



**MEETING OF THE
TEMPLE CITY COUNCIL
MUNICIPAL BUILDING
2 NORTH MAIN STREET
3rd FLOOR – CONFERENCE ROOM
THURSDAY, FEBRUARY 21, 2019
3:30 P.M.
AGENDA**

1. Discuss, as may be needed, Regular Meeting agenda items for the meeting posted for Thursday, February 21, 2019.
2. Receive a presentation regarding the First Quarter Financial results for Fiscal Year 2019.
3. Discuss a proposed agreement with Citizens for Progress for an Eastside Community Enrichment Center.
4. Pursuant to Texas Government Code § 551.071, the City Council will meet in executive session to seek the advice of the City Attorney on pending and contemplated litigation.

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. PROCLAMATIONS AND SPECIAL RECOGNITION

3. Presentation of the Temple flag by the Fort Hood 1st Medical Brigade.

IV. REPORTS

4. Receive the City of Temple Comprehensive Annual Financial Report for fiscal year ended September 30, 2018.

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) [February 7, 2019 Special & Regular Called Meeting](#)

Contracts, Leases, & Bids

- (B) [2019-9562-R](#): Consider adopting a resolution authorizing a Lease Agreement with Erik Olsen for lease of T-hangar #52 at the Draughon-Miller Central Texas Regional Airport.
- (C) [2019-9563-R](#): Consider adopting a resolution authorizing a Lease Agreement with Justin Haun for lease of T-hangar #79 at the Draughon-Miller Central Texas Regional Airport.
- (D) [2019-9564-R](#): Consider adopting a resolution authorizing a contract with James Construction Group, LLC, of Temple, to construct drainage improvements in the Fairview and Sunset Additions within central Temple, in an amount not to exceed \$1,393,815.
- (E) [2019-9565-R](#): Consider adopting a resolution authorizing change order #6 with R.T. Schneider Construction Company, Ltd., of Belton for construction of Prairie View Road Phase 2 from FM 2483 to North Pea Ridge Road, in the amount of \$38,600.
- (F) [2019-9566-R](#): Consider adopting a resolution ratifying the acceptance of a donation of 3.06-acres of right-of-way from Temple Economic Development Corporation, which is necessary for the construction of the Rail Backage Road and Rail Spur.
- (G) [2019-9567-R](#): Consider adopting a resolution authorizing an agreement for the purchase and installation of a video surveillance system with Knight Security Systems, LLC of Austin, in the amount of \$27,131.50.
- (H) [2019-9568-R](#): Consider adopting a resolution authorizing an agreement for the purchase and installation of access control equipment with A-1 Fire & Security Equipment Co. of Waco, in the estimated amount of \$31,000.
- (I) [2019-9569-R](#): Consider adopting the following:
 - (1) A resolution of support for a housing tax credit general project by Steele Wayman, LLC.
 - (2) A resolution of commitment to local funding through fee reductions not to exceed \$500 for a housing tax credit general project by Steele Wayman, LLC.

Ordinances- Second & Final Reading

- (J) [2019-4954](#): SECOND READING – FINAL HEARING – Consider adopting an ordinance amending the Code of Ordinances, Chapter 41, “Credit Access Businesses,” to include a general update of the Chapter and two additional provisions for transparency and protection for consumers.

Misc.

- (K) [2019-9570-R](#): Consider adopting a resolution approving first quarter financial results for Fiscal Year 2019.
- (L) [2019-9571-R](#): Consider adopting a resolution authorizing budget amendments for fiscal year 2018-2019.

VI. REGULAR AGENDA

ORDINANCES

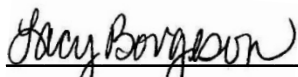
6. [2019-4955](#): FIRST READING – PUBLIC HEARING – Consider adopting the following ordinances amending:
- (A) The Code of Ordinances, Chapter 4, “Alcoholic Beverages,” to include a general update of the Chapter, additional clarification of terms used in Chapter, a better alignment of City’s regulations with state law, and an addition of an enforcement provision.
 - (B) Temple Unified Development Code Section 5.3.15, “Alcoholic Beverage Sales for On-Premise Consumption,” by clarifying Subsection 5.3.15(A)(2) with additional language and removing the reference to City Code, Chapter 4, “Alcoholic Beverages,” Subsection 5.3.15(B)(2) to better conform with state law.
7. [2019-4956](#): FIRST READING – PUBLIC HEARING – FY-19-5-ZC: Consider adopting an ordinance authorizing a rezoning from Agricultural zoning district to Neighborhood Service zoning district on 1.28 +/- acres, situated in the J.J. Simmons, Survey Abstract No. 737, Bell County, Texas, addressed as 4940 State Highway 317.

RESOLUTIONS

8. [2019-9572-R](#): Consider adopting a resolution authorizing a Chapter 380 Development Agreement with Guillen Partners Ltd. for an amount not to exceed \$100,000 for Tier III category improvements with up to an additional \$30,000 for the Downtown Residential Component grant funding for 108 North Main Street within the Downtown Strategic Investment Zone corridor.
9. [2019-9573-R](#): Consider adopting a resolution granting a petition to institute voluntary annexation proceedings of 185.277 acres of land, which includes a 160.047 acre tract and a 12.541 acre tract out of the Maximo Moreno Survey, Abstract No. 14, and 12.689 acres of right-of-way of Hartrick Bluff Road, directing Staff to develop a municipal services plan, and calling public hearings to consider the petition.
10. [2019-9574-R](#): Consider adopting a resolution granting a petition to institute voluntary annexation proceedings of 119.827 acres of land, which includes a 118.560 acre tract out of the Maximo Moreno Survey, Abstract No. 14, and 1.267 acres of right-of-way of Haymarket Drive, directing Staff to develop a municipal services plan, and calling public hearings to consider the petition.

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 12:30 pm, on Friday, February 15, 2019.



City Secretary, TRMC

SPECIAL ACCOMMODATIONS: *Persons with disabilities who have special communication or accommodation needs and desire to attend this meeting should notify the City Secretary's Office by mail or telephone 48 hours prior to the meeting date.*

I certify that this Notice of Meeting Agenda was removed by me from the outside bulletin board in front of the City Municipal Building on _____ day of _____ 2018.

Title _____



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #4
Regular Agenda
Page 1 of 2

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, 2018.

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, 2018, 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 presentation provides better information to users of the comprehensive annual financial report. The 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 2018 annual audit is \$ 76,400. The audit fee is proportionally allocated to each fund.

ATTACHMENTS:

[Audit \(electronic copy\)](#)

Comprehensive Annual Financial Report



City of Temple, Texas

**For the year ended
September 30, 2018**

**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 Manager**



CITY OF TEMPLE, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended September 30, 2018

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION:	
Letter of Transmittal	9
Certificate of Achievement for Excellence in Financial Reporting	29
Organizational Structure	30
City of Temple Principal Officials	31
FINANCIAL SECTION:	
Independent Auditors' Report	35
Management's Discussion and Analysis	41
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position	56
Statement of Activities	57
Fund Financial Statements:	
Balance Sheet – Governmental Funds	58
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	59
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	60
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	61
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	63
Statement of Net Position – Proprietary Fund	64
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund	67
Statement of Cash Flows – Proprietary Fund	68
Notes to the Financial Statements	71

**CITY OF TEMPLE, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended September 30, 2018**

TABLE OF CONTENTS, Continued

	<u>Page</u>
FINANCIAL SECTION, Continued:	
Required Supplementary Information	
Texas Municipal Retirement System:	
Schedule of Changes in Net Pension Liability and Related Ratios	136
Schedule of Employer Contributions	137
Temple Firefighters' Relief and Retirement Fund:	
Schedule of Changes in Net Pension Liability and Related Ratios	138
Schedule of Employer Contributions	139
Supplemental Death Benefit:	
Schedule of Changes in Total OPEB Liability and Related Ratios	140
Schedule of Employer Contributions	140
Retiree Health Care Plan:	
Schedule of Changes in Total OPEB Liability and Related Ratios	142
Schedule of Employer Contributions	142
Combining and Individual Fund Financial Statements and Schedules	
Nonmajor Governmental Funds:	
Combining Balance Sheet – Nonmajor Governmental Funds	146
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	147
Discretely Presented Component Unit Financial Statements- Reinvestment Zone No. 1:	
Comparative Balance Sheet	150
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	151
Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:	
Debt Service Fund	154
Hotel/Motel Fund	155
Federal/State Grant Fund	156
Drainage Fund	157
Pass-Through Financing Project Fund	158

CITY OF TEMPLE, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended September 30, 2018

TABLE OF CONTENTS, Continued

	<u>Table</u>	<u>Page</u>
Combining and Individual Fund Financial Statements and Schedules, Continued:		
Supplementary Individual Fund Financial Schedules – General Fund:		
Comparative Balance Sheet		160
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual		162
Schedule of Revenues – Budget and Actual		163
Schedule of Expenditures – Budget and Actual		165
Detailed Schedule of Expenditures – Budget and Actual		166
Supplementary Schedules:		
Schedule of Expenditures of Federal and State Awards		170
Notes to Schedule of Expenditures of Federal and State Awards		171
STATISTICAL SECTION (UNAUDITED):		
Financial Trends		
Net Position by Component	I	174
Changes in Net Position	II	175
Fund Balances of Governmental Funds	III	177
Changes in Fund Balances of Governmental Funds	IV	178
Revenue Capacity		
General Governmental Tax & Franchise Revenues by Source	V	180
Assessed Value and Estimated Actual Value of Taxable Property	VI	181
Property Tax Rates Direct and Overlapping Governments	VII	182
Principal Property Taxpayers	VIII	183
Property Tax Levies and Collections	IX	184
Taxable Sales by Category	X	185
Debt Capacity		
Ratios of Outstanding Debt by Type	XI	186
Ratios of Net General Bonded Debt Outstanding	XII	187
Direct and Overlapping Governmental Activities Debt	XIII	188
Computation of Legal Debt Margin	XIV	189
Pledged-Revenue Coverage	XV	190
Demographic and Economic Information		
Demographic and Economic Statistics	XVI	191
Principal Employers	XVII	192

CITY OF TEMPLE, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended September 30, 2018

