Unified Development Code (UDC) Section 4.3.18 does caution that C zoning should be on major highways, away from low and/or medium density housing. The request is in compliance.

The Future Land Use and Character Map designates the subject property as Auto-Urban Commercial which is intended for areas of commercial use, it does support the C zoning, and does allow automotive-related uses. The request is in compliance.

Both water and sewer are available along South 53rd Street as well as the alley to serve the subject property.

The Thoroughfare Plan designates South 53rd Street, West Avenue L, and West Avenue K as Local Streets.

The Comprehensive Plan “Choices 08”, specifically Land Use Policy No. 13, does identify commercial development at major intersections and other appropriate locations along highway frontages.

In accordance with the UDC Section 4.3.16 – Retail and Service uses are better suited for local and collector streets.

Peak Hour Trip Rates were provided to the Commission, specifically for impacts from automotive-related uses which are more intensive than 2F dwellings on Local Streets. The request is not in compliance with the Thoroughfare Plan.

Existing Land Use inventory for the surrounding area is shown and briefly discussed.

Surrounding properties include existing automotive service uses, zoned C, to the north; vacant single family use (Ordinance No. 2016-4752), zoned C, and existing automotive service uses, zoned C, to the south; existing single family uses, zoned Two Family (2F), to the west, and existing single family residential uses (owned by Faith Baptist Church) fronting on South 51st Street, zoned 2F, to the east.

Comparison chart for allowed and prohibited uses are given for 2F and C.

Current and proposed Development Standards are given. The proposed C zoning would require a 30-foot centerline for the front setback (UDC Sec. 4.4.4F.d) as opposed to the current zoning of 2F which requires a 25-foot front setback.

Per UDC Section 7.7.4 – Buffering and screening is required and may consist of either evergreen hedges composed of five-gallon plants or larger, with a planted height of six-feet on 36-inch centers or may consist of a six-foot to eight-foot high fence or wall, constructed by any number of allowed materials per UDC Section 7.7.5, such as:

- Wood
- Masonry
- Stone or pre-cast concrete

Eighteen notices were mailed in accordance with all state and local regulations with six notices returned in agreement and zero notices in disagreement.

The request is in compliance with the Future Land Use and Character Map, is compatible with surrounding uses and zoning, and public facilities are available to serve the property.

The request is not in compliance with the Thoroughfare Plan.

Staff recommends approval of the request for a rezoning from Two Family (2F) to Commercial (C).

Chair Rhoads asked if the property directly south of the subject property is owned or affiliated with Caliber Collision. Mr. Baker responded that he was uncertain of that ownership.

Chair Rhoads opened the public hearing.

Mr. Neil Wisener, 1107 South 53rd Street, Temple, Texas, stated he was the owner of Wisener Auto Clinic. It was originally Frost Automotive with the current building and the subject property. It was purchased with the intention of developing onto the existing building and growing the business.

Mr. Wisener stated they redesigned the entrance/exit to the building due to equipment improvements. The existing connex on the property is being used for tire storage.

There being no further speakers, the public hearing was closed.

Commissioner Crisp made a motion to approve Item 3, Z-FY-17-04, and Vice-Chair Fettig made a second.

Motion passed: (7:0:1)

Commissioner Armstrong abstained; Commissioner Ward absent

Commissioner Armstrong returns and Commissioner Ward arrives to the meeting at 5:54 p.m

ORDINANCE NO. 2017-4821
(Z-FY-17-04)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A REZONING FROM TWO FAMILY (2F) ZONING DISTRICT TO COMMERCIAL (C) ZONING DISTRICT, LOT 4, BLOCK 011, TEMPLE HEIGHTS SUBDIVISION, LOCATED AT 1107 SOUTH 53RD STREET, TEMPLE, BELL COUNTY, TEXAS; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:

Part 1: The City Council approves a rezoning from Two Family (2F) zoning district to Commercial (C) zoning district on Lot 4, Block 011, Temple Heights subdivision, situated in the City of Temple, Bell County, Texas, located at 1107 South 53rd Street, as outlined in the surveyor's sketch attached as Exhibit 'A,' and field notes attached hereto, and made a part hereof for all purposes.

Part 2: Staff recommends approval for a rezoning from Two Family (2F) zoning district to the Commercial (C) zoning district.

Part 3: The City Council directs the Director of Planning to make the necessary changes to the City Zoning Map.

Part 4: It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such phrase, clause, sentence, paragraph or section.

Part 5: This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 6: It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading and Public Hearing on the **19th** day of **January**, 2017.

PASSED AND APPROVED on Second Reading on the **2nd** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

Lacy Borgeson
City Secretary

APPROVED AS TO FORM:

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(L)
Consent Agenda
Page 1 of 3

DEPARTMENT / DIVISION SUBMISSION & REVIEW:

Dessie Redmond, Planner

ITEM DESCRIPTION: SECOND READING – Z-FY-17-06: Consider adopting an ordinance authorizing a rezoning from the Commercial zoning district to the Multi-Family Two zoning district, on 0.928 +/- acres, Lots 1-6, Pt. 7, Eastern Hills Subdivision, located at 715 North 20th Street, Temple.

PLANNING & ZONING COMMISSION RECOMMENDATION: At their December 19, 2016 meeting, the Planning & Zoning Commission voted nine to zero to recommend approval of the proposed rezoning as presented by staff.

STAFF RECOMMENDATION: Based on the following compliance factors, staff recommends approval for a rezoning from the C zoning district to the MF-2 zoning district:

1. Surrounding zoning;
2. Existing multi-family use on the property;
3. Availability of public facilities to serve the subject property.

ITEM SUMMARY: The subject property contains .93 +/- acres, (attachments: Surveyor Sketch). The property is currently developed with an existing multi-family use (ten units, one-story apartment building) and two surface parking areas. There is some vacant space at the north and south portions of the subject property. The applicant is proposing to utilize the vacant space to the south for an additional one-story, apartment building with six attached units. The additional six units will not be attached to the existing ten unit apartment building.

The property was originally platted in 1971 (attachments: Eastern Hills Plat Section I). At that time the plat showed the subject property as residential lots. It also shows East Houston Avenue continuing east along the north abutting property and East Garfield Avenue continuing along the south abutting property. The property was re-platted and zoned Commercial at an unknown date. In 1986, the existing 10 unit apartment complex was built. The UDC (adopted in 2010) prohibits multi-family use in a C zoning district. Therefore, the request for a rezoning to MF-2, which permits multi-family by right, brings the subject property's use into compliance with the UDC zoning requirements.

There is an existing 20 foot wide utility easement that runs west-east through the middle of the property which is also shown on the original plat. A portion of the existing apartment building was built within this easement (attachment: Existing Easement). This proposal does not include renovation to said building and therefore, the applicant is not required to abandon this easement at this time. However, this may be a requirement in the future if said building is renovated.

There are other residential and non-residential uses that are permitted in the MF-2 zoning district. The proposed MF-2 zoning district is more restrictive than the existing C zoning district. A Use Comparison Summary Table is located in the attachments.

To the north is a large, undeveloped, residential parcel of property. The properties to the east are also undeveloped, residential properties with the MF-2 zoning district. To the south is a single-family residence and to the west is a vacant lot and a single-family residence lot (attachments: Surrounding Property & Uses Table).

COMPREHENSIVE PLAN (CP) COMPLIANCE: The proposed rezoning relates to the following goals, objectives or maps of the Comprehensive Plan and Sidewalk and Trails Plan. A table summarizing the following discussion is attached: Comprehensive Plan Compliance Summary Table.

Future Land Use Map (CP Map 3.1)

The subject property is within the Auto-Urban Residential character district. This character district is intended for smaller single-family lots. This rezoning request does not comply with the Auto-Urban Residential character district. However, this is an existing multi-family use on the subject property.

Thoroughfare Plan (CP Map 5.2)

The subject property is accessed off of North 20th Street which is designated as a local street in our Thoroughfare Plan. A local street requires 50 feet of right-of-way and 31 feet of pavement. Currently, there appears to be approximately 35 feet of right-of-way and 20 feet of pavement. Therefore, this request does not comply with our Thoroughfare Plan. However, the subject property includes 10 single-story units and therefore, is considered a low intensity apartment complex.

Temple Trails Master Plan Map and Sidewalks Ordinance

The Trails Master Plan does not identify any existing or proposed trails on or abutting the subject property. Therefore, the Trails Master Plan is not applicable to the subject property.

Availability of Public Facilities (CP Goal 4.1)

Sewer is available to the subject property through an existing 12-inch sewer line that runs along North 20th Street. Water is available to the site through a 2-inch line that runs along the alley between East Houston Avenue and East Garfield Avenue. There is also an existing 6-inch water line that runs along East Houston Avenue. There are public facilities available to the site and therefore, the request complies with the City's public service capacities.

DEVELOPMENT REGULATIONS: A comparison summary table for residential dimensional standards in the C & MF-2 zoning districts is located in the attachments (Residential Dimensional Standards Comparison Table).

PUBLIC NOTICE: Twenty-nine property owners within 200-feet of the subject property were sent notice of the public hearing as required by state law and city ordinance. As of Monday, January 9, 2017, one notice has been returned in disagreement of the case. No other letters have been received.

The newspaper printed notice of the public hearing on December 8, 2016, in accordance with state law and local ordinance.

FISCAL IMPACT: Not Applicable

ATTACHMENTS:

Site and Surrounding Property Photos
Surveyor Sketch
Eastern Hills Plat Section 1
Existing Easement
Location Map / Aerial
Zoning Map / Future Land Use Map
Thoroughfare & Trails Map / Utility Map
Notification Map
Use Comparison Summary Table
Surrounding Properties & Uses Table / Comprehensive Plan Compliance Summary Table /
Residential Dimensional Standards Comparison Table
Returned Property Owner Letter
December 19, 2016 Planning & Zoning Commission meeting excerpts
Ordinance

Site Photos



N. 20th Street

Standing on N. 20th Street looking east onto the existing apartment building.



N. 20th Street

Property to the north of subject property (vacant).

Site Photos



Property to the south (existing residence).



Property to the west (existing residence).

[illegible]

Plot Date: 04-22-2016
Survey completed: 04-13-2016
Scale: 1" = 20'
Job No. 160727
Dwg No. 160727
Drawn by SLH
Surveyor CCL #4636

Section I

Comprised of 4.039 Acres on the M. Moreno Survey, A-14, and the land herein described being a part of that certain tract described as 15 acres in a deed from Ethan El Hander to F. J. Hander, said deed being of record in Vol. 870, Page 595, Deed Records of Bell County, Texas.

Recommended for final approval:

Harold E. McClell 9/13/71
City Engineer

Approved:

Samuel P. ...
Chairman, Planning and Zoning Board, Temple, Texas

Robert ...
Supt. Water and Sewer Dept.

I, Carl Pearson, do hereby certify that the monuments are in place according to City of Temple Specifications.

Carl B. Pearson, P.E.

I, Carl Pearson, Registered Professional Engineer do hereby certify that this plat represents the survey and subdivision of 4.039 acres on the M. Moreno Survey, A-14, Bell County, Texas.



Carl B. Pearson, P.E.

I hereby certify that the above and foregoing plat of Eastern Hills Section I to the City of Temple, Texas was approved by the Board of Commissioners of the City of Temple on the 16th day of September, 1971.

This approval shall be invalid unless the approved plat of such addition is recorded in the office of the County Clerk of Bell County, Texas within thirty (30) days from said date of final approval.

Said addition shall be subject to all the requirements of the Platting Ordinance of the City of Temple.

Witness my hand this 16th day of September, 1971.

Charles J. ...
City Controller

TAL-GIN HEIGHTS

MC CELVEY

EASTERN HILLS
(FUTURE)



Note: All easements shown are 10' wide of the rear and 5' wide at the sides of the lots, unless otherwise noted. Building setback lines are 25' minimum at front street and 15' minimum at side street.

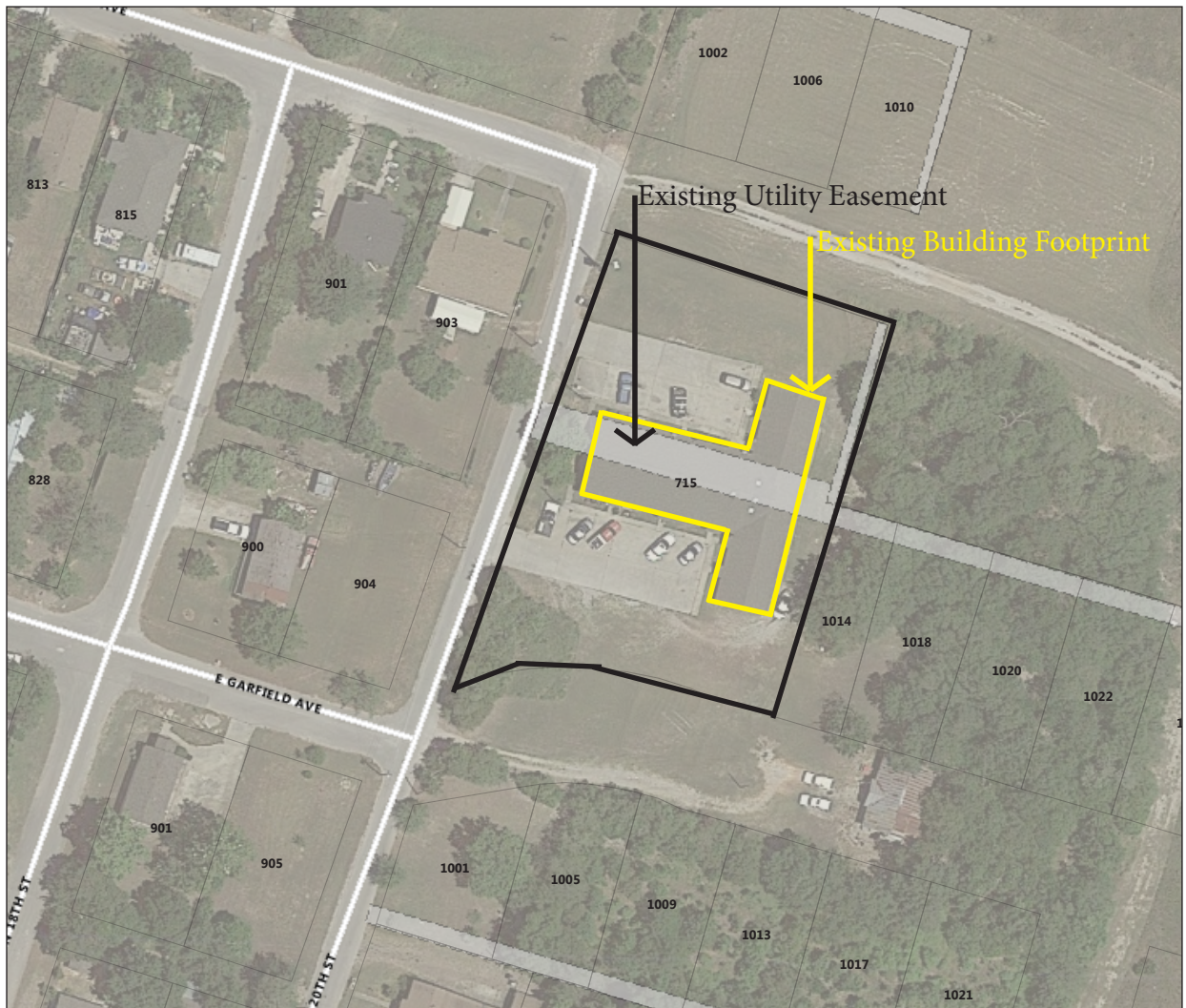
Plat Records - Vol. 2, Pg. 42

Deed Records - Vol. 1168, Pg. 195

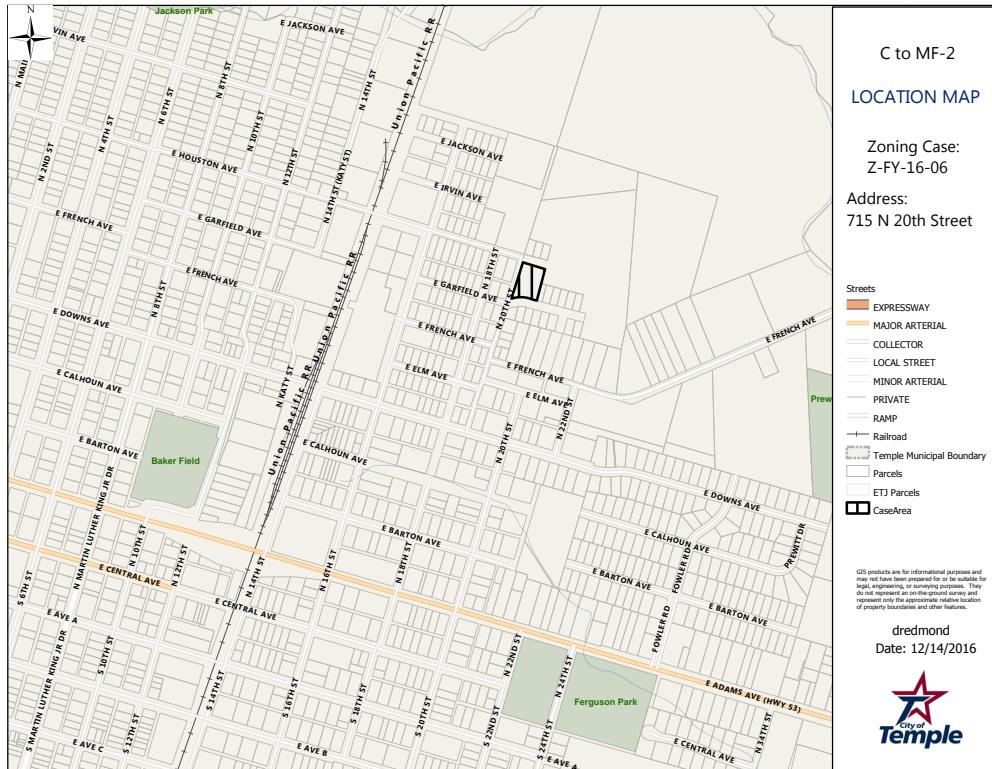
EASTERN HILLS
SECTION I
Temple, Texas

Tesco, Inc.	Developers
Fred Williamson & Assoc., Inc.	Surveyors
1 June, 1971	1"=100'
	3963-G

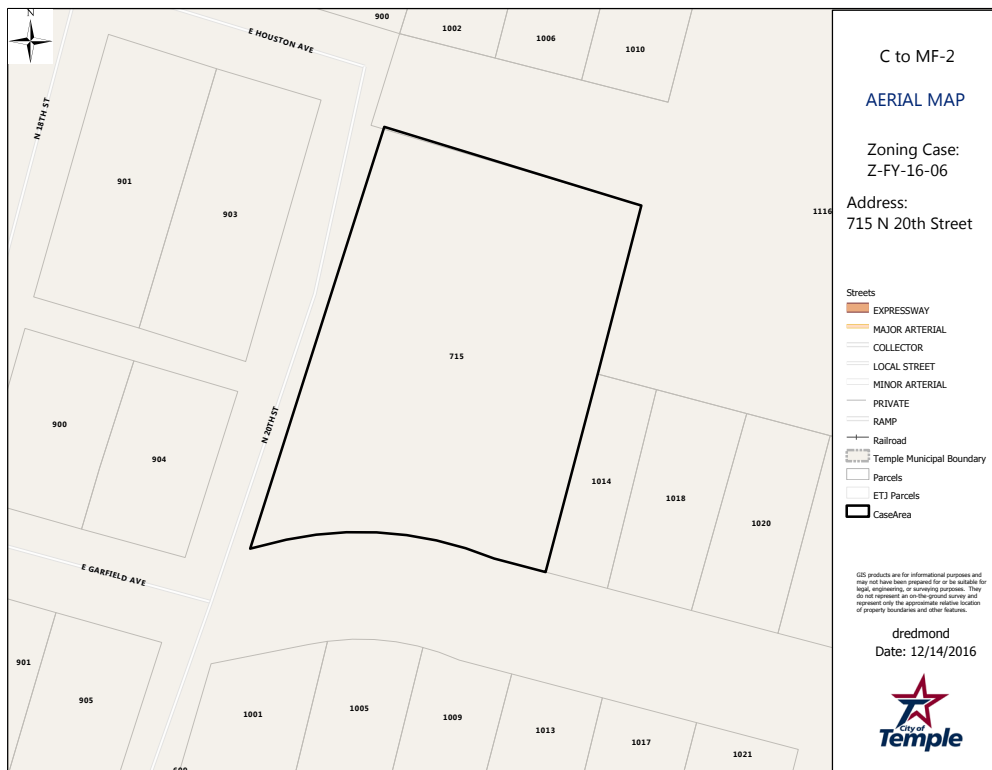
Eastern Hills Plat Section I



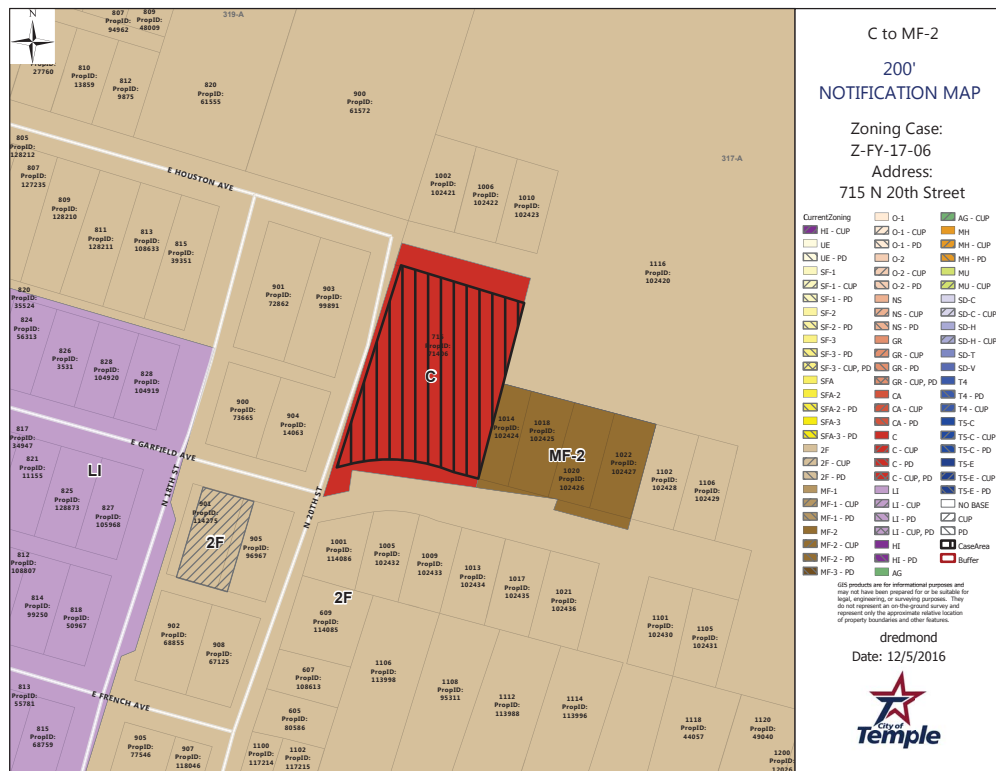
Existing Easement



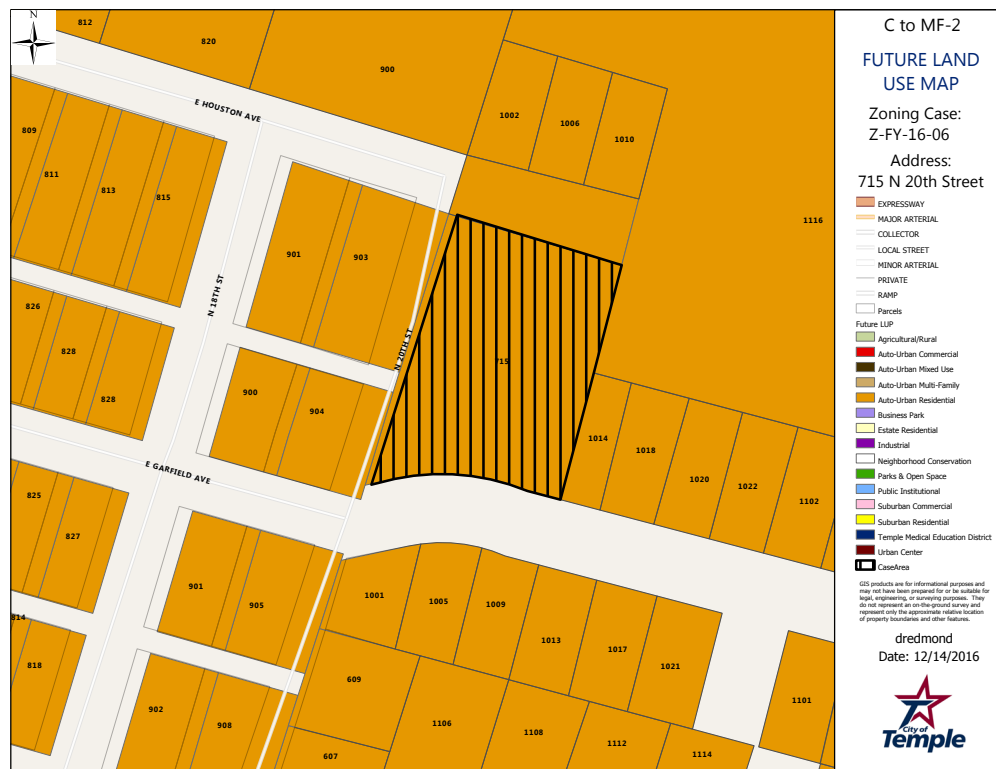
Location Map



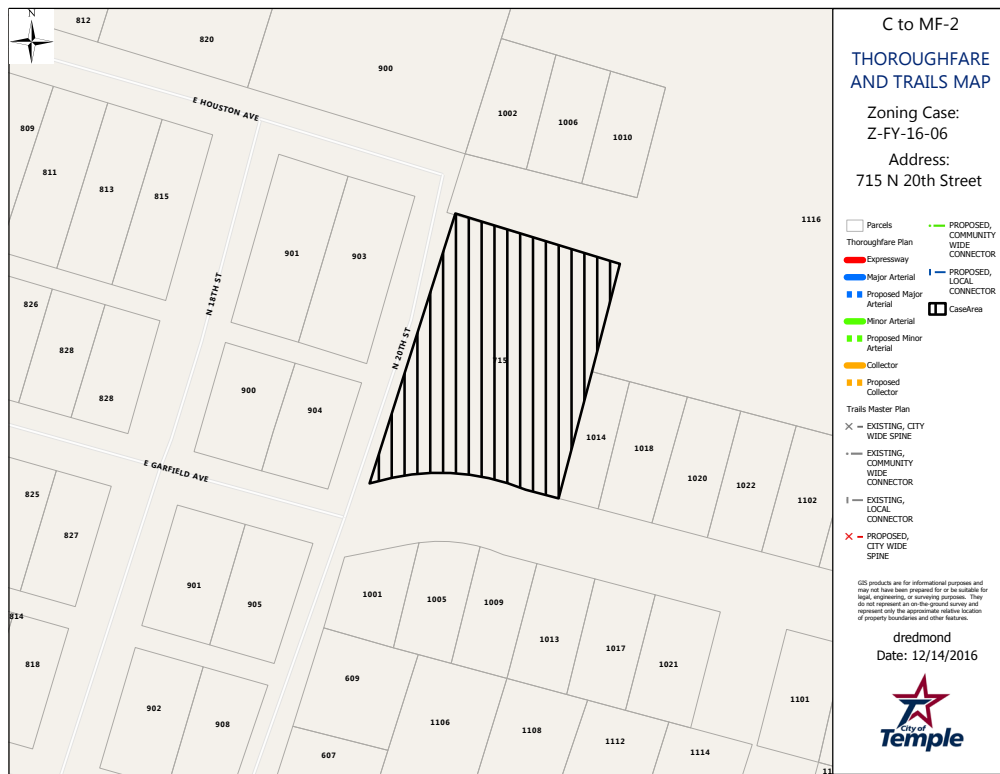
Aerial



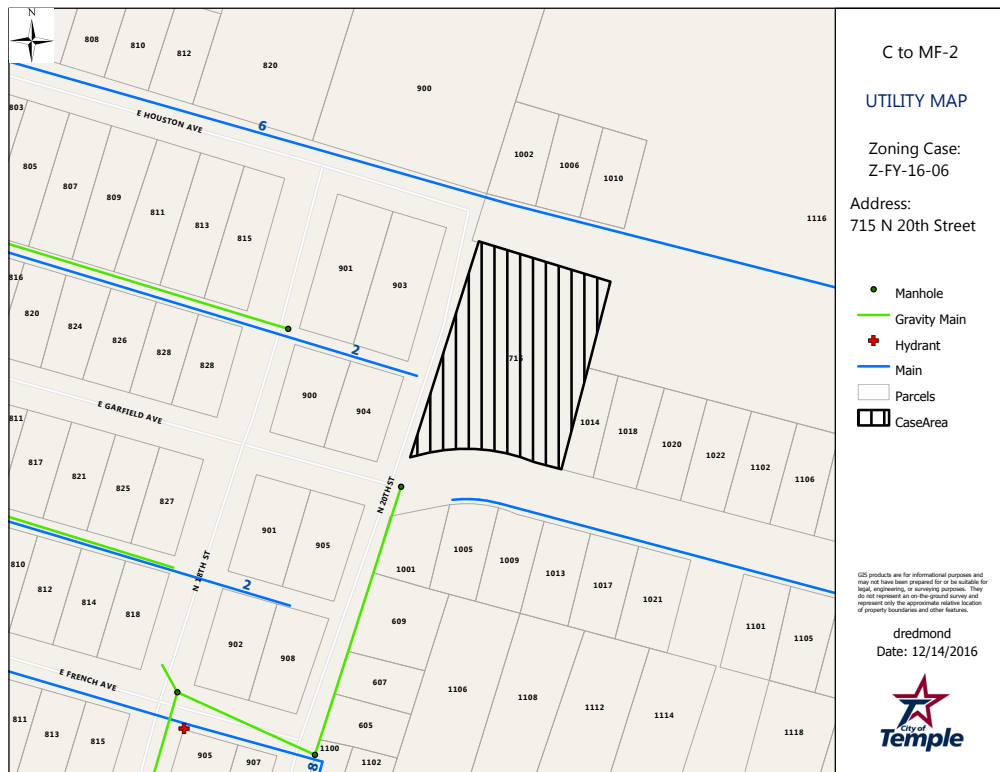
Zoning Map



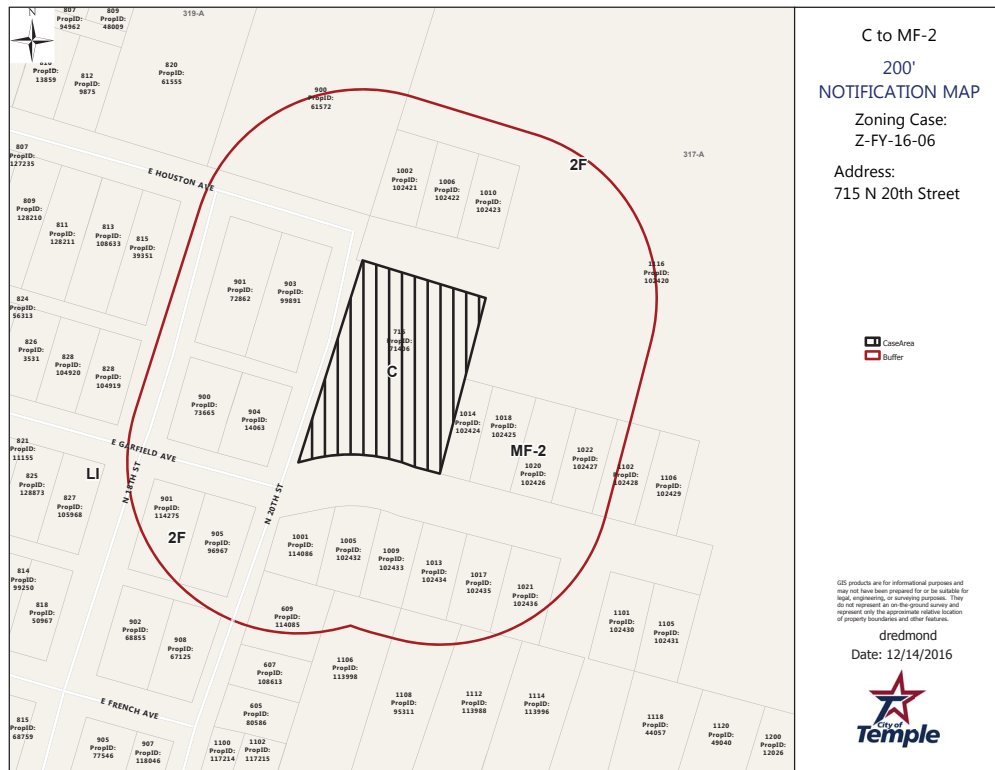
Future Land Use Character Map



Thoroughfare Plan (no proposed or existing trails - Trails Master Plan is N/A).



Utility Map



Notification Map (200 foot buffer area).