TABLE OF CONTENTS, Continued

	<u>Table</u>	<u>Page</u>
STATISTICAL SECTION (UNAUDITED), Continued:		
Operating Information		
Full-time Equivalent City Government –		
Employees by Function/Program	XVIII	193
Operating Indicators by Function/Program	XIX	200
Capital Asset Statistics by Function/Program	XX	202
Other Information		
<u>Retirement –</u>		
Analysis of Funding Progress and Contribution Rates –		
Texas Municipal Retirement System	XXI	204
Temple Firefighters’ Relief and Retirement Fund	XXII	205
Active and Retiree Health Care Costs	XXIII	206
<u>Water and Wastewater –</u>		
Average Daily Treated Water vs. Average Daily Treatment Capacity	XXIV	207
Annual Treated Water vs. Total Available Water	XXV	208
Schedule of Water Pumped to Town vs. Water Billed	XXVI	209
Schedule of Water Customers – Residential and Commercial	XXVII	210
Average Daily Treated Wastewater vs.		
Average Daily Treatment Capacity	XXVIII	211
Schedule of Wastewater Customers – Residential and Commercial	XXIX	212
Schedule of Water and Wastewater Rates	XXX	213
Top 10 Water and Wastewater Customers	XXXI	214
<u>Other –</u>		
Insurance Coverage	XXXII	215
Fast Facts/Miscellaneous Statistical Data	XXXIII	217

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

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 <i>Government Auditing Standards</i>	227
Independent Auditors’ Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	229
Schedule of Findings and Questioned Costs	231

Introductory Section





February 21, 2019

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, 2018, 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, 2018. 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 75 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.), Interstate 14, State Highways 36, 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 \$ 249,887,050 for FY 2018 underscore the continued steady expansion of our residential base. Sales tax receipts of \$ 21,831,623 show an increase of 0.83% over fiscal year 2017. Local unemployment is currently 3.38%, representing one of the lowest rates in the State of Texas.

In FY 2018, the City experienced a 4.49% increase in taxable assessed property value to bring the current value to \$ 4,148,669,011. 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 August 2017, Bitmova, LLC announced it would expand its data management capacity to Temple with a new datacenter. The datacenter will occupy an 11 acre tract of land in the Temple Industrial Park located near the intersection of IH-35 and Loop 363. Bitmova, LLC will invest just under \$ 8,000,000 in capital investment over five years and create 56 jobs. The TEDC Board of Directors approved an economic development agreement that includes a land grant. The data center is set to open in 2019.
- Cargill, Inc. which currently operates a facility in Temple, manufactures and sells turkey feed in bulk loads. The company is in the planning stages of an expansion project located on Berger Road to produce various additional types of animal feed in both bulk and packaged form. The expansion would involve an upgrade of the existing mill with additional equipment and bulk loading capabilities, a new 82,000 square foot warehouse for packaged finished goods with new packaging lines, and a 5,000 square foot extension of the existing packages raw warehouse. Cargill will invest approximately \$ 33,500,000 and create 23 additional jobs. The City has entered into a tax abatement agreement with Cargill, Inc. that will have the potential of abating approximately \$ 330,135 in property taxes over the life of the agreement. In addition, the City authorized an Economic Development Agreement with Cargill, Inc. to contribute \$ 500,000 towards the construction of public improvements to Berger Road.
- Rapid Recover Center is currently constructing a \$20,000,000, 50,000 square-foot rehabilitation hospital at 725 Marlandwood Drive. The 70-bed rehabilitation hospital will create 140 full-time jobs and provide health care services for patients as they transition from hospital care. The facility is scheduled to open in 2019. The City has entered into a tax abatement agreement with MS Temple, LLC on the property located on Marlandwood Road that would have the potential of abating approximately \$ 262,480 in property taxes over the life of the agreement (50% for five year period).
- Palladio Industries, Inc. plans to construct a new chemical manufacturing facility and associate offices for the production of products utilized in water intensive applications on approximately 21.193 acre tract of land located at 2114 Trino Road. It is estimated that the investment will be approximately \$ 3,000,000 in real property improvements and house approximately 30 employees. The City has entered into a tax abatement agreement with Palladio Industries, Inc. that would have the potential of abating approximately \$ 50,790 in property taxes over the life of the agreement (50% for five year period). Construction should be completed by the end of 2019.

- R+L Carriers, Inc. added 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 created 30 new jobs.
- 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 began in the summer of 2017.
- Wilsonart Engineered Surfaces and Hanwha L&C Corporation announced in July 2017 a joint-venture agreement to build a manufacturing facility to support the expansion and growth of Wilsonart® Solid Surface and Hanex Solid Surfaces product lines. The 125,000 plus square foot, state-of-the-art facility will provide both companies the added capacity and onsite product development capabilities to service their solid surface customers within North America.
- In September 2017, KEG 1 O'Neal, LLC announced that it will begin a \$ 10,000,000 expansion project on 23 acres at the corner of Lucius McCelvey Drive and Enterprise Road. The expansion will include construction of an 80,000 square foot new office and commercial distribution warehouse. The expansion project is expected to create 50 additional jobs. The TEDC Board of Directors approved an economic development agreement that includes a land grant.
- Hudson Mfg., LLC ("Hudson") announced in February 2018 that they will soon expand their small arms manufacturing facility with the purchase of over \$2,000,000 in automated machining equipment which will add 10 additional jobs averaging \$50,000 per year. Hudson is located in Temple's North Industrial Park off NW HK Dodgen Loop 363.
- In March 2018, Reynolds Consumer Projects announced a \$3,200,000 capital investment at the Reynolds Temple facility. The investment will purchase equipment for a new plastic film production line at 3000 Pegasus Drive, as well as create 10 new positions.
- Temple Bellaire North, LLC announced a retail development project consisting of nine retail lots, two hotels, and a 15,000 square-foot retail strip center. The project is \$18,000,000 capital investment on approximately 40-acres in North Temple across from NE HK Dodgen Loop 363 from Buc-ee's convenience store. Most of the retail establishments should be open by late summer 2019.
- In May 2018, Lane Enterprise, Inc. ("Lane") announced it would make a capital investment of \$16,300,000 to construct a new manufacturing facility. The Temple facility will produce high density polyethylene pipe (HDPE) and corrugated metal pip (CMP). Lane will build

on a rail served 21-acre site in the Temple Industrial Park and will create 21 new jobs with a \$1,200,000 average annual payroll.

- East Penn Manufacturing Company announced that it will be expanding its finishing distribution center operations to Temple. East Penn Manufacturing is a manufacturer of high quality lead batteries and accessories for automotive, agricultural, commercial, marine, industrial, stationary and specialty markets. The company's expansion will include the construction of a new facility, more than \$106,000,000 in capital investment and the creation of 266 new jobs.
- An economic development agreement was entered into between the City, Temple Historic Arcadia Theatre, Inc, and Turner Behringer Development Company ("TB") for the redevelopment of the Hawn Hotel, Arcadia Theater, and the Sears Building properties in downtown Temple. This project will redevelop approximately 85,000 square feet of historic buildings in downtown Temple into mixed-use residential and retail space. The first phase of the project includes the Hawn Hotel and Arcadia Theatre and will include approximately 40-50 for-lease residential units, as well as retail and restaurant space. The Arcadia Theatre will be redeveloped into a multi-purpose events and performance hall. The second phase of the project includes the Sears Building and will include retail, office, and/or residential unit. Construction of the project is expected to begin in 2019. Completion of phase 1 is planned within 3 years of property conveyance and completion of phase 2 is planned within 4 years of property conveyance.

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 has constructed a new distribution facility in Temple. This new center is 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 resulted 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 seventeen 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 is over 775 miles of developed park acreage which includes 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 five 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, 2018, a total of \$ 249,138,335 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 2018, several major capital projects were underway or have been completed such as the Western Hills Waterline Improvements - Phase II, Legacy Pavement Preservation Program, TMED South 1st Street – Phase I, Airport Corporate Hangar – Phase III, TMED Avenue U (1st Street to 13th Street), TMED Loop 363 Frontage (upper bridge to 5th Street TRZ portion), various waterline and sewer line replacements, improvements to Sammons Community Center, improvements to Wilson Recreation Center, and improvements to the Wilson South Softball Fields.

The FY 2018 Budget includes \$ 7,757,158 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 \$ 3,850,000 of Reinvestment Zone infrastructure improvements. In accordance with current fiscal and financial policies, \$ 1,529,182 of General Fund routine capital is funded with fund balance.

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 2017-18 and the preceding four fiscal years is reflected in the following table:

Purpose	Fiscal Year				
	2018	2017	2016	2015	2014
General Fund	\$ 0.3142	\$ 0.3142	\$ 0.3234	\$ 0.3300	\$ 0.3324
Debt Service	0.3630	0.3430	0.3064	0.2564	0.2540
Total Tax Rate	<u>\$ 0.6772</u>	<u>\$ 0.6572</u>	<u>\$ 0.6298</u>	<u>\$ 0.5864</u>	<u>\$ 0.5864</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 2017-18, the City's payment to the Appraisal District for tax collection and appraisal services was \$ 345,029, an increase of \$ 30,475 from the amount paid by the City in FY 2016-17.

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 9-30-18 (Net of Debt Service)	\$ 170,482,450
Estimated Population	78,793
Net Bonded Debt per Capita	\$ 2,164
Net Bonded Debt per Assessed Value	4.29%

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:

\$ 26,000,000 letter of credit from the Federal Home Loan Bank of Atlanta

\$ 86,717,000 in letters of credit from the Federal Home Loan Bank of Dallas

\$ 5,324,910 in letters of credit from the Federal Home Loan Bank of San Francisco

\$ 7,943,806 in government securities at market value held at the Federal Home Loan Bank of Dallas

\$ 952,336 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, 2018, the weighted average maturity of the City's investment portfolio was 126.04 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 1.99% in 2018, which was above the T-bill yield of 2.08%.

As of September 30, 2018, the City's cash and investment resources were divided between cash on hand of \$ 14,900, deposits of \$ 99,497,777, and investments of \$ 40,633,906.

MAJOR INITIATIVES

Budget Development & Background

Budget Process - The City's budget is a complex document representing the culmination of months of preparation and discussion. Developing a budget is a year round process and the framework for the development of this budget began in late 2017 with the City Manager working on timelines and issue identification. Through late 2017 and early 2018, the City Manager's Office and the Finance Department worked to develop the budget calendar and process for the FY 2019 Budget.

In January, we held a planning retreat with department heads to identify and discuss issues for the upcoming budget.

In February, the City Council held a budget retreat to discuss various strategic issues. During the retreat, Council received information regarding potential budget issues identified by staff.