Use Comparison Summary Table

	Existing C	Proposed MF-2
Residential Uses	Convent or monastery	Multi-family (L) Triplex Zero lot line dwelling
Agricultural Uses	Farm, ranch, orchard *Animal shelter Greenhouse or nursery Hatchery, poultry	Farm, ranch, orchard
Commercial Uses	Most commercial uses including; Bakery Heavy machinery sales Paint shop	none
Education & Institutional	Art gallery Childcare (L) Halfway house School, business Place of worship	Place of worship
Industrial Uses	Laboratory manufacturing *Laboratory medical, dental	none
Office Uses	Office Warehouse office	none
Overnight Accommodations	Hotel or motel	same
Entertainment Uses	*Alcoholic beverage sales for on premise consumption: beer & wine only less than 75% revenue from alcohol (restaurant)	none
Restaurant Uses	Restaurant (not drive-in) Restaurant (drive-in)	none
Retail & Service Uses	Exercise gym Antique shop Discount or department store	*Exercise gym
Transportation Uses	Bus station Emergency Vehicle service	none
Utility & Service Uses	Radio tower Fire station	Fire station
Vehicle Service Uses	Auto leasing Car wash Fuel Sales (L)	none

*Conditional Use Permit required

(L) Permitted by Right Subject to Limitations

Surrounding Properties & Uses Table

Direction	FLUM	Zoning	Current Land Use
Site	Auto-Urban Residential	C	apartment building
North	Auto-Urban Residential	2F	vacant
South	Auto-Urban Residential	2F	single-family
West	Auto-Urban Residential	2F	single-family/vacant
East	Auto-Urban Residential	2F/MF-2	vacant

Comprehensive Plan Compliance Summary Table

Document	Policy, Goal, Objective or Map	Compliance?
CP	Map 3.1 - Future Land Use Map	No
CP	Map 5.2 - Thoroughfare Plan	No
CP	Goal 4.1 - Growth and development patterns should be consistent with the City's infrastructure and public service capacities	Yes
UDC	UDC, Section 5.1 Use Table	Yes

CP = Comprehensive Plan STP = Sidewalk and Trails Plan

Residential Dimensional Standards Comparison

	Existing C	Proposed MF-2
Minimum Lot Size	multi-family dwelling use not permitted	2,800 sq ft
Minimum Lot Width		60 ft
Minimum Lot Depth		120 ft
Front Setback		25 ft
Side Setback		**
Side Setback (corner)		10 ft
Rear Setback		**
Max Building Height		2

** = See Section 5.3.3



**RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE**

SHERWOOD, ROBERT J ETUX RUTH A
2425 BERGER RD
TEMPLE, TX 76501-6713

Zoning Application Number: Z-FY-17-06

Case Manager: Dessie Redmond

Location: 715 North 20th Street, Temple Texas

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☐ agree

☒ disagree with this request

Comments:

There is already a lot of vehicle &
foot traffic coming from there, some of
which is very inconsiderate of nearby
property owners

Robert Sherwood
Signature

Ruth Sherwood
Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, dredmond@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **December 19, 2016**.

**City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501**

Number of Notices Mailed: 29

Date Mailed: December 8, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.

Fax 298.5624

EXCERPTS FROM THE
PLANNING & ZONING COMMISSION MEETING
MONDAY, DECEMBER 19, 2016

ACTION ITEMS

Item 5: Z-FY-17-06 – Hold a public hearing to consider and recommend action on a rezoning from the Commercial (C) zoning district to the Multi-Family Two (MF-2) zoning district, on 0.928 +/- acres, Lots 1-6, Pt. 7, Eastern Hills Subdivision, located at 715 North 20th Street, Temple, Texas.

Ms. Dessie Redmond, Planner, stated this item was scheduled to go forward to City Council for first reading on January 19, 2017 and second reading on February 2, 2017.

The applicant and property owner is Mr. Brad Dusek (who was in attendance) and the site is located in the Eastern Hills Subdivision.

A 10-unit apartment building currently exists on the site and the applicant is requesting a rezoning from C to MF-2.

Site photos are shown.

Surrounding properties include vacant property to the north and east, and existing residential to the south and west.

The existing building is one story in height with two surface parking lots. There is some vacant space within the subject property to the north and south. The proposal is to utilize some of the vacant space to the south to construct an additional attached six-unit, one story building, which would not be attached to the existing 10-unit building.

Zoning map is shown.

The Future Land Use and Character Map designate the subject property as Auto-Urban Residential character. This designation is generally for smaller single family lots so the request is not in compliance with this designation. However, an existing multi-family use is currently located on the property.

The property is accessed off of North 20th Street which is designated as a Local Street in the Thoroughfare Plan. A Local Street has a right-of-way designation of 50-feet and a 30-foot width of pavement. Currently there is approximately 35-feet of right-of-way and approximately 20-feet of pavement and therefore, is not compliant with the Thoroughfare Plan. However, the existing and proposed units are considered a low intensity apartment complex and do not appear to have created any issues to date or are therefore any foreseen issues with the proposal.

Water and sewer are available to the property.

Use comparison table is shown and briefly described.

Twenty-nine notices were mailed in accordance with all state and local regulations with zero response letters returned in agreement and one response letter returned in disagreement of the proposal.

Staff recommends approval of the request for rezoning from Commercial (C) to Multi-Family Two (MF-2) based on the following compliance factors:

- The surrounding zoning;
- The existing multi-family use on the property; and
- The availability of public facilities to serve the property.

Chair Rhoads opened the public hearing.

There being no speakers, the public hearing was closed.

Commissioner Armstrong made a motion to approve Item 5, Z-FY-17-06, and Vice-Chair Fettig made a second.

Motion passed: (9:0)

ORDINANCE NO. 2017-4822

(Z-FY-17-06)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A REZONING FROM THE COMMERCIAL (C) ZONING DISTRICT TO THE MULTI-FAMILY TWO (MF-2) ZONING DISTRICT, ON 0.928 +/- ACRES, LOTS 1-6, PT. 7, EASTERN HILLS SUBDIVISION, LOCATED AT 715 NORTH 20TH STREET, TEMPLE, BELL COUNTY, TEXAS; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:

Part 1: The City Council approves a rezoning from the Commercial (C) zoning district to the Multi-Family Two (MF-2) zoning district on 0.928 +/- acres, Lots 1-6, Pt. 7, Eastern Hills Subdivision, situated in the City of Temple, Bell County, Texas, located at 715 North 20th Street, as outlined in the surveyor's sketch attached as Exhibit 'A,' and field notes attached hereto, and made a part hereof for all purposes.

Part 2: Staff recommends approval of a rezoning from Commercial (C) zoning district to the Multi-Family Two (MF-2) zoning district.

Part 3: The City Council directs the Director of Planning to make the necessary changes to the City Zoning Map.

Part 4: It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such phrase, clause, sentence, paragraph or section.

Part 5: This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 6: It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading and Public Hearing on the **19th** day of **January**, 2017.

PASSED AND APPROVED on Second Reading on the **2nd** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

Lacy Borgeson
City Secretary

APPROVED AS TO FORM:

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(M)
Consent Agenda
Page 1 of 1

DEPARTMENT / DIVISION SUBMISSION & REVIEW:

Dessie Redmond, Planner

ITEM DESCRIPTION: SECOND READING - A-FY-16-10: Consider adopting an ordinance authorizing abandonment and conveyance of the entire 20 foot wide alley in Block 3 of the Keaton Addition Subdivision, City of Temple, Bell County, Texas.

STAFF RECOMMENDATION: Staff recommends approval of the applicant's requested alley abandonment as submitted and described in the item description.

ITEM SUMMARY: The applicant, Wesley Teeters, requests abandonment and conveyance of all of the 20 foot wide alley in Block 3 of the Keaton Addition Subdivision—approximately .196 acres. The applicant owns all of the property bounding the west side, east side and north end of the alley. The City of Temple owns the property on the south end of the alley and has no interest in retaining the alley. If the requested sale is approved, Mr. Teeters will own all of Block 3, including the entire alley. Mr. Teeters is aware that the terms of the sale would allow construction of buildings within the abandoned alley right-of-way due to no existing utility service lines located within the alley.

Planning staff contacted all utility providers, including the Public Works Department, regarding the proposed easement abandonment. All providers and city staff confirmed that the alley may be conveyed without reserving utility or drainage easements, as the providers' responses indicate there are no existing public facilities or utilities in the alley and no objections to abandoning the alley because it is not needed for other public services or access.

FISCAL IMPACT: Upon approval, the applicant will purchase the abandoned alley rights-of-way at the fair market value of \$2,000, as recommended by a 3rd party broker's opinion. Proceeds received will be deposited into account 110-0000-461-0423, Sale of Land.

ATTACHMENTS:

[Location Map / Site Photo](#)

[Survey](#)

[Appraisal](#)

[Ordinance](#)

Site Photos



Location Map



Subject property. Standing on N. 31st Street, looking north through the site.



DB Commercial Real Estate

A DAVIS-BEEVERS COMPANY

Fax (254) 742-2411
(254) 771-5111

Brian Chandler
Director of Planning
City of Temple
2 N. Main Street
Temple, Texas 76501

RE: .196 Acre Undeveloped Alley, Temple, Texas

Dear Mr. Chandler,

Pursuant to the city's request, please let this letter serve as my opinion of value for a 0.196 acre commercial property located within a 2.503 acre tract at the 900 block of N. 31st Street and West Irvin Avenue (Undeveloped), Temple. Based on my review of recently sold and currently available properties, along with my general understanding of the real estate market in Temple, I believe the property has a value in the range of \$2,000 to \$2,500. This is based upon current market and economic conditions which are unpredictable and the somewhat subjective valuation process more prevalent in a tract of land with no access to a city street.

Please note that I personally inspected the property, but that I am not a participant in the proposed sale of the property to Wes Teeters. My basis for this letter is that of a licensed real estate broker in the state of Texas, actively working within the real estate market of the subject property. This is solely my professional, independent opinion.

Should you have any questions or need anything further, please let me know.

Sincerely,

Bobby Spradley, CCIM
Associate Broker

DISCLAIMER: THIS IS AN OPINION OF VALUE AND SHOULD NOT BE CONSIDERED AN APPRAISAL. I have not followed the Uniform Standards of Professional Appraisal Practice guidelines in reaching the value estimate shown. If an appraisal of the property is performed under USPAP, the value conclusions could be different than indicated herein. Neither Rob Marshall nor RK Marshall Group will be held liable for any claims or loss as a result of the information contained herein. The information contained herein is based on my general understanding of the real estate market in the greater Temple, Texas area, but has not been independently verified. Any projections, opinions, assumptions or estimations are for example only and do not necessarily represent the current or future sale price of the property. This opinion of value is based upon certain salient (and sometimes limited) information and is not intended to constitute an "appraisal" of the property.



121 N. 31st Street, Suite C
Temple, TX 76504
www.spradleyproperties.com



ORDINANCE NO. 2017-4823

(A-FY-16-10)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING ABANDONMENT AND CONVEYANCE OF THE ENTIRE 20 FOOT WIDE ALLEY LOCATED IN BLOCK 3 OF THE KEATON ADDITION SUBDIVISION, CITY OF TEMPLE, BELL COUNTY, TEXAS; DECLARING FINDINGS OF FACT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the applicant, Wesley Teeters, submitted a request for the abandonment and conveyance of the 20 foot wide alley that is located in Block 3 of the Keaton Addition Subdivision, City of Temple, Bell County, Texas, and more particularly described in Exhibit A, attached hereto and made a part hereof for all purposes;

Whereas, Wesley Teeters owns all of the property bounding the west side, east side and north end of the alley and the City of Temple owns the property on the south end of the alley and the City has no interest in acquiring the alley;

Whereas, the south end of the approximately .196 acre alley terminates at a public utility easement that runs parallel to Bray Street and the subject alley is vacant and undeveloped;

Whereas, Staff has contacted all public and private service providers, including the Public Works Department and Fire Department, and confirmed that the alley may be conveyed without reserving utility or drainage easements, as the providers' responses indicate there are no existing public facilities or utilities in the alley and no objections to abandoning the alley because it is not needed for other public services or access;

Whereas, the City Council has considered the matter and deems it in the public interest to approve this action.

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

Part 1: The City Council abandons the entire 20 foot wide alley that is located in Block 3, Keaton Addition Subdivision, City of Temple, Bell County, Texas, and more particularly described in Exhibit A.

Part 2: As consideration for the conveyance of the property described in Part 1, Wesley Teeters shall pay to the City of Temple the fair market value of the alley, in the amount of \$2,000.

Part 3: The City Council authorizes the Mayor of the City of Temple, Texas, to execute a Deed Without Warranty conveying the rights and interests of the City of Temple, Texas to the property owner.

Part 4: If any provision of this ordinance or the application of any provision to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

Part 5: It is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading on the **19th** day of **January**, 2017.

PASSED AND APPROVED on Second Reading and Public Hearing the **2nd** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

ATTEST:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney

STATE OF TEXAS §

COUNTY OF BELL §

This instrument was acknowledged before me on the ____ day of _____, 2017, by Daniel A. Dunn, Mayor of the City of Temple, Texas.

Notary Public, State of Texas



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(N)
Consent Agenda
Page 1 of 1

DEPT. / DIVISION SUBMISSION & REVIEW:

Dessie Redmond, Planner

ITEM DESCRIPTION: A-FY-17-02: Consider adopting a resolution authorizing the abandonment of a 10 foot wide public utility easement encompassing approximately .057 acres, located on a portion of Lots 8 through 12, and 16 through 20, Block 13, Hilldell Estates, an addition in the City of Temple, Bell County, Texas.

STAFF RECOMMENDATION: Staff recommends approval of the abandonment of a 10 foot wide public utility easement encompassing approximately .057 acres, located on a portion of Lots 8 through 12, and 16 through 20, Block 13, Hilldell Estates, an addition in the City of Temple, Bell County, Texas, more particularly described in Exhibit A. This is a recommendation for approval since the easement contains no existing public facility or utilities and is not used for other public services or access.

ITEM SUMMARY: The applicant, Chuck Lucko, submitted a request on behalf of Larry Guess of JDLG Ventures, LLC, requests the abandonment of a 10 foot wide public utility easement encompassing approximately .057 acres, located on a portion of Lots 8 through 12, and 16 through 20, Block 13, Hilldell Estates, an addition in the City of Temple, Bell County, Texas, more particularly described in Exhibit A to this resolution.

This abandonment is a companion file to a requested rezoning. Case number Z-FY-17-07 a rezoning from the Single Family Three-Planned Development (SF3-PD) zoning district to the General Retail (GR) zoning district. This rezoning case is located on the same property as this requested abandonment.

Planning staff has contacted all public and private service providers, including the Public Works Department, and confirmed that the easement may be abandoned, as the providers' responses indicate there are no existing public facilities or utilities in the easement and there are no objections to abandoning the easement because it is not needed for other public services.

FISCAL IMPACT: None

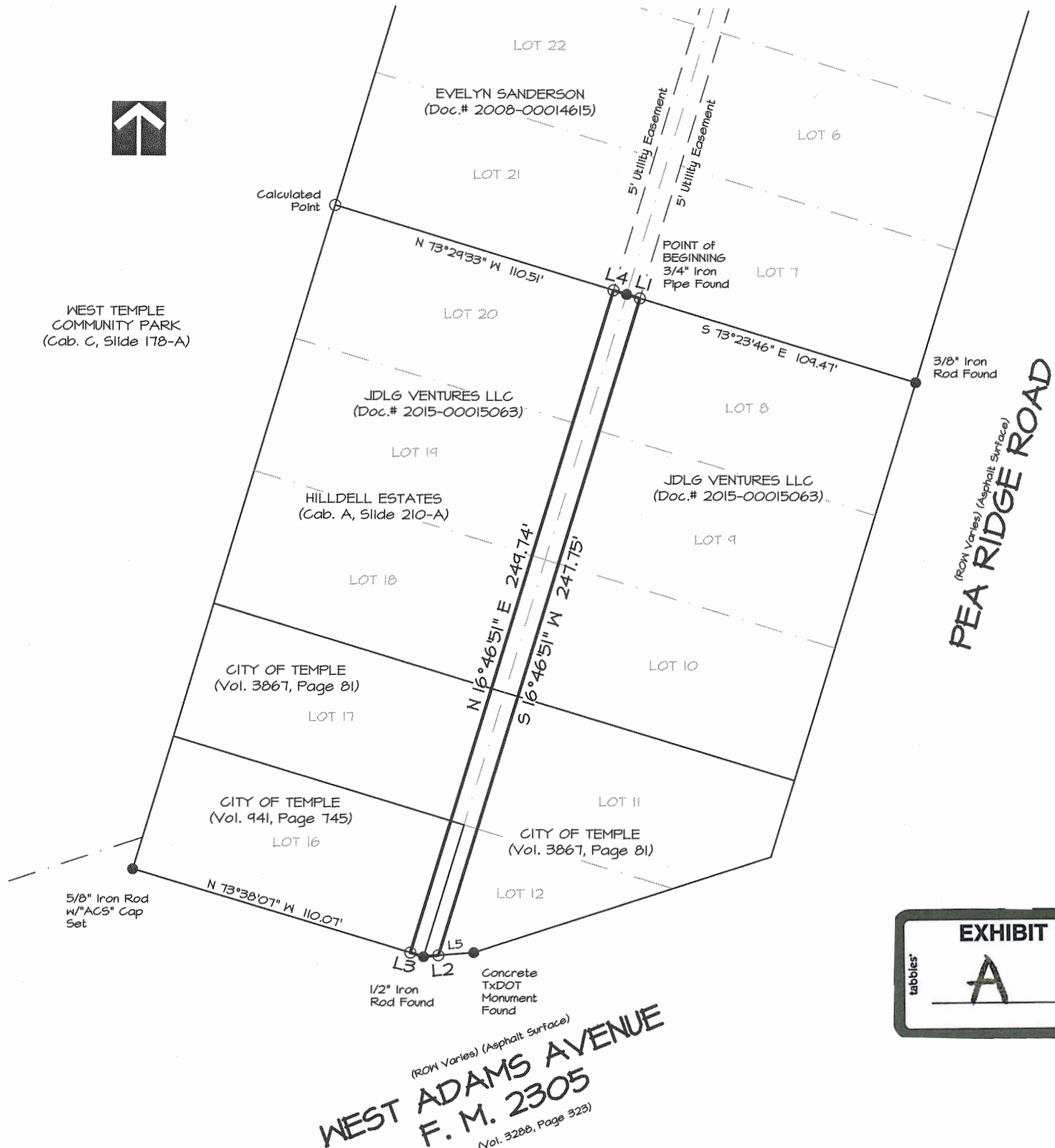
ATTACHMENTS:

[Exhibit A](#)
[Resolution](#)

UTILITY EASEMENT ABANDONMENT

Survey showing 0.057 ACRE, being a portion of LOTS 8-12 and 16-20, BLOCK 13, of HILDELL ESTATES, an addition in the City of Temple, Bell County, Texas, according to the plat of record in Cabinet A, Slide 210-A, Plat Records of Bell County, Texas.

This sketch to accompany a metes and bounds description of the hereon shown 0.057 Acre tract.



EXHIBIT

A

O Denotes calculated point

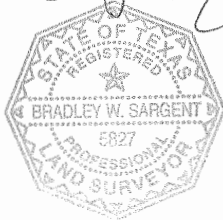
LINE	BEARING	DISTANCE
L1	S 73°23'46" E	5.00'
L2	S 85°04'08" W	5.38'
L3	N 73°38'07" W	5.00'
L4	S 73°29'33" E	5.00'
L5	N 85°04'08" E	12.88'

This project is referenced to the City of Temple Coordinate System, NAD 83, Texas Central Zone. All distances are horizontal surface distances unless noted and all bearings are grid bearings. All coordinates are referenced to City Monument No. 3. The theta angle at City Monument No. 3 is 01°31'42". The combined correction factor (CCF) is 0.999847. Grid distance = Surface distance X CCF. Geodetic north = Grid north + theta angle. Published City coordinates for City Monument No. 3 are N= 10368,408.89 E= 3,225,333.77 Reference tie from City Monument No. 3 to the angle corner on the north line of this 0.057 acre tract is N 53°59'00" W 25097.44 FEET.

This document is not valid for any purpose unless signed and sealed by a Registered Professional Land Surveyor.



ALL COUNTY SURVEYING, INC.
1303 South 21st Street
Temple, Texas 76504
254-778-2272 Killeen 254-634-4636
Fax 254-774-7608
Tx. Firm Lic. No. 10023600



Revised 12-19-16-Ownership
Survey completed: 10-06-2016
Scale: 1" = 40'
Job No.: 160787.2
Dwg No.: 160787 Aband
Drawn by: MDH
Surveyor: BWS #5827

Copyright 2016 All County Surveying, Inc.

Plot Date: 12-19-2016

RESOLUTION NO. 2017-8537-R
(A-FY-17-02)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING THE ABANDONMENT OF A 10-FOOT WIDE PUBLIC UTILITY EASEMENT ENCOMPASSING APPROXIMATELY .057 ACRES, LOCATED ON A PORTION OF LOTS 8 THROUGH 12, AND 16 THROUGH 20, BLOCK 13, HILDELL ESTATES, AN ADDITION IN THE CITY OF TEMPLE, BELL COUNTY, TEXAS; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the applicant, Chuck Lucko, submitted a request on behalf of Larry Guess of JDLG Ventures, LLC, for abandonment of a 10-foot wide public utility easement encompassing approximately .057 acres, located on a portion of Lots 8 through 12 and 16 through 20, Block 13, Hilldell Estates, an addition in the City of Temple, Bell County, Texas, and more particularly described in Exhibit A, attached hereto and made a part hereof for all purposes;

Whereas, the applicant's use of this abandonment is to accommodate a requested rezoning from a Single Family Three-Planned Development zoning district to the General Retail zoning district on approximately 0.647 acres of lots 8 & 9 and part of Lots 10 through 12 and 18 through 20, Block 13, Hilldell Estates Subdivision, located at 30 & 50 South Pea Ridge Road, Temple, Texas - this rezoning case is located on the same property as this requested abandonment;

Whereas, Staff contacted all public and private utility service providers, including the Public Works Department, and confirmed that the easement may be abandoned, as the providers' responses indicated there are no existing public facilities or utilities in the easement and there are no objections to abandoning the easement; and

Whereas, the City Council has considered the matter and deems it in the public interest to authorize this abandonment.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Part 2: The City of Temple, Texas permanently abandons a 10-foot wide public utility easement encompassing approximately .057 acres, located on a portion of Lots 8 through 12, and lots 16 through 20, Block 13, Hilldell Estates, an addition in the City of Temple, Bell County, Texas, and more particularly described in Exhibit A.

Part 3: Upon request, the City of Temple will provide a copy of this Resolution and any other evidence of abandonment of the utility easement, which may be reasonably required.

Part 4: It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on the 2nd day of February, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney

STATE OF TEXAS §

COUNTY OF BELL §

This instrument was acknowledged before me on the _____ day of February, 2017, by Daniel A. Dunn, Mayor of the City of Temple, Texas.

Notary Public, State of Texas

Return Recorded Document to:

*City Attorney's Office
2 North Main Street, Suite 308
Temple, TX 76501*



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #5(O)
Consent Agenda
Page 1 of 1

DEPT./DIVISION SUBMISSION & REVIEW:

Lacy Borgeson, TRMC, City Secretary

ITEM DESCRIPTION: Consider adopting a resolution ordering an election for May 6, 2017, for the election of the District 2 Councilmember, and the District 3 Councilmember.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: This proposed resolution calls the City's general election for Saturday, May 6, 2017 for the election of the District 2 and District 3 Councilmembers for three year terms. The resolution also sets forth the polling places, early voting procedures, and various other requirements in accordance with State law and the City Charter.

If each candidate for an office that is to appear on the ballot in a particular District is unopposed as of February 22, 2017, the City Council may declare each unopposed candidate elected and cancel the May 6, 2017 general election.

FISCAL IMPACT: Funding in the amount of \$14,800 is appropriated in account 110-1400-511-2517, as part of the City Secretary's budget for the 2017 General Election. All other entities holding joint elections with the City will pay their pro rata share of the total cost of conducting the election.

ATTACHMENTS:

[Resolution](#)

RESOLUTION NO. 2017-8538-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, CALLING AN ELECTION TO BE HELD WITHIN THE CITY FOR THE ELECTION OF DISTRICT 2 AND DISTRICT 3 COUNCILMEMBERS; MAKING PROVISIONS FOR THE CONDUCT OF SAID ELECTION; CONTAINING OTHER PROVISIONS INCIDENT AND RELATED TO THE PURPOSE OF THIS RESOLUTION; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, with regard to the election of District 2 and District 3 Councilmembers, Section 41.001 of the Texas Election Code provides that regular municipal elections shall be held on the second Saturday in May;

Whereas, the laws of the State of Texas and the City of Temple further provide that the Election Code of the State of Texas is applicable to said election, and, in order to comply with said Code, an order should be passed establishing the procedure to be followed in said election and designating the voting places for said election;

Whereas, funds are allocated in the City Secretary's budget for the 2017 General Election – all other entities holding joint elections with the City will pay their pro rata share of the total cost of conducting the election;

Whereas, the City Council has considered the matter and deems it in the public interest to authorize this action.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Part 2: It is hereby ordered that a municipal election be held on Saturday, May 6, 2017, for the purpose of electing two City Councilmembers. One City Councilmember shall be elected by the voters from District 2, and one City Councilmember shall be elected by the voters from District 3.

In each race, the candidate receiving a majority of the votes cast in such election shall be declared elected by the City Council. If none of the candidates receives a majority of the votes cast in a particular race, the City Council shall order a run-off election as provided by the City Charter, at which the two candidates receiving the highest number of votes in the May 6, 2017 election shall stand for election. The candidate receiving the greatest number of votes in the run-off election shall be declared elected by the City Council. Councilmembers shall hold office for a term of three years.

Part 3: Optical scan paper ballots shall be used for early voting, voting by mail and Election Day voting in each polling place, in conjunction with the ES&S Model Precinct Ballot Counter. The ES&S AutoMARK Voter Assist Terminal, which is Help America Vote Act (HAVA) compliant, will also be used for early voting and in each polling place on Election Day. Both systems of voting shall provide privacy for voters while casting their votes in accordance with Section 51.032 of the Texas Election Code. The vote for the election of District 2 and District 3 Councilmembers shall be recorded in such a manner as will permit the voters to cast one vote: one for a candidate from the single member district in which the voter resides.

Part 4: All independent candidates at the election to be held on May 6, 2017, for the above-mentioned Offices, shall file their applications to become candidates with the City Secretary of the City of Temple at the City Secretary's Office, Room 103, first floor of the Municipal Building, 2 North Main Street, Temple, Texas, beginning 108 days before the date of said election, being January 18, 2017, and ending on or before 78 days before the date of said election being February 17, 2017, in compliance with Section 143.007 of the Texas Election Code. No person may, in such election, be a candidate for two positions. All applications shall be sworn to and comply with Section 141.031 of the Election Code. All candidates shall file with said application the loyalty affidavit and statement regarding awareness of the State nepotism statute as required by Article 141.031 of the Election Code.

Part 5: The City Secretary of this City shall, in accordance with the terms and provisions of the Election Code, post in her Office the names of all candidates who have filed their application in accordance with the terms and provisions of this order, and said names shall be posted in a conspicuous place in said Office for at least ten (10) days before said City Secretary orders the same to be printed on the ballot for said election.

Part 6: The election shall be held at the following places in the City for the election called by this resolution:

Early Voting Location

Municipal Building,
2 North Main Street, 1st Floor, Lobby Area
(between Central and Adams)

Election Day

Fred Poteet Building
120 West Central Avenue
(building west of Municipal Building)

Part 7: (a) **Early voting by personal appearance.** Any registered voter is eligible to vote early by personal appearance on weekdays, beginning on April 24, 2017, and ending on May 2, 2017, outside the City Secretary's Office, Room 103 (First Floor), Municipal Building, Temple, Texas. Early Voting will be conducted from 8:00 a.m. to 5:00 p.m. April 24, 2017 through April 28, 2017. During the time period of May 1 and May 2, 2017, Early voting will be conducted from 7:00 a.m. to 7:00 p.m.

(b) **Early voting by mail.** A registered voter is eligible to vote early *by mail* if (1) the voter expects to be absent from the county on election day, and during the regular hours for conducting early voting at the main early voting polling place for the part of the period for early voting by personal appearance remaining after the voter's early voting ballot application is submitted to the early voting clerk, (2) the voter is under a disability that would prevent them from appearing at the polling place on election day, (3) the voter will be 65 years of age or older on election day, or (4) the registered voter is confined in jail at the time the early voting ballot application is submitted.

(1) Applications for ballot by mail shall be mailed to Lacy Borgeson, City Secretary, P.O. Box 207, Temple, Texas 76503, and must be received no later than April 25, 2017, provided that if the sole ground for voting early by mail is that the voter will be out of the county on Election Day.

Part 8: Lacy Borgeson, the City Secretary, is hereby appointed Clerk for early voting, and authorized to appoint by written order one or more persons to assist her as deputy early voting clerks. The early voting clerk shall maintain a roster listing each person who votes early by personal appearance and for each person to whom an early ballot to be voted by mail is sent in accordance with Section 87.121 of the Texas Election Code. The early voting clerk shall perform all other duties required by her by the Texas Election Code.

Part 9: The Mayor shall make proclamation of the May 6, 2017 election and issue, or cause to be issued, all necessary orders, writs and notices for said election and returns of said election shall be made to this the City Council immediately after the closing of the polls. The Mayor is further authorized to give notice of a run-off election if such election is necessary. The City Secretary shall cause notice of this election, in both English and Spanish, to be published and posted in compliance with Texas Election Code Section 4.003(a)(1) and 4.003(b).

Part 10: A copy of this order shall also serve as a Writ of Election which shall be delivered to the Presiding Judges for said election along with the Election Judge's Certificate of Appointment.

Part 11: The City Secretary is hereby authorized and instructed to provide and furnish all necessary election supplies to conduct said election and to comply with Federal, State, and local law and in the conduct thereof.

Part 12: If any section or part of any section, paragraph, or clause of this resolution is declared invalid or unconstitutional for any reason, such declaration shall not be held to invalidate or impair the validity, force, or effect of any other section or sections, part of section, paragraph, or clause of this resolution.

Part 13: This resolution shall take effect immediately from and after its passage, and it is accordingly so ordained.

Part 14: It is hereby officially found and determined that the meeting at which this resolution was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on the **2nd** day of **February, 2017**.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #6
Regular Agenda
Page 1 of 3

DEPARTMENT / DIVISION SUBMISSION & REVIEW:

Dessie Redmond, Planner

ITEM DESCRIPTION: FIRST READING – PUBLIC HEARING - Z-FY-17-07: Consider adopting an ordinance authorizing a rezoning from the Single Family Three-Planned Development zoning district to the General Retail zoning district, on 0.647 +/- acres, Lots 8 & 9 and Part of Lots 10-12 & 18-20, Block 13, Hildell Estates Subdivision, 30 & 50 S. Pea Ridge Road, Temple, Texas.

PLANNING & ZONING COMMISSION RECOMMENDATION: At their January 3, 2017 meeting, the Planning & Zoning Commission voted six to zero to recommend approval of the proposed rezoning as presented by staff.

STAFF RECOMMENDATION: Based on the following compliance factors, staff recommends approval for a rezoning from the SF3-PD zoning district to the GR zoning district:

1. Surrounding zoning and anticipated non-residential development and growth along South Pea Ridge Road and West Adams Avenue;
2. Thoroughfare Plan;
3. Availability of public facilities to serve the subject property.

ITEM SUMMARY: The subject property contains 0.647 +/- acres and is currently undeveloped. There are existing retaining walls that run along the west and north property lines. It is anticipated the property will be developed with non-residential uses, similar to development and growth along South Pea Ridge Road and West Adams Avenue.

The subject property was originally platted in 1962 (attachments: Hildell Estates Final Plat) and not within city limits. At that time, the plat showed the subject property as residential lots and the original alignment of West Adams Avenue. In 1978, Hildell Estates was annexed into the city limits under "A" zoning. The original Master Plan, adopted in 1944, says that "A" zoning was "one-family district" (attachments: 1944 Zoning Map). In 1995, the Planned Development was adopted by Ordinance (attachments: Ordinance 95-2321) and identifies zoning classification for a portion of Hildell Estates subdivision and identifies development and dimensional standards for (1) single family detached homes, (2) industrialized modular homes and (3) mobile homes, which were occupied and existed at the time of ordinance adoption.

In 1999, West Adams Avenue was realigned for the West Temple Community Park (attachments: West Temple Community Park Final Plat). The West Temple Community Park abuts the subject property to the west. With the realignment of West Adams Avenue the properties to the south of the subject property were encompassed for right-of-way (R-O-W) dedication. Currently, the subject property is the SF3-PD zoning district and the applicant is requesting a rezoning to the GR zoning district.

There is an existing 10 foot wide utility easement running north-south that bisects the property, which is also shown on the original plat (attachments: Surveyor's Sketch – Utility Abandonment Request - draft). The property owner has requested a utility easement abandonment. As of Wednesday, December 28, 2016, there were no objections from outside utility providers or city staff. This abandonment request is tentatively scheduled for a consent item agenda at the City Council meeting on January 19, 2017.

Along with the rezoning and abandonment request is a companion re-plat to subdivide the property into two lots (attachments: P-FY-17-04 JDLG Addition Final Plat - draft). Before the platting process can be finalized, the abandonment request must first be approved by Council.

There are other residential and non-residential uses that are permitted in the GR zoning district (attachments: Use Comparison Summary Table)

To the north is an existing residence* and to the south the property abuts West Adams Avenue. To the east is Big Chew Chew's Restaurant and to the west is West Temple Community Park (attachments: Surrounding Properties Summary Table).

*For Reference: This residence was the site of a rezoning request in Fiscal Year 2016 (Z-FY-16-21) located at 18 South Pea Ridge Road. Council approved a rezoning from the SF3-PD zoning district to the Neighborhood Service (NS) zoning district (attachments: Ordinance 2016-4775).

COMPREHENSIVE PLAN (CP) COMPLIANCE: The proposed rezoning relates to the following goals, objectives or maps of the Comprehensive Plan and Sidewalk and Trails Plan. A table summarizing the following discussion is attached: Comprehensive Plan Compliance Summary Table.

Future Land Use Map (CP Map 3.1)

The subject property is within the Suburban Residential character district. This character district is intended for mid-size single-family lots. This request is for future general retail development; therefore, this request is not consistent with the Suburban Residential character district. However, the area lends itself to transitioning into non-residential zoning and uses due to its location south of Georgia Avenue and adjacency to West Adams Avenue and South Pea Ridge Road. If the zoning is approved, the Future Land Use Map will need to be updated.

Thoroughfare Plan (CP Map 5.2)

The subject property is accessed off of South Pea Ridge Road, a proposed collector. If additional R-O-W needs to be dedicated to meet the road standards, this will be addressed with the plat. While not funded, Series Three Transportation Capital Improvement Program (TCIP) improvements to this section of Pea Ridge Road are scheduled for fiscal year 2019.

Temple Trails Master Plan Map and Sidewalks Ordinance

The Trails Master Plan identifies a proposed community wide connector trail that runs along the north boundary of Lot 12 and crosses West Adams Avenue and continues to the south. Trail requirements will be addressed with the plat.

Availability of Public Facilities (CP Goal 4.1)

Sewer is available to the subject property through an existing 10-inch sewer line to the west of the property. Water is available through an existing 14-inch waterline along West Adams Avenue. There are public facilities available to the site; therefore, the request complies with the City's public service capacities.

DEVELOPMENT REGULATIONS: A comparison summary table for non-residential dimensional standards in the SF3-PD & GR zoning districts is located in the (attachments: Non-Residential Dimensional Standards Comparison Table).

PUBLIC NOTICE: Seven property owners within 200 feet of the subject property were sent notice of the public hearing as required by state law and city ordinance. As of Thursday, December 29, 2016, zero returned notices have been received.

The newspaper printed notice of the public hearing on December 22, 2016, in accordance with state law and local ordinance.

FISCAL IMPACT: Not Applicable

ATTACHMENTS:

[Site and Surrounding Property Photos](#)

[Field Notes](#)

[Hilldell Estates Final Plat](#)

[1944 Zoning Map](#)

[Ordinance 95-2321](#)

[West Temple Community Park Final Plat](#)

[Surveyor's Sketch – Utility Abandonment Request - draft](#)

[P-FY-17-04 JDLG Addition Final Plat – draft](#)

[Location Map / Aerial](#)

[Zoning Map / Future Land Use Map](#)

[Thoroughfare & Trails Map / Utility Map](#)

[Notification Map](#)

[Use Comparison Summary Table](#)

[Surrounding Properties Summary Table/Comprehensive Plan Compliance Summary Table / Non-Residential Dimensional Standards Comparison Table](#)

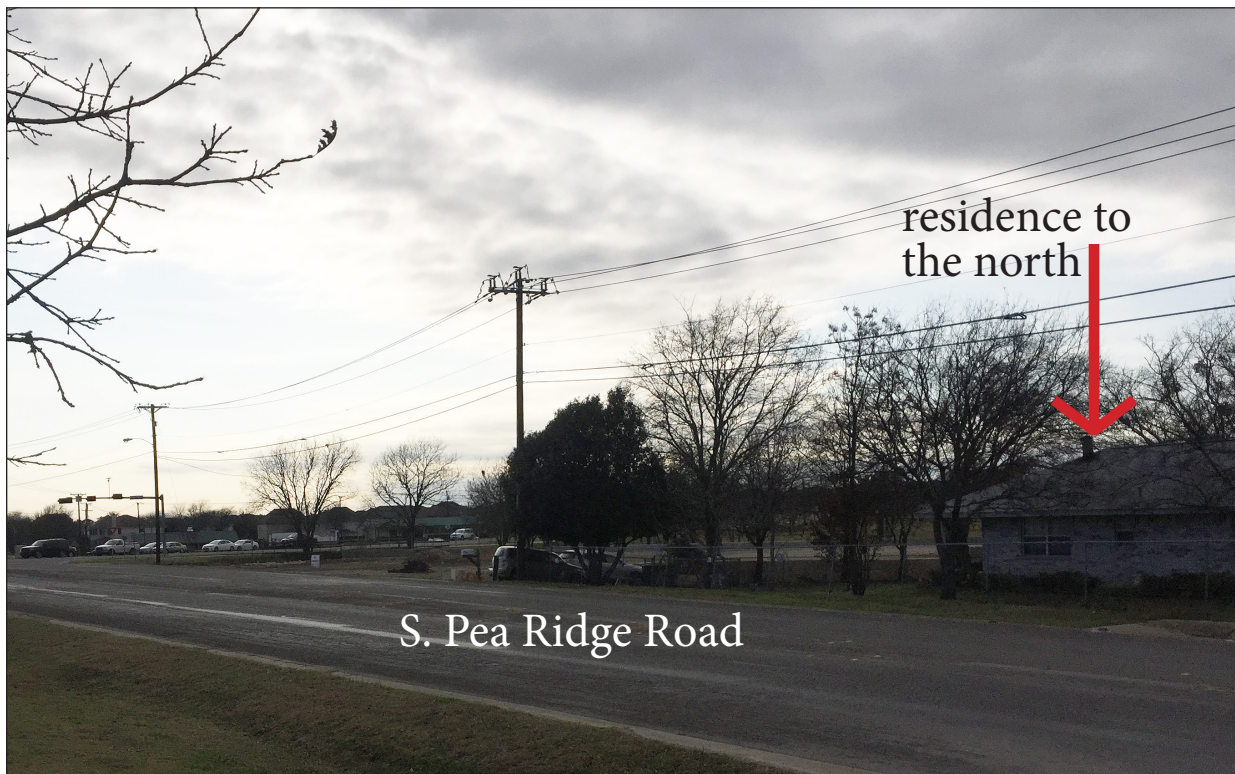
[Ordinance 2016-4775](#)

[Ordinance](#)

Site Photos



Looking north across W. Adams Avenue into the subject property.



Property to the north of subject property (existing residence).

Site Photos



Looking south across the subject property towards W. Adams Avenue.



Property to the west (West Temple Community Park).

Site Photos



Property to the east (Big Chew Chew's).

FIELD NOTES PREPARED BY ALL COUNTY SURVEYING, INC.

November 22, 2016

Surveyor's Field Notes for:

0.647 ACRE, situated in the **B. ROBERTSON SURVEY, ABSTRACT 17**, Bell County, Texas, being all of Lots 8 and 9 and a portion of Lots 10, 11, 12, 18, 19 and 20, Block 13 of Hildell Estates, an addition in the City of Temple, Bell County, Texas of record in Cabinet A, Slide 210-A, Plat Records of Bell County, Texas, and being more particularly described as follows:

BEGINNING at a 3/8" iron rod found on the west right of way of Pea Ridge Road, Being the northeast corner of said Lot 8, same being the southeast corner of Lot 7 of said Block 13, for the northeast corner of this tract;

THENCE in a southerly direction, with the east line of said Block 13, same being the west right of way of Pea Ridge Road, the following two (2) courses and distances:

- 1) **S. 16° 41' 22" W., 149.89 feet**, to a 1/2" iron rod with "Tibbit" cap found, being the southeast corner of said Lot 10, same being the northeast corner of said Lot 11, for a corner of this tract;
- 2) **S. 16° 45' 56" W., 28.87 feet**, to a concrete TxDot monument found on the north right of way of F. M. 2305 (West Adams Avenue) (*Vol. 3288, Page 323*), for the southeast corner of this tract;

THENCE in a southwesterly direction, with the north right of way of F. M. 2305, **S. 71° 56' 44" W., 64.98 feet**, (*R.O.W. S. 71° 43' 15" W.*), to a calculated point, for the southwest corner of this tract;

THENCE in a northwesterly direction, over and across said Block 13, **N. 20° 32' 56" W., 270.42 feet**, to a calculated point on the north line of said Lot 20, same being the south line of Lot 21 of said Block 13, for the northwest corner of this tract;

THENCE in an easterly direction, with the north line of said Lot 20, same being the south line of said Lot 21, **S. 73° 29' 33" E., 107.60 feet**, to a 3/4" iron pipe found, being a common corner of said Lots 20, 21, 7 and 8, for a corner of this tract;

THENCE continuing in an easterly direction, with the north line of said Lot 8, same being the south line of said Lot 7, **S. 73° 23' 46" E., 109.47 feet**, to the **POINT OF BEGINNING** and containing 0.647 Acre of Land.

This project is referenced to the City of Temple Coordinate System, NAD 83, Texas Central Zone. All distances are horizontal surface distances unless noted and all bearings are grid bearings. All coordinates are referenced to City Monument No. 3. The theta angle at City Monument No. 3 is $01^{\circ}31'42''$. The combined correction factor (CCF) is 0.999847. Grid distance = Surface distance X CCF. Geodetic north = Grid north + theta angle. Published City coordinates for City Monument No. 3 are N.= 10,368,408.89 E.= 3,225,333.77 Reference tie from City Monument No. 3 to the northeast corner of this 0.647 acre tract is N $53^{\circ}53'59''$ W 24994.22 feet.

This document is not valid for any purpose unless signed and sealed by a Registered Professional Land Surveyor.

Surveyed October 6, 2016

ALL COUNTY SURVEYING, INC.

1-800-749-PLAT

Tx. Firm Lic. No. 10023600

server/projects/pro160000/16700/160787/160787 Zoning.doc



Charles C. Lucko
Registered Professional Land Surveyor
Registration No. 4636

[illegible]

SINGLE ACKNOWLEDGEMENT

THE STATE OF TEXAS,
COUNTY OF **BELL,**

BEFORE ME, the undersigned authority, on this _____ day of _____, 20____, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, acknowledged to me that he executed the same for the purposes and consideration therein expressed.

My commission expires _____.

known to him to be the person who carried the same type of information to the FBI.

COUNTRY OF BELGIUM Before Me, the undersigned authority, a
formerly approved Charles M. PUGHS, witness
person whose name is subscribed to the foregoing instrument and that
that he executed the same for the purpose and consideration there
Witness my hand and seal of office this 4th day of February, 196

Notary Public, McLennan County, Texas

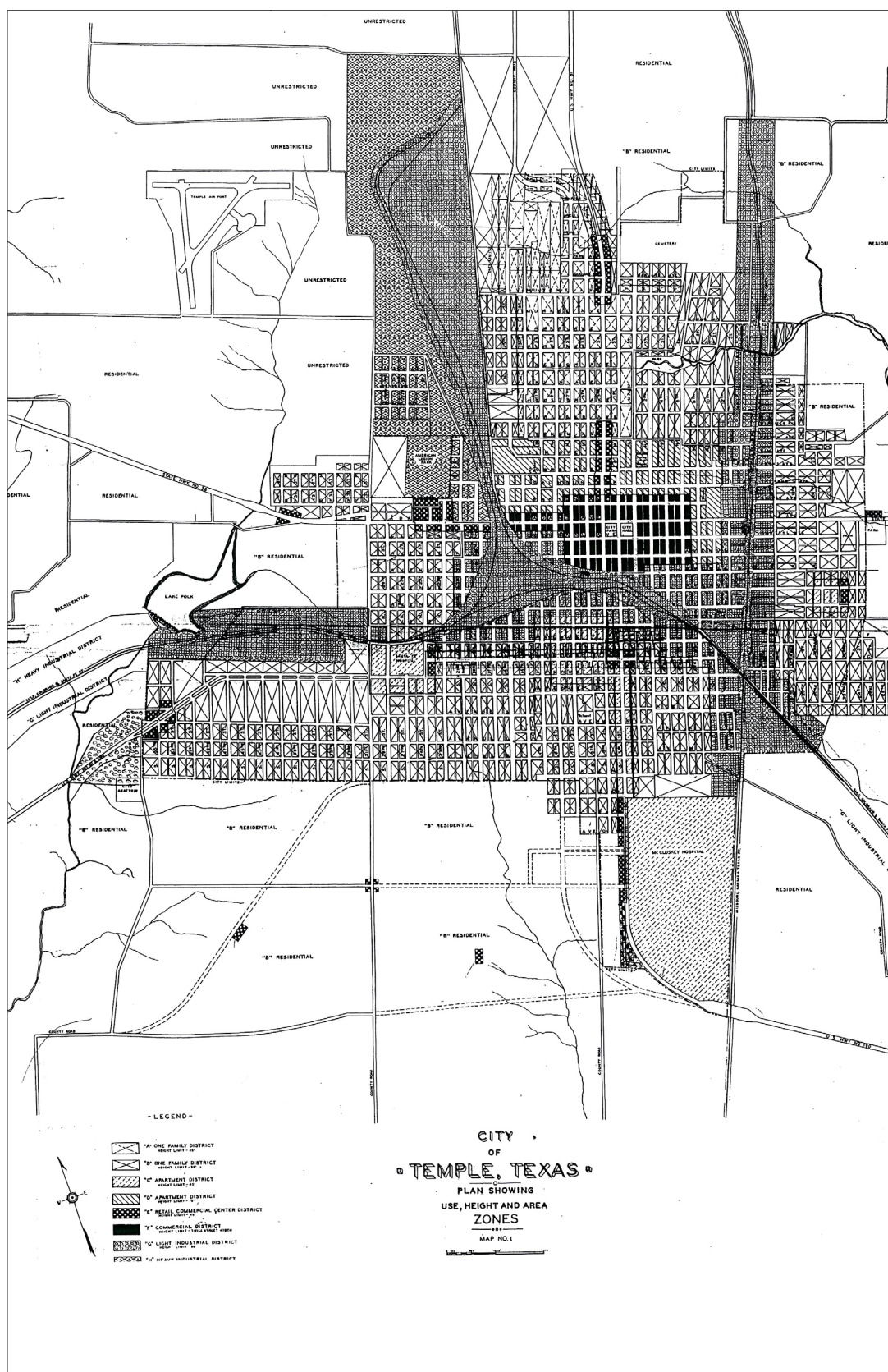
1. *Chlorophyll a* and *b* were determined in 100% methanol extracts of *Chlorella* cells by the method of Lichtenthaler and Whistler (1973). The optical density of the extracts was measured at 663 nm and 646 nm. The concentrations of *a* and *b* were calculated from the optical density values using the following equations: $\text{Chl } a = 11.85 \times \text{OD}_{663} - 1.54 \times \text{OD}_{646}$ and $\text{Chl } b = 21.07 \times \text{OD}_{646} - 5.10 \times \text{OD}_{663}$. The concentrations of *a* and *b* were expressed as $\mu\text{g mL}^{-1}$ of the culture medium.

This is to certify that the attached sketch was presented
 approval for record to the City Planning & Zoning Board on
 the 17th day of January, 1962. No action was taken.

COUNTY OF SELL This is to certify that the attached sketch is hereby
Approved for record by the Commissioners Court of said
County at its meeting on the day of
1982.



Hilldell Estates Final Plat



1944 Zoning Map

ORDINANCE NO. 95-2321

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, APPROVING A CITY-INITIATED ZONING CHANGE FROM AGRICULTURAL DISTRICT TO PLANNED DEVELOPMENT DISTRICT FOR RESIDENTIAL USE IN THE HILDELL ESTATES SUBDIVISION, LOCATED AT THE NORTHWEST CORNER OF THE INTERSECTION OF PEA RIDGE ROAD AND FM 2305, WITH MODIFIED BASE ZONING DISTRICTS--SINGLE FAMILY-3, MOBILE HOME AND AGRICULTURAL, TO ALLOW: (1) SINGLE FAMILY DETACHED HOMES; (2) INDUSTRIALIZED/MODULAR HOMES; AND/OR (3) MOBILE HOMES UNDER CERTAIN CONDITIONS; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, on January 23, 1995, the Planning and Zoning Commission approved the City-initiated zoning change from Agricultural District to Planned Development District for residential use in the Hildell Estates Subdivision, located at the corner of the intersection of Pea Ridge Road and FM 2305, with modified base zoning districts--Single Family-3, Mobile Home and Agricultural, to allow: (1) single family detached homes, (2) industrialized/modular homes, and/or (3) mobile homes under certain conditions; and

Whereas, consistent with the Comprehensive Plan, surrounding zoning conditions and proposed uses, the Staff recommends approval of this zone change.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:

Part 1: The zoning classification of a portion of the Hildell Estates Subdivision, described as:

Block 1	Block 11
Block 2	Block 12, Lots 11-16
Block 3	Block 13
Block 4	Block 15
Block 5, Lots 1-16	Block 16
Block 6	Block 19, Lots 1-20
Block 7, Lots 12-21	Block 20
Block 8	
Block 9, Lots 12-21	
Block 10	

located at the northwest corner of the intersection of Pea Ridge Road and FM 2305, more fully shown on Exhibit "A," attached hereto and made a part hereof for all purposes, is changed from Agricultural District to Planned Development District for residential use in the Hildell Estates Subdivision

Part 2: The use and development of this property shall conform in all respects to the Single Family-3 District, except as conditioned below.

A. Single family detached homes are allowed and may be built under the following conditions:

- (1) A minimum of 3 lots, 50 feet by 110 feet, for a total of 16,500 square foot minimum shall be assembled for any new construction (TRACT).

- (2) Septic tank permits must be authorized by Bell County.
- (3) Adequate public water supply must be available and adequate to serve the site.
- (4) Tract must be located on or adjacent to a publicly improved and maintained street.
- (5) Tax delinquency on the tract must be cleared prior to the issuance of the building permit.
- (6) Site development standards shall conform in all respects to a SF-3 base zoning district, with dimensions measured from the "TRACT" boundary with the exception that the minimum front yard setback shall be 20 feet.

B. Industrialized Modular homes are allowed by right and may be built under the following conditions:

- (1) A minimum of 3 lots, 50 feet by 110 feet, for a total of 16,500 square foot minimum shall be assembled for any new construction (TRACT).
- (2) Septic tank permits must be authorized by Bell County.
- (3) Adequate public water supply must be available and adequate to serve the site.
- (4) Tract must be located on or adjacent to a publicly improved and maintained street.
- (5) Tax delinquency on the tract must be cleared prior to the issuance of the building permit.
- (6) Site development standards shall conform in all respects to a SF-3 base zoning district, with dimensions measured from the "TRACT" boundary with the exception that the minimum front yard setback shall be 20 feet.

C. Mobile homes existing and occupied on the effective date of this rezoning are nonconforming uses, which are subject to the restrictions on nonconforming uses provided in the Zoning Ordinance, except that during the five (5) year period following adoption of this ordinance a building permit shall be authorized for replacement of an existing mobile home with another mobile home under the following conditions:

- (1) A minimum of 3 lots, 50 feet by 110 feet, for a total of 16,500 square foot minimum shall be assembled for any new construction (TRACT).
- (2) Septic tank permits must be authorized by Bell County.
- (3) Adequate public water supply must be available and adequate to service the site.
- (4) Tract must be located on or adjacent to a publicly improved and maintained street.
- (5) Tax delinquency on the tract must be cleared prior to the issuance of the building permit.
- (6) Site development standards shall conform in all respects to a SF-3 base zoning district, with dimensions measured from the "TRACT" boundary with the exception that the minimum front yard setback shall be 20 feet.
- (7) The replacement mobile home must be inspected and meet state specifications for mobile homes used as dwellings.
- (8) The replacement mobile home must be placed on a permanent foundation and have the axle and tongue removed.

D. No modifications of the City's minimum housing standards are adopted for this property.

Part 3: The Director of Planning is hereby directed to make the necessary changes to the City Zoning Map accordingly.

Part 4: If any provision of this ordinance or the application of any provision to any person or circumstance is held invalid, the invalidity shall not affect other provisions or

applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

Part 5: This ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 6: It is hereby officially found and determined that the meeting at which this Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading on the **2nd** day of **February**, 1995.

PASSED AND APPROVED on Second Reading on the **16th** day of **February**, 1995.

PASSED AND APPROVED on Third Reading on the **2nd** day of **March**, 1995.



ATTEST:

Clydette Entzminger
Clydette Entzminger
City Secretary

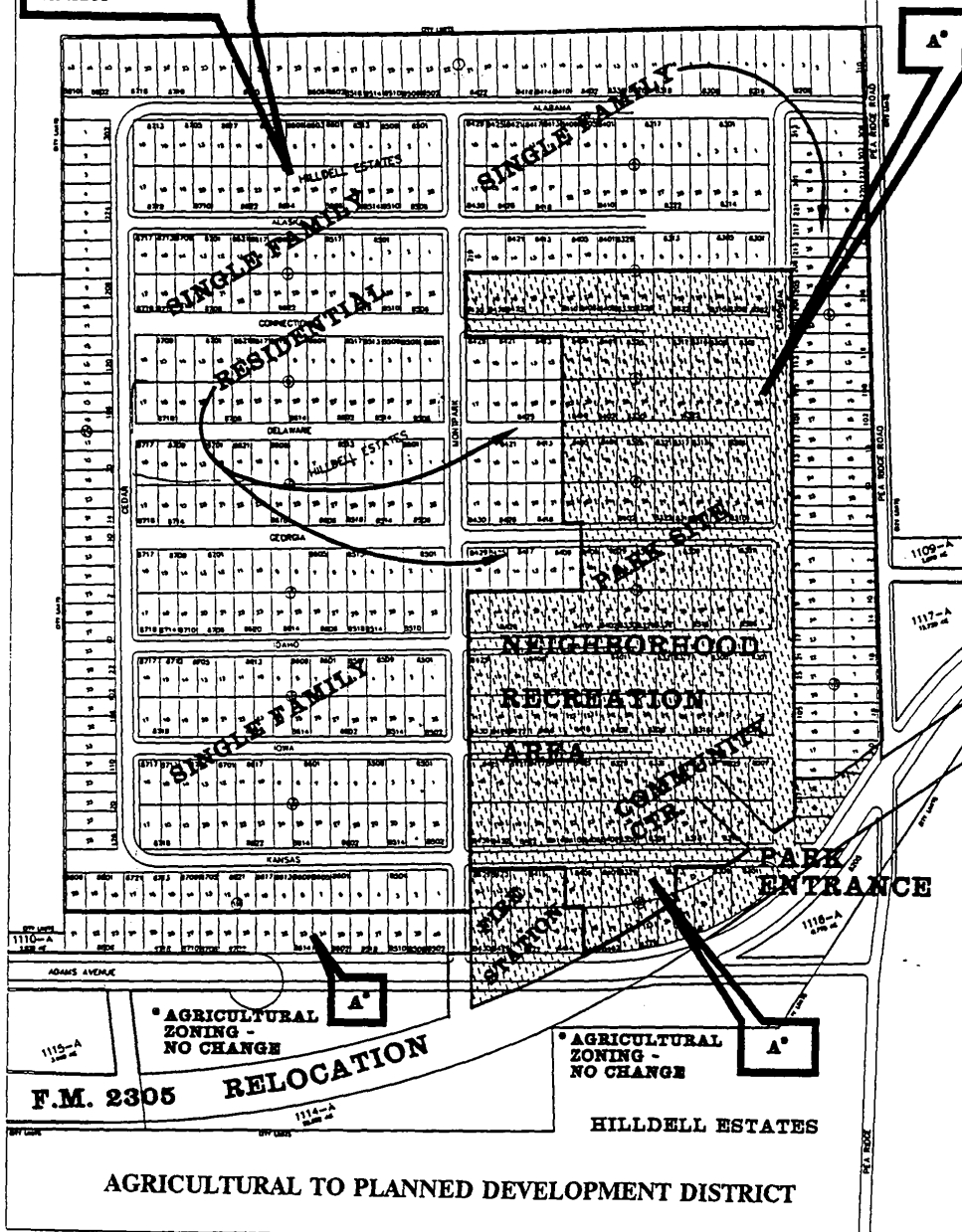
THE CITY OF TEMPLE, TEXAS

J. W. Perry
J. W. PERRY, Mayor

APPROVED AS TO FORM:

Jonathan Graham
Jonathan Graham
City Attorney

RECOMMENDED ZONING PLAN

AGRICULTURAL TO
PLANNED DEVELOPMENT
DISTRICTHILDELL ESTATES
COMPREHENSIVE ZONING PLAN* AGRICULTURAL
ZONING -
NO CHANGE

F.M. 2305

RELOCATION

HILDELL ESTATES

AGRICULTURAL TO PLANNED DEVELOPMENT DISTRICT



SCALE : 1" = 400'

CITY OF TEMPLE

PUBLIC WORKS : ENGINEERING DEPARTMENT
MUNICIPAL BUILDING

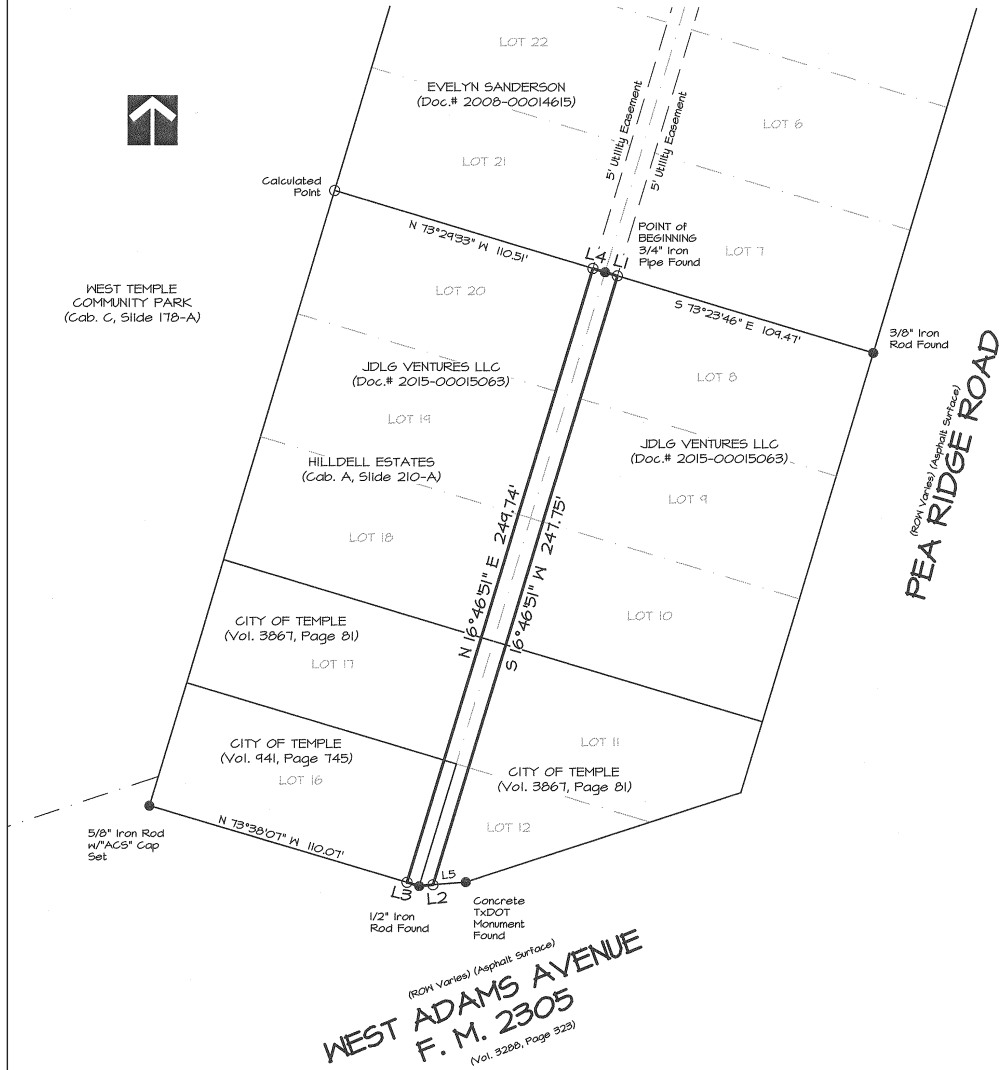
TEMPLE, TX. 76501

HILDELL ESTATES

UTILITY EASEMENT ABANDONMENT

Survey showing 0.057 ACRE, being a portion of LOTS 8-12 and 16-20, BLOCK 13, of HILDELL ESTATES, an addition in the City of Temple, Bell County, Texas, according to the plat of record in Cabinet A, Slide 210-A, Plat Records of Bell County, Texas.

This sketch to accompany a metes and bounds description of the hereon shown 0.057 Acre tract.



○ Denotes calculated point

LINE	BEARING	DISTANCE
L1	S 73°23'46\" E	5.00'
L2	S 85°04'08\" W	5.38'
L3	N 73°38'07\" W	5.00'
L4	S 73°29'33\" E	5.00'
L5	N 85°04'08\" E	12.88'

This project is referenced to the City of Temple Coordinate System, NAD 83, Texas Central Zone. All distances are horizontal surface distances unless noted and all bearings are grid bearings. All coordinates are referenced to City Monument No. 3. The theta angle at City Monument No. 3 is 01°51'42\". The combined correction factor (CCF) is 0.999847. Grid distance = Surface distance X CCF. Geodetic north = Grid north + theta angle. Published City coordinates for City Monument No. 3 are N = 10368,408.84 E = 3,225,333.77 Reference tie from City Monument No. 3 to the angle corner on the north line of this 0.057 acre tract is N 53°54'00\" W 25047.44 FEET.

This document is not valid for any purpose unless signed and sealed by a Registered Professional Land Surveyor.

ACS
ALL COUNTY SURVEYING, INC.
1303 South 21st Street
Temple, Texas 76504
254-778-2212 Killeen 254-634-4636
Fax 254-714-7608
Tx. Firm Lic. No. 10023600



Revised 12-19-16-Ownership

Survey completed: 10-06-2016

Scale: 1\" = 40'

Job No.: 160787.2

Dwg No.: 160787 Aband

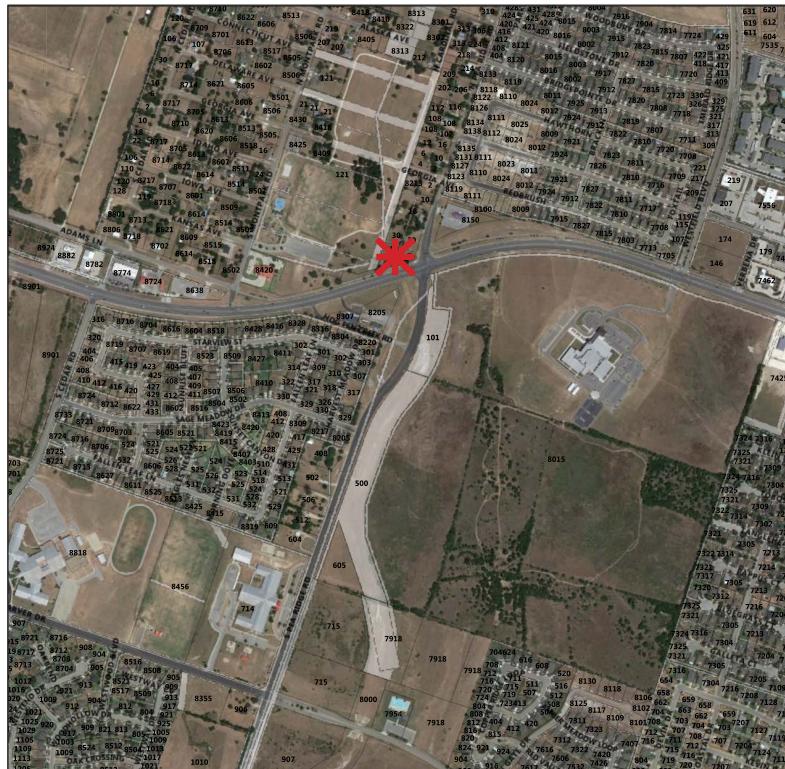
Drawn by: MDH

Surveyor: BWS #5027

Copyright 2016 All County Surveying, Inc.