From February through the delivery of the FY 2019 Budget, staff has worked on preparing, reviewing, researching, and responding to questions relating to the programs and services this Proposed Budget recommends.

Budget Approach - This year's budget has been developed within the framework of the strategic plan priorities adopted by the City Council and the budget parameters that Council was briefed on at the May 17, 2018 budget work session. Those parameters are:

- maintain fiscal soundness;
- focus on core mission and activities;
- maintain or improve services and service levels;
- continue to improve infrastructure;
- continue to support and develop our workforce; and
- align strategic, financial, and staff work plan.

Financial Highlights

The FY 2019 Budget appropriates a total of \$ 147,690,993 for the upcoming fiscal year. Of this amount, \$ 141,831,113 is allocated for the operations and maintenance budget which includes debt service and transfers and \$ 5,859,880 is allocated for routine capital for the general operating budget which includes equipment and public infrastructure projects. Included in this amount is \$ 1,834,000 of Reinvestment Zone infrastructure improvements. In accordance with current fiscal and financial policies, \$ 1,833,739 of General Fund routine capital is funded with fund balance.

As in previous years, the FY 2019 Budget is a balanced budget under the policies and parameters discussed in earlier planning sessions with the City Council.

In addition, \$ 65,645,000 is included for capital improvements programs (CIP). The CIP allocated in FY 2019 is shown below:

- multi-year non-routine capital recommend for Utility Revenue Bond Funding (U.R. CIP) - \$ 22,000,000;
- multi-year non-routine capital recommend for Certificate of Obligation Bond Funding (C.O. CIP) - \$ 42,445,000; and
- multi-year non-routine capital recommend for Limited Tax Notes (L.T.N. CIP) – \$ 1,200,000.

City Manager's Highlights

The focus of the FY 2019 Budget is on providing services that our residents request while responding to the growth of our community. I believe this budget reflects a fiscally responsible approach to improving the City's infrastructure and maintaining quality City services to a growing population.

The FY 2019 Budget focuses on six (6) areas:

- manage strategically;
- protect our public safety;
- enhance our quality of life;
- deliver high quality services;
- invest in our infrastructure; and
- build strong neighborhoods.

Manage Strategically

The first area of focus in the FY 2019 Budget is strategic management. Temple is committed to continuing our history of being a well-run, financially stable city as evidenced by our strong fund balance, conservative budgeting practices, and AA bond rating from Standard & Poor's.

Focus on the Future - Extensive planning processes are underway to ensure the successes of the past are carried forward into the future and that we are able to identify and act on strategic decisions. This year, we are in the process of updating our Water & Wastewater Master Plan as well as conducting a Drainage Study and Comprehensive Modeling Assessment. Also planned for later this year is a facilitated update to our Strategic Plan to establish the Council's goals and major priorities that will guide the organization as we make decisions and plan for the City's future.

The FY 2019 Budget recommends an update to the City's Comprehensive Plan, which was last updated in 2008.

The City's leaders are focused on enhancing the quality of life in Temple and guiding the growth of our community. As Temple continues to grow, an updated Comprehensive Plan will lay the groundwork for the future development of our community. Extensive community engagement with our stakeholders and citizens is a central part of this important planning process.

The FY 2019 Budget also recommends an update to the Parks Master Plan, the Trails Master Plan, and the Bend of the River Master Plan.

Investing in our Economy - The City's diverse economy generates high-quality, well paying jobs that strengthen the sales and property tax base and contribute to an exceptional quality of life. 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 we continue to invest in expanding our tax base.

For over 10 years, the City of Temple has committed to fund an incentive pool through the Temple Economic Development Corporation (TEDC). This incentive pool provides funding for economic development incentives for new and/or expanding businesses.

The FY 2019 Budget continues that commitment and includes a \$863,236 placeholder to maintain and replenish the incentive pool funding level, as well as \$1,330,554 for the operations and maintenance component of TEDC.

Strategic Partnerships - Successful partnerships within the community help the City leverage service delivery and funding levels and offer the ability to respond to the needs of our growing community. In alignment with the Council's Outside Service Agency Funding Policy, the FY 2019 Budget recommends continued funding for all of our Strategic Partner agencies and includes an allocation of \$100,000 for Community Enhancement Grants.

Protect our Public Safety

Protecting our public safety is a top priority for the City of Temple in providing a community where businesses can thrive and residents want to call home. One of the primary focus areas for the FY 2019 Budget is on enhancing public safety services by investing in positions, equipment, and technology.

Positions - The FY 2019 Budget includes funding for additional positions within the Police Department including two new Crime Scene Technicians and a Communications Specialist position.

Additionally the budget recommends funding the second and third staffing phases for the new Proactive Enforcement/Violent Crime Squad in the Police Department. This new squad will allow a dedicated unit to routinely perform proactive strategies that are designed to reduce violent crime and apprehend criminal offenders.

The first staffing phase, which was funded in FY 2018, consisted of 2 police officers (1 addition and 1 reassignment) to establish the squad. The FY 2019 Budget recommends adding a sergeant and 2 additional police officers to the unit. The sergeant position is an addition to the force and the police officer positions would be reassigned as a result of the addition of the two non-sworn Crime Scene Technicians and the Communications Specialist position. Future staffing phases will include the addition of 2 police officers to bring the unit to full staffing.

Equipment - The FY 2019 Budget also recommends funding for the replacement of 11 marked police vehicles.

The FY 2019 Budget also includes a \$1,350,000 allocation to purchase a new ladder truck and new rescue truck for the Fire Department.

As our community continues to experience significant growth, several multi-story buildings have been built in the past few years and several more are being planned. An additional aerial ladder truck is needed to serve the south portion of the City of Temple. An additional rescue fire truck is also recommended to be added to the fleet.

Technology - The FY 2019 Budget also recommends funding for a cloud-based evidence management software system and connected devices for the Police Department.

The system includes TASER devices, in-car and body-worn video devices, a centralized digital evidence management system with unlimited video storage, and signal technology that automatically turns on in-car and body-worn cameras when a police officer performs certain events, such as drawing their TASER or sidearm or activating their vehicle's light bar.

Enhance our Quality of Life

Quality of life, the characteristics of our community that make it an attractive place in which to live and raise a family, is an important priority for the City of Temple and is another of the primary

focus areas for the FY 2019 Budget. Recreational and leisure opportunities add to the City's excellent quality of life and the FY 2019 Budget proposes several areas of additional funding in our Parks & Recreation Department as well as our Library.

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 largest project in the bond, Crossroads Community Park and Athletic Complex, is scheduled to be completed later this year and will open during FY 2019.

The FY 2019 Budget includes funding for a contract for services for maintenance expenses associated with Crossroads Park as well as other neighborhood and community parks in West Temple including Freedom Park, West Temple Park, Von Rosen Park, and Freedom Village Park.

The FY 2019 Budget also recommends allocating \$20,000 for operational funding for Miller Springs Nature Center while we continue to assess long-term strategies for this important community amenity.

An additional part-time Youth Services Librarian is recommended in the FY 2019 Budget to expand youth programming offerings to the weekends to allow more families access to these important educational opportunities.

The FY 2019 Budget includes a new GPS technology for the golf carts at Sammons Golf Links as well as the replacement of the north pump station which is critical infrastructure to allow us to continue watering the course without using potable, treated water.

An additional Irrigation Technician is proposed in the FY 2019 Budget to allow us to perform preventative maintenance and make needed repairs to our irrigation systems. The number of irrigation systems operated and maintained by the City has more than tripled since any additional staffing has been added in this area.

Repairs, replacements, and additions to amenities are proposed at several parks and facilities to include Sammons Indoor Pool, Lions Junction Family Aquatic Center, West Temple Community Park, and Lions Community Park.

Also in the FY 2019 Budget is an additional Program Coordinator position to develop and coordinate events in Downtown Temple. The Santa Fe Plaza, Santa Fe Market Trail, and MLK Festival Grounds will all be completed and be open during FY 2019. This additional position will help attract visitors to Downtown Temple by planning and programming events at these venues as well as others.

Deliver High Quality Services

The City of Temple is committed to delivering exceptional services to our community. Providing service is at the heart of what we do. We are a service based organization. With few exceptions, we do not produce or sell products; we provide services. Our citizens expect those services to be provided in an efficient, professional, and practical manner. Our employees are the drivers of our ability to deliver high quality services and so attracting and retaining the very best employees is a critical strategy to ensure we are providing the highest levels of service in the most efficient way possible.

Responding to Growth – The FY 2019 Budget includes funding for additional positions in Solid Waste and Recycling, Animal Services, Drainage, and Facility Services intended to maintain service levels in the midst of the growth of our community. The FY 2019 Budget includes the following additional positions:

- Solid Waste Route Foreman;
- Recycling Maintenance Worker;
- Solid Waste Customer Service Representative (converting from part-time to full-time);
- Drainage Crew Leader;
- Drainage Equipment Operator II;
- Animal Services Officer (converting from part-time to full-time); and
- Facility Attendant/Custodian.

Also recommended in the FY 2019 Budget is the replacement of 3 solid waste trucks as part of a 10 year replacement plan.

Creating a Culture of Service - The FY 2019 Budget also includes an allocation to continue our performance pay program for general government employees, as well as a 1.5% market adjustment for general government employees.

The budget also includes continued funding for a group health insurance plan with an estimated City contribution increase of 15%, employee retirement plan, and employee longevity program.

The FY 2019 Budget includes an allocation to replace the City's human resource management system and performance management system.

Invest in our Infrastructure

The City continues to implement the largest capital improvement program in the history of the community and the FY 2019 Budget recommends significant funding to continue the priority of investing in our infrastructure in order to prepare for growth and redevelopment as well as to preserve our assets and the investments made by the generations before us.

Transportation - The FY 2019 Budget includes the seventh year of a multi-year transportation capital improvement program. The Transportation CIP (TCIP) is a ten-year, \$145,764,000 effort to expand and maintain our major transportation infrastructure.

The FY 2019 Budget includes funding for the construction of the following projects:

- North Pea Ridge, Phase 1;
- Outer Loop South, Phase 4;
- Poison Oak; and
- Kegley Road, Phases 3 & 4.

The budget also includes funding for design and right-of-way acquisition for South Pea Ridge.

Drainage - This year, we are in the process of conducting a Drainage Study and Comprehensive Modeling Assessment. The study is expected to be complete by the end of the year.