Plot Date: 12-18-2016

Surveyor's Sketch - Utility Abandonment Request - draft



SF3-PD to GR

Location Map

Zoning Case:

Z-FY-17-07

Address:

30 & 50 S. Pea Ridge Road

GIS products are for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. They do not represent an on-the-ground survey and represent only the approximate relative location of property boundaries and other features.

dredmond

Date: 12/15/2016



Location Map



SF3-PD to GR

AERIAL

Zoning Case:

Z-FY-17-07

Address:

30 & 50 S. Pea Ridge Road

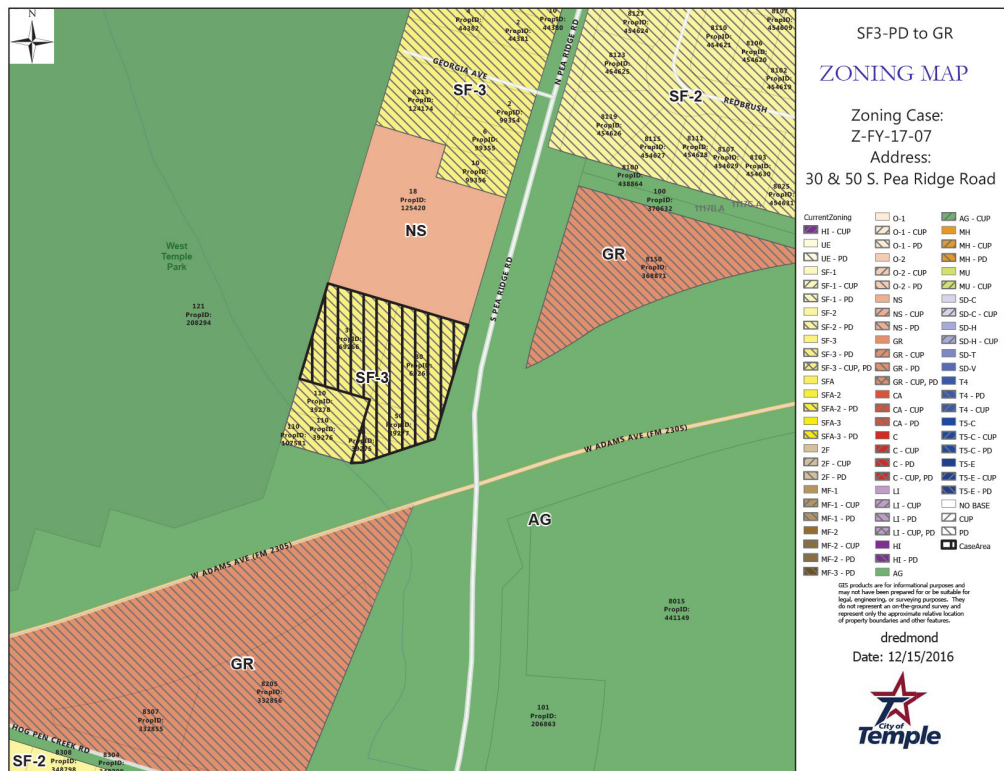
GIS products are for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. They do not represent an on-the-ground survey and represent only the approximate relative location of property boundaries and other features.

dredmond

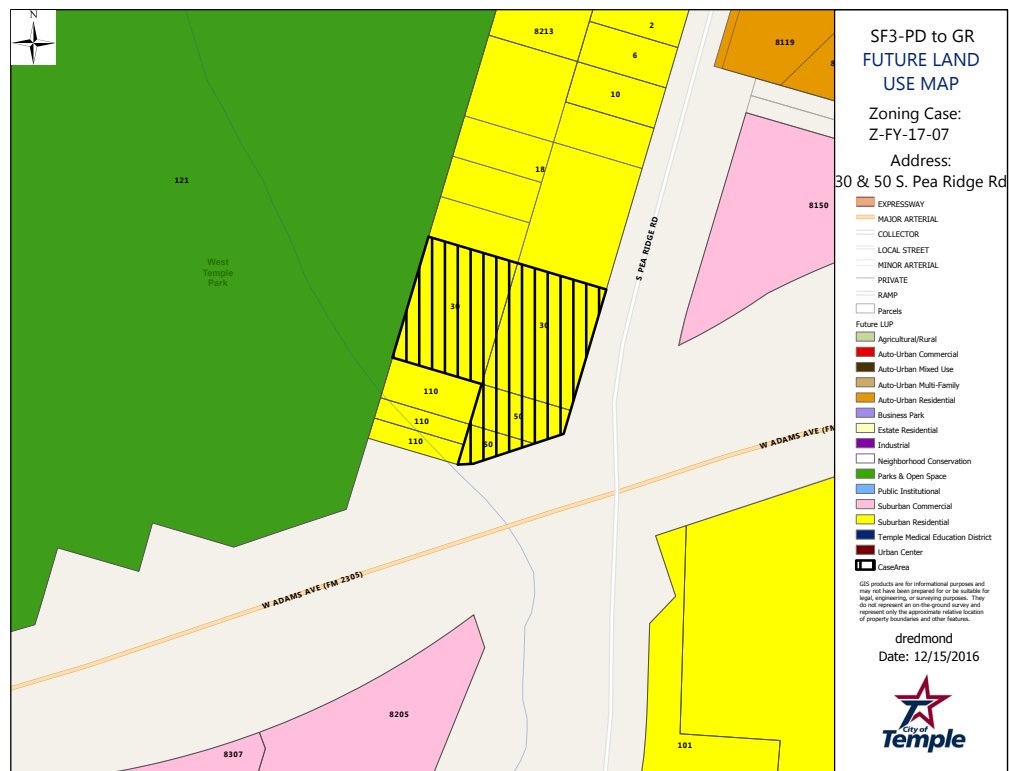
Date: 12/15/2016



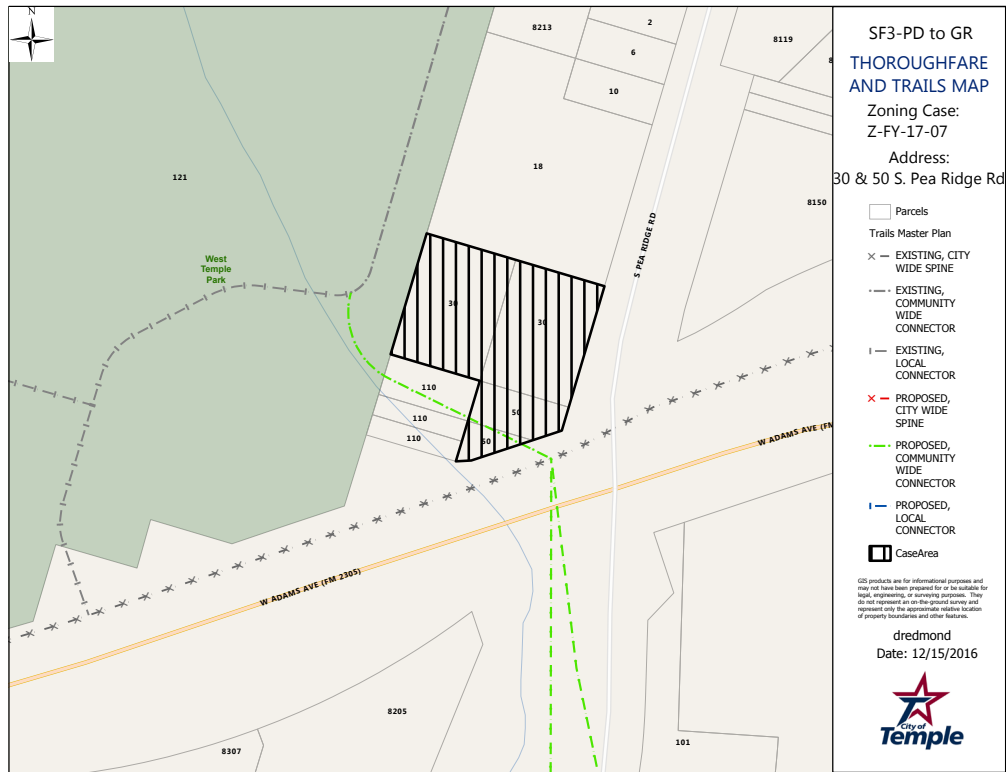
Aerial



Zoning Map



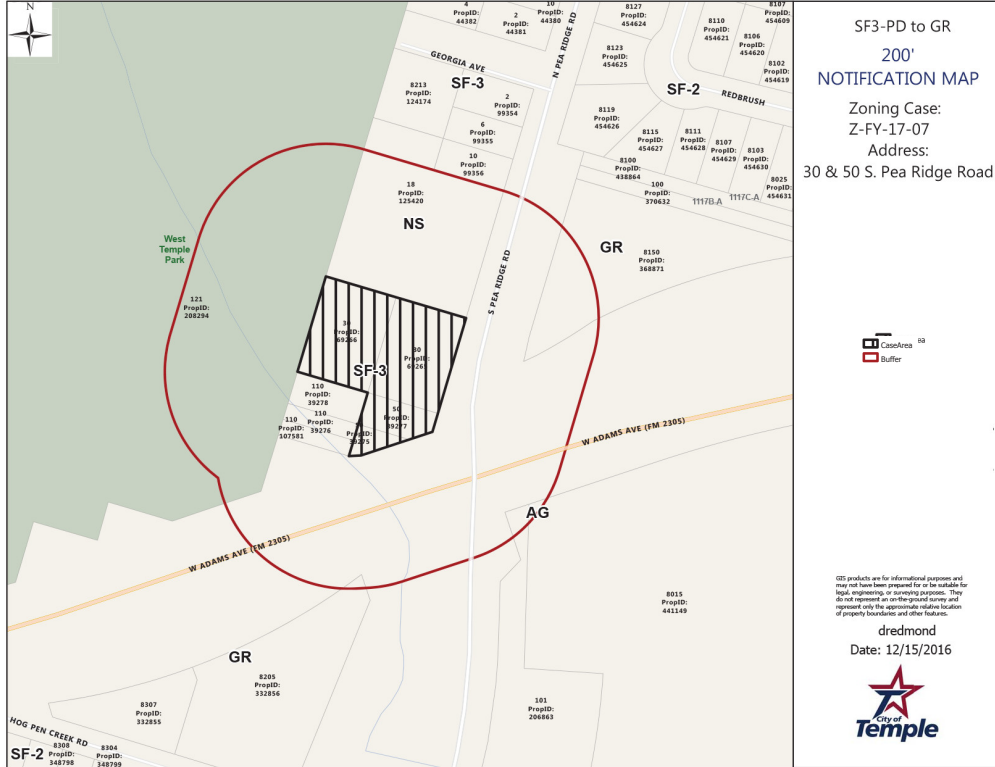
Future Land Use Map



Thoroughfare & Trails Master Plans



Utility Map



Notification Map

Use Comparison Summary Table

	Existing SF3	Proposed GR
Residential Uses	Single-family detached dwelling Zero lot line dwelling	Boarding or rooming house *Family or group home Home for the aged Two-family dwelling (duplex)
Agricultural Uses	Farm, ranch, orchard	Farm, ranch, orchard *Kennel without veterinary hospital
Commercial Uses	none	Flea market (indoors) Print shop Plumbing shop Upholstery shop
Education & Institutional Uses	*Child care: group day care home *Community Center Place of Worship	Place of worship *Transitional shelter Art gallery or museum *Emergency shelter
Industrial Uses	none	Laboratory medical, dental, scientific or research Recycling collection location (L)
Office Uses	none	Office *Warehouse office
Overnight Accommodations	none	Hotel or motel *Recreational vehicle park
Entertainment Uses	Park or playground *Playfield or stadium	Alcoholic beverage sales for on premise consumption - beer and wine only less than 75% revenue from alcohol Country club Roller or ice rink
Restaurant Uses	none	Restaurant (drive-in and not drive- in)
Retail & Service Uses	none	Most retail and service uses
Transportation Uses	none	Emergency vehicle service Parking lot or structure
Utility & Service Uses	Fire station *Utility and service uses	Radio or television tower Shop yard
Vehicle Service Uses	none	Auto leasing, rental Car wash Fuel sales (L) Vehicle servicing, minor (L)

*Conditional Use Permit required
(L) Permitted by Right Subject to Limitations

Surrounding Properties Summary Table

Direction	FLUM	Zoning	Current Land Use
Site	Suburban Residential	SF3-PD	vacant
North	Suburban Residential	NS	existing residence
South	major arterial	n/a	major arterial
West	Parks & Open Space	AG	West Temple Park
East	Suburban Commercial	GR	Big Chew Chew's

Comprehensive Plan Compliance Summary Table

Document	Policy, Goal, Objective or Map	Compliance?
CP	Map 3.1 - Future Land Use Map	No
CP	Map 5.2 - Thoroughfare Plan	Yes
CP	Goal 4.1 - Growth and development patterns should be consistent with the City's infrastructure and public service capacities	Yes
UDC	Surrounding zoning and anticipated non-residential development and growth along S. Pea Ridge Road and W. Adams Avenue	Yes

CP = Comprehensive Plan STP = Sidewalk and Trails Plan

**Non-Residential Dimensional
Standards Comparison**

	Existing SF3	Proposed GR
Minimum Lot Size	n/a	n/a
Minimum Lot Width	n/a	n/a
Minimum Lot Depth	n/a	n/a
Front Setback	15 ft	15 ft
Side Setback	20 ft	10 ft
Side Setback (corner)	15 ft	10 ft
Rear Setback	10 ft	0*
Max Building Height	2.5 stories	3 stories

* = See Section 4.4 Measurements & Special Cases

ORDINANCE NO. 2016-4775

(PLANNING NO. Z-FY-16-21)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A REZONING FROM SINGLE FAMILY THREE PLANNED DEVELOPMENT DISTRICT TO NEIGHBORHOOD SERVICE DISTRICT ON LOTS 4-7 AND LOTS 21-25, BLOCK 13, HILDELL ESTATES, LOCATED AT 18 SOUTH PEA RIDGE ROAD; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:

Part 1: The City Council approves a rezoning from Single Family Three Planned Development District to Neighborhood Service District on Lots 4-7 and Lots 21-25, Block 13, Hilldell Estates, located at 18 South Pea Ridge Road, as outlined in the map attached hereto as Exhibit 'A,' and made a part hereof for all purposes.

Part 2: The City Council directs the Director of Planning to make the necessary changes to the City Zoning Map.

Part 3: It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such phrase, clause, sentence, paragraph or section.


Part 4: This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 5: It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading and Public Hearing on the **2nd** day of **June**, 2016.

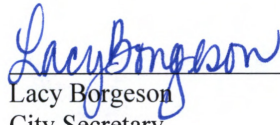
PASSED AND APPROVED on Second Reading on the 16th day of **June**, 2016.

THE CITY OF TEMPLE, TEXAS



DANIEL A. DUNN, Mayor

ATTEST:



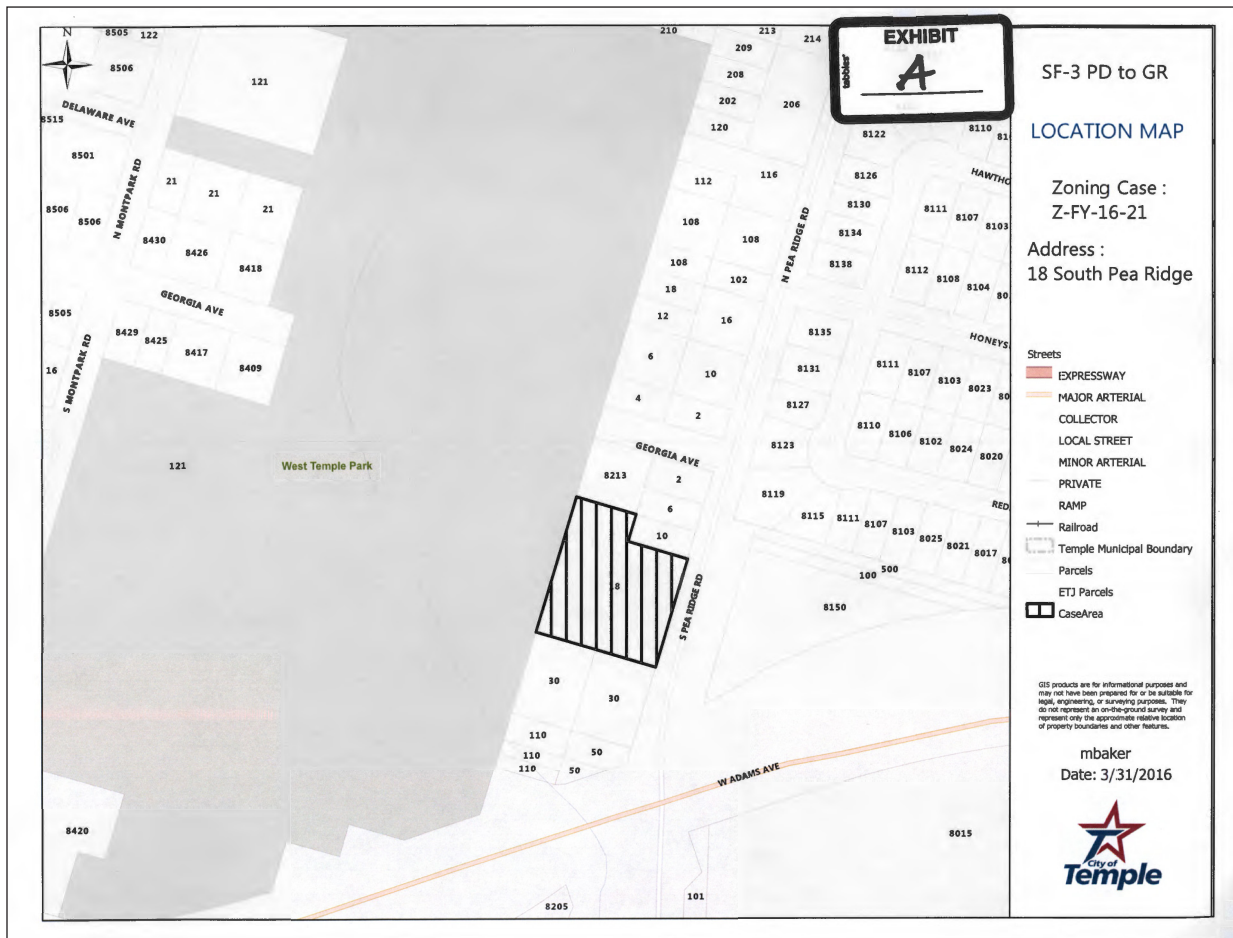
Lacy Borgeson
City Secretary



APPROVED AS TO FORM:



Kayla Landeros
City Attorney



ORDINANCE NO. 2017-4825
(Z-FY-17-07)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A REZONING FROM SINGLE FAMILY THREE-PLANNED DEVELOPMENT ZONING DISTRICT TO GENERAL RETAIL ZONING DISTRICT, ON APPROXIMATELY 0.647 ACRES OF LOTS 8 AND 9 AND PART OF LOTS 10 THROUGH 12 AND 18 THROUGH 20, BLOCK 13, HILDELL ESTATES SUBDIVISION, LOCATED AT 30 AND 50 SOUTH PEA RIDGE ROAD, TEMPLE, TEXAS; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:

Part 1: The City Council approves a rezoning from Single Family Three-Planned Development zoning district to General Retail zoning district, on approximately 0.647 acres of lots 8 and 9 and part of lots 10 through 12 and 18 through 20, block 13, Hilldell Estates Subdivision, located at 30 and 50 South Pea Ridge Road, Temple, Texas, as outlined in the map attached hereto as Exhibit 'A,' and made a part hereof for all purposes.

Part 2: Staff recommends approval of a rezoning from Single Family Three-Planned Development zoning district to General Retail zoning district.

Part 3: The City Council directs the Director of Planning to make the necessary changes to the City Zoning Map.

Part 4: It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such phrase, clause, sentence, paragraph or section.

Part 5: This Ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 6: It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading and Public Hearing on the **2nd** day of **February**, 2017.

PASSED AND APPROVED on Second Reading on the **16th** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #7
Regular Agenda
Page 1 of 2

DEPT./DIVISION SUBMISSION & REVIEW:

Tammy Lyerly, Senior Planner

ITEM DESCRIPTION: FIRST READING – PUBLIC HEARING - Z-FY-17-08: Consider adopting an ordinance authorizing a rezoning from Commercial to Multi-Family Two on 34.80 +/- acres, situated in the Maximo Moreno Survey, Abstract 14, Bell County, Texas, located between South 5th Street and Lowes Drive.

PLANNING AND ZONING COMMISSION RECOMMENDATION: At its January 3, 2017, meeting the Planning and Zoning Commission voted six to zero to recommend approval of the requested rezoning from Commercial (C) to Multi-Family Two (MF-2).

STAFF RECOMMENDATION: Staff recommends approval of the requested rezoning from Commercial (C) District to Multi-Family Two (MF-2) District for the following reasons:

1. Compliance with surrounding zoning and land uses;
2. Compliance with the Thoroughfare Plan; and
3. Compliance with availability of public facilities to serve the subject property

ITEM SUMMARY: The applicant requests this rezoning from Commercial (C) to Multi-Family Two (MF-2) to allow future multiple family development. The applicant has indicated he is considering a mix of multi-family uses, as well as other residential uses. Although the current Commercial zoning district allows several types of single-family and multi-family uses, such as duplexes, it does not allow apartments.

The purpose of the MF-2 zoning district is to allow more modest sized dwelling units and an increased number of units within the multifamily complex. Maximum density is 20 units per acre in buildings 3 to 4 stories. The MF-2 zoning district provides more modest sized dwelling units within the multifamily complex. This district should be designed for a higher density use of the land with the amenities and facilities, such as a major thoroughfare, parks, transit, and utilities close by and adequate for the volume of use. The MF-2 zoning district allows most residential uses, except for manufactured homes. It also allows some residential support uses such as school and places of worship.

COMPREHENSIVE PLAN COMPLIANCE: The proposed rezoning relates to the following goals, objectives or maps of the Comprehensive Plan and Sidewalk and Trails Plan:

Future Land Use and Character Plan (FLUP) (CP Map 3.1)

The subject property is within the **Auto-Urban Commercial**, **Suburban Commercial**, and **Parks & Open Space** character districts of the *Choices '08* City of Temple Comprehensive Plan. The applicant's requested MF-2 District does not comply with these character districts, but it does appear compatible with the surrounding uses, especially with the **Barrington Suites & Apartments** to the north on South 13th Street and with the **Encore Landing Apartment Homes** to the south along Marlandwood Road.

Thoroughfare Plan (CP Map 5.2) and Temple Trails Master Plan Map and Sidewalk Ordinance

The entrance into the subject property is from South 13th Street, a local street. Multiple Family developments are appropriate along local streets. A small portion of the subject property fronts the frontage road along SW H.K. Dodgen Loop (Loop 363) at its intersection with Friar's Creek. It appears ingress/egress into the subject property is limited. Staff anticipates discussing additional thoroughfare options during the future platting process for the subject property.

Availability of Public Facilities (CP Goal 4.1)

An existing 8-inch water line is located within the South 13th Street right-of-way at the property's frontage and an existing 6-inch water line along the subject property's west boundary near the Lowes Store. Existing sewer lines are located within the west right-of-way of South 13th Street and within the subject property's east boundary along Friar's Creek.

Proposed City Council Meeting Schedule

This item is tentatively scheduled for a City Council public hearing (first reading) on February 2, 2017. The second reading of City Council is tentatively scheduled for February 16, 2017.

PUBLIC NOTICE: Twenty-One notices of the Planning and Zoning Commission public hearing were sent out to property owners within 200-feet of the subject property as required by State law and City Ordinance. As of Monday, January 23, 2017, four notices have been received in favor of the proposed rezoning and no notices have been returned in opposition to the proposed rezoning.

The newspaper printed notice of the public hearing on December 22, 2016, in accordance with state law and local ordinance.




FISCAL IMPACT: Not Applicable




ATTACHMENTS:




[Site and Surrounding Property Photos](#)
[Location map with Aerial](#)
[Zoning Map](#)
[Future Land Use and Character Map](#)
[Thoroughfare Map](#)
[Utility Map](#)
[Notification Map](#)
[Development Regulations](#)
[Surrounding Property and Uses](#)
[Comprehensive Plan Compliance](#)
[Notification Response Letters](#)
[Ordinance](#)




SURROUNDING PROPERTY AND USES:


The following table shows the subject property, existing zoning and current land uses:

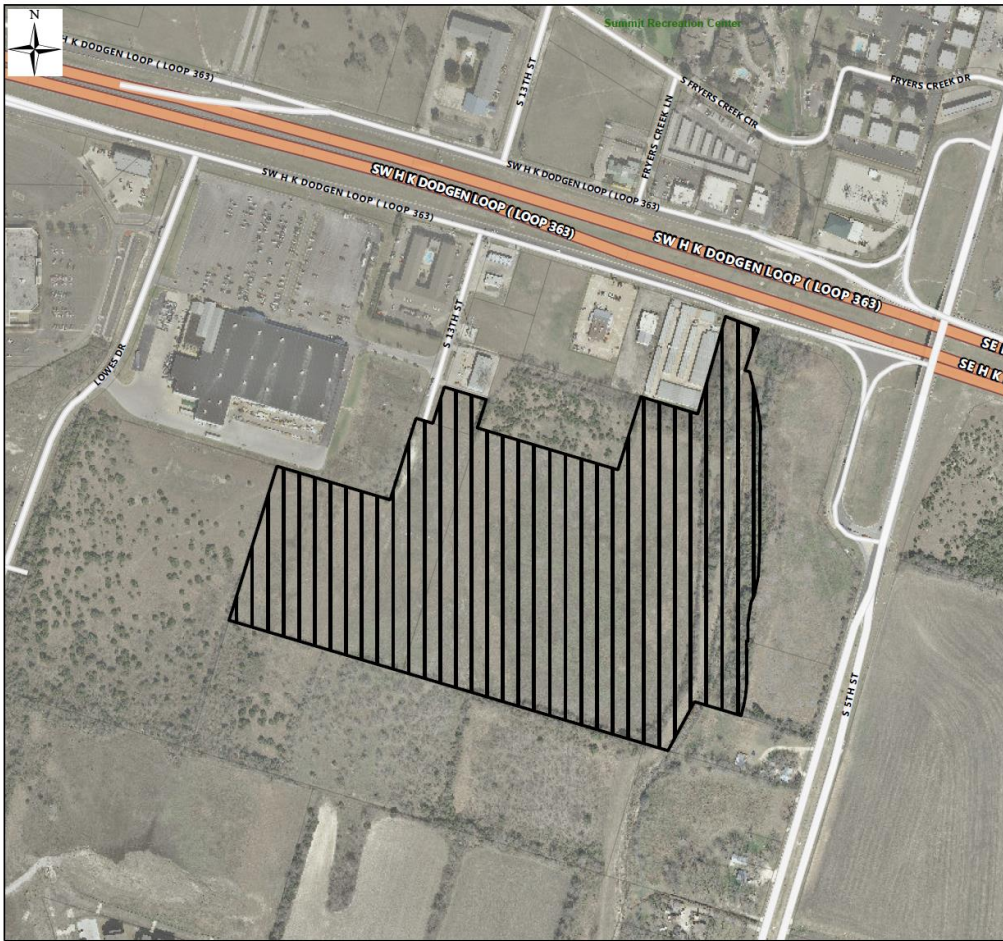
Direction	Zoning	Current Land Use	Photo
Subject Property	C	Undeveloped Property	
			
			

Direction	Zoning	Current Land Use	Photo
East	C	Undeveloped Property, Office, & Personal Service	
			
			

Direction	Zoning	Current Land Use	S 5 th St Photo
West	C	Retail & Undeveloped Property	
			
South	C and SF-1	Undeveloped Property & Personal Service	

Direction	Zoning	Current Land Use	Photo
			
North	C	Retail, Commercial & Freeway	
			

Direction	Zoning	Current Land Use	Photo
			



C to MF-2

AERIAL MAP

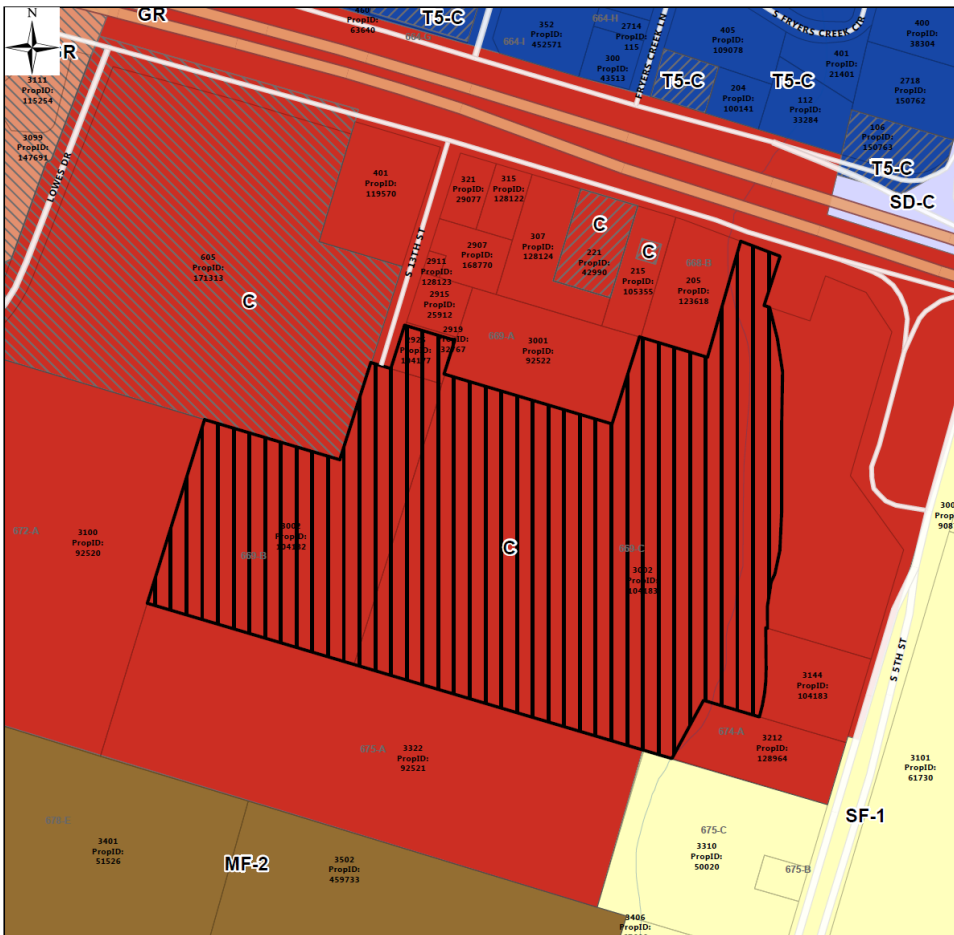
Zoning Case :
Z-FY-17-08

- Streets
- EXPRESSWAY
 - MAJOR ARTERIAL
 - COLLECTOR
 - LOCAL STREET
 - MINOR ARTERIAL
 - PRIVATE
 - RAMP
 - Railroad
 - Temple Municipal Boundary
 - Parcels
 - ETJ Parcels
 - CaseArea

GIS products are for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. They do not represent an on-the-ground survey and represent only the approximate relative location of property boundaries and other features.

tlyerly

Date: 12/15/2016



C to MF-2

Zoning Case :
Z-FY-17-08

Address :
Between S. 5th & Lowes Dr.

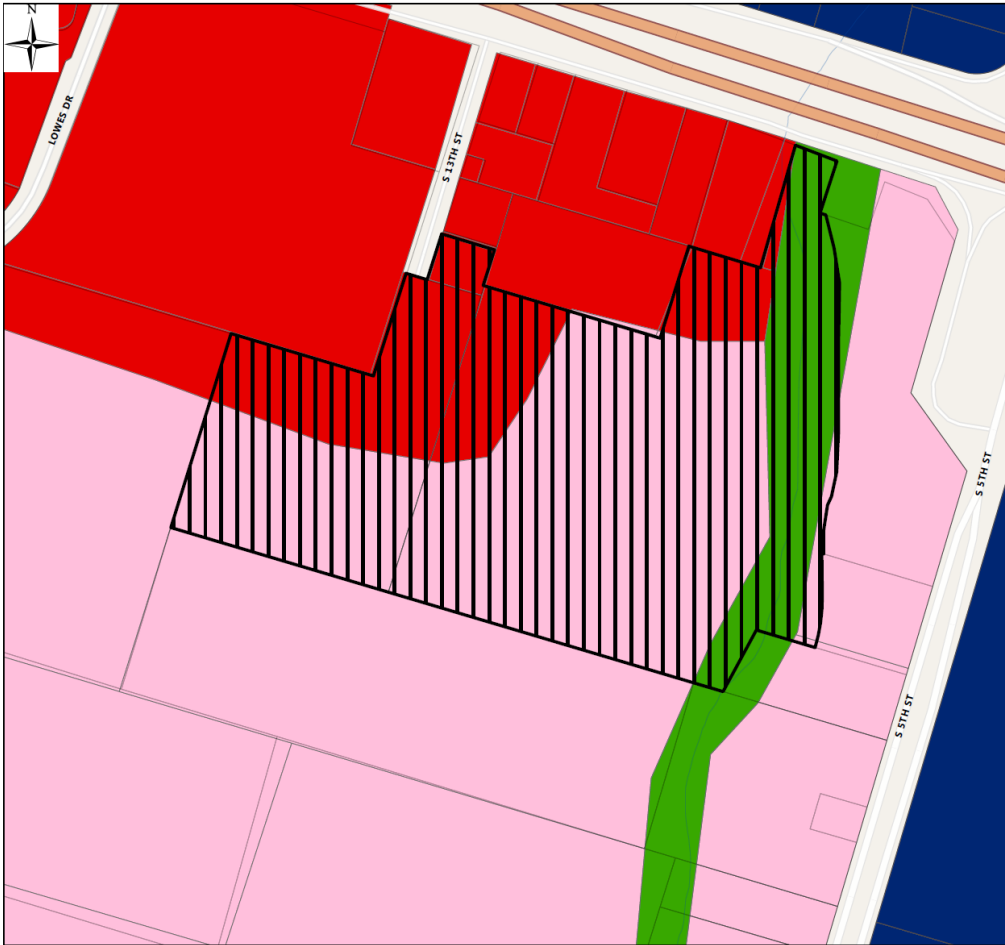
- CurrentZoning
- HI - CUP
 - UE
 - UE - PD
 - SF-1
 - SF-1 - CUP
 - SF-1 - PD
 - SF-2
 - SF-2 - PD
 - SF-3
 - SF-3 - PD
 - SF-3 - CUP, PD
 - SFA
 - SFA-2
 - SFA-2 - PD
 - SFA-3
 - SFA-3 - PD
 - 2F
 - 2F - CUP
 - 2F - PD
 - MF-1
 - MF-1 - CUP
 - MF-1 - PD
 - MF-2
 - MF-2 - CUP
 - MF-2 - PD
 - MF-3 - PD
 - O-1
 - O-1 - CUP
 - O-1 - PD
 - O-2
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 - MH - CUP
 - MH - PD
 - MU
 - MU - CUP
 - SD-C
 - SD-C - CUP
 - SD-H
 - SD-H - CUP
 - SD-T
 - SD-V
 - T4
 - T4 - PD
 - T4 - CUP
 - T5-C
 - T5-C - CUP
 - T5-E
 - T5-E - CUP
 - T5-E - PD
 - NO BASE
 - CUP
 - PD
 - CaseArea

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tlyerly

Date: 12/15/2016





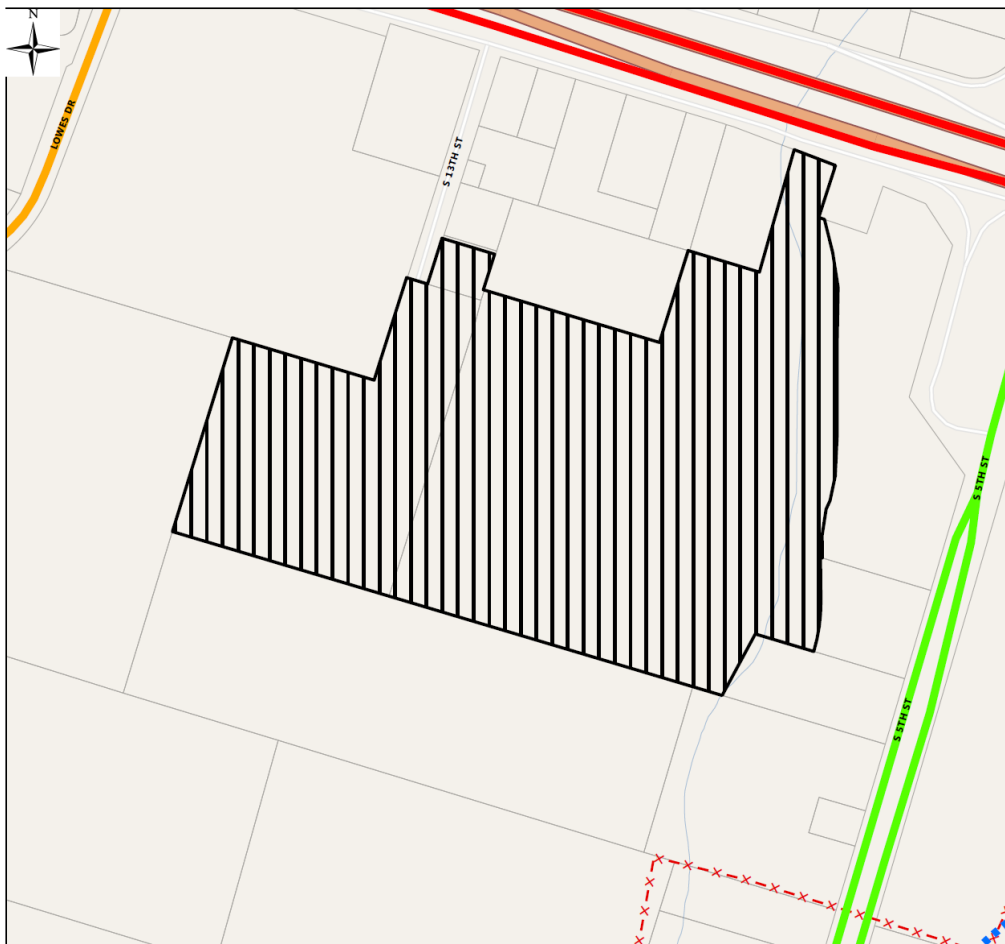
C to MF-2 FUTURE LAND USE MAP

Zoning Case :
Z-FY-17-08

- EXPRESSWAY
- MAJOR ARTERIAL
- COLLECTOR
- LOCAL STREET
- MINOR ARTERIAL
- PRIVATE
- RAMP
- Parcels
- Future LUP
 - Agricultural/Rural
 - Auto-Urban Commercial
 - Auto-Urban Mixed Use
 - Auto-Urban Multi-Family
 - Auto-Urban Residential
 - Business Park
 - Estate Residential
 - Industrial
 - Neighborhood Conservation
 - Parks & Open Space
 - Public Institutional
 - Suburban Commercial
 - Suburban Residential
 - Temple Medical Education District
 - Urban Center
 - CaseArea

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tlyerly
Date: 12/15/2016



C to MF-2 THOROUGHFARE AND TRAILS MAP

Zoning Case :
Z-FY-17-08

- Parcels
- Thoroughfare Plan
 - Expressway
 - Major Arterial
 - Proposed Major Arterial
 - Minor Arterial
 - Proposed Minor Arterial
 - Collector
 - Proposed Collector
- Trails Master Plan
 - EXISTING, CITY WIDE SPINE
 - EXISTING, COMMUNITY WIDE CONNECTOR
 - EXISTING, LOCAL CONNECTOR
 - PROPOSED, CITY WIDE SPINE
- PROPOSED, COMMUNITY WIDE CONNECTOR
- PROPOSED, LOCAL CONNECTOR
- CaseArea

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tlyerly
Date: 12/15/2016





C to MF-2

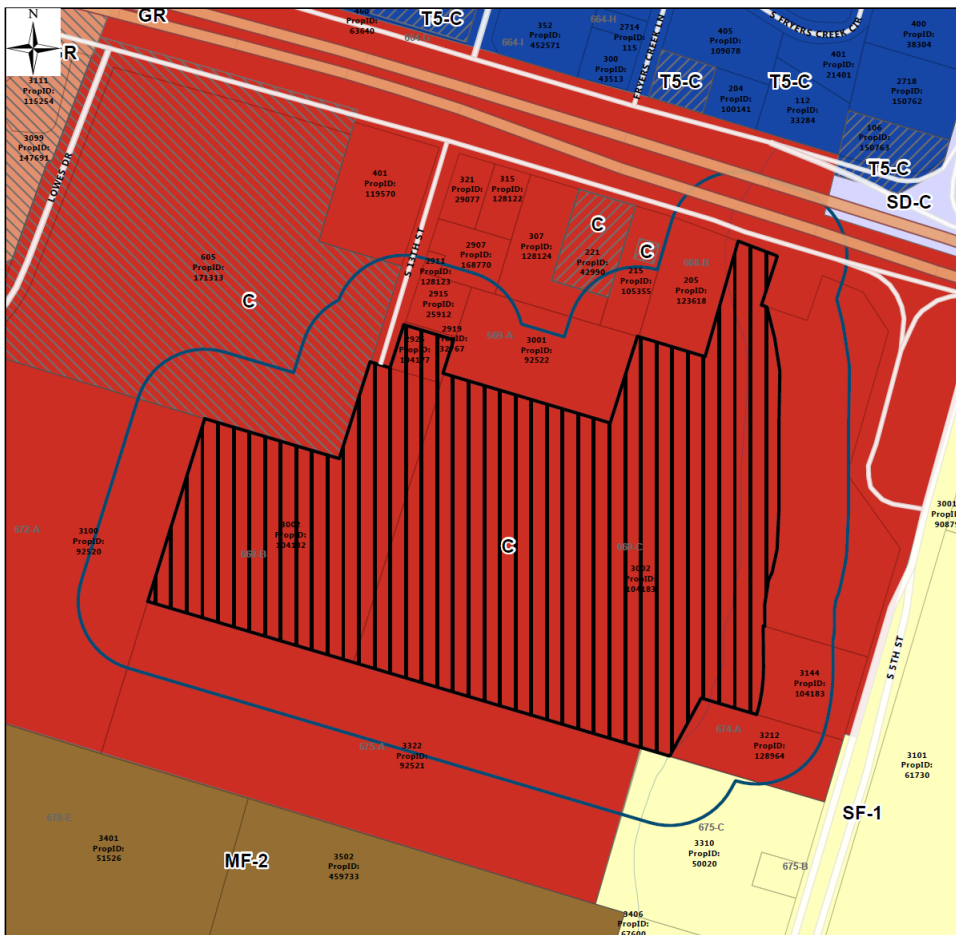
UTILITY MAP

Zoning Case :
Z-FY-17-08

- Manhole
- Gravity Main
- Hydrant
- Main
- Parcels
- ▨ CaseArea

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tlyerly
Date: 12/15/2016



C to MF-2

200' NOTIFICATION MAP

Zoning Case :
Z-FY-17-08
Address :
Between S. 5th & Lowes Dr.

CurrentZoning	0-1	AG - CLUP
HI - CLUP	0-1 - CLUP	MH
UE	0-1 - PD	MH - CLUP
UE - PD	0-2	MH - PD
SF-1	0-2 - CLUP	MU
SF-1 - CLUP	0-2 - PD	MU - CLUP
SF-1 - PD	NS	SD-C
SF-2	NS - CLUP	SD-C - CLUP
SF-2 - PD	NS - PD	SD-H
SF-3	GR	SD-H - CLUP
SF-3 - PD	GR - CLUP	SD-T
SF-3 - CLUP, PD	GR - PD	SD-V
SFA	GR - CLUP, PD	T4
SFA-2	CA	T4 - CLUP
SFA-2 - PD	CA - CLUP	T5-C
SFA-3	CA - PD	T5-C - CLUP
SFA-3 - PD	C	T5-C - PD
2F	C - CLUP	T5-E
2F - CLUP	C - PD	T5-E - CLUP
2F - PD	C - CLUP, PD	T5-E - PD
MF-1	LI	NO BASE
MF-1 - CLUP	LI - CLUP	CLUP
MF-1 - PD	LI - PD	PD
MF-2	LI - CLUP, PD	Buffer
MF-2 - CLUP	HI	CaseArea
MF-2 - PD	HI - PD	
MF-3 - PD	AG	

GIS products are for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. They do not represent an on-the-ground survey and represent only the approximate relative location of property boundaries and other features.

tlyerly
Date: 12/15/2016



DEVELOPMENT REGULATIONS:

	<u>Proposed (MF-2)</u>	<u>Current (C)</u>
Minimum Lot Size	N/A	N/A
Minimum Lot Width	N/A	N/A
Minimum Lot Depth	N/A	N/A
Front Setback	15 Feet	30 Feet Centerline (UDC Sec. 4.4.4F.d)
Side Setback	20 Feet	**0 Feet
Side Setback (corner)	UDC Sect. 5.3.3	10 Feet
Rear Setback	UDC Sect. 5.3.3	0 Feet
Max Building Height	4 Stories	* ALH
* ALH - Any Legal Height not Prohibited by other Laws		
** UDC Sect 4.4 - Measurements and Special Case		

Use Type	Multi-Family Two (MF-2)	Commercial (C)
Agricultural Uses	* Farm, Ranch or Orchard	* Farm, Ranch or Orchard * Animal Shelter (CUP)
Residential Uses	* Single Family Residence (Detached & Attached) * Duplex * Townhouse * Triplex * Apartment * Home for the Aged	* Single Family Residence (Detached & Attached) * Duplex * Townhouse * Industrialized Housing * Family or Group Home (CUP) * Home for the Aged
Retail & Service Uses	* Exercise Gym (CUP)	* All Retail & Service Uses * Veterinary Hosp. (Kennels (CUP)
Commercial Uses	* None	* Bakery / Confectionary * Cabinet Shop * Open Storage of furniture, appliances or machinery
Industrial Uses	* None	* Temporary Asphalt & Concrete Batching Plat (CUP) * Laboratory, medical, dental, scientific or research * Recycling collection location
Recreational Uses	* Park or Playground	* Park or Playground * All Alcohol (On Premise Consumption) > 75% (CUP)
Vehicle Service Uses	* None	* Auto Leasing, Rental * Auto Sales - New & Used * Car Wash * Vehicle Servicing (Minor)
Overnight Accomodations	* Hotel or Motel	* Hotel or Motel

Surrounding Property & Uses			
<u>Direction</u>	<u>Future Land Use Map</u>	<u>Zoning</u>	<u>Current Land Use</u>
Site	Auto-Urban Commercial, Suburban Commercial, and Parks & Open Space	C	Undeveloped Property
North	Auto-Urban Commercial and Expressway	C	Retail, Commercial, and Freeway
South	Suburban Commercial and Parks & Open Space	C and SF-1	Undeveloped Property and Personal Service
East	Suburban Commercial and Parks & Open Space	C	Undeveloped Property, Office, and Personal Service
West	Auto-Urban Commercial and Suburban Commercial	C	Retail and Undeveloped Property

COMPREHENSIVE PLAN (CP) COMPLIANCE: The proposed rezoning relates to the following goals, objectives or maps of the Comprehensive Plan and Sidewalk and Trails Plan :

Document	Policy, Goal, Objective or Map	Compliance?
CP	Map 3.1 - Future Land Use Map	No
CP	Map 5.2 - Thoroughfare Plan	Yes
CP	Goal 4.1 - Growth and development patterns should be consistent with the City's infrastructure and public service capacities	Yes
STP	Temple Trails Master Plan Map and Sidewalks Ordinance	Yes

CP = Comprehensive Plan STP = Sidewalk and Trails Plan



**RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE**

FRIARS RIDGE LTD
4212 S 5TH ST
TEMPLE, TX 76502-3344

Zoning Application Number: Z-FY-17-08

Case Manager: Tammy Lyerly

Location: Between South 5th Street and Lowes Drive

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree

() disagree with this request

Comments:

Signature

Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, tlyerly@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **January 3, 2017**.

**City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501**

Number of Notices Mailed: 21

Date Mailed: December 22, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.



**RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE**

DACYN INVESTMENTS LTD
4212 S 5TH ST
TEMPLE, TX 76502-3344

Zoning Application Number: Z-FY-17-08

Case Manager: Tammy Lyerly

Location: Between South 5th Street and Lowes Drive

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree

() disagree with this request

Comments:



Signature



Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, tlyerly@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **January 3, 2017**.

**City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501**

Number of Notices Mailed: 21

Date Mailed: December 22, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.



**RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE**

FRIARS RIDGE LTD
4212 S 5TH ST
TEMPLE, TX 76502-3344

Zoning Application Number: Z-FY-17-08

Case Manager: Tammy Lyerly

Location: Between South 5th Street and Lowes Drive

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree

() disagree with this request

Comments:



Signature

DAVID PATTERSON

Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, tyerly@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **January 3, 2017**.

**City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501**

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**RESPONSE TO PROPOSED
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CITY OF TEMPLE**

DACYN INVESTMENTS LTD
4212 S 5TH ST
TEMPLE, TX 76502-3344

Zoning Application Number: Z-FY-17-08

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I ☒ agree

() disagree with this request

Comments:

Signature

Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, tylerly@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **January 3, 2017**.

**City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501**

Number of Notices Mailed: 21

Date Mailed: December 22, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.

ORDINANCE NO. 2017-4826
(Z-FY-17-08)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A REZONING FROM COMMERCIAL ZONING DISTRICT TO MULTI-FAMILY TWO ZONING DISTRICT, ON APPROXIMATELY 34.80 ACRES, SITUATED IN THE MAXIMO MORENO SURVEY, ABSTRACT NO. 14, BELL COUNTY, TEXAS, AND LOCATED BETWEEN SOUTH 5TH STREET AND LOWES DRIVE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:

Part 1: The City Council approves a rezoning from the Commercial zoning district to Multi-Family Two zoning district on approximately 34.80 acres, situated in the Maximo Moreno Survey, Abstract No. 14, Bell County, Texas, and located between South 5th Street and Lowes Drive, as outlined in Exhibit 'A' attached hereto and made a part hereof for all purposes.

Part 2: The Planning and Zoning Commission recommended approval of a rezoning from Commercial zoning district to Multi-Family Two zoning district.

Part 3: The City Council directs the Director of Planning to make the necessary changes to the City Zoning Map.

Part 4: It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such phrase, clause, sentence, paragraph or section.

Part 5: This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 6: It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading and Public Hearing on the **2nd** day of **February**, 2017.

PASSED AND APPROVED on Second Reading on the **16th** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #8
Regular Agenda
Page 1 of 4

DEPT. / DIVISION SUBMISSION & REVIEW:

Mark Baker, Senior Planner

ITEM DESCRIPTION: FIRST READING - PUBLIC HEARING - Z-FY-17-09: Consider adopting an ordinance authorizing rezoning from Agricultural district to Planned Development Urban Estate district, with Development / Site Plan approval on 31.043 +/- acres, situated in the Sarah Fitzhenry Survey, Abstract No. 312, Bell County, Texas, located at 8260 Cedar Creek Road.

STAFF RECOMMENDATION: Staff recommends approval for a rezoning from Agricultural (AG) district to Planned Development-Urban Estate (PD-UE) district for the following reasons:

1. That the proposed Planned Development demonstrates compliance with the provisions of the Planned Development Criteria as required by UDC Section 3.4.5;
2. The Planned Development-Urban Estate (PD-UE) zoning is compatible with the Future Land Use Map's Agricultural/Rural District;
3. The Planned Development-Urban Estate (PD-UE) zoning is compatible with surrounding zoning, existing and anticipated uses;
4. The Planned Development-Urban Estate (PD-UE) complies with the Thoroughfare Plan; and
5. Public and on-site facilities are available to serve the subject property.

Staff recommends approval of Planned Development - Urban Estate (PD-UE), subject to the following conditions:

1. Submittal of a Development / Site Plan confirming minimum lot size of 22,500 square feet in area,
2. Development / Site Plan showing rural street design with a minimum twenty-two feet of pavement, rollover curb and drainage ditches,
3. Detached single-family residential development meeting the following minimum dimensional standards:
 - a. 60 feet wide
 - b. 100 feet deep
 - c. 25 foot front,
 - d. 7.5 foot side,
 - e. 15 foot (corner) side,
 - f. 10 foot rear
 - g. 3 Stories in height
4. Street signage prohibiting on-street parking, and

5. That the Director of Planning, with consultation as needed by the Development Review Committee (DRC), may be authorized to approve minor changes to the Development / Site Plan which include but not limited to: lot configuration and size, reduction of density and overall Development / Site Plan layout.

PLANNING & ZONING COMMISSION RECOMMENDATION: At their December 19, 2016 meeting, the Planning & Zoning Commission voted five to zero to recommend approval of the proposed rezoning from Agricultural (AG) district to Planned Development – Urban Estate (PD-UE) district, per staff's recommendation.

During the meeting, drainage was discussed as well as the appropriateness of the agricultural zoning of the area initially proposed for the off-site detention. Since the Planning & Zoning Commission meeting, staff has met with the applicant's engineer regarding detention alternatives and on-site detention needs. After re-evaluation by the applicant's engineer and review by Public Works Department, the Public Works Department has confirmed that no separate detention is required. No changes to the Development / Site Plan layout are needed or proposed. The attached Development / Site Plan will be included in the Planned Development Ordinance.

As a result of 20% or more of the land area within the notification area in opposition (32.16%), a 4/5 vote by City Council is required, per UDC Section 3.3.4.

ITEM SUMMARY: The applicant, Turley Associates, on behalf of Omar Crisp proposes rezoning of the subject property containing a 31.043 +/- acre tract, from Agricultural (AG) district to Planned Development – Urban Estate (PD-UE) district to allow for the development of a 51-lot single family residential subdivision. The property is currently developed with one single family residence on the larger 41 +/- acre tract.

While the applicant initially requested Single-Family One (SF-1), which allows 7,500 square foot lots, staff has since met with the applicant, who has agreed to proceed with the request as a Planned Development as described in the Item Summary. Future development will consist of minimum ½ acre lots, so that on-site septic can be provided consistent with UDC Section 8.2.7F.2. In addition, the requested density will be consistent with that of the Urban Estate (UE) zoning district, requiring the minimum 22,500 square foot lot size, yielding approximately 51 lots. It is noteworthy, that desired dimensional standards are typical of the SF-1 district. The 7.5-foot side yard setback, in particular, is better accommodating for some of the narrower lots for side entry garages, than the UE's 15-foot side yard setback.

PLANNED DEVELOPMENT (UDC SEC. 3.4): A Planned Development is a flexible overlay zoning district designed to respond to unique development proposals, special design considerations and land use transitions by allowing evaluation of land use relationships to surrounding areas through Development / Site Plan approval.

As a Planned Development, per UDC Sec.3.4, a Development / Site Plan is binding and subject to review and approval by City Council as part of the rezoning. As opposed to a standard rezoning, conditions of approval can be included into the rezoning Ordinance.

Further, this Planned Development (PD) concept, as a hybrid of the SF-1 & UE districts, provides for the dimensional standards that the applicant is desiring. At the same time, the PD concept codifies the rural characteristics of the surrounding area to be maintained. As discussed above, the Development / Site Plan layout will be included as Exhibit B with the Planned Development Ordinance.

In determining whether to approve, approve with conditions or deny a Planned Development application, the Planning & Zoning Commission and City Council must consider criteria as set forth in UDC Section 3.4.5 A-J. The Planned Development Criteria and Compliance Summary is attached.

A formal subdivision plat is anticipated to be submitted in the future and will be reviewed by the Development Review Committee (DRC). Additionally, parkland dedication will be addressed during this time. While no parkland is proposed to be dedicated, parkland dedication fees will be paid instead. The plat will be scheduled for the Planning & Zoning Commission, when it is deemed administratively complete. It is not known at this time whether the Planning & Zoning Commission will be the final plat authority.

While it is anticipated for the property to be developed with detached single-family uses, there are a number of residential and non-residential uses that are permitted by right in the UE zoning district. The SF-1 is also provided as a point of reference. However, the permitted uses for the Planned Development will be reflective of the underlying UE district. The uses include but are not limited to those shown in the attached table.

COMPREHENSIVE PLAN (CP) COMPLIANCE: Compliance to goals, objectives or maps of the Comprehensive Plan and Sidewalk and Trails Plan are summarized by the attached Comprehensive Plan Compliance table but further described below:

Future Land Use Map (CP Map 3.1)

The subject property is entirely within the Agricultural / Rural land use district. The Agricultural / Rural district is intended for areas that do not have adequate public facilities and may, therefore have on-site utilities. This district is also meant to protect areas in active farm and/or ranch use. It is also a “holding” district along with the Agricultural (AG) zoning designation after annexation until another district is requested by the property owner. While the proposed lots will be a minimum ½ acre in size, the recommended Planned Development – Urban Estate is consistent with the Agricultural / Rural Future Land Use Map designation.

Thoroughfare Plan (CP Map 5.2)

The subject property takes access from both State Hwy 317 and Cedar Creek Road. While SH 317 is shown as a major arterial, Cedar Creek Road is shown on the Thoroughfare Plan as a proposed minor arterial. The anticipated final plat will address any needed right of way dedication for both. To date, no dedication issues have been identified by staff but will be further evaluated with a forthcoming plat. No Transportation Capital Improvement Program (TCIP) improvements scheduled through FY 2024 have been identified.

Availability of Public Facilities (CP Goal 4.1)

Sewer is available within the airport property, approximately 6700 feet away by direct "line of sight". As indicated earlier in this report, the applicant would be seeking to provide on-site septic on the ½ acre-sized lots. Water is available and provided through Pendleton Water Supply Corporation. The Letter of Water Availability from Pendleton Water Supply Corporation is attached.

Temple Trails Master Plan Map and Sidewalks Ordinance

No trails are shown on the Trails Master Plan, however, as a major arterial, a 6' sidewalk is required along SH 317. Additionally, as a proposed minor arterial, a six foot sidewalk will be required along Cedar Creek Road. Provisions for the sidewalk will be addressed during the plat review stage.

DEVELOPMENT REGULATIONS: The attached table compare and contrast, the current Agricultural development standards with the proposed Planned Development – Urban Estate (PD-UE) standards. The PD-UE standards in this case, are a hybrid of both the Single-Family One (SF-1) and the Urban Estate (UE) standards as provided for in UDC Section 4.5.

DEVELOPMENT REVIEW COMMITTEE (DRC): The DRC reviewed the Development Plan layout for the Planned Development on January 23, 2017. Public Works has confirmed that no on-site detention is required. It is noteworthy that the remainder of the applicant-owned tract is more than five acres and as provided for in UDC Section 3.6.2, will not need to be platted. No other issues were identified.

PUBLIC NOTICE: Ten notices to property owners within 200-feet of the subject property were sent notice of the public hearing as required by State law and City Ordinance. As of Tuesday January 24, 2017 at 9:00 AM, two notices in agreement and two notices in disagreement have been received. Staff has calculated that 32.16% of the land area within the 200-foot buffer is in opposition. As identified in the Planning & Zoning Commission recommendation, 20% or more of the land area within the notification buffer in opposition triggers a 4/5 vote by City Council, per UDC Section 3.3.4. A map showing the current opposition is attached. Per the attached email dated January 23, 2017, the applicant and his engineer have considered neighbor comments. No additional correspondence has been received by staff.

The newspaper printed notice of the public hearing on December 22, 2016, in accordance with state law and local ordinance.

FISCAL IMPACT: Not Applicable

ATTACHMENTS:

[Boundary Survey & Field Notes \(Exhibit A\)](#)
[Planned Development / Site Plan \(Exhibit B\)](#)
[Planned Development Criteria Compliance Summary \(UDC Sec. 3.4.5\)](#)
[Photos](#)
[Maps](#)
[Tables](#)
[Letter of Water Availability \(Pendleton Water Supply Corporation\)](#)
[Returned Property Notices](#)
[P&Z Excerpts \(January 3, 2017\)](#)
[Ordinance](#)



Exhibit A



BEING a 31.043 acre tract of land situated in the SARAH FITZHENRY SURVEY, ABSTRACT No. 312, Bell County, Texas and being all of that certain 41.0 acre tract of land described in a Warranty Deed with vendor's Lien dated February 14, 2002 from Karen Ann Stagner to Omar Crisp and being of record in Volume 4610, Page 515, Official public Records of Bell County, Texas and being more particularly described in separate field notes.

STATE OF TEXAS I KNOW ALL MEN BY THESE PRESENTS, that I Michael E. Alvis, a Registered Professional Land Surveyor in the State of Texas, do hereby certify that this survey was this day made on the ground of the property described herein and is correct and that there are no discrepancies, conflicts, shortages in the area, easements, and right-of-ways except as shown hereon, that this tract of land has access to and from a public road, and I have marked all corners with monuments.

This Property is not within the Special Flood Hazard Area as per the Federal Emergency Management Agency Federal Insurance Administration Map No. 48027C0170E dated September 26, 2008.

IN WITNESS THEREOF, my hand and seal, this the 01 day of December, 2016.

Michael E. Alvis

Michael E. Alvis, R.P.L.S., No. 5402



REVISIONS

DATE	DESCRIPTION	DFTR

DRAFTSMAN: TJJ
DATE: December 1, 2016
COMPUTER FILE NAME:

REFERENCE DRAWING NUMBERS:

JOB NUMBER: 16-1361
DRAWING NUMBER: 13292-D
PAGE # 01

TURLEY ASSOCIATES, INC.
ENGINEERING • PLANNING • SURVEYING
301 N. 3rd St. 76501
TEMPLE, TEXAS
www.turley-inc.com
fax 254.773.3998
SURVEY FIRM NO. 10056000 • ENGINEERING FIRM NO. 1658

BOUNDARY SURVEY:
CRISP PROJECT
31.043 ACRES
SARAH FITZHENRY SURVEY, ABSTRACT No. 312
CITY OF TEMPLE, BELL COUNTY, TEXAS
DEVELOPED BY:
OMAR CRISP
8260 CEDAR CREEK ROAD
TEMPLE, TX 76504

BEING a 31.043 acre tract of land situated in the SARAH FITZHENRY SURVEY, ABSTRACT No. 312, Bell County, Texas and being all of that certain 41.0 acre tract of land described in a Warranty Deed with Vendor's Lien dated February 14, 2002 from Karen Ann Stagner to Omar Crisp and being of record in Volume 4610, Page 515, Official Public Records of Bell County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 1" iron pipe found being an exterior ell corner in the west boundary line of the said 41.0 acre tract and being the northwest corner of that certain 1.331 acre tract of land described in a Warranty Deed with Vendor's Lien dated August 28, 1997 from Josh Edward Foegelle and Jackie Kay McKenzie to Martin Gonzalez and wife, Olga Gonzalez and being of record in Volume 3668, Page 21, Official Public Records of Bell County, Texas and being in the east right-of-way line of State of Texas Highway No. 317 (a publicly maintained roadway) as occupied and evidenced of the ground and as described in right-of-way maps provided by Texas Department of Transportation for corner;

THENCE N. 16° 39' 53" E., 845.96 feet (calls N. 18° 21' E., 846.05 feet) departing the said 1.331 acre tract and with the said east right-of-way line and with the said west boundary line to a 5/8" iron rod with cap stamped "ACS" found being the northwest corner of the said 41.0 acre tract and being the southwest corner of that certain 18.9 acre tract of land referenced in a Deed from Veterans Land Board of the State of Texas to Ronald S. Valdez and Biolanda R. Valdez and being of record in Document No. 2013-00002962, Official Public Records of Bell County, Texas for corner;

THENCE S. 73° 16' 00" E., 1339.87 feet departing the said east right-of-way line and with the north boundary line of the said 41.0 acre tract (calls S. 71° 34' 40" E., 1339.87 feet) and with the south boundary line of the said 18.9 acre tract to a 1/2" iron rod with cap stamped "RPLS 2475" set being the northeast corner of the said 41.0 acre tract and being the southeast corner of the said 18.9 acre tract and being in the west boundary line of that certain 21.159 acre tract of land described in a General Warranty Deed with Vendor's Lien dated September 9, 2004 from Doyle Bounds and Willie Bounds, husband and wife to Sherry A. Stewart and Allen L. Stewart, wife and husband and being of record in Volume 5488, Page 1, Official Public Records of Bell County, Texas for corner;

THENCE S. 17° 35' 50" W., 494.72 feet departing the said 18.9 acre tract and with the east boundary line of the said 41.0 acre tract (calls erroneously S. 19° 16' 45" W., 464.72 feet) and with the said west boundary line (calls N. 19° 45' 46" E., 831.48 feet) to a 1/2" iron rod with cap stamped "RPLS 2475" set being a southwest corner of the said 21.159 acre tract and being the northwest corner of that certain 6.60 acre tract of land described in a Warranty Deed dated October 4, 1988 from Camille M. Lemieux to Raymond David Jirasek and wife, Rebecka Jean Jirasek and being of record in Volume 2474, Page 329, Official Public Records of Bell County, Texas for corner;

THENCE S. 17° 36' 43" W., 201.12 feet departing the said 21.159 acre tract and continuing with the east boundary line of the said 41.0 acre tract (calls S. 19° 35' 57" W., 200.02 feet) and with the west boundary line of the said 6.60 acre tract (calls N. 19° 48' 41" E., 199.77 feet) to a 1/2" iron rod found being a southwest corner of the said 6.60 acre tract and being the northwest corner of that certain 5.63 acre tract of land described in a Warranty Deed with Vendor's Lien dated February 14, 2002 from Karen Ann Stagner to Omar Crisp and being of record in Volume 4610, Page 526, Official Public Records of Bell County, Texas for corner;

THENCE S. 16° 58' 52" W., 698.38 feet departing the said 6.60 acre tract and continuing with the east boundary line of the said 41.0 acre tract (calls S. 18° 34' 36" W., 699.52 feet) and with the west boundary line of the said 5.63 acre tract (calls N. 18° 49' 52" E., 700.22 feet) to a 1/2" iron rod with cap stamped "RPLS 2475" set being the southeast corner of the said 41.0 acre tract and being



Exhibit A

Page 1 of 2

the southwest corner of the said 5.63 acre tract and being in the north right-of-way line of Cedar Creek Road (a publicly maintained roadway) as occupied and evidenced on the ground for corner;


THENCE N. 74°33' 05" W., 406.14 feet departing the said 5.63 acre tract and with the south boundary line of the said 41.0 acre tract (calls N. 72° 52' 10" W., 1325.02 feet) and with the said north right-of-way line to a ½" iron rod with cap stamped "RPLS 2475" set for corner;

THENCE departing the said south boundary line and the said north right-of-way line and over and across the said 41.0 acre tract the following two (2) calls:

- 1) N. 16° 44' 00" E., 558.00 feet to a ½" iron rod with cap stamped "RPLS 2475" set for corner;
- 1) N. 73° 16' 00" W., 709.03 feet to a 1" iron pipe found being the northeast corner of the aforementioned 1.331 acre tract and being an interior ell corner in the west boundary line of the said 41.0 acre tract for corner;

N. 73° 27' 41" W., 210.23 feet (calls N. 71° 49' 34" W., 209.83 feet) with the north boundary line of the said 1.331 acre tract (calls S. 71° 48' 22" E., 210.16 feet) to the Point of BEGINNING and containing 31.043 acres of land.

I, Michael E. Alvis, a Registered Professional Land Surveyor in the State of Texas, do hereby certify that these field notes are a correct representation of a survey made on the ground.


 Michael E. Alvis, R.P.L.S. #5402
 December 1, 2016



Bearing Base: Texas State Plane Coordinate System, NAD 1983, Central Zone by G.P.S. observation.

Exhibit A

Planned Development Criteria and Compliance Summary

UDC Code Section 3.4.5 (A-J)	Yes/No	Discussion / Synopsis
A. The Plan Complies with all provisions of the Design and Development Standards Manual, this UDC and other Ordinances of the City.	YES	It is fully anticipated that the development / site plan attached with the rezoning ordinance will conform to all applicable provisions of the UDC as well as to dimensional, developmental and design standards adopted by the City for any new residential development.
B. The environmental impact of the development relating to the preservation of existing natural resources on the site and the impact on natural resources of the surrounding impacts and neighborhood is mitigated.	YES	Drainage and other related engineering will be addressed at the platting stage. No issues have been identified related to the preservation of existing natural resources on the property.
C. The development is in harmony with the character, use and design of the surrounding area.	YES	The project site is located at the northeast corner of State Highway 317 & Cedar Creek Road. The surrounding area is rural in character and the proposed Planned Development - Urban Estate zoning will be keeping with that character, which will include a Development Plan for residential development. The residential development will include platted lots with a minimum 22,500 square feet, which is the minimum square footage necessary for on-site septic systems.
D. Safe and efficient vehicular and pedestrian circulation systems are provided.	YES	Vehicular circulation will be formally addressed during the platting stage. No circulation issues have been identified with the companion development / site plan.
E. Off-street parking and loading facilities are designed to ensure that all such spaces are usable and are safely and conveniently arranged.	YES	Parking will be provided for each single family residence in accordance with UDC Section 7.5
F. Streets are designed with sufficient width and suitable grade and location to accommodate prospective traffic and to provide access for firefighting and emergency equipment to buildings.	YES	Streets will be developed in accordance with the design standards in accordance with UDC Section 8.2 requirements and reviewed during the platting stage of development.
G. Streets are coordinated so as to compose a convenient system consistent with the Thoroughfare Plan of the City.	YES	Compliance and consistency with the Thoroughfare Plan will be addressed during the subdivision plat stage. No compliance issues have been identified.
H. Landscaping and screening are integrated into the overall site design: 1. To provide adequate buffers to shield lights, noise, movement or activities from adjacent properties when necessary. 2. To complement the design and location of buildings.	YES	Landscaping requirements will be addressed during the building permit stage as each individual residence is developed. If non-residential development occurs adjacent to this development, buffering and screening per UDC Section 7.7 will be evaluated at that time. No additional screening or buffering requirements are proposed with this planned development.
I. Open space areas are designed to ensure that such areas are suitable for intended recreation and conservation uses.	YES	Parkland dedication in accordance with UDC Section 8.3 is required. However, as part of this project, no parkland is proposed to be dedicated, however, the developer will be paying fees instead. Fees will be addressed during the platting stage with review by the Development Review Committee (DRC).
J. Water, drainage, wastewater facilities, garbage disposal and other utilities necessary for essential services to residents and occupants are provided.	YES	Water will be provided by Pendleton Water Company. Wastewater will be addressed by on-site septic. Drainage facilities as well as other utilities will be formally addressed during the development review stage. To date, no issues have been identified.