The FY 2019 Budget includes a placeholder to implement projects based on the completed study.

Water and Wastewater - The City has invested almost \$142,716,000 over the past 10 years in improving and extending our water and sewer infrastructure. We will be completing the Water and Wastewater Master Plan update this year. The Master Plan will evaluate system demands and improvements through 2070.

The FY 2019 Budget includes an additional \$22,000,000 in capital funds to implement water and wastewater improvement projects. Highlights of projects recommended for funding in FY 19 include:

- Bird Creek Interceptor, Phase 4;
- Scott Elevated Storage Tank Rehabilitation;
- Water Treatment Plant Disinfection By product Reduction Initiative; and
- Gateway Center Area Utility Improvements.

Also recommended for funding in the FY 2019 Budget is an additional Vector Crew and additional Camera Crew to enhance our wastewater system maintenance, as well as an additional crew leader in Utility Services.

The FY 2019 Budget also includes a GIS Modeler position to maintain the water, wastewater, and drainage models that are being developed as part of the master planning work that is currently underway.

Build Strong Neighborhoods

The FY 2019 Budget continues to leverage our Community Development Block Grant (CDBG) funds to assist with the implementation of our efforts to build strong neighborhoods by reinvesting in East and North Temple. Programs proposed for funding include the housing improvement program, solution-oriented code compliance, infrastructure improvements, crime prevention, and the demolition program.

The FY 2019 Budget recommends targeting our resources to a specific area to generate greater impact and effectiveness in leveraging additional resources.

The current year budget includes an allocation of funding to begin a strategic plan for the redevelopment of the Ferguson Park neighborhood planning district. That project will begin very soon and the results of that plan should be used to guide the implementation of the programs in the FY 2019 Budget.

The FY 2019 Budget includes an allocation of funding to provide grants to low and moderate income residents to repair or rebuild homes in our targeted area as well as provides incentives to developers to invest in housing in East Temple.

An additional police officer focused on crime prevention strategies in Downtown and the Ferguson Park neighborhood planning district is in the FY 2019 Budget.

An allocation to design and construct infrastructure improvements including water, wastewater, and transportation improvements based on the Ferguson Park neighborhood planning district strategic plan is in the FY 2019 Budget.

The FY 2019 Budget also includes converting the part-time Recreational Specialist position to a full-time position to more effectively coordinate efforts in enhancing access to youth recreational opportunities in East Temple. This position will be based at the Wilson Recreation Center.

The FY 2019 Budget also includes an allocation of \$100,000 to continue our Strategic Investment Zone grant program which is focused on incentivizing redevelopment in our targeted neighborhoods and corridors including Downtown, Central, and Avenue C.

Financial Highlights by Fund

General Fund Revenues - Total revenues for the FY 2019 General Fund Budget are presented at \$74,038,158 an increase of 5.08% compared to the FY 2018 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 2019 Budget, property tax accounts for 18.58% of the General Fund budgeted revenues and is the second largest revenue source of the General Fund. The FY 2019 property tax rate of 66.12¢ per \$100 valuation is a decrease of 1.60¢ as compared to FY 2018 tax rate of 67.72¢.

This rate is based on a certified appraised value of \$4,397,616,969 (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 29.82¢ for the M&O rate and 36.30¢ 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 2019 Budget, sales tax is projected to account for 30.43% of the General Fund budgeted revenues.

The FY 2019 Budget estimates \$22,530,000 in sales tax revenue, a 5.18% increase in sales tax revenue over budgeted FY 2018 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 16.48% of total General Fund revenues. \$12,203,090 in solid waste revenue is projected for FY 2019, representing an 10.21% increase from the FY 2018 solid waste revenue adopted budget of \$11,072,295. A \$1.00 per month rate adjustment is proposed for residential solid waste services and a 5% rate adjustment is proposed for commercial solid waste services.

General Fund Expenditures - Total expenditures for the FY 2019 General Fund Budget are presented at \$77,358,633, an increase of 5.56% compared to the FY 2018 Adopted Budget.

Water and Wastewater Fund - Total revenues for the FY 2019 Water and Wastewater Fund Budget are presented at \$35,917,181, an increase of 4.32% compared to the FY 2018 Adopted Budget. These revenues are based on rates that remain unchanged from current year.

Expenses, capital improvements, and debt service for the FY 2019 Water and Wastewater Fund Budget are presented at \$35,917,181, an increase of 4.32% compared with prior year.

Hotel/Motel Tax Fund - Total revenues for the Hotel/Motel Fund Budget are presented at \$2,028,000, an increase of 6.55% compared to the FY 2018 Adopted Budget. 18.10% of the Hotel/Motel revenues are from the operations of the Frank Mayborn Center. Expenditures for the Hotel/Motel Fund Budget are presented at \$2,131,200, an increase of 10.77% compared to the FY 2018 Adopted Budget.

Federal and State Grant Fund - Total revenues and expenditures for Federal and State Grant Fund Budget are presented at \$536,232, an increase of 24.24% compared to the FY 2018 Adopted Budget. Total revenues include the award of the Community Development Block Grant (CDBG). The proposed allocation of CDBG funds are as follows:

- Demolition - \$14,175
- Housing Improvement Program - \$328,377
- Crime Prevention Program - \$80,434
- Infrastructure Improvements - \$50,000
- General Administration - \$107,246

Drainage Fund - Total revenues and expenditures are presented at \$2,754,500, a 19.76% increase from prior year.

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, 2017. 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-seven consecutive years (Fiscal Years ended 1981-2017). 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 2017-18 Budget document, the City received, for the twenty-third 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 Director of Budget, 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



Brynn Myers
City Manager



Government Finance Officers Association

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Reporting**

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**City of Temple
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

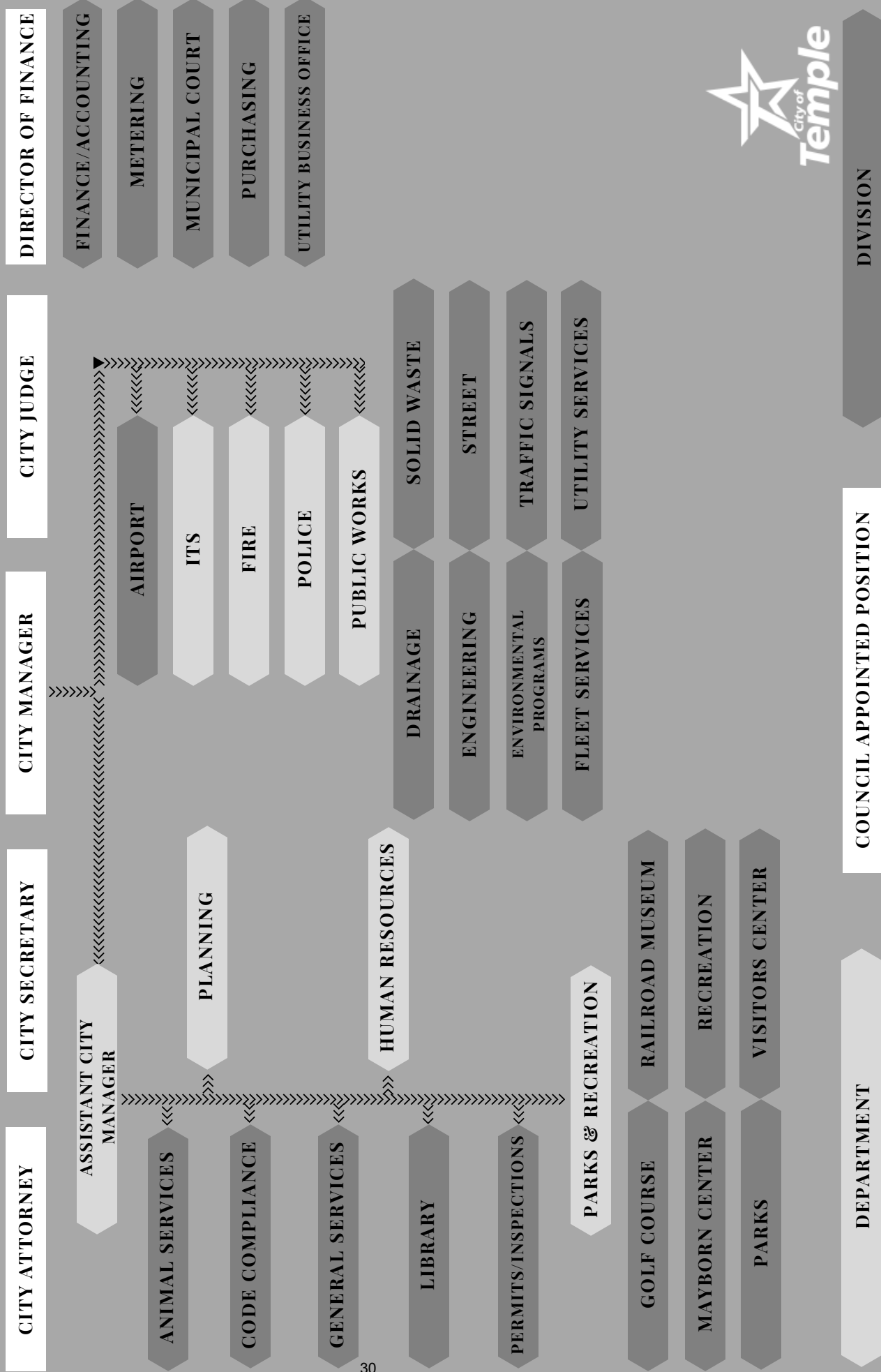
September 30, 2017

Christopher P. Morill

Executive Director/CEO

CITIZENS

MAYOR & CITY COUNCIL



CITY OF TEMPLE PRINCIPAL OFFICIALS

MAYOR
TIM DAVIS

MAYOR PRO-TEMPORE
JUDY MORALES

COUNCILMEMBER
JESSICA WALKER

COUNCILMEMBER
SUSAN LONG

COUNCILMEMBER
MIKE PILKINGTON

BRYNN MYERS, *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, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Temple, Texas' 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, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principles

As discussed in Note I, F. & G. to the financial statements, in 2018 the City of Temple, Texas adopted new accounting guidance, GASB Statement 75, *Accounting and Financial Reporting for Post Employment Benefits Other than Pensions*. Our opinion is not modified with respect to this matter.

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 41 - 54 the Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Employer Contributions for Texas Municipal Retirement System (TMRS) and the Temple Firefighters' Relief and Retirement Fund (TFRRF) on pages 136 - 139 and the Schedules of Changes in Total OPEB Liability and related ratios and Schedule of Employer Contributions for TMRS – Supplemental Death Benefits and Retiree Health Care Plan on pages 140 - 144 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Temple, Texas' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, 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* 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.

The combining and individual nonmajor fund financial statements and schedules 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 30, 2019, on our consideration of the City of Temple's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Temple's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Temple's internal control over financial reporting and compliance.



Temple, Texas
January 30, 2019



Management's Discussion and Analysis



CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2018

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, 2018. 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 \$ 162,407,007 at September 30, 2018. Of this amount, \$ 22,264,599 is unrestricted and may be used to meet the City's future obligations. Of the \$ 22.3 million net unrestricted net position, (\$ 7,610,201) is related to governmental activities, which includes the General Fund. The \$ 29,874,800 net balance of unrestricted net position is related to business-type activities, which is the City's enterprise fund (water and wastewater).
- The City of Temple's total net position increased by \$ 5,722,958 during the current fiscal year. Net position of governmental activities increased \$ 312,896 from \$ 45,064,123. Net position of business-type activities increased \$ 5,410,062 from \$ 111,619,926. The increase in governmental activities and in the business-type activities is attributable to an increase in the City's investment in capital assets.
- As of September 30, 2018, the City of Temple's governmental funds reported combined ending fund balances of \$ 71,769,411, an increase of \$ 15,321,120 in comparison with the prior fiscal year. The capital projects fund had a net increase of \$ 16,111,640 due to the issuance and expenditure of bond proceeds from Transportation Capital Improvement Program and the expenditure of bond proceeds from the Parks General Obligation bonds. In addition, there was an increase in fund balance in the nonmajor governmental funds of \$ 179,999. The offset to the overall increase is attributable to a decrease in the debt service fund of \$ 268,135 due to the use of fund balance for debt service as well as a decrease in the fund balance in the general fund of \$ 702,384.
- At the end of the current fiscal year, assigned/unassigned fund balance for the general fund was \$ 26,520,882 or approximately 36.04% of total general fund expenditures.
- The City's total net bonded debt increased by \$ 25,880,817 during the current fiscal year. This net increase was due to issuance of \$ 33,900,000 issued for the Transportation Capital Improvement Program and to purchase sanitation equipment, purchase public safety equipment, and to fund costs related to drainage improvements and debt service payments during the year.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2018

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 wastewater 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.
- **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 wastewater 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.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2018

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 and capital projects fund, all of which are considered to be major funds. Data from the other four 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.

- **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 wastewater 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 wastewater utility. The water and wastewater utility is considered a major fund of the City.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2018

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 133 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 net pension obligation as it relates to Texas Municipal Retirement System and Temple Firefighters' Relief and Retirement Fund as well as the total OPEB liabilities as it relates to the TMRS-SDB and retiree health plan. Required supplementary information can be found on page 136 through 144 of this report.

THE CITY AS A WHOLE – Government-Wide Financial Analysis

The City's combined net position (assets exceeding liabilities) was \$ 162,407,007 as of September 30, 2018. 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 (85.49%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2018

Table I
Summary of Statement of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 92,408,377	\$ 76,704,211	\$ 68,744,756	\$ 84,232,588	\$ 161,153,133	\$ 160,936,799
Capital assets	193,677,574	177,683,494	172,051,187	155,203,690	365,728,761	332,887,184
Total assets	<u>286,085,951</u>	<u>254,387,705</u>	<u>240,795,943</u>	<u>239,436,278</u>	<u>526,881,894</u>	<u>493,823,983</u>
Deferred outflows of resources	<u>13,556,281</u>	<u>17,819,462</u>	<u>2,795,802</u>	<u>3,671,819</u>	<u>16,352,083</u>	<u>21,491,281</u>
Long-term liabilities outstanding	239,106,494	217,240,137	120,247,096	127,641,168	359,353,590	344,881,305
Other liabilities	10,718,986	9,208,026	5,824,209	3,847,003	16,543,195	13,055,029
Total liabilities	<u>249,825,480</u>	<u>226,448,163</u>	<u>126,071,305</u>	<u>131,488,171</u>	<u>375,896,785</u>	<u>357,936,334</u>
Deferred inflows of resources	<u>4,439,733</u>	<u>694,881</u>	<u>490,452</u>	<u>-</u>	<u>4,930,185</u>	<u>694,881</u>
Net Position:						
Net investment in capital assets	52,987,220	48,754,446	85,851,741	74,981,111	138,838,961	123,735,557
Restricted	-	-	1,303,447	960,360	1,303,447	960,360
Unrestricted	(7,610,201)	(3,690,323)	29,874,800	35,678,455	22,264,599	31,988,132
Total net position	<u>\$ 45,377,019</u>	<u>\$ 45,064,123</u>	<u>\$ 117,029,988</u>	<u>\$ 111,619,926</u>	<u>\$ 162,407,007</u>	<u>\$ 156,684,049</u>

An additional portion of the City of Temple's net position (.80%) represents resources that are subject to external restrictions on how they may be used. The balance of *unrestricted net position*, \$ 22,264,599, 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 \$ 5,410,062 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 2018.

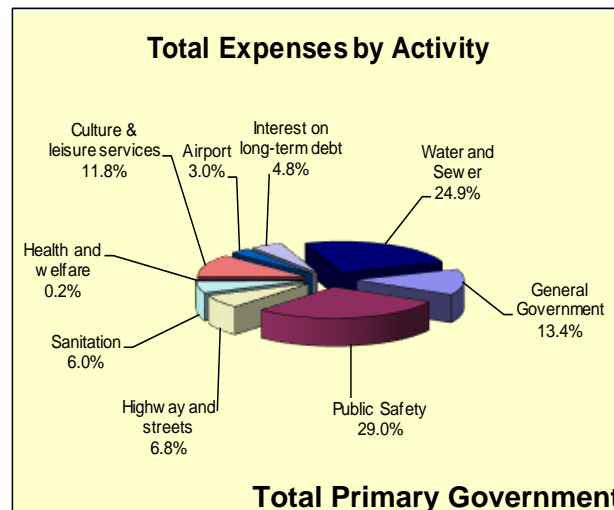
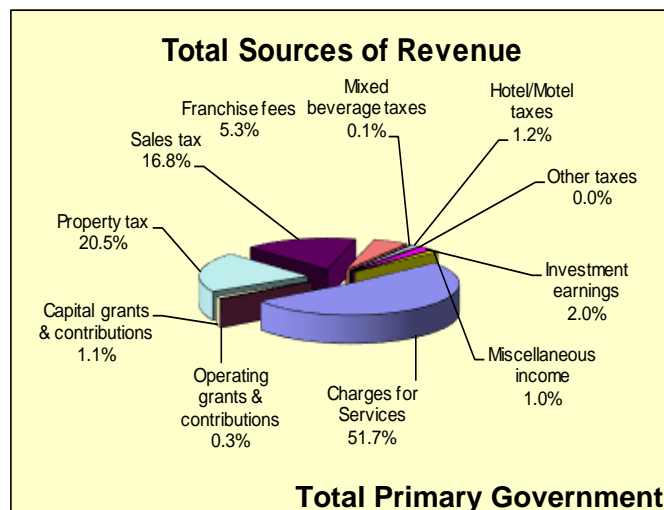
CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2018

Governmental and business-type activities increased the City's net position by \$ 5,722,958. 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	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 31,794,755	\$ 31,206,689	\$ 35,227,519	\$ 33,261,271	\$ 67,022,274	\$ 64,467,960
Operating grants and contributions	356,115	484,715	-	-	356,115	484,715
Capital grants and contributions	1,371,345	310,655	16,401	41,235	1,387,746	351,890
General revenues:						
Property tax	26,596,960	24,983,232	-	-	26,596,960	24,983,232
Sales tax	21,831,623	21,652,524	-	-	21,831,623	21,652,524
Franchise fees	6,834,212	6,771,002	-	-	6,834,212	6,771,002
Mixed beverage taxes	172,509	162,580	-	-	172,509	162,580
Hotel/Motel taxes	1,593,331	1,583,762	-	-	1,593,331	1,583,762
Other taxes	57,906	63,316	-	-	57,906	63,316
Investment earnings	1,513,600	674,264	1,072,980	831,715	2,586,580	1,505,979
Miscellaneous income	1,298,542	4,742,010	-	-	1,298,542	4,742,010
Total revenues	93,420,898	92,634,749	36,316,900	34,134,221	129,737,798	126,768,970
Expenses:						
General government	16,643,280	16,538,056	-	-	16,643,280	16,538,056
Public safety	36,004,472	35,449,316	-	-	36,004,472	35,449,316
Highway and streets	8,483,731	8,963,462	-	-	8,483,731	8,963,462
Sanitation	7,473,148	7,272,582	-	-	7,473,148	7,272,582
Health and welfare	225,837	157,201	-	-	225,837	157,201
Culture & leisure services	14,601,953	13,916,558	-	-	14,601,953	13,916,558
Airport	3,711,779	3,564,403	-	-	3,711,779	3,564,403
Interest on long-term debt	5,963,802	5,453,732	-	-	5,963,802	5,453,732
Water and sewer	-	-	30,906,838	28,840,885	30,906,838	28,840,885
Total expenses	93,108,002	91,315,310	30,906,838	28,840,885	124,014,840	120,156,195
Increase (decrease) in net position	312,896	1,319,439	5,410,062	5,293,336	5,722,958	6,612,775
Net position - beginning	49,010,583	47,691,144	111,784,470	106,491,134	160,795,053	154,182,278
Impact of change in accounting principle	(3,946,460)	-	(164,544)	-	(4,111,004)	-
Net position - beginning, restated	45,064,123	47,691,144	111,619,926	106,491,134	156,684,049	154,182,278
Net position - ending	\$ 45,377,019	\$ 49,010,583	\$ 117,029,988	\$ 111,784,470	\$ 162,407,007	\$ 160,795,053

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2018



For FY 2018, revenues from governmental activities totaled \$ 93,420,898. Property taxes and sales tax are the largest components of revenues (51.84%). Charges for services account for 34.03% of total governmental revenue.

For FY 2018, expenses for governmental activities totaled \$ 93,108,002. The City's five largest funded programs are for public safety, general government, culture and leisure services, highways and streets and sanitation.