Site & Surrounding Photos



Site: Undeveloped as seen from Cedar Creek Road (AG)



Site: Undeveloped as seen from State Highway 317 (AG)



East: Scattered SF residential uses on acreage along Cedar Creek Road (ETJ)



West: Scattered SF residential uses on acreage, fronting along State Highway 317
(Photo perspective from Cedar Creek Road (AG))



West: Scattered SF residential uses on acreage looking across State Highway 317 (ETJ)



South: Scattered SF residential uses on acreage across Cedar Creek Rd (ETJ)



South: Scattered SF residential uses on acreage along eastside of State Highway 317 (AG)

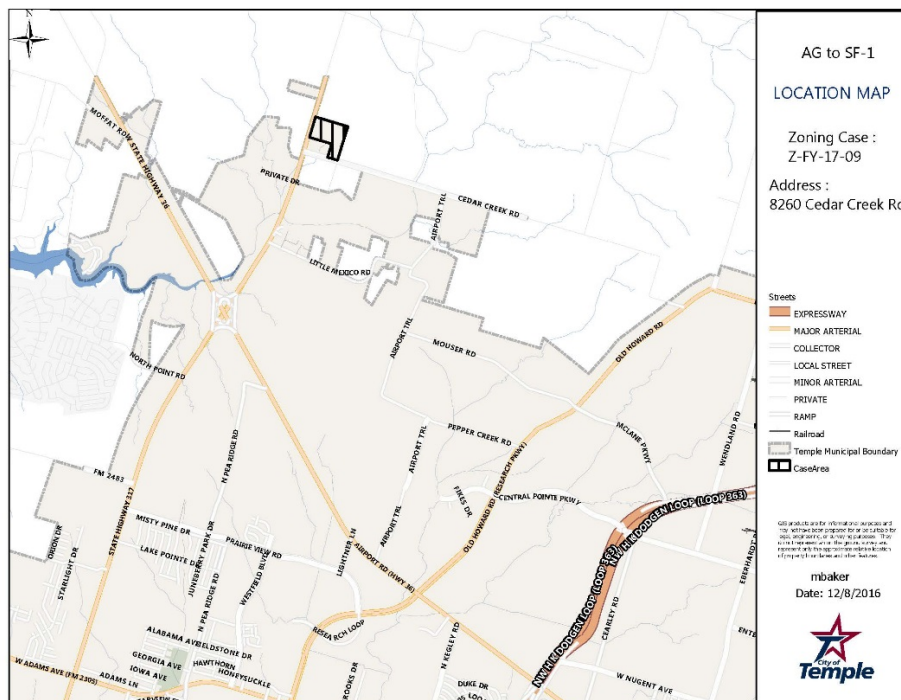


North: Undeveloped but scattered SF residential uses on acreage along State Highway 317 (ETJ)

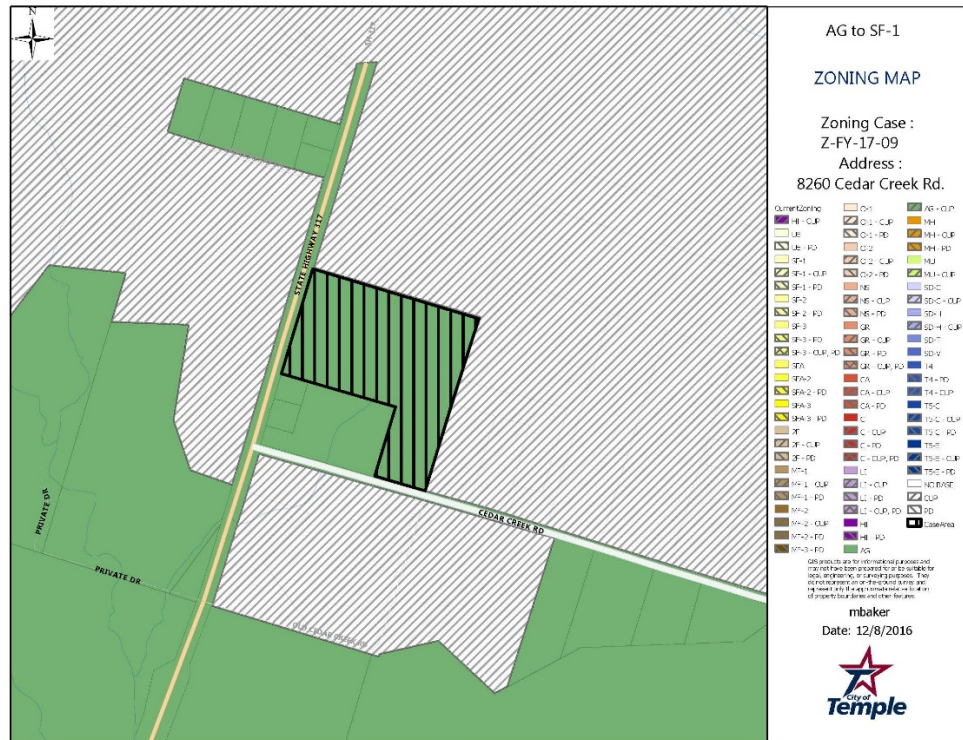
Maps



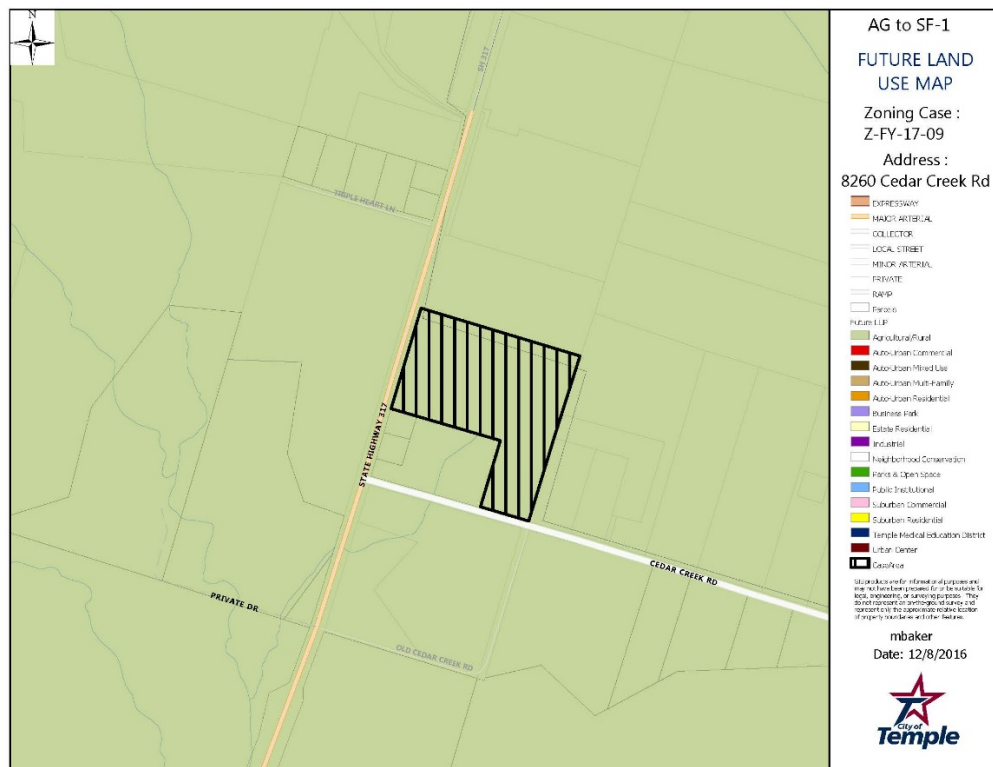
Aerial Map



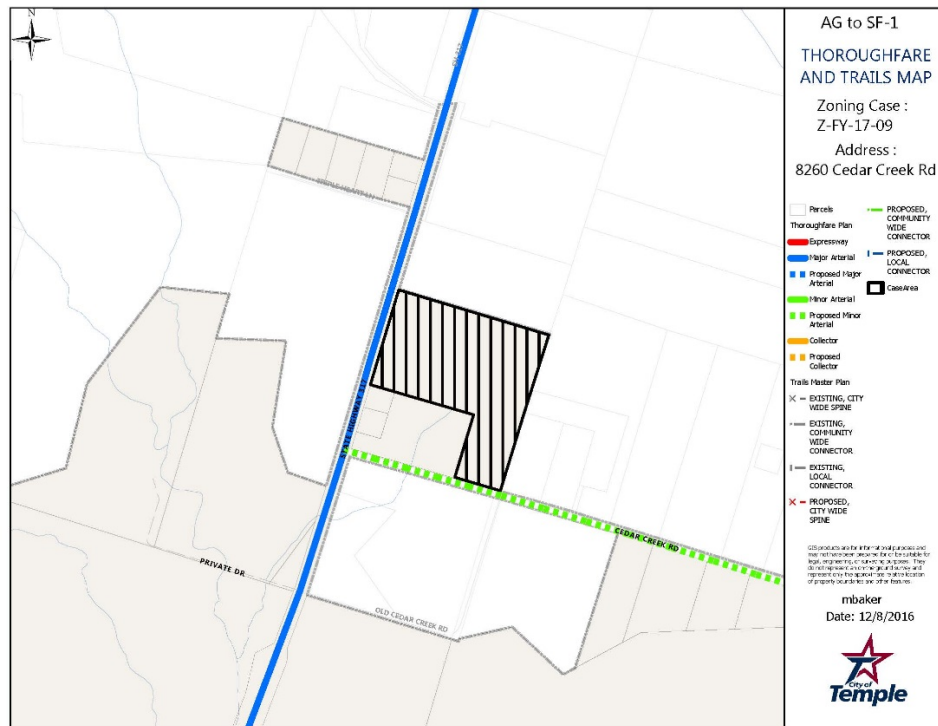
Location Map



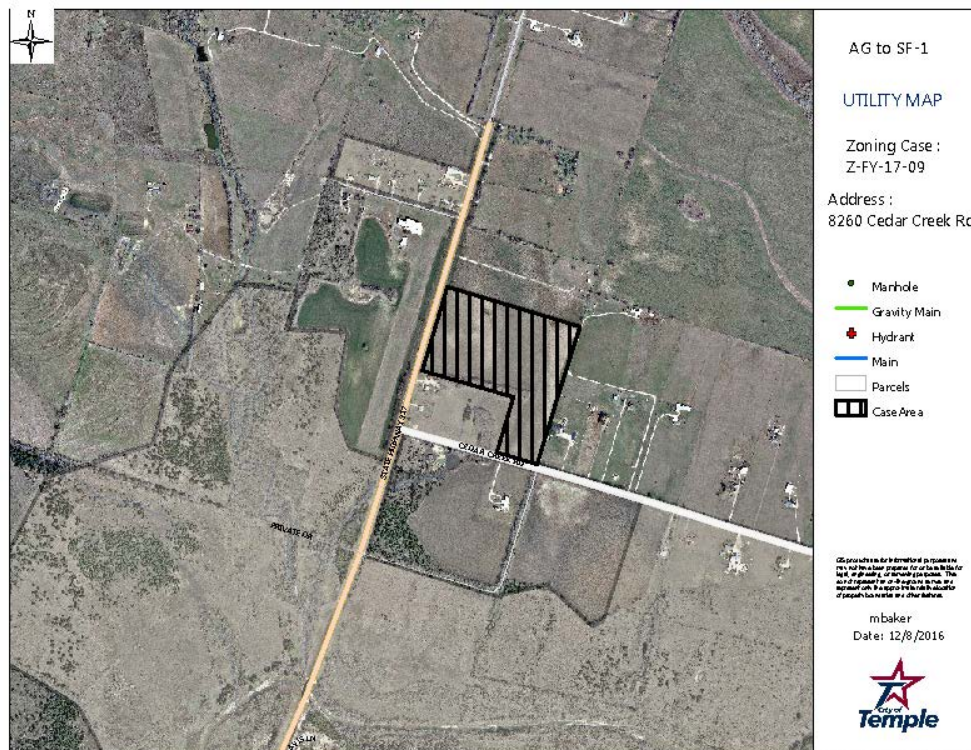
Zoning Map



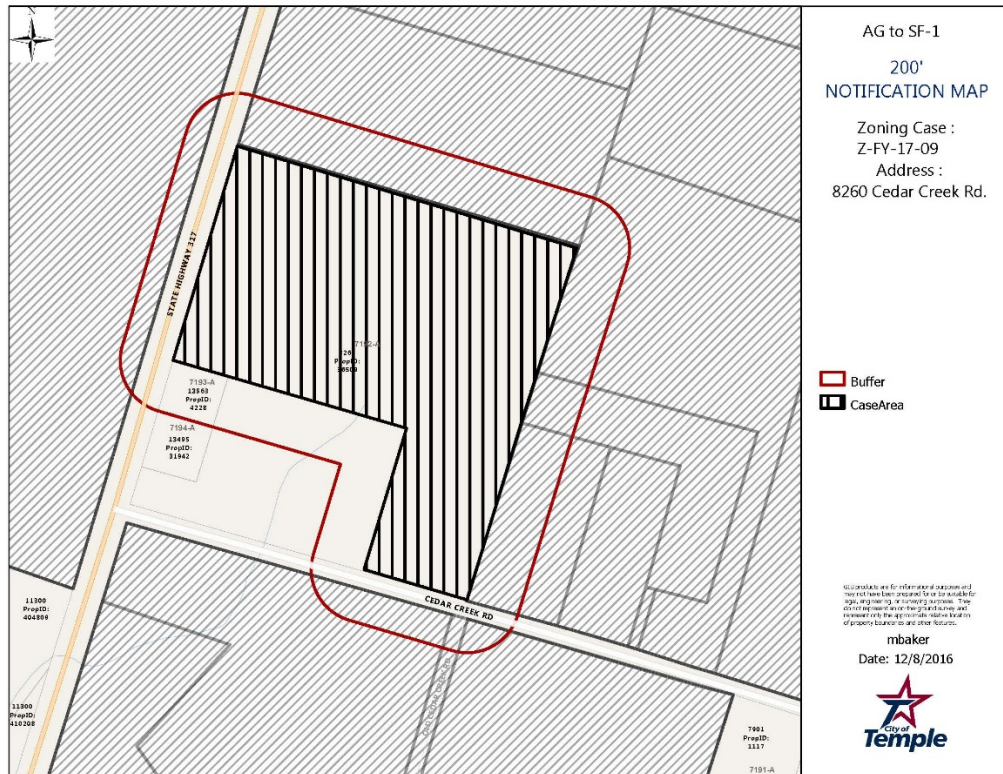
Future Land Use Map



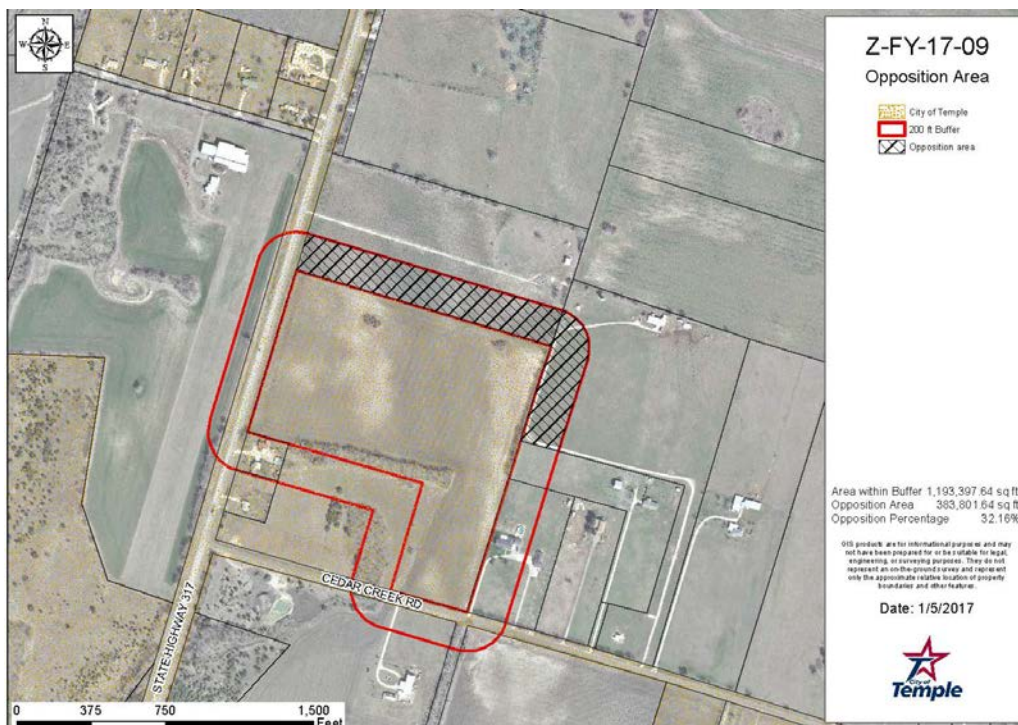
Thoroughfare & Trails Map



Utility Map



Notification Map



Opposition Map

Tables

Permitted & Conditional Uses Table (Comparison between AG, UE & SF-1)

Use Type	Agricultural (AG)	Urban Estate (UE)	Single Family One (SF-1)
Agricultural Uses	* Farm, Ranch or Orchard	* Same as AG	* Same as AG
Residential Uses	* Single Family Residence (Detached & Attached) * Industrialized Housing * Family or Group Home * Home for the Aged (CUP)	* Same as AG	* Same as AG (Except Home for the Aged – Not Permitted)
Retail & Service Uses	* None	* Same as AG	* Same as AG
Commercial Uses	* None	* Same as AG	* Same as AG
Industrial Uses	* Temporary Asphalt & Concrete Batching Plat (CUP)	* Same as AG	* Same as AG
Recreational Uses	* None	* Same as AG	* Same as AG
Vehicle Service Uses	* None	* Same as AG	* Same as AG
Restaurant Uses	* None	* Same as AG	* Same as AG
Overnight Accommodations	* None	* Same as AG	* Same as AG
Transportation Uses	* None	* Same as AG	* Same as AG

Surrounding Property Uses

	<u>Surrounding Property & Uses</u>		
<u>Direction</u>	<u>FLUP</u>	<u>Zoning</u>	<u>Current Land Use</u>
Site	Agricultural / Rural	AG	Single Family Residence on Acreage
North	Agricultural / Rural	ETJ	Scattered SF Uses on acreage
South	Agricultural / Rural	AG	Scattered SF Uses on Acreage
East	Agricultural / Rural	ETJ	Scattered SF Uses on Acreage
West	Agricultural / Rural	AG & ETJ	Scattered SF Uses on Acreage

Comprehensive Plan Compliance

Document	Policy, Goal, Objective or Map	Compliance?
CP	Map 3.1 - Future Land Use Map	YES
CP	Map 5.2 - Thoroughfare Plan	YES
CP	Goal 4.1 - Growth and development patterns should be consistent with the City's infrastructure and public service capacities	YES
STP	Temple Trails Master Plan Map and Sidewalks Ordinance	YES
CP = Comprehensive Plan STP = Sidewalk and Trails Plan		

Development Standards

	<u>Current (AG)</u>	<u>Proposed (SF-1)</u>	<u>(UE)</u>	<u>Staff Recommends (PD-UE)</u>
Minimum Lot Size	1 Acre	7,500 SF	22,500 SF	22,500 SF
Minimum Lot Width	100 Feet	60 Feet	80 Feet	60 Feet
Minimum Lot Depth	150 Feet	100 Feet	125 Feet	100 Feet
Front Setback	50 Feet	25 Feet	30 Feet	25 Feet
Side Setback	15 Feet	10% Lot Width 6' Min - 7.5' Max	15 Feet	7.5'
Side Setback (corner)	15 Feet	15 Feet	15 Feet	15 Feet
Rear Setback	10 Feet	10 Feet	10 Feet	10 Feet
Max Building Height	3 Stories	2 Stories	3 Stories	3 Stories

PENDLETON WATER SUPPLY CORPORATION

PO BOX 100 9675 SPUR 1237

PENDLETON, TEXAS 76564

254-773-5876 FAX 254-773-0105

October 24, 2016

Omar Crisp

8260 Cedar Creek Rd.

Temple, TX 76504-6096

Re: Water availability – Omar Crisp Development

To Whom It May Concern:

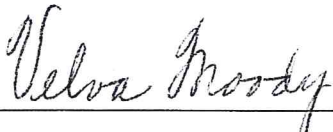
This is to verify that water service for the Omar Crisp Development located on the northeast intersection State Highway 317 and Cedar Creek Rd. is available through Pendleton Water Supply Corporation.

If you should need further assistance, please contact the office at the number listed above.

Respectfully submitted,

PENDLETON WSC

By



Velva Moody, Office Manager

“This institution is an equal opportunity employer and provider”



RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE

JIRASEK, RAYMOND DAVID ETUX REBECKA
8088 CEDAR CREEK RD
TEMPLE, TX 76504-6096

Zoning Application Number: Z-FY-17-09

Case Manager: Mark Baker

Location: 8260 Cedar Creek Road

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree

() disagree with this request

Comments:

Raymond David Jirasek
Signature

Raymond David Jirasek
Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, mbaker@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **January 3, 2017**.

RECEIVED

City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501

DEC 31 2016

City of Temple
Planning & Development

Number of Notices Mailed: 7 (ETJ notices mailed)

Date Mailed: December 22, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.

Mark Baker

From: allen stewart <peace-love-13@hotmail.com>
Sent: Monday, January 02, 2017 12:06 PM
To: Mark Baker
Subject: Response to proposed rezoning request application #Z-FY-17-09

Mr. Baker

Since the letter from the city of Temple was mailed during a major holiday being Dec 22, 2016 and then the public hearing held on 3 January 2017 @ 5:30pm in which the comment form needs to be returned no later than January 3, 2017.

Can we start a petition to stop this action?

Concerns of rezoning see attached:



RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE

RECEIVED

JAN 02 2017

City of Temple
Planning & Development

STEWART, SHERRY A FTUX ALL ENCL.
8022 CEDAR CREEK RD
TEMPLE, TX 76504

Zoning Application Number: Z-FY-17-09

Case Manager: Mark Baker

Location: 8260 Cedar Creek Road

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☐ agree

☒ disagree with this request

Comments:

WE ARE CONCERNED ABOUT TRAFFIC, CRIME, PEOPLE COMING ON OUR PROPERTY, HAVING 50 OR 60 HOUSES NEXT TO OUR RURAL PROPERTY. ALL OF THE TRASH AND NOISE, WELL WATER CONTAMINATION, BARKING DOGS, STRAY ANIMALS, LIGHT FROM TRAFFIC, VALUE OF A PROPERTY GOES DOWN, TAXES GOING UP, LIVESTOCK BEING CHASED BY DOGS, DRAINAGE RUN OFF ISSUES, OUR PRIVACY AND TRANQUILITY WILL BE AFFECTED.

Allen Stewart
Signature

Sherry A Stewart
Signature

ALLEN STEWART: SHERRY STEWART
Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, mibaker@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **January 3, 2017**.

City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501

Number of Notices Mailed: 7 (ETJ notices mailed)

Date Mailed: December 22, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.

Comments above

We are concerned about additional traffic, crime, people coming on our property, having 50 or 60 houses directly next to our rural property. Blowing trash, noise, well water contamination, barking dogs, additional

stray animals, light from traffic, value of property going down and taxes rising, live stock being chased by dogs, drainage run off issues, our privacy and tranquility will be affected.

1-3-17

TO MARK BAKER

I GOT WITH MY OTHER NEIGHBOR
RONALD VALDEZ, AND HE DISAGREES
WITH THIS ZONING APPL # Z-FY-17-09
HIS SIGNATURE IS ATTACHED.
RONALD IS PROPERTY OWNER FROM
MY BACK FENCE ALL THE WAY TO HWY 317

SIGNATURE	PRINT NAME
X <u>Ronald S. Valdez</u>	X <u>Ronald S. Valdez</u>

THANK FOR HELPING ME
GET THIS APPRO TO TODAY'S
MEETING

ALLEN + SHERRY
STEWART

Allen Sherry Stewart

(254) 563-5983
14017, N Hwy 317

RECEIVED

JAN 03 2017

City of Temple
Planning & Development



**RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE**

GONZALEZ, MARTIN ETUX OLGA
13563 STATE HIGHWAY 317
TEMPLE, TX 76504-6035

Zoning Application Number: Z-FY-17-09

Case Manager: Mark Baker

Location: 8260 Cedar Creek Road

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree

() disagree with this request

Comments:

RECEIVED

JAN 05 2017

City of Temple
Planning & Development

Martin Gonzalez

Signature

Martin Gonzalez

Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, mbaker@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **January 3, 2017**.

**City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501**

Number of Notices Mailed: 3 (COT notices mailed)

Date Mailed: December 22, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.

From: [Will Sisco](#)
To: [Mark Baker](#)
Cc: crispomar@hotmail.com; [Brian Chandler](#)
Subject: RE: Disagreement of app# z-FY-17-09
Date: Monday, January 23, 2017 1:41:15 PM

Mark,

Please let the record indicate that Turley Associates has discussed the concerns submitted by Ms. Sherry Stewart with Mr. Crisp. Each concern has been considered by Mr. Crisp and by Turley Associates.

Thank you.

Will Sisco, P.E., Project Engineer

Turley Associates, Inc.

254-773-2400 Ext. 205

From: Mark Baker [<mailto:mbaker@templetx.gov>]
Sent: Thursday, January 5, 2017 11:29 AM
To: Sherry Stewart <peacelovefarm8022@gmail.com>; Allen Stewart <peacelove8022@gmail.com>
Cc: r.valdez5240@yahoo.com; wsisco@turley-inc.com; crispomar@hotmail.com; bchandler@templetx.gov; Lynn R. Barrett <lrbartlett@templetx.gov>
Subject: RE: Disagreement of app# z-FY-17-09

Thank you for your email, it has been received and will become part of the official record. Your comments are noted and will be forwarded to the City Council for their consideration.

In terms of your specific questions, I have provided answers in **RED** text below.

Thank you again for your participation in this process,

Mark

From: Sherry Stewart [<mailto:peacelovefarm8022@gmail.com>]
Sent: Wednesday, January 04, 2017 9:15 PM
To: Allen Stewart <peacelove8022@gmail.com>; Mark Baker <mbaker@templetx.gov>
Cc: r.valdez5240@yahoo.com
Subject: Disagreement of app# z-FY-17-09

Our water lines run on the west side of our driveway, it runs the enter length of our property (that is in the buffer zone of this project, approximately one foot from our fence and 1.5 feet from Mr. Crisp North East property line, of this project) concerned about waterline contamination.

Photos attached



Water line runs between driveway and fence, on the right side of fence is survey stick. Looking South.



Looking North with project on left.



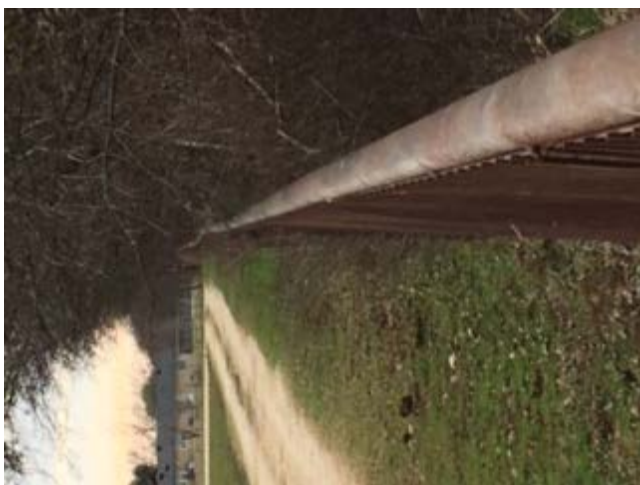
Looking North West



Looking South West
Water lines at this corner less than 4 feet from survey stick



Looking South water line runs entire fence line



Showing distance of water lines from fence property on right of fence is proposed site.



This is my home from the NE survey stick



NE view Also have 60 ft water tower concern kids climbing fence and tower



solar panels



Concern evening sun blocked
Vandalism, theft



Neighbors not shown in project rural photos



More neighbors not shown in project rural photos



More neighbors not shown in project rural photos



Ron Valdez's property



I was looking at the notice of meeting and the planning and zoning members



A follow up email was sent by staff to Mrs. Stewart clarifying that Mr. Crisp did not participate in discussion or voting action.

Mr Omar crisp is one of the members, what does this mean? Will he be able to vote on this? Mr. Crisp has been advised that there is a conflict of interest. Prior to this item being discussed, Mr. Crisp publically acknowledged the conflict and left the immediate City Council Chambers. He did participate in discussion or voting action. His Engineer was available to answer questions during discussion as needed. This is in compliance with Texas Local Government Code for conflicts of interest.

Also on the meeting minutes it states that 10 notices were sent out? The letter dated Dec 22 2016 stated 7 notices sent out? A total of 10 notices were sent out, 7 within the ETJ and 3 within the City limits.

Also read in minutes that no responses had been received? At the time of staff report preparation, no returned notices had been received.

Sent from my iPhone



This email has been checked for viruses by Avast antivirus software.
www.avast.com

**EXCERPTS FROM THE
PLANNING & ZONING COMMISSION MEETING
TUESDAY, JANUARY 3, 2017**

ACTION ITEMS

Item 5: Z-FY-17-09 - Hold a public hearing to discuss and recommend action on a rezoning from Agricultural (AG) district to Planned Development Urban Estate (PD-UE) district, with Development / Site Plan approval on 31.043 +/- acres, situated in the Sarah Fitzhenry Survey, Abstract No. 312, Bell County, Texas, located at 8260 Cedar Creek Road.

Commissioner Crisp disclosed that he would need to abstain from this item and left the Council Chambers:

Mr. Mark Baker, Senior Planner, stated this item was scheduled to go forward to City Council for first reading on February 2, 2017 and second reading on February 26, 2017.

This project was initially submitted to Staff for Single-Family One (SF-1) zoning. The applicant and Staff have agreed upon proceeding as a Planned Development–Urban Estate (PD-UE). There are aspects of both SF-1 and UE included into the PD:

Dimensional Standards – (hybrid of SF-1 and UE);

The applicant requested seven and a half-foot (7.5) side yard setback for the potential of side entry garages; and

The minimum lot size of 22,500 square foot to accommodate septic systems since sewer will not be extended or provided in this area.

A subdivision plat would be forthcoming. The conceptual layout for 51 lots is part of the request as the Development/Site Plan and if approved, will be an exhibit to the Ordinance.

UDC Section 3.4 states a Planned Development is a flexible overlay zoning district designed to respond to unique development proposals, special design considerations and land use transitions by allowing evaluation of land use relationships to surrounding areas through Development/Site Plan approval.

As a Planned Development (AG to PD-UE):

SF-1 and Urban Estate (Hybrid) Dimensional Standards;

Development/Site Plan that has been submitted with rezoning:

The approval is binding – Condition compliance is required.

Proposal:

51 one-half acre lots with reduced setbacks to accommodate potential for side-entry garages on some narrower lots;

Density is consistent with Urban Estate and maintains the rural character;

Public review of Development/Site Plan is part of this process;

Subject to UDC Section 3.4.5

10 Criteria (A through J – Separate Table).

Conceptual Development/Site Plan shown.

The 51 lots are being proposed under two phases:

Phase I - 19 Lots

Phase II – 32 Lots

Zoning map shown. Primarily AG which contain rural land uses or undeveloped acreage and can also be used as a holding-zone after annexation.

The proposed UE zoning is consistent and compliant with the zoning and does support the rural character of AG zoning.

The Future Land Use and Character Map designates the property as Agricultural/Rural which is intended for areas lacking adequate public facilities, a “holding” designation after annexation and areas of active farming or ranching activities. The rural character is also consistent with the zoning district as opposed to the single family.

Water is available through Pendleton Water Supply and sewer is on-site septic system.

The Thoroughfare Plan designates State Highway 317 as a Major Arterial and Cedar Creek Road as a proposed Minor Arterial. Requirements for right-of-way, primarily Cedar Creek, would be addressed through the platting process.

Required sidewalks, a six-foot wide along State Highway 317 and along Cedar Creek, would also be addressed during platting.

Applicant has indicated that fees will be paid in lieu of parkland dedication.

Surrounding properties include undeveloped and scattered single family residential uses on acreage along State Highway 317 (ETJ) to the north, scattered single family residential uses on acreage along Cedar Creek Road (ETJ) to the east, scattered single family residential uses on acreage (ETJ) to the south, and scattered single family residential uses on acreage (fronting State Highway 317 in ETJ) to the west.

Comparison of allowed and prohibited uses for AG, UE, and SF shown, along with current and proposed development standards for all three districts.

Ten notices (three in the City and seven in ETJ) were mailed in accordance with all state and local regulations with one notice returned in agreement and two notices returned in disagreement.

Based on the two notices in disagreement, the 20 percent property ownership threshold is very close but has not yet been calculated and determined since receipt of further notices is anticipated. A 20 percent threshold does trigger a 4/5^{ths} vote at City Council.

The request is in compliance with the Future Land Use and Character Map, the Thoroughfare Plan, UDC Section 3.4.5 (PD Criteria), public facilities are available to serve the property, and is compatible with surrounding uses and zoning.

Staff recommends approval of the request for a rezoning from AG district to PD-UE district, subject to the following conditions:

1. Submittal of a Development/Site Plan confirming minimum lot size of 22,500 square feet in area;
2. Development/Site Plan showing rural street design with a minimum 22-feet of pavement, rollover curb, and drainage ditches;
3. Detached single-family residential development meeting the following minimum dimensional standards:
 - a. 60-feet wide
 - b. 100-feet deep
 - c. 25-foot front setback
 - d. 7.5-foot side setback
 - e. 15-foot (corner) side setback
 - f. 10-foot rear setback
 - g. Three stories in height;
4. Street signage prohibiting on-street parking; and
5. That the Director of Planning, with consultation as needed by the Development Review Committee (DRC), may be authorized to approve minor changes to the Development/Site Plan which include but not limited to, lot configuration and size, reduction of density, and overall Development/Site Plan layout

Mr. Baker explained that response notices may be received up until City Council dates in order to determine the 20 percent opposition.

Mr. Baker clarified that P&Z is voting on the zoning request and the Development/Site Plan is part of the rezoning request. P&Z approval, if approved, would include Development/Site Plan approval and the layout configuration of the 51 lots.

Commissioner Jones asked where the water drainage would be located.

Mr. Baker stated it was his understanding the drainage would be handled off-site, outside of the boundaries of the development; however, he would also defer to the engineer to respond.

Chair Rhoads opened the public hearing.

Mr. Will Sisco, Turley Associates, 911 North 9th Street, responded that the current layout is conceptual and once they go to plat the detention for the 51 lots would be off-site.

Mr. Brian Chandler, Director of Planning, stated after discussing with Ms. Trudi Dill, Deputy City Attorney, that if the detention for drainage for the single family development is off-site then it probably needs to be included as part of this zoning request since that is not drainage associated with an AG use. The detention as currently proposed is not part of the zoning request; it is on land zoned

AG. Mr. Chandler was not certain this had been discussed with the applicant but is something that needs to be considered.

Mr. Chandler explained there are off-site drainage facility options and he would defer to the engineers to respond. However, it is a land use question--whether an AG zoned piece of property can have a detention pond that is associated with a single family development that otherwise would not be allowed. This subject would get addressed at platting depending on Staff interpretation as to whether that detention is an allowable use on the AG zoned property.

Mr. Sisco stated they were at the zoning stage and have not calculated drainage at this point. They could get rid of a lot and put the drainage on that lot. If it is decided the drainage would be off-site, then it would have to be rezoned.

Mr. Chandler explained P&Z could specify it would be a condition that gives direction to come back since it cannot be zoned based on an arbitrary undetermined boundary. Ultimately, the applicant would need to come back for that piece. However, if it were decided to incorporate the drainage on the site and eliminate a lot, then that is a decrease in intensity and lots. With this Development/Site Plan P&Z would be approving a maximum of 51 lots. As proposed, there is an administrative flexibility to approve that and Staff would allow that on-site, if required.

Mr. Chandler added that Legal suggested it could be a permanent easement option as well.

Chair Rhoads suggested that if this recommendation is approved, it should be stated to retain the 51 lots. Since the possibility of a super majority exists for City Council, clearer direction should be made at that presentation.

Mr. Victor Turley, Turley Associates, 301 North 3rd Street, explained it was anticipated the piece of property would have to be connected to the lower property where the detention pond is going to be. This is often done with a drainage easement and make it a permanent part during the platting process. That way there will be a connection from the southern part of the area where the natural drainage comes to the low point at Cedar Creek Road, which would then discharge into the pipe that goes under Cedar Creek Road.

Mr. Chandler commented based on consultation with Legal Staff, it is a question of whether the existing AG zoning would allow drainage facilities associated with a denser single family product. It is a zoning question; not an engineering question. An easement would be required for drainage in the future and that would be incorporated into the plat. As proposed now, if it is off-site that drainage easement would need to be on adjacent property not part of the zoning. Legal is suggesting that the AG zoning may not accommodate that use for denser single family development.

There being no speakers, the public hearing was closed.

Commissioner Langley made a motion to approve Item 5, **Z-FY-17-09**, and Commissioner Ward made a second.

Motion passed: (5:0)

Commissioner Crisp abstained; Commissioners Armstrong and Marshall and Vice-Chair Fettig absent

ORDINANCE NO. 2017-4827
(Z-FY-17-09)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A REZONING FROM AGRICULTURAL DISTRICT TO PLANNED DEVELOPMENT URBAN ESTATE DISTRICT, WITH DEVELOPMENT/SITE PLAN APPROVAL ON APPROXIMATELY 31.043 ACRES, SITUATED IN THE SARAH FITZHENRY SURVEY, ABSTRACT NO. 312, BELL COUNTY, TEXAS, AND LOCATED AT 8260 CEDAR CREEK ROAD; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:

Part 1: The City Council approves a rezoning from Agricultural District to Planned Development Urban Estate District, with development/site plan approval on approximately 31.043 acres, situated in the Sarah Fitzhenry Survey, Abstract No. 312, Bell County, Texas, and located at 8260 Cedar Creek Road, as outlined in the attached map and field notes attached hereto as Exhibit 'A,' and made a part hereof for all purposes.

Part 2: Staff recommends approval for a rezoning from Agricultural District to Planned Development Urban Estate District with the following conditions:

1. Submittal of a development/site plan confirming the minimum lot size of 22,500 square feet in area which is attached hereto as Exhibit 'B,' and made a part hereof for all purposes;
2. Development/site plan showing rural street design with a minimum of 22-feet of pavement, rollover curb and drainage ditches;
3. Detached single-family residential development meeting the following minimum dimensional standards:
 - a. 60 feet wide;
 - b. 100 feet deep;
 - c. 25 foot front;
 - d. 7.5 foot side;
 - e. 15 foot (corner) side;
 - f. 10 foot rear; and
 - g. 3 Stories in height;
4. Street signage prohibiting on-street parking; and
5. Authorizing the Director of Planning, with consultation as needed by the Development Review Committee (DRC), to approve minor changes to the development/site plan which includes but is not limited to: lot configuration and size, reduction of density and overall development/site plan layout.

Part 3: The City Council directs the Director of Planning to make the necessary changes to the City Zoning Map.

Part 4: It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such phrase, clause, sentence, paragraph or section.

Part 5: This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 6: It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading and Public Hearing on the **2nd** day of **February**, 2017.

PASSED AND APPROVED on Second Reading on the **16th** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #9
Regular Agenda
Page 1 of 4

DEPT./DIVISION SUBMISSION & REVIEW:

Lynn Barrett, Assistant Director of Planning

ITEM DESCRIPTION: FIRST READING – PUBLIC HEARING - Z-FY-17-10: Consider adopting an ordinance authorizing a rezoning from Planned Development-Commercial to Planned Development-General Retail on Lots 1, 2, 3 and 4, Block 33, Temple Heights Subdivision, 2015 West Avenue M, and 1305 and 1307 South 41st Street.

PLANNING & ZONING COMMISSION RECOMMENDATION: At their January 3, 2017 meeting, the Planning and Zoning Commission voted unanimously six to zero to recommend approval of the proposed rezoning from Planned Development Commercial (PD-C) district to Planned Development General Retail (PD-GR) district as recommended by Planning staff.

STAFF RECOMMENDATION: The proposed PD is to allow auto sales along with major vehicle servicing and heavy equipment storage/repair of property owner's equipment on Lots 1-3 only, subject to Zoning Ordinance standards. Occasional parking of property owner's agricultural equipment would be allowed on lot 4, with no other commercial use of the lot permitted.

Based on the following, staff recommends approval with conditions for a rezoning from the current PD-C zoning district to the PD-GR zoning district for the following reasons:

1. That the proposed Development Plan/Site Plan reflects compliance with the provisions of the Planned Development Criteria as required by Unified Development Code (UDC) Section 3.4.5;
2. The base zoning remains GR with the PD bringing forward those C uses on Lots 1-3 desired by the applicant appropriate for the area; and Lot 4 is not being used commercially;
3. That the PD request complies with UDC, Section 5.3.19 that states for an auto sales use - new or used, outdoor lot that the office must be less than 10% of the lot area;
4. That the request complies with UDC, Section 5.3.22 that states for Vehicle Servicing-major that servicing occurs inside a building and any vehicle parts stored outside must be behind a building, screened from public view and occupy less than 10% of the lot;
5. That limited heavy equipment storage is a similar use, with repair allowed inside a building;
6. The request is in compliance with the Future Land Use Map (FLUM) Auto-Urban Mixed Use character district designation and current auto uses nearby along West Avenue M;
7. The proposed zoning is compatible with surrounding zoning and anticipated retail and service uses along this section of West Avenue M;

8. The request complies with the Thoroughfare Plan and Trails Master Plan; and
9. Public facilities serve the subject property.

Staff recommends approval of the request, subject to the following conditions:

1. Substantial compliance with the Buffering requirements utilizing a fence constructed on two sides of Lot 4 to screen from adjacent residential properties;
2. That the Planned Development uses will be allowed exclusively on Lots 1-3; and Lot 4 will not be developed or used until paved, but may be used for temporary storage of the owner's limited agricultural equipment, and, as such, is not required to be paved at this time,(but can be used for GR uses if paved);
3. All buildings on the property will be maintained in good repair
4. All refuse, rubbish or building materials are removed and the premises kept mowed
5. Previous conditions of the former PD (Ordinance 2010-4363) are repealed;

ITEM SUMMARY:

A 2010 PD on this property (Ordinance 2010-4363) limited the owner to the uses of truck and van rental and parking, minor vehicle servicing and any non-residential use by right in Neighborhood Services or Office zoning districts. The applicant now has a tenant who began an auto sales lot on Lots 1-3 of the property, but which is not in compliance with the previous PD. Further, the requirements of the 2010 PD were that lot 4 be paved. No commercial activity is occurring on Lot 4, thus a pavement requirement would no longer apply. A screening fence which was a condition of the previous PD has been installed between this vacant property and the residential neighbors to the south and east. Previous to the 2010 PD Lots 1-3 were zoned C; Lot 4 was zoned GR. The proposed allowed uses mirror existing current conditions on the property.

Planned Development

UDC Section 3.4.1 defines a PD as:

"A flexible overlay zoning district designed to respond to unique development proposals, special design considerations and land use transitions by allowing evaluation of land use relationships to surrounding areas through development plan approval."

Per UDC Section, 3.4.3.A, a PD is subject to review and approval by City Council.

Enhancements are typically an expectation of a PD to off-set the unique manner of the request. While staff has worked closely with the applicant, enhancements for the site are in the form of limiting uses, screening and buffering, and have been discussed and agreed upon with the applicant and are described as follows:

Screening / Buffering: Applicant has constructed a screening fence on two sides of Lot 4 as required for the previous PD

Proposed Allowed Uses: Auto sales, major vehicle servicing and heavy equipment storage/repair of property owner's equipment on Lots 1-3 only per Zoning Ordinance requirements. Occasional storage of property owner's agricultural equipment allowed on lot 4.

SURROUNDING PROPERTIES AND USES: A table in the attachments provides the surrounding properties, FLUM designations, existing zoning and current land uses (attachment: Surrounding Properties & Uses Table).

SCREENING / BUFFERING

UDC, Section 7.7 Screening & Buffing details that a continuous buffering is required along the common boundary between nonresidential uses and residential zoning districts or uses. The design of this required buffer must either consist of evergreen hedges with a minimum of six feet high and placed on 36 inches center or consist of fences or walls constructed of wood, masonry, stone or pre-cast concrete, with integrated color, texture and pattern.

There are two existing residences that abut Lot 4 to the south and to the east across an alley. The previous PD required continuous screening along this portion of the property. Installation of a solid wood fence has been completed.

COMPREHENSIVE PLAN COMPLIANCE: The proposed rezoning relates to the following goals, objectives or maps of the Comprehensive Plan (CP) and Sidewalk and Trails Plan. A summary table of the CP compliance is located the attachments: Comprehensive Plan Compliance Summary Table.

Future Land Use Map (CP Map 3.1)

In the FLUM, the subject property is designated as the Auto-Urban Mixed Use character district. This district is intended for a mixture of commercial and residential uses with appropriate screening and buffering.

The proposal is in compliance with the FLUM and current zoning as it includes several proposed commercial uses that are similar to many along Avenue M and a fence is installed to shield adjacent residential properties.

Thoroughfare Plan (CP Map 5.2)

The subject property takes access from West Avenue M, which is designated as minor arterial in the Thoroughfare Plan and 41st Street, a local street. Therefore, this request is compliant with the Thoroughfare Plan.

Availability of Public Facilities (CP Goal 4.1)

Water and Sewer are available to and currently service the subject property.

DEVELOPMENT REVIEW COMMITTEE: As required by UDC Section 3.4.2 B, the Development/Site Plan for the proposed PD was reviewed by the Development Review Committee (DRC) on December 19, 2016. Site characteristics and history of the property were discussed.

PUBLIC NOTICE: Thirty-four notices were mailed to property owners within the 200 feet buffer area of the subject property. The notices included information on the public hearing as required by State Law and City Ordinance. As of noon on Tuesday, January 3, 2017, zero notices were received in disagreement; and five in agreement were returned, with one notice returned undeliverable.

The newspaper printed notice of the public hearing on December 22, 2016 in accordance with state law and local ordinance.

CITY COUNCIL MEETING SCHEDULE: This request is scheduled for a first reading on February 2, 2017 and a second reading on February 16, 2017.

FISCAL IMPACT: Not Applicable

ATTACHMENTS:

Development/Site Plan

Site Photos

Maps

Aerial Map / Utility Map

Zoning Map/ Future Land Use and Character Map

Thoroughfare & Trails Map / Notification Map

Uses Tables

Surrounding Properties & Uses Table

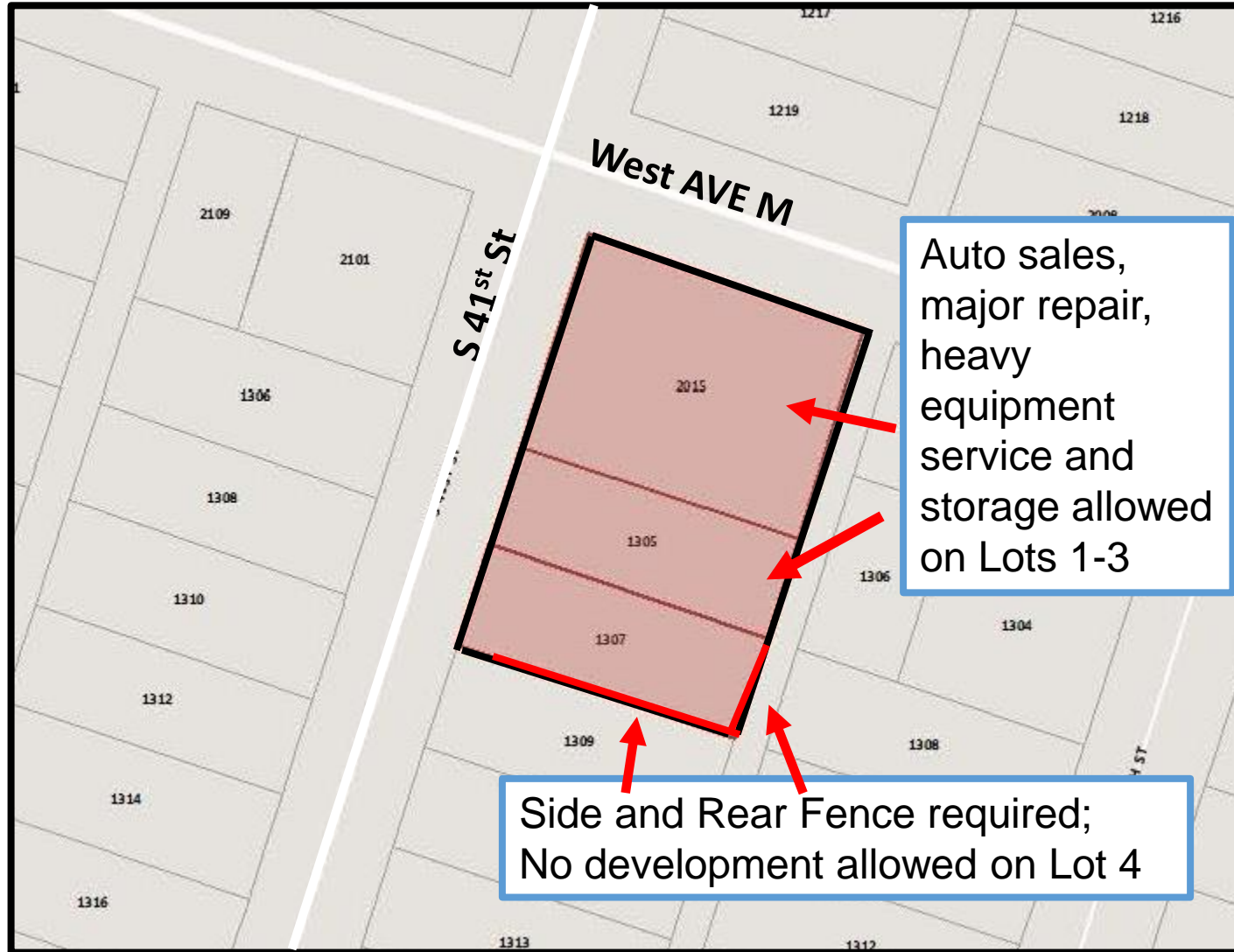
Comprehensive Plan Compliance Summary Table

Returned Property Notices

Previous PD Ordinance (2010-4363)

Ordinance

Site Plan



Site Photos

Along 41st St



Front View of property



View Along Avenue M



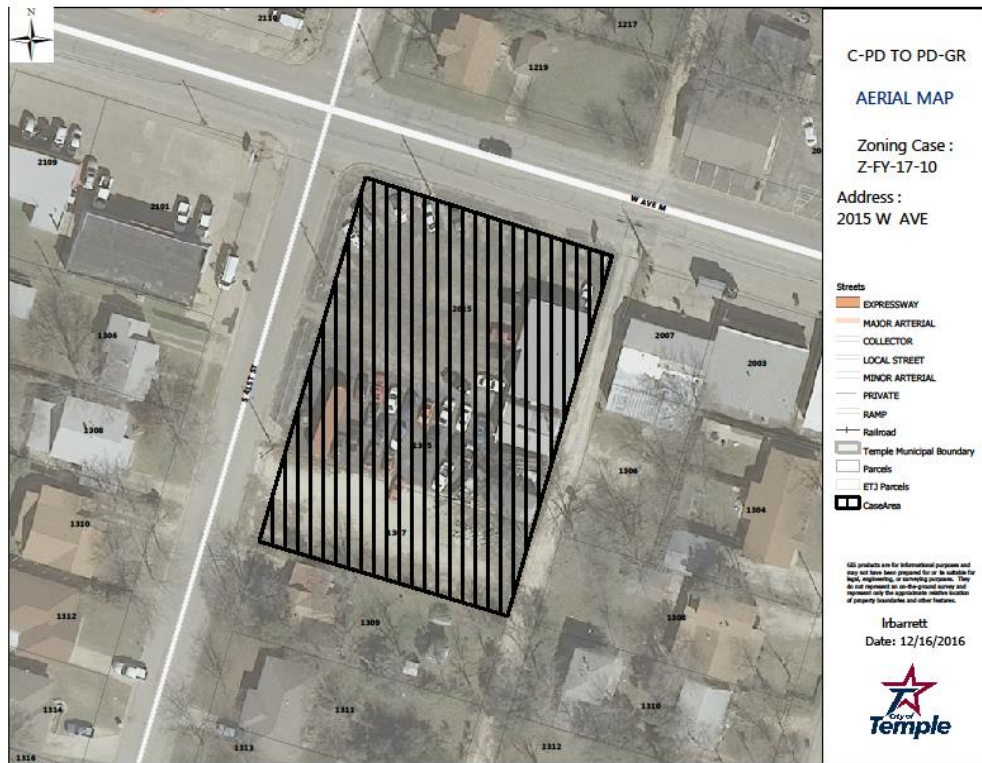
Across Ave M



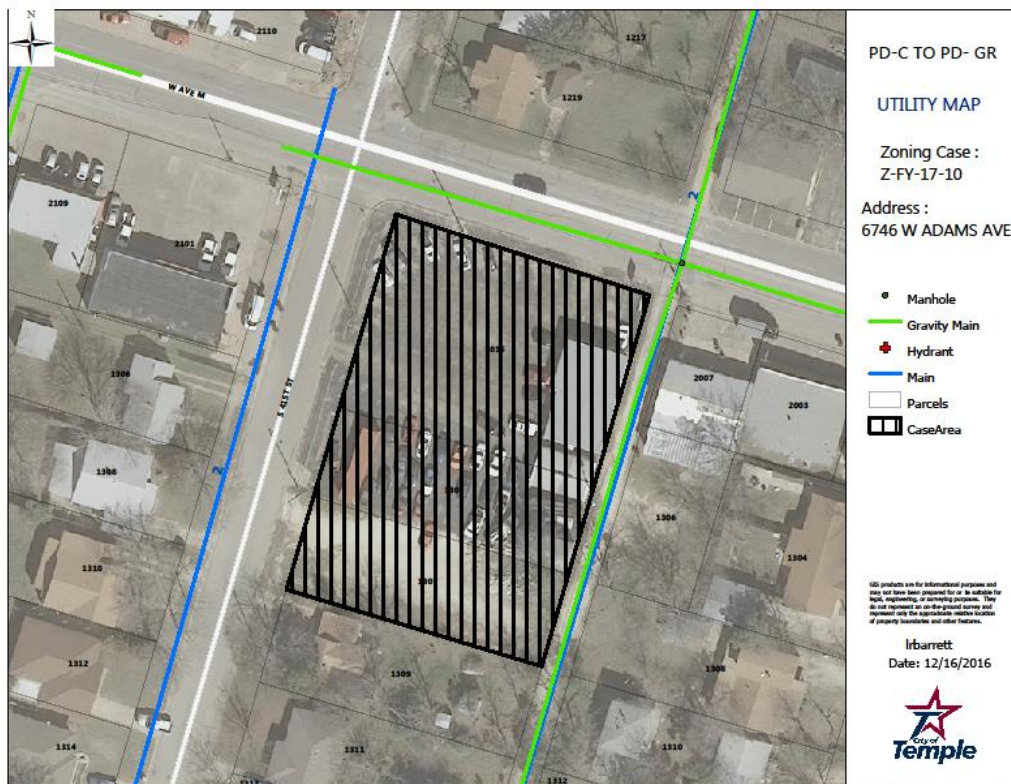
Installed Fence



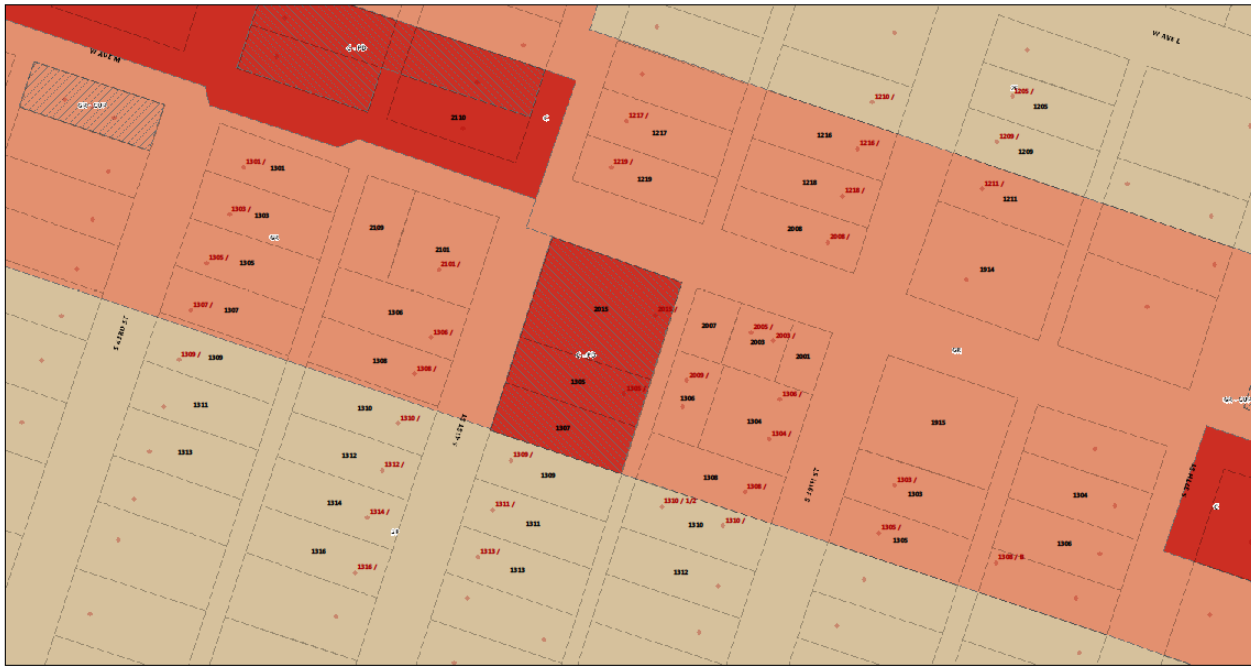
Aerial Map



Utility Map



Pellawatta zoning

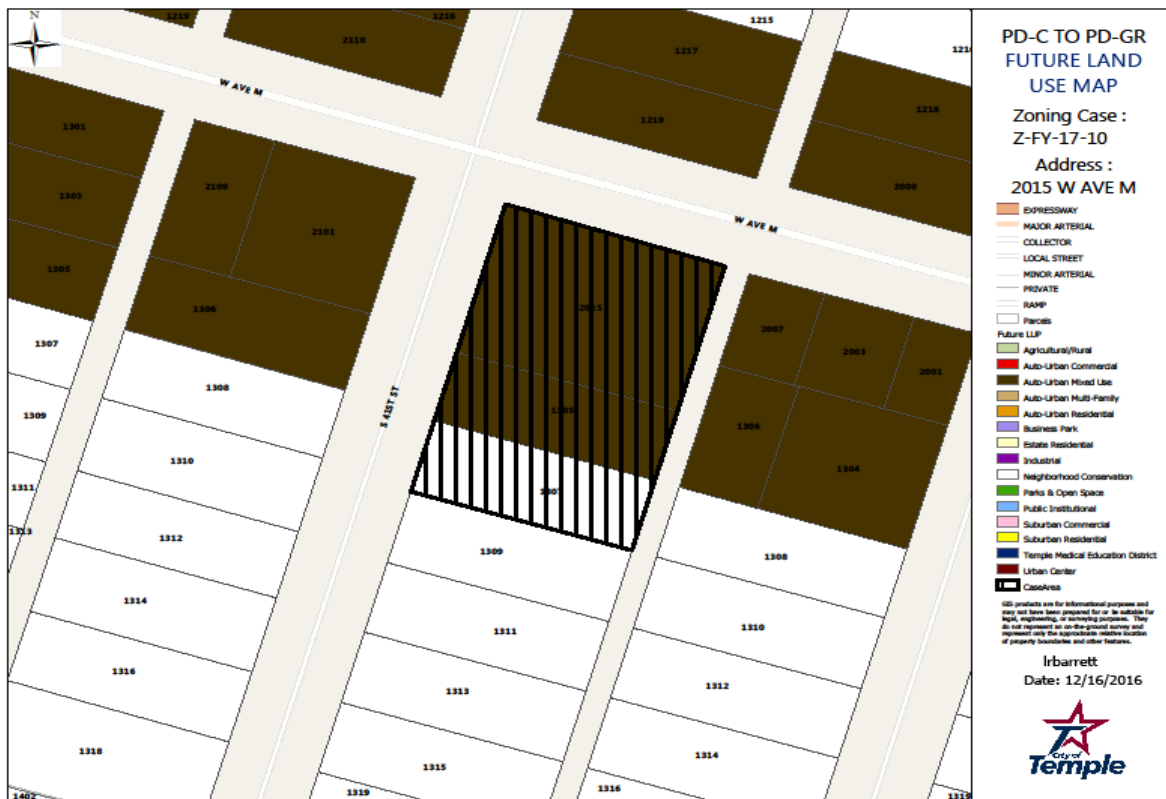


December 6, 2016

Easement
Outlook Numbers

1:1,128
0 0.01 0.02 0.04 mi
0 0.02 0.04 0.08 km

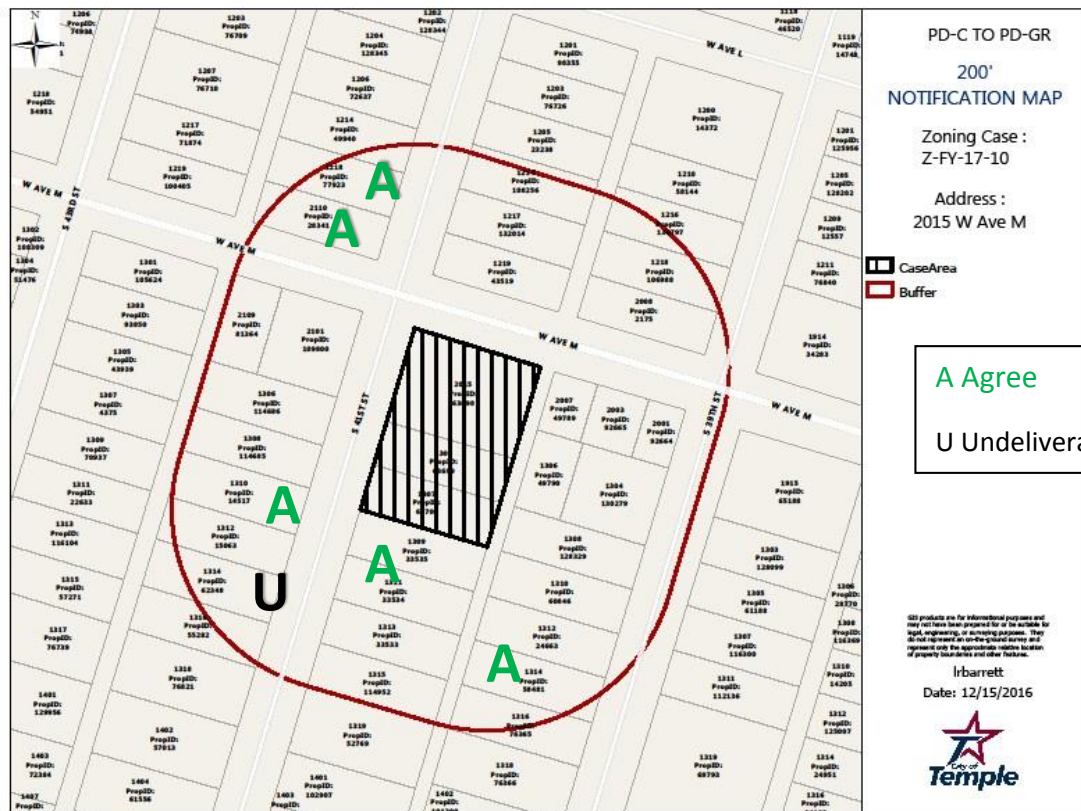
Future Land Use



Thoroughfare/Trails Map



Notification Map



Surrounding Properties & Uses Table

Direction	FLUM	Zoning	Current Land Use
Site	Auto-Urban Mixed Use	C-PD	Business
North	Auto-Urban Mixed Use	NS	Business
South	Neighborhood Conservation	2F	single family residential
West	Auto-Urban Mixed Use	NS	Business/ residential
East	Auto-Urban Mixed Use	NS	single family residential

Comprehensive Plan Compliance Summary Table

Document	Policy, Goal, Objective or Map	Compliance?
CP	Map 3.1 - Future Land Use Map	Yes
CP	Map 5.2 - Thoroughfare Plan	Yes
CP	Goal 4.1- Growth and development patterns should be consistent with the City's infrastructure and public service capacities	Yes
STP	Temple Trails and Thoroughfare Plan	Yes
UDC	UDC, Section 3.4.5 Planned Development Criteria	Yes

CP = Comprehensive Plan STP = Sidewalk and Trails Plan



**RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE**

NAUTILUS HOLDINGS, LP
905 BLAYLOCK DR
SALADO, TX 76571

Zoning Application Number: Z-FY-17-10

Case Manager: Lynn Barrett

Location: 2015 West Avenue M and 1305 & 1307 South 41st Street

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree

() disagree with this request

RECEIVED

Comments:

JAN 03 2017

City of Temple
Planning & Development

NAUTILUS HOLDINGS LP

By TWIN ACORN, LLC, General Partner

By:

Printed Name:

R. A. DLSEN

Print Name

President

Signature

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, lrbartlett@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **January 3, 2017**.

City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501

Number of Notices Mailed: 34

Date Mailed: December 22, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.



**RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE**

ENGHOLM, BENHARDT G ETUX NATALIE
1309 S 41ST ST
TEMPLE, TX 76504-6603

Zoning Application Number: Z-FY-17-10

Case Manager: Lynn Barrett

Location: 2015 West Avenue M and 1305 & 1307 South 41st Street

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree


() disagree with this request

RECEIVED

Comments:

JAN 03 2017

City of Temple
Planning & Development


Signature

Edward Southernland
Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, lrbartlett@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **January 3, 2017**.

**City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501**

Number of Notices Mailed: 34

Date Mailed: December 22, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.



**RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE**

TAYLOR, MABLE MARIE
1308 S 41ST ST
TEMPLE, TX 76504-6604

Zoning Application Number: Z-FY-17-10

Case Manager: Lynn Barrett

Location: 2015 West Avenue M and 1305 & 1307 South 41st Street

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree

() disagree with this request

Comments: I agree to a point. I disagree to Mr. Pelawatta parking Budget trucks on this property & using 1307 S. 41 as an entry & exit. Before, in 2004 & 2005 when the Budget trucks were parked on said property & using lot 1307 going in & out. Coming out the larger trucks would jump the curb in front of 1308 (my property) & the tires made ruts in the grass. My semi pick up, parked at the curb, was hit on drivers door & side view mirror, breaking the mirror & denting the door & left no notice. Not witnessed so police couldn't do anything. Damage had to be one of those trucks.

Mable M. Taylor
Signature

Mable M. Taylor
Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, lrbartlett@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **January 3, 2017**.

City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501

RECEIVED

JAN 03 2017

City of Temple
Planning & Development

Number of Notices Mailed: 34

Date Mailed: December 22, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.



**RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE**

OLIVAREZ, DAVID S ETUX CHRISTINA CONDE
83 DEW LN
BELTON, TX 76513

Zoning Application Number: Z-FY-17-10

Case Manager: Lynn Barrett

Location: 2015 West Avenue M and 1305 & 1307 South 41st Street.