For governmental activities, the Statement of Activities on page 57 shows that \$ 31,794,755 was financed by those receiving services, \$ 356,115 from operating grants and contributions, \$ 1,371,345 from capital grants and contributions, with the City's general revenues financing \$ 59,585,787 of the remaining program expenses.

The debt service fund has a total fund balance of \$ 283,612, 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 \$ 40,117,952. The fund balance increased by \$ 16,111,640 during the current fiscal year. This increase is due to the issuance of bonds and expenditure of bond proceeds.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2018

Business-type Activities

Revenues of the City's business-type activities were \$ 36,316,900 for the fiscal year ended September 30, 2018. Revenues increased \$ 2,182,679 as compared to the prior fiscal year. Expenses for the City's business-type activities were \$ 30,906,838, an increase of \$ 2,065,953, or 7.16%, compared to the prior fiscal year. The increase in revenues is the result of an increase in consumption. Water consumption increased 11.43% in FY 2018 compared to the prior fiscal year. Unrestricted net position of the water and wastewater fund was \$ 29,874,800. The water and wastewater fund unrestricted net position decreased in the current fiscal year by \$ 5,803,655.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the FY 2018, the City had \$ 365,728,761 invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, bridges and water and wastewater lines.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Land	\$ 27,476,347	\$ 26,505,595	\$ 3,238,062	\$ 2,583,946	\$ 30,714,409	\$ 29,089,541
Construction in progress	22,378,258	15,241,726	31,774,562	19,026,693	54,152,820	34,268,419
Buildings	45,379,055	42,247,898	18,584,109	18,684,696	63,963,164	60,932,594
Infrastructure	75,845,142	74,311,040	113,647,095	111,074,077	189,492,237	185,385,117
Furniture & equipment	9,467,251	6,990,030	543,114	572,178	10,010,365	7,562,208
Machinery & equipment	13,131,521	12,387,208	4,264,245	3,262,100	17,395,766	15,649,308
	<u>\$ 193,677,574</u>	<u>\$ 177,683,497</u>	<u>\$ 172,051,187</u>	<u>\$ 155,203,690</u>	<u>\$ 365,728,761</u>	<u>\$ 332,887,187</u>

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

- Loop 363 Frontage (UPRR Bridge to 5th TRZ Portion) - \$ 6,567,065
- Legacy Pavement Preservation Overlay - \$ 3,135,642
- Avenue U (1st Street to 13th Street) Improvements - \$ 2,473,758
- Corporate Campus Park (Bioscience Trail Connection to Airport) - \$ 2,221,849
- Water Line Improvements for Western Hills, Phase II - \$ 2,058,635
- Remodel of Sammons Community Center - \$ 1,994,289

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2018

- South 1st Street, Phase I - \$ 1,842,755
- Airport Corporate Hanger, Phase II - \$ 1,705,949
- Wilson Recreation Center Improvements - \$ 1,409,831
- Wilson South Park Improvements - \$ 1,320,272
- Jaycee Park Improvements - \$ 1,059,144
- Wastewater Line Replacement @ North 5th Street to Jackson Creek - \$ 813,489
- P25 Radio Migration - \$ 806,921
- Sammons Golf Course Green Improvements - \$ 618,382
- South Temple Water System Improvements - \$ 675,547
- Rehabilitation of Clarifiers # 1 & # 2 @ Water Treatment Plant - \$ 449,946

Additional information on the City of Temple's capital assets can be found in Note III on pages 89 through 91 of this report.

Debt

At year-end, the City had \$ 280,082,376 in bonds and notes payable outstanding as shown in Table IV.

Table IV
Outstanding Debt, at Year-End

	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
General obligation bonds	\$ 78,860,000	\$ 66,265,000	\$ 31,455,000	\$ 34,490,000	\$ 110,315,000	\$100,755,000
Certificate of obligation	81,145,000	50,440,000	-	-	81,145,000	50,440,000
Contractual obligations	3,335,000	4,525,000	-	-	3,335,000	4,525,000
Revenue bonds	-	-	77,840,000	80,755,000	77,840,000	80,755,000
Pass-through revenue & limited tax bonds	4,665,000	23,685,000	-	-	4,665,000	23,685,000
Notes payable	2,761,062	243,380	21,314	-	2,782,376	243,380
Totals	<u>\$ 170,766,062</u>	<u>\$ 145,158,380</u>	<u>\$ 109,316,314</u>	<u>\$ 115,245,000</u>	<u>\$ 280,082,376</u>	<u>\$ 260,403,380</u>

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 4.29%.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2018

Additional information on the City of Temple's long term debt can be found in Note III on pages 96 through 104 of this report.

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 \$ 71,769,411. Approximately 36.95% of this total amount, \$ 26,520,882, 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 \$ 515,619; has already been restricted 1) to pay for debt service, \$ 283,612; 2) to pay for drug enforcement, \$ 258,281; 3) to pay for library collection enhancement and other, \$ 507,571; 4) to pay for bond-funded construction projects, \$ 40,117,952; 5) to pay for museum expenditures \$ 11,631; 6) to pay for promotion of tourism \$ 1,410,456 or 7) committed to drainage in the amount of \$ 2,143,407.

In the general fund, the City budgeted for a decrease in the fund balance of \$ 6,333,251, which was primarily resulting from transfers of \$ 1,984,332 to capital project funds, debt service fund, and the grant fund. An additional \$ 2,438,453 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 decreased for fiscal year 2018 by \$ 702,384. This decrease was due to a net variance with the final adopted budget of \$ 5,630,867. This net decrease was comprised of the following: sales tax for the City came in \$ 411,623 over the budgeted amount, franchise fees were \$ 48,942 over budget, charges for services were \$ 348,246 under budget, licenses and permits were \$ 221,459 over budget, property taxes were \$ 50,602 under budget, interest income was \$ 103,175 over budget, sale of assets were \$ 71,002 over budget, and fines were \$ 400,227 under budget. All other revenues netted together came in under budget in an amount of \$ 86,459. In addition, total expenditures in the General Fund came in \$ 5,619,588 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, tipping fees and golf course. Expenditures spread across all departments accounted for \$ 1,960,675 of expenditures that came in under budget.

Debt service fund balance decreased in 2018 by \$ 268,135 for an ending balance of \$ 283,612. 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 increase in 2018 of \$ 16,111,640 due to the issuance of bonds and the expenditure of prior bond proceeds.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2018

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 Wastewater fund is \$ 29,874,800, a decrease of \$ 5,803,655. The water and wastewater fund unrestricted net position decrease in the current fiscal year was due to an increase in consumption offset by the "pay as you go" capital expenses.

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 8.14% or \$ 5,962,795.

During the year there was a \$ 5,962,795 increase in appropriations between the original operating budget and final amended budget. Following are the main components of the increase:

- \$ 1,667,218 increase in personnel services for various departments. Of this amount,
 - \$ 343,000 was re-appropriated from contingency (compensation) to the individual department personnel accounts to cover the 2.0% or 4.0% Performance Pay for all eligible employees that went into effect November 2017.
 - \$ 700,000 was appropriated to the Police department's overtime accounts to fund outside assignments that are reimbursed by various entities.
 - \$ 220,745 supplemental funding for Fire to cover shortage in personnel services due to an increase in overtime.
 - \$ 563,015 supplemental funding in Special Services to cover the additional separation pay for General Fund employees in FY 2017.
 - \$ 46,000 was re-appropriated from City Manager's and Human Resources' salaries and benefits to their operating accounts for the search services performed by Strategic Government Resources for the vacant Assistant City Manager positions and vacant Human Resources Director position.
 - \$ 24,000 was re-appropriated from General Services' salaries to Human Resources' operating account to cover a settlement agreement and release of claim with former employee.
 - \$ 60,634 was re-appropriated from Solid Waste's salaries for higher than anticipated repair and maintenance of sanitation vehicles.
 - \$ 25,000 was re-appropriated from Code Compliance's operational accounts to their salaries account to support structure changes authorized by Interim City Manager during October 2017.
 - \$ 15,998 was re-appropriated from General Services' salaries and benefits to Human Resources' operating account to cover WebBen Portal services.
 - \$ 10,220 appropriation of reimbursement related to personnel costs incurred for Hurricane Maria deployment.
- \$ 627,847 supplemental funding in operations to various departments within the General Fund for projects that were not completed in the previous year.

CITY OF TEMPLE, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

September 30, 2018

- \$ 1,214,747 supplemental funding in capital to various departments within the General Fund for projects that were not completed in the previous year.
- \$ 213,804 supplemental funding in economic development to fund additional amount needed for the FY 2018 "Operating Expense Component" and "Incentive Matrix Component" to TEDC.
- \$ 117,433 appropriation of anticipated fuel tax credit related to Airport fuel taxes paid in 2015, 2016 and 2017 for fuel sold to the Military.
- \$ 80,269 appropriation of insurance proceeds received from Texas Municipal League related to hail and wind damage sustained from May 5, 2013 weather event at Central Fire Station.
- \$ 47,589 appropriation of insurance proceeds received from Texas Municipal League related to hail and wind damage sustained from May 5, 2013 weather event at Social Security Building.
- \$ 34,122 supplemental funding for legal services provided by Haley & Olson, as well as Naman, Howell, Smith & Lee.
- \$ 24,650 supplemental funding for paint and body repair for Sanitation's asset # 14521 that was involved in an accident in April 2018.

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 (\$ 1,467,929), increase in insurance proceeds (\$ 202,285), increase in lease proceeds (\$ 538,186) and an increase in other income from various sources (\$ 241,997). 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 2018 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 3.38% as compared to the State of Texas, which is 3.92%. 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 were taken into account when adopting the General Fund budget for fiscal year 2019. The total 2018-2019 combined budget appropriation totals \$ 136,148,717 for six operating funds.

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2018

The 2018-2019 General Fund budget of \$ 77,358,633 represents a 5.56% increase or \$ 4,077,094 from the adopted 2017-2018 budget. The focus of the FY 2019 Budget is towards providing services that our residents requests while responding to the growth of our community. The adopted budget reflects a fiscally responsible approach to improving the City's infrastructure and maintaining quality City services to a growing population. The FY 2019 Budget focuses on six areas:

- Manage strategically;
- Protect our public safety;
- Enhance our quality of life;
- Delivery high quality services;
- Invest in our infrastructure; and
- Build strong neighborhoods.

These were the general priorities and parameters used in the development of the FY 2018-2019 budget. As always, the preparation of the budget takes into consideration our ability to pay for the programs and services that were proposed.

Overall, the City Council was presented with a budget that requires \$ 3,320,475 from fund balance to assist in the funding of \$ 1,833,739 in capital outlay, \$ 863,236 for TEDC Matrix allocation, \$ 100,000 for Strategic Investment Zone Corridor (SIZ) to be funded with Assigned Fund Balance – Capital Projects and \$ 523,500 for debt service for capital replacement (sanitation vehicles for \$274,000 and public safety P25 radios of \$249,500). The budget assesses a tax rate of \$ 0.6612 per \$ 100 valuation, a decrease of \$ 0.0160 compared to last year's actual rate of \$ 0.6772 per \$ 100. 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 2017-2018 is charges for services. For the fiscal year ending 2016-2017, 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

CITY OF TEMPLE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2018

from the system. There were no additional rate increases reflected in the FY 2018, FY 2017 and FY 2016 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 2019. An updated water and wastewater rate structure is currently underway to set the rates for FY 2020 through FY 2024.

The City is also updating the Water and Wastewater Master Plan that will be completed in the February 2019. The rate structure to be set for the next five years will need to take into consideration the projects outlined in the updated Water and Wastewater Master Plan.

The FY 2019 Water and Wastewater operating budget of \$ 35,917,181, an increase of 4.32% compared with the prior year. Cost drivers for this increase include cash capital outlays and debt service associated with the water and wastewater capital improvement plan.

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, 2018

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Reinvestment Zone No. 1	Temple Economic Development Corporation
ASSETS					
Cash	\$ 9,850	\$ 5,050	\$ 14,900	\$ -	\$ 2,684,825
Investments	75,311,613	30,071,103	105,382,716	15,232,680	-
Property taxes, net of allowance for uncollectibles	427,418	-	427,418	4,082,251	-
Receivables, net of allowance for uncollectibles	3,641,034	3,535,001	7,176,035	13,627	73,166
Due from other governments	12,288,803	-	12,288,803	510,923	-
Internal balances	(200,000)	-	(200,000)	625,396	(425,396)
Inventories	355,251	270,646	625,897	-	-
Prepays	160,368	217,935	378,303	-	384
Other assets	18,561	-	18,561	-	-
Restricted assets:					
Cash and investments	738,238	34,645,021	35,383,259	27,094,232	2,378,326
Land held for investment	-	-	-	-	4,227,245
Capital assets not being depreciated:					
Land	27,476,347	3,238,062	30,714,409	17,465,348	-
Construction in progress	22,378,258	31,774,562	54,152,820	27,352,821	4,945,577
Capital assets, net of accumulated depreciation:					
Buildings	45,379,055	18,584,109	63,963,164	2,280,024	250,550
Infrastructure	75,845,142	113,647,095	189,492,237	50,456,268	-
Furniture and equipment	9,467,251	543,114	10,010,365	33,439	93,232
Machinery and equipment	13,131,521	4,264,245	17,395,766	11,822	-
Total assets	<u>286,428,710</u>	<u>240,795,943</u>	<u>527,224,653</u>	<u>145,158,831</u>	<u>14,227,909</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amounts on refunding	4,882,210	2,098,835	6,981,045	143,682	-
Deferred amounts of contributions	5,091,485	499,673	5,591,158	-	-
Difference in projected and actual investment earnings	843,291	-	843,291	-	-
Deferred amount of changes in assumptions	1,629,061	60,797	1,689,858	-	-
Difference in expected and actual experience	1,110,234	136,497	1,246,731	-	-
Total deferred outflows of resources	<u>13,556,281</u>	<u>2,795,802</u>	<u>16,352,083</u>	<u>143,682</u>	<u>-</u>
LIABILITIES					
Vouchers and contracts payable	5,501,866	3,376,398	8,878,264	3,058,674	530
Retainage payable	444,998	775,277	1,220,275	259,053	-
Accrued payroll	1,406,933	128,077	1,535,010	-	59,086
Deposits	102,054	749,541	851,595	-	-
Unearned revenues	2,548,508	70,641	2,619,149	-	-
Accrued interest payable	1,057,386	724,275	1,781,661	248,953	-
Noncurrent liabilities:					
Due within one year	11,372,702	6,571,530	17,944,232	4,864,278	123,540
Due in more than one year	227,733,792	113,675,566	341,409,358	56,322,229	3,261,228
Total liabilities	<u>250,168,239</u>	<u>126,071,305</u>	<u>376,239,544</u>	<u>64,753,187</u>	<u>3,444,384</u>
DEFERRED INFLOWS OF RESOURCES					
Difference in projected and actual investment earnings	3,820,383	490,452	4,310,835	-	-
Difference in expected and actual experience	619,350	-	619,350	-	-
Total deferred inflows of resources	<u>4,439,733</u>	<u>490,452</u>	<u>4,930,185</u>	<u>-</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	52,987,220	85,851,741	138,838,961	60,636,867	1,968,088
Restricted for:					
Debt service	-	1,303,447	1,303,447	-	-
Economic development incentives	-	-	-	-	2,317,497
Unrestricted	(7,610,201)	29,874,800	22,264,599	19,912,459	6,497,940
Total net position	<u>\$ 45,377,019</u>	<u>\$ 117,029,988</u>	<u>\$ 162,407,007</u>	<u>\$ 80,549,326</u>	<u>\$ 10,783,525</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, 2018

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		
					Governmental Activities	Business-type Activities	Component Units
						Total	Reinvestment Zone No. 1 Temple EDC
Primary government:							
Governmental activities:							
General government	\$ 16,643,280	\$ 4,537,237	\$ 44,119	\$ -	\$ (12,061,924)	\$ (12,061,924)	\$ -
Public safety	36,004,472	4,339,843	138,840	-	(31,525,789)	(31,525,789)	-
Highways and streets	8,483,731	2,974,290	8,352	1,361,345	(4,139,744)	(4,139,744)	-
Sanitation	7,473,148	13,380,840	10,000	-	5,917,692	5,917,692	-
Health and welfare	225,837	-	150,312	10,000	(65,525)	(65,525)	-
Culture and leisure services	14,601,953	3,942,908	4,492	-	(10,654,553)	(10,654,553)	-
Airport	3,711,779	2,619,637	-	-	(1,092,142)	(1,092,142)	-
Interest on long-term debt	5,963,802	-	-	-	(5,963,802)	(5,963,802)	-
Total governmental activities	93,108,002	31,794,755	356,115	1,371,345	(59,585,787)	(59,585,787)	-
Business-type activities:							
Water and sewer	30,906,838	35,227,519	-	16,401	-	4,337,082	-
Total business-type activities	30,906,838	35,227,519	-	16,401	-	4,337,082	-
Total primary government	\$ 124,014,840	\$ 67,022,274	\$ 356,115	\$ 1,387,746	(59,585,787)	(55,248,705)	-
Component units:							
Reinvestment Zone No. 1	\$ 11,007,392	\$ 58,315	\$ -	\$ 805,198	-	-	(10,143,879)
Temple Economic Development Corporation	2,901,378	-	2,348,896	-	-	-	(552,482)
Total component units	\$ 13,908,770	\$ 58,315	\$ 2,348,896	\$ 805,198	-	-	(552,482)
General Revenues:							
Property taxes					26,596,960	26,596,960	25,073,856
Sales taxes					21,831,623	21,831,623	-
Franchise fees					6,834,212	6,834,212	-
Mixed beverage taxes					172,509	172,509	-
Hotel/Motel taxes					1,593,331	1,593,331	-
Other taxes					57,906	57,906	-
Investment income					1,513,600	2,586,580	267,210
Miscellaneous income					1,298,542	1,298,542	684,823
Total general revenues					59,898,683	60,971,663	26,025,889
Change in net position					312,896	5,722,958	15,882,010
Net position-beginning, restated					45,064,123	156,684,049	64,667,316
Net position-ending					\$ 45,377,019	\$ 162,407,007	\$ 80,549,326

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

CITY OF TEMPLE, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2018

	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 5,250	\$ -	\$ -	\$ 4,600	\$ 9,850
Investments	30,980,878	272,412	40,452,934	3,605,389	75,311,613
Property taxes, net	178,479	248,939	-	-	427,418
Other receivables, net	3,327,199	-	5	313,830	3,641,034
Due from other funds	178,156	-	-	-	178,156
Due from other governments	65,145	9,906,468	1,795,088	522,102	12,288,803
Inventories, at cost	340,748	-	-	14,503	355,251
Prepaid items	152,246	-	-	8,122	160,368
Restricted cash and investments	738,238	-	-	-	738,238
Other assets	-	-	-	18,561	18,561
Total assets	<u>\$ 35,966,339</u>	<u>\$ 10,427,819</u>	<u>\$ 42,248,027</u>	<u>\$ 4,487,107</u>	<u>\$ 93,129,292</u>
LIABILITIES AND FUND BALANCES					
Vouchers and contracts payable	\$ 3,448,708	\$ -	\$ 1,681,173	\$ 571,985	\$ 5,701,866
Retainage payable	378	-	444,620	-	444,998
Accrued payroll	1,355,237	-	4,282	47,414	1,406,933
Vacation and sick leave payable	642,300	-	-	39,965	682,265
Deposits and refundable contracts	40,586	-	-	61,468	102,054
Due to other funds	-	-	-	178,156	178,156
Unearned revenues	2,699,402	10,144,207	-	-	12,843,609
Total liabilities	<u>8,186,611</u>	<u>10,144,207</u>	<u>2,130,075</u>	<u>898,988</u>	<u>21,359,881</u>
Fund Balances:					
Nonspendable:					
Inventories and prepaid items	492,994	-	-	22,625	515,619
Restricted for:					
Debt service	-	283,612	-	-	283,612
Drug enforcement	258,281	-	-	-	258,281
Library and other	507,571	-	-	-	507,571
Construction	-	-	40,117,952	-	40,117,952
Museum	-	-	-	11,631	11,631
Promotion of tourism	-	-	-	1,410,456	1,410,456
Committed to:					
Drainage	-	-	-	2,143,407	2,143,407
Assigned to:					
Capital technology acquisition	356,940	-	-	-	356,940
Capital projects	4,356,474	-	-	-	4,356,474
Purchases on order	1,675,168	-	-	-	1,675,168
Unassigned	20,132,300	-	-	-	20,132,300
Total fund balances	<u>27,779,728</u>	<u>283,612</u>	<u>40,117,952</u>	<u>3,588,119</u>	<u>71,769,411</u>
Total liabilities and fund balances	<u>\$ 35,966,339</u>	<u>\$ 10,427,819</u>	<u>\$ 42,248,027</u>	<u>\$ 4,487,107</u>	<u>\$ 93,129,292</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, 2018

Total fund balances-governmental funds		\$ 71,769,411
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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	\$ 27,476,347	
Construction in progress	22,378,258	
Buildings	84,038,677	
Infrastructure	175,208,724	
Furniture and equipment	30,041,399	
Machinery and equipment	38,228,310	
Accumulated depreciation	(183,694,141)	
Total capital assets	<u>\$ 193,677,574</u>	193,677,574

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	\$ 4,882,210	
Deferred amounts of contributions	5,091,485	
Difference in projected and actual investment earnings	843,291	
Deferred amounts of changes in assumptions	1,629,061	
Difference in expected and actual experience	1,110,234	
	<u>\$ 13,556,281</u>	13,556,281

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	\$ 150,894	
Interest & sinking fund taxes not collected	237,739	
Pass-through toll agreement	9,906,468	
Total deferred revenue reclassified	<u>\$ 10,295,101</u>	10,295,101

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.	(1,057,386)
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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	\$ 10,690,437	
Long-term debt, including premium/discount	227,733,792	
Total long-term liabilities	<u>\$ 238,424,229</u>	(238,424,229)

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:

Difference in projected and actual investment earnings	\$ (3,820,383)	
Difference in expected and actual experience	(619,350)	
	<u>\$ (4,439,733)</u>	(4,439,733)

Net position of governmental activities	<u>\$ 45,377,019</u>
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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, 2018

	General	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 35,625,665	\$ 12,998,582	\$ -	\$ 1,593,331	\$ 50,217,578
Franchise fees	6,834,212	-	-	-	6,834,212
Licenses and permits	1,034,209	-	-	-	1,034,209
Intergovernmental	59,122	1,505,000	-	1,668,338	3,232,460
Drainage fees	-	-	-	2,705,091	2,705,091
Charges for services	25,369,209	-	-	461,829	25,831,038
Fines	1,868,233	-	-	-	1,868,233
Interest and other	1,552,914	107,745	949,712	136,968	2,747,339
Total revenues	<u>72,343,564</u>	<u>14,611,327</u>	<u>949,712</u>	<u>6,565,557</u>	<u>94,470,160</u>
Expenditures:					
Current:					
General government	15,104,412	-	1,139,232	44,118	16,287,762
Public safety	32,830,239	-	1,449,466	114,645	34,394,350
Highways and streets	3,312,864	-	9,952,350	4,516,207	17,781,421
Sanitation	6,600,412	-	1,801,416	10,000	8,411,828
Health and welfare	-	-	-	150,312	150,312
Culture and leisure services	11,115,784	-	8,150,553	2,196,286	21,462,623
Airport	2,553,849	-	51,698	-	2,605,547
Debt service:					
Principal retirement	108,767	10,495,000	-	-	10,603,767
Interest and fiscal charges	14,087	6,282,348	124,526	-	6,420,961
Total expenditures	<u>71,640,414</u>	<u>16,777,348</u>	<u>22,669,241</u>	<u>7,031,568</u>	<u>118,118,571</u>
Excess (deficiency) of revenues over expenditures	<u>703,150</u>	<u>(2,166,021)</u>	<u>(21,719,529)</u>	<u>(466,011)</u>	<u>(23,648,411)</u>
Other financing sources (uses):					
Transfers in	-	1,765,451	418,518	1,007,406	3,191,375
Transfers out	(1,943,720)	-	(872,914)	(374,741)	(3,191,375)
Issuance of loans and bonds	538,186	-	36,062,957	13,345	36,614,488
Refunding bonds issued	-	17,780,000	-	-	17,780,000
Discount on bond issuance	-	(120,242)	(345,152)	-	(465,394)
Original issue premium	-	2,770,295	2,567,760	-	5,338,055
Payment to refunded bond escrow agent	-	(20,297,618)	-	-	(20,297,618)
Total other financing sources (uses)	<u>(1,405,534)</u>	<u>1,897,886</u>	<u>37,831,169</u>	<u>646,010</u>	<u>38,969,531</u>
Net change in fund balances	(702,384)	(268,135)	16,111,640	179,999	15,321,120
Fund balances, beginning of year	28,482,112	551,747	24,006,312	3,408,120	56,448,291
Fund balances, end of year	<u>\$ 27,779,728</u>	<u>\$ 283,612</u>	<u>\$ 40,117,952</u>	<u>\$ 3,588,119</u>	<u>\$ 71,769,411</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, 2018

Net change in fund balances-total governmental funds \$ 15,321,120

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	\$ 28,374,357	
Depreciation expense	(12,305,898)	
Net adjustment	<u>\$ 16,068,459</u>	16,068,459

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, disposals and donations) is to decrease net position. (74,382)

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. (987,568)

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 note payable	\$ (2,714,487)	
Issuance of general and contractual obligation bonds	(51,680,000)	
Discount/(premium) on issuance	(4,872,660)	
To bondholders	10,607,032	
Payment to escrow agent for refunding	18,179,773	
Increase in deferred amounts on refunding	2,202,618	
Amortization of bond premiums/discounts	926,311	
Amortization of bond refunding amounts	(410,293)	
Net adjustment	<u>\$ (27,761,706)</u>	(27,761,706)

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

Decrease in net pension liability	\$ 8,535,210	
Increase in OPEB liability	(844,509)	
Deferred experience losses, net	(11,397,220)	
Increase in changes in assumptions	413,581	
Decrease in deferred assumption gains	1,039,435	
Increase in deferred pension and OPEB contributions	143,848	
	<u>\$ (2,109,655)</u>	(2,109,655)

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. (143,372)

Change in net position of governmental activities \$ 312,896

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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 35,249,229	\$ 35,249,229	\$ 35,625,665	\$ 376,436
Franchise fees	6,785,270	6,785,270	6,834,212	48,942
Licenses and permits	812,750	812,750	1,034,209	221,459
Intergovernmental	48,340	64,737	59,122	(5,615)
Charges for services	24,249,526	25,717,455	25,369,209	(348,246)
Fines	2,267,470	2,268,460	1,868,233	(400,227)
Interest and other	1,048,101	1,474,996	1,552,914	77,918
Total revenues	70,460,686	72,372,897	72,343,564	(29,333)
Expenditures:				
Current:				
General government:				
City council	206,310	230,598	179,927	50,671
City manager	882,804	1,040,238	712,825	327,413
General services	529,616	184,346	156,205	28,141
Finance	1,594,489	1,683,920	1,572,754	111,166
Purchasing	396,718	439,426	430,718	8,708
City secretary	464,549	523,401	442,587	80,814
Special services	1,376,063	1,717,750	1,519,472	198,278
Legal	869,266	988,397	932,668	55,729
City planning	669,944	688,087	667,492	20,595
Information technology services	2,868,049	3,012,324	2,803,519	208,805
Human resources	817,199	937,324	868,369	68,955
Economic development	1,814,778	2,028,582	2,006,167	22,415
Fleet services	1,126,737	1,162,558	1,070,267	92,291
Inspections	597,443	603,959	513,410	90,549
Facility services	1,455,549	1,534,656	1,228,032	306,624
Total general government	15,669,514	16,775,566	15,104,412	1,671,154
Public safety:				
Municipal court	775,847	920,412	879,138	41,274
Police	17,069,386	18,087,187	17,094,528	992,659
Animal control	538,449	560,351	483,607	76,744
Fire	12,125,406	12,677,739	12,456,888	220,851
Communications	994,258	994,258	994,257	1
Code Enforcement	796,595	1,119,912	921,821	198,091
Total public safety	32,299,941	34,359,859	32,830,239	1,529,620
Highways and streets:				
Street	2,548,302	2,683,298	2,369,123	314,175
Traffic signals	415,873	446,338	386,645	59,693
Engineering	623,923	625,606	557,096	68,510
Totals highways and streets	3,588,098	3,755,242	3,312,864	442,378
Sanitation:	6,357,650	7,130,350	6,600,412	529,938
Parks & Recreation:				
Parks	4,073,436	4,402,741	3,701,335	701,406
Recreation	3,911,854	4,035,931	3,771,723	264,208
Administration	552,008	575,644	526,435	49,209
Golf course	1,253,280	1,545,310	1,440,147	105,163
Education	1,783,596	1,847,649	1,676,144	171,505
Total parks & recreation	11,574,174	12,407,275	11,115,784	1,291,491
Airport:	2,228,444	2,708,269	2,553,849	154,420
Debt service:				
Principal	47,024	109,354	108,767	587
Interest	8,769	14,087	14,087	-
Total debt service	55,793	123,441	122,854	587
Total expenditures	71,773,614	77,260,002	71,640,414	5,619,588
Excess (deficiency) of revenues over expenditures	(1,312,928)	(4,887,105)	703,150	5,590,255
Other financing sources (uses):				
Transfers out	(1,507,925)	(1,984,332)	(1,943,720)	40,612
Total other financing sources (uses)	(1,507,925)	(1,446,146)	(1,405,534)	40,612
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(2,820,853)	(6,333,251)	(702,384)	5,630,867
Fund balance, beginning of period	28,482,112	28,482,112	28,482,112	-
Fund balance, end of period	\$ 25,661,259	\$ 22,148,861	\$ 27,779,728	\$ 5,630,867

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, 2018
(With comparative amounts for September 30, 2017)

Business-type Activities-Enterprise Fund

	Water and Wastewater		
	2018	2017	Increase (Decrease)
ASSETS			
Current assets:			
Cash	\$ 5,050	\$ 3,749	\$ 1,301
Investments	30,071,103	32,591,381	(2,520,278)
Restricted cash and investments:			
Revenue bond debt service	2,027,722	1,637,169	390,553
Customer deposits	749,541	721,922	27,619
Construction account	31,867,758	45,381,477	(13,513,719)
Customer receivables	2,985,706	2,882,098	103,608
Accounts receivable	549,295	495,822	53,473
Inventories	270,646	307,556	(36,910)
Prepaid items	217,935	211,414	6,521
Total current assets	68,744,756	84,232,588	(15,487,832)
Noncurrent assets:			
Capital assets:			
Land	3,238,062	2,583,