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree

() disagree with this request

Comments:

RECEIVED

JAN 03 2017

City of Temple
Planning & Development


Signature

David S Olivarez
Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, lrbartett@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **January 3, 2017**.

City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501

Number of Notices Mailed: 34

Date Mailed: December 22, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.



RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE

OLIVAREZ, DAVID S ETUX CHRISTINA CONDE
83 DEW LN
BELTON, TX 76513

Zoning Application Number: Z-FY-17-10

Case Manager: Lynn Barrett

Location: 2015 West Avenue M and 1305 & 1307 South 41st Street

The proposed rezoning is the area shown in hatched marking on the attached map. Because you own property within 200 feet of the requested change, your opinions are welcomed. Please use this form to indicate whether you are in favor of the possible rezoning of the property described on the attached notice, and provide any additional comments you may have.

I ☒ agree

() disagree with this request

Comments:

RECEIVED

JAN 03 2017

City of Temple
Planning & Development

C. Olivarez
Signature

Christina Olivarez
Print Name

If you would like to submit a response, please email a scanned version of this completed form to the Case Manager referenced above, lrbarrett@templetx.gov, or mail or hand-deliver this comment form to the address below, no later than **January 3, 2017**.

City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501

Number of Notices Mailed: 34

Date Mailed: December 22, 2016

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.

ORDINANCE NO. 2010-4363

[PLANNING NO. Z-FY-10-29]

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, APPROVING A ZONING CHANGE FROM COMMERCIAL DISTRICT AND GENERAL RETAIL DISTRICT TO PLANNED DEVELOPMENT - COMMERCIAL DISTRICT (PD-C) ON LOTS 1—4, BLOCK 33, TEMPLE HEIGHTS ADDITION, LOCATED AT 2015 WEST AVENUE M, 1305 AND 1307 SOUTH 41ST STREET, IN ACCORDANCE WITH SECTIONS 7-500 THROUGH 7-509 OF THE COMPREHENSIVE ZONING ORDINANCE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the owner of the property on Lots 1—4, Block 33, Temple Heights Addition, located at 2015 West Avenue M, 1305 and 1307 South 41st Street, has requested that the property be rezoned from Commercial District and General Retail District to Planned Development - Commercial District (PD-C); and

Whereas, the City Council, after notice and a public hearing, finds that it is in the public interest to authorize this action.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:

Part 1: The City Council approves a zoning change from Commercial District and General Retail District to Planned Development - Commercial (PD-C) on Lots 1—4, Block 33, Temple Heights Addition, located at 2015 West Avenue M, 1305 and 1307 South 41st Street, more fully described in Exhibit A, attached hereto and made a part hereof for all purposes.

Part 2: In accordance with Sections 7-500 through 7-509 of the Comprehensive Zoning Ordinance of the City of Temple, Texas, Ordinance No. 91-2101, is amended by changing the zoning classification of the property described in Part 1 above, to Planned Development-Commercial District (PD-C), and shall comply with all applicable sections of the Code of Ordinances of the City of Temple, Texas, and all local, State and Federal laws and regulations as they may now read or hereafter be amended, including but not limited to the following conditions:

- (a) Except as modified by the binding site development plan and the ordinance granting the Planned Development designation, the use and development standards of the property shall conform to the requirements of the Commercial zoning district.
- (b) In the event of a conflict between the development plan, attached hereto as Exhibit B, and the text of this ordinance, the stricter standard applies.

- (c) All standards of the Zoning Ordinance apply unless the development plan or the text of this ordinance specifically modifies such standards.
- (d) The following uses, and no other uses, are permitted on the subject property:
 - 1. Truck and van rental and parking;
 - 2. Minor vehicle servicing; and
 - 3. Any nonresidential use permitted in the NS, Neighborhood Service, or O-1, Office One, zoning districts.
- (e) Rental van and truck parking is allowed only in the area designated on the development plan as the enclosed van and truck parking area.
- (f) Buffering between the parking area and the property line as depicted on the development plan must consist of an opaque fence that is between six feet and eight feet in height. The fence must not contain openings constituting more than 20 square inches in each square foot of wall or fence surface. Gates must be equal in height and screening characteristics to the fence or wall.
- (g) The enclosed van and truck parking area must be striped to accommodate all trucks available for rental.
- (h) Any new buildings or additions require a building permit and must meet all City Code requirements.
- (i) The standards in Section 7-631, Minor Vehicle Servicing, of the Zoning Ordinance applies to any minor vehicle servicing to take place on the property.
- (j) Portable buildings, if any are erected, require a building permit and must be located in the rear half of lots 3 and 4. Such buildings must meet all City Code requirements including but not limited to the masonry requirements in Sec. 13-300 of the Zoning Ordinance.
- (k) The following activities or conditions are prohibited:
 - 1. Outdoor junk and debris;
 - 2. Storage of commodities in a street or alley;
 - 3. Dilapidated signs;
 - 4. Stagnant water in tires;
 - 5. Indoor display of high combustible materials within five feet of doorways; and
 - 6. Sign in r-o-w.
- (l) After the completion of the property owner's vehicle repair facility at 1402 South 1st Street, semi-trailers, shipping containers or any other moveable accessory storage structures are prohibited on the subject property.

- (m) On-street parking of rental vehicles is prohibited. All drop-off, parking and storage of trucks and trailers must take place on-site.
- (n) Lot 4 on the attached binding development plan must be paved with asphalt or concrete.

These conditions shall be expressed conditions of any building permit issued for construction on the property which may be enforced by the City of Temple by an action either at law or in equity, including the right to specifically enforce the requirements of the ordinance, and these requirements shall run with the land.

Part 3: The City Council directs the Director of Planning to make the necessary changes to the City Zoning Map accordingly.

Part 4: It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such phrase, clause, sentence, paragraph or section.


Part 5: This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 6: It is hereby officially found and determined that the meeting at which this Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.


PASSED AND APPROVED on First Reading and Public Hearing on the 20th day of May, 2010.

PASSED AND APPROVED on Second Reading on the 17th day of June, 2010.

THE CITY OF TEMPLE, TEXAS

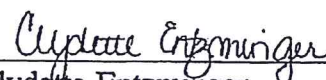

WILLIAM A. JONES, III, Mayor

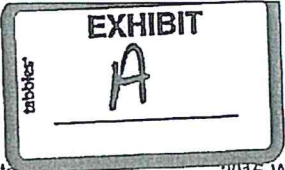
APPROVED AS TO FORM:


Jonathan Graham
City Attorney

ATTEST:



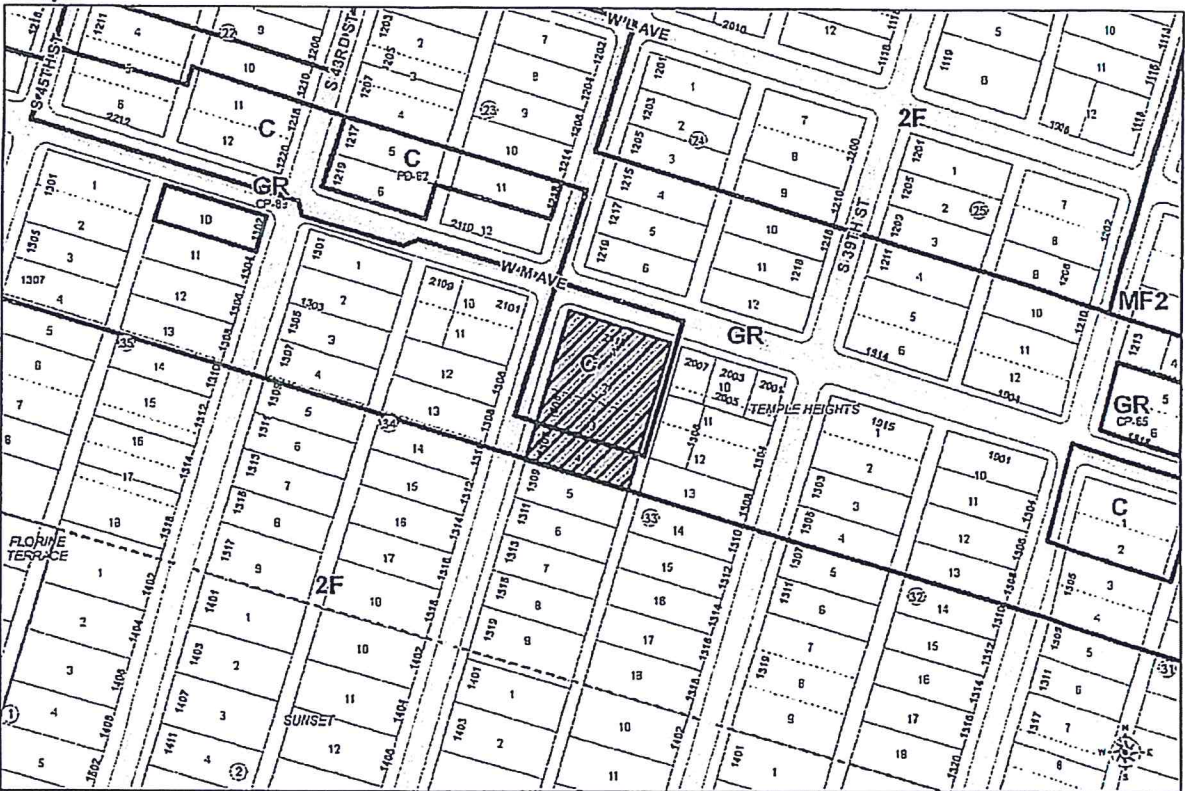

Clydette Entzminger
City Secretary




Z-FY-10-29

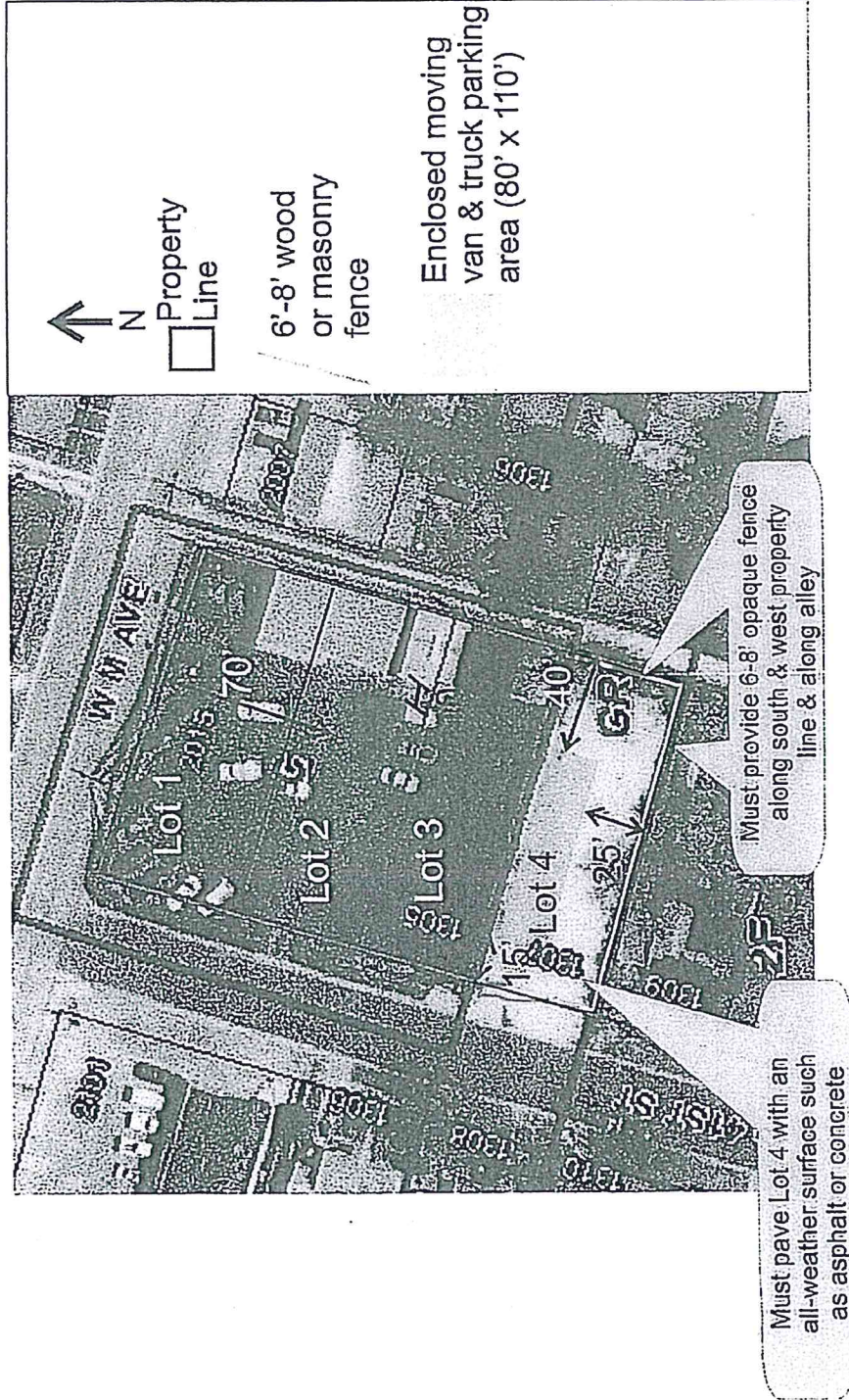
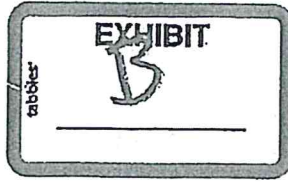
Temple Heights Addition, Block 33, Lots 1-4

2015 W Ave M



 Z-FY-10-29

Foot 0 50 100 150
J Stone 4.14.10



Temple Heights Addition, Block 33, Lots 1 - 4

In the event of a conflict between this development plan and the text of the PD ordinance for this project, the stricter standard applies.

All standards of the Zoning Ordinance apply unless this development plan or the text of the PD ordinance for this project specifically modifies such standards.

ORDINANCE NO. 2017-4828
(Z-FY-17-10)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A REZONING FROM PLANNED DEVELOPMENT-COMMERCIAL ZONING DISTRICT TO PLANNED DEVELOPMENT-GENERAL RETAIL ZONING DISTRICT, ON LOTS 1, 2, 3, AND 4, BLOCK 33, TEMPLE HEIGHTS SUBDIVISION, LOCATED AT 2015 WEST AVENUE M AND 1305 AND 1307 SOUTH 41ST STREET; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:

Part 1: The City Council approves a rezoning from Planned Development-Commercial zoning district to Planned Development-General Retail zoning district on Lots 1, 2, 3 and 4, Block 33, Temple Heights Subdivision, 2015 West Avenue M, and 1305 and 1307 South 41st Street, as outlined in the attached site plan notes attached hereto as Exhibit 'A,' and made a part hereof for all purposes.

Part 2: Staff recommends approval for a rezoning from Planned Development-Commercial zoning district to Planned Development-General Retail zoning district with the following conditions:

1. The base zoning on the property to remain GR with the PD bringing forward those C uses on Lots 1-3 desired by the applicant listed below;
 - a. That any auto sales use complies with UDC, Section 5.3.19 to allow for auto sales - new or used;
 - b. Any auto servicing use on Lots 1-3 complies with UDC, Section 5.3.22 that states for Vehicle Servicing-major that servicing occurs inside a building and any vehicle parts stored outside must be behind a building, screened from public view and occupy less than 10% of the lot;
 - c. Heavy equipment storage is considered a similar use, with repair allowed inside a building;
2. Substantial compliance with the buffering requirements utilizing a fence constructed on two sides of Lot 4 to screen from adjacent residential properties;
3. The Planned Development uses will be allowed exclusively on Lots 1-3 and Lot 4 will not be developed or used until paved, but may be used for temporary storage of the owner's limited agricultural equipment, and, as such, is not required to be paved at this time (but can be used for GR uses if paved);
4. All buildings on the property will be maintained in good repair;
5. All refuse, rubbish or building materials are removed and the premises kept mowed; and
6. Previous conditions of the former Planned Development (Ordinance 2010-4363) are repealed;

Part 3: The City Council directs the Director of Planning to make the necessary changes to the City Zoning Map.

Part 4: It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such phrase, clause, sentence, paragraph or section.

Part 5: This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 6: It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading and Public Hearing on the **2nd** day of **February**, 2017.

PASSED AND APPROVED on Second Reading on the **16th** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/02/17
Item #10
Regular Agenda
Page 1 of 2

DEPT./DIVISION SUBMISSION & REVIEW:

Kayla Landeros, City Attorney
Brian Chandler, Planning Director

ITEM DESCRIPTION: Consider adopting ordinances:

(A) FIRST READING – PUBLIC HEARING - Consider adopting an ordinance amending Temple Unified Development Code Section 5.1.3, “Use Table,” and Section 5.3.15, “Alcoholic Beverage Sales for On-Premise Consumption” adding a reference to the City’s Code of Ordinances, Chapter 4 “Alcoholic Beverages” and amending section 5.3.15(B) to delete unnecessary language and clarify additional standards; and

(B) FIRST READING – PUBLIC HEARING – Consider adopting an ordinance amending Code of Ordinances, Chapter 4 “Alcoholic Beverages,” to apply certain distance requirements to private schools and better align the City’s regulations with State law.

STAFF RECOMMENDATION: Adopt ordinances on first reading as presented in item description and conduct a public hearing. Second reading will be scheduled for the February 16, 2017 City Council meeting.

ITEM SUMMARY: Code of Ordinances, Chapter 4 “Alcoholic Beverages” requires that businesses selling alcoholic beverages be more than 300 feet from a church, public school, or public hospital. This spacing requirement is authorized by Texas Alcoholic Beverage Code Section 109.33.

City Staff was approached by a representative of Holy Trinity Catholic High School and a representative of Central Texas Christian School last year. Each school is interested in applying spacing requirements between businesses that sell alcoholic beverages and private schools which is also allowed by TABC Section 109.33.

The proposed amendments to Chapter 4 would prohibit the sale of alcoholic beverages by a person whose place of business is within (1) 300 feet of a church, public or private school, or public hospital; or (2) 1,000 feet of a private school if the City Council receives a request from the governing body of the private school in accordance with TABC Section 109.33.

The proposed amendments also list certain exceptions to the spacing requirements and tracks the language of TABC Section 109.33.

In accordance with TABC Section 109.33, “private school” would be defined as a private school that offers a course of instruction for students in one or more grades from kindergarten through grade 12; and has more than 100 students enrolled and attending courses at a single location.

Amendments are also needed within the Unified Development Code to align with the proposed changes in Chapter 4. Within Section 5.1.3 “Use Table,” the table should be amended to state that the use “alcohol beverage sales, off-premise consumption, beer and wine store” is subject to the standards in Chapter 4. Section 5.3.15(A) “Alcoholic Beverage Sales for On-Premise Consumption” should also reference Chapter 4. The proposed amendments would delete subsection (B) to delete unnecessary language and clarify additional standards.

The Planning & Zoning Commission approved the proposed UDC amendments at its January 3, 2017 meeting.

FISCAL IMPACT: N/A

ATTACHMENTS:

[Amendments to Chapter 4](#)

[Amendments to Unified Development Code](#)

[Ordinances](#)

Chapter 4

ALCOHOLIC BEVERAGES

ARTICLE I. EXTENDED HOURS

Sec. 4-1. Extended hours.

The City of Temple is an “extended hours area” as that term is defined in the Texas Alcoholic Beverage Code. (Ref. V.T.C.A., Alcoholic Beverage Code § 105.06)

ARTICLE II. ~~SPACING~~ALCOHOLIC BEVERAGE SALES NEAR SCHOOL, CHURCH, OR HOSPITAL

Sec. 4-2. ~~Sales near school, church or hospital.~~Sales Prohibited

~~It is an offense for any person to sell alcoholic beverages at a place of business which is within 300 feet of a church, public school or public hospital. (Ref. V.T.C.A., Alcoholic Beverage Code § 109.33)~~

(a) The City of Temple prohibits the sale of alcoholic beverages by a dealer whose place of business is within:

_____ (1) 300 feet of a church, public or private school, or public hospital; or

_____ (2) 1,000 feet of a private school if the City Council receives a request from the governing body of the private school in accordance with Texas Alcoholic Beverage Code Section 109.33.

(b) Subsection (a)(1) does not apply to the holder of:

_____ (1) a license or permit issued by the Texas Alcoholic Beverage Commission who also holds a food and beverage certificate issued by the Texas Alcoholic Beverage Commission covering a premise that is located within 300 feet of a private school; or

_____ (2) a license or permit issued by the Texas Alcoholic Beverage Commission covering a premises where minors are prohibited from entering under Texas Alcoholic Beverage Code Section 109.53 and that is located within 300 feet of a private school.

(c) Subsection (a)(2) does not apply to the holder of:

_____ (1) a retail on-premises consumption permit or license issued by the Texas Alcoholic Beverage Commission if less than 50% of the gross receipts for the premises is from the sale or service of alcoholic beverages;

(2) a retail off-premises consumption permit or license issued by the Texas Alcoholic Beverage Commission if less than 50% of the gross receipts for the premises, excluding the sale of items subject to the motor fuels tax, is from the sale or service of alcoholic beverages;

(3) a wholesaler's, distributor's, brewer's, distiller's and rectifier's, winery, wine bottler's or manufacturer's permit or license, or any other license or permit held by a wholesaler or manufacturer as those words are ordinarily used and understood in Texas Alcoholic Beverage Code Chapter 102;

(4) a license or permit issued under Texas Alcoholic Beverage Code Chapters 27 (Temporary and Special Wine and Beer Retailer's Permit), 31 (Caterer's Permit), or 72 (Temporary Licenses) who is operating on the premises of a private school; or

(5) a license or permit covering a premise where minors are prohibited from entering under Texas Alcoholic Beverage Code Section 109.53 and that is located within 1,000 feet of a private school.

(d) For purposes of this Chapter, "private school" means a private school, including a parochial school, that:

(1) offers a course of instruction for students in one or more grades from kindergarten through grade 12; and

(2) has more than 100 students enrolled and attending courses at a single location.

Sec. 4-3. Measurement ~~for church or public hospital~~ of Distances for Church and Public Hospital.

The measurement of the distance between the place of business where alcoholic beverages are sold and the church or public hospital shall be along the property lines of the street fronts and from front door to front door, and in a direct line across intersections.

Sec. 4-4. Measurement for ~~public~~ Public and Private school ~~School~~.

The measurement of the distance between the place of business where alcoholic beverages are sold and the public or private school shall be:

(a) in a direct line from the property line of the public or private school to the property line of the place of business, and in a direct line across intersections; or

(b) if the permit or license holder is located on or above the fifth story of a multistory building, in a direct line from the property line of the public or private school to the property line of the place of business, in a direct line across intersections, and vertically up the

building at the property line to the base of the floor on which the permit or license holder is located.

Sections 4-5 through 4-10 reserved.

ARTICLE III. LICENSE AND PERMIT FEES

Sec. 4-11. Alcoholic beverage license and permit fees.

A license fee and permit fee is levied in the amount of one-half of the state license and permit fees for each permit issued for premises located within the City, except for permits that are exempted from municipal fees. The city license and permit fees shall be paid to the City at the same time that the state license and permit fees are paid to the state. (Ref. V.T.C.A. Alcoholic Beverage Code § 11.38, § 61.36.

Sec. 4-12. Display.

It is an offense for any person licensed under this article to fail to display ~~such~~ the City license and keep the same displayed in a conspicuous place in the place of business licensed.

Sections 4-13 through 4-20 reserved.

ARTICLE IV. SALE OF ALCOHOLIC BEVERAGES ON CITY PROPERTY

Sec. 4-21. Sale of alcoholic beverages on city property prohibited except where specially permitted.

(a) **City Property.** It shall be unlawful for any person to sell alcoholic beverages in any public park of the city, or on or in other publicly owned property, save and except that the city and concessionaires or caterers having a contract with the city to sell alcoholic beverages at the Frank W. Mayborn Civic and Convention Center, Santa Fe Depot, and at Sammons Park, if properly licensed, may sell alcoholic beverages upon the premises of the civic and convention center, depot, and within the Sammons Park Restaurant, Clubhouse, and deck exclusively. The city manager or his designee may authorize a special event permit for the sale of alcoholic beverages on city property other than a city park.

(b) **Criteria for Permits.** The City Council shall from time to time by resolution establish criteria for special event permit applications and approvals under this section.

(Ordinance No. 2009-4323, 11-05-09)

5.3.15 Alcoholic Beverage Sales for On-Premise Consumption

An establishment with alcoholic beverage sales for on-premise consumption may be permitted in accordance with the use table in Sec. 5.1 subject to the following standards.

- A.** The following standards apply to all establishments with on-premise consumption of alcoholic beverages.
 - 1. The permittee must design and operate the establishment in such a manner that the use of the premises does not substantially increase traffic congestion or create overcrowding in the establishment or the immediately surrounding area.
 - 2. The permittee must comply with applicable licensing and permit provisions of the Alcoholic Beverage Code within six months from the date of the issuance of the Conditional Use Permit, such limitation in time being subject to City review and possible extension.
 - 3. The permittee bears the burden of showing that the establishment does not exceed the limitation on gross receipts from sales of alcoholic beverages applicable to its Conditional Use Permit. The permittee must maintain accounting records of the sources of its gross revenue and allow the City to inspect such records during reasonable business hours.
 - 4. The permittee must demonstrate that the granting of the permit would not be detrimental to the public welfare of the citizens of the City.
 - 5. The permittee must, at all times, provide an adequate number of employees for security purposes to adequately control the establishment to prevent incidents of drunkenness, disorderly conduct and raucous behavior. The permittee must consult with the Chief of Police, who acts in an advisory capacity, to determine the number of qualified employees necessary to meet such obligations.
 - 6. The establishment must provide adequate parking spaces in accordance with the standards in Sec. 7.5.
 - 7. The permittee must operate the establishment in such a manner as to prevent excessive noise, dirt, litter and odors in the establishment or in the surrounding area and operate the

establishment in such a manner as to minimize disturbance to surrounding property owners.

8. The City Council may deny or revoke a Conditional Use Permit in accordance with Sec. 3.5 if it affirmatively determines that the issuance of the permit is:
 - a. Incompatible with the surrounding uses of property; or
 - b. Detrimental or offensive to the neighborhood or contrary to the health, safety and general welfare of the City and its inhabitants.
9. A Conditional Use Permit runs with the property and a change in the owner or lessee of a permitted establishment does not affect the Conditional Use Permit.
10. All Conditional Use Permits must be further conditioned that the permit may be canceled, suspended or revoked in accordance with the revocation clause set forth in paragraph 8 above.

~~10.~~11. The use must comply with City of Temple Code of Ordinances, Chapter 4, "Alcoholic Beverages."

- ~~B. In addition to the standards in subsection A above, the following standards apply to all establishments where the gross revenue from the on-premise sale of alcoholic beverages is less than 75% of the total gross revenue of the establishment, including establishments in Central Area zoning district where sale of alcoholic beverages is more than 50% and less than 75% of the total gross revenue of the establishment.~~
- ~~1. The establishment must not be within 300 feet of a place of worship, public school or public hospital.~~
 - ~~2. The distance between the establishment where alcoholic beverages are sold and the place of worship or public hospital must be measured along the property lines of the street fronts and from front door to front door, and in a direct line across intersections. The distance between the place of business where alcoholic beverages are sold and the public school must be measured in a straight, direct line from the property line of the public school to the property line of the establishment, and in a direct line across intersections.~~

3. ~~If the permit or license holder is located on or above the fifth story of a multistory building, in a direct line from the property line of the public school to the property line of the place of business, in a direct line across intersections, and vertically up the building at the property line to the base of the floor on which the permittee is located.~~

C.B. In addition to the standards in subsection A above, the following standards apply to all establishments where the gross revenue from the sale of alcoholic beverages for on-premise sale-consumption of alcoholic beverages is 75% or more of the total gross revenue of the establishment.

1. The establishment must not be within 300 feet of a place of worship, elementary or secondary school, public hospital, public park or any residentially zoned or developed lot.
2. The distance between the establishment where alcoholic beverages are sold and a protected use listed in (B)(1) or Code of Ordinances, Chapter 4, must be measured in a straight, direct line from the property line of the establishment to the nearest property line of a place of worship, elementary or secondary school, public hospital, public park or any residentially zoned or developed lot the property where a protected use is located.
3. An establishment in a multi-storied building on other than the ground floor must be treated as though it were on the ground floor for purpose of the measurement between property lines.

ORDINANCE NO. 2017-4829

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AMENDING TEMPLE UNIFIED DEVELOPMENT CODE SECTION 5.1.3, "USE TABLE," AND SECTION 5.3.15, "ALCOHOLIC BEVERAGE SALES FOR ON-PREMISE CONSUMPTION" ADDING A REFERENCE TO THE CITY'S CODE OF ORDINANCES, CHAPTER 4 "ALCOHOLIC BEVERAGES" AND AMENDING SECTION 5.3.15(B) TO DELETE UNNECESSARY LANGUAGE AND CLARIFY ADDITIONAL STANDARDS; PROVIDING A REPEALER; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, Code of Ordinances, Chapter 4 "Alcoholic Beverages" requires that businesses selling alcoholic beverages be more than 300-feet from a church, public school, or public hospital - this spacing requirement is authorized by Texas Alcoholic Beverage Code ("TABC") Section 109.33;

Whereas, Staff was approached by a representative of Holy Trinity Catholic High School and a representative of Central Texas Christian School last year – both schools are interested in applying spacing requirements between businesses that sell alcoholic beverages and private schools which is also allowed by TABC Section 109.33;

Whereas, the proposed amendments to Chapter 4 would prohibit the sale of alcoholic beverages by a person whose place of business is within 300-feet of a church, public or private school, or public hospital; or 1,000-feet of a private school if the City Council receives a request from the governing body of the private school in accordance with TABC Section 109.33;

Whereas, the proposed amendments also list certain exceptions to the spacing requirements and tracks the language of TABC Section 109.33;

Whereas, in accordance with TABC Section 109.33, "private school" would be defined as a private school that offers a course of instruction for students in one or more grades from kindergarten through grade 12 and has more than 100 students enrolled and attending courses at a single location;

Whereas, amendments are also needed within the Unified Development Code (UDC) to align with the proposed changes in Chapter 4;

Whereas, Staff recommends Council amend Temple Unified Development Code Section 5.1.3, "Use Table," to state that the use "alcohol beverage sales, off-premise consumption, beer and wine store" is subject to the standards in Chapter 4 and amend Section 5.3.15, "Alcoholic Beverage Sales for On-Premise Consumption" to add a reference to Chapter 4 - Staff also recommends amending section 5.3.15(B) to delete unnecessary language and clarify additional standards; and

Whereas, the City Council has considered the matter and deems it in the public interest to approve this action.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

Part 2: The City Council amends Temple Unified Development Code Section 5.1.3, “Use Table,” and Section 5.3.15, “Alcoholic Beverage Sales for On-Premise Consumption” adding a reference to the City’s Code of Ordinances, Chapter 4 “Alcoholic Beverages” and amending section 5.3.15(B) to delete unnecessary language and clarify additional standards, as set forth more fully in Exhibit A, attached hereto and incorporated herein for all purposes.

Part 3: All ordinances or parts of ordinances in conflict with the provisions of this ordinance are to the extent of such conflict hereby repealed.

Part 4: It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity 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 invalid phrase, clause, sentence, paragraph or section.

Part 5: This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 6: It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading and Public Hearing on the **2nd** day of **February**, 2017.

PASSED AND APPROVED on Second Reading on the **16th** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, MAYOR

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney

ORDINANCE NO. 2017-4830

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AMENDING THE CODE OF ORDINANCES, CHAPTER 4 “ALCOHOLIC BEVERAGES,” TO APPLY CERTAIN DISTANCE REQUIREMENTS TO PRIVATE SCHOOLS AND BETTER ALIGN THE CITY’S REGULATIONS WITH STATE LAW; PROVIDING A REPEALER; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, Code of Ordinances, Chapter 4 “Alcoholic Beverages” requires that businesses selling alcoholic beverages be more than 300-feet from a church, public school, or public hospital - this spacing requirement is authorized by Texas Alcoholic Beverage Code (“TABC”) Section 109.33;

Whereas, Staff was approached by a representative of Holy Trinity Catholic High School and a representative of Central Texas Christian School last year – both schools are interested in applying spacing requirements between businesses that sell alcoholic beverages and private schools which is also allowed by TABC Section 109.33;

Whereas, the proposed amendments to Chapter 4 would prohibit the sale of alcoholic beverages by a person whose place of business is within 300-feet of a church, public or private school, or public hospital; or 1,000-feet of a private school if the City Council receives a request from the governing body of the private school in accordance with TABC Section 109.33;

Whereas, the proposed amendments also list certain exceptions to the spacing requirements and tracks the language of TABC Section 109.33;

Whereas, in accordance with TABC Section 109.33, “private school” would be defined as a private school that offers a course of instruction for students in one or more grades from kindergarten through grade 12 and has more than 100 students enrolled and attending courses at a single location;

Whereas, Staff recommends Council amend the Code of Ordinances, Chapter 4 “Alcoholic Beverages,” to apply certain distance requirements to private schools and better align the City’s regulations with State law; and

Whereas, the City Council has considered the matter and deems it in the public interest to approve this action.

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

Part 1: Findings. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

Part 2: The City Council amends the Code of Ordinances, Chapter 4 “Alcoholic Beverages,” to apply certain distance requirements to private schools and better align the City’s regulations with State law, as set forth more fully in Exhibit A, attached hereto and incorporated herein for all purposes.

Part 3: All ordinances or parts of ordinances in conflict with the provisions of this ordinance are to the extent of such conflict hereby repealed.

Part 4: It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity 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 invalid phrase, clause, sentence, paragraph or section.

Part 5: This ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Temple, Texas, and it is accordingly so ordained.

Part 6: It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on First Reading and Public Hearing on the **2nd** day of **February**, 2017.

PASSED AND APPROVED on Second Reading on the **16th** day of **February**, 2017.

THE CITY OF TEMPLE, TEXAS

DANIEL A. DUNN, MAYOR

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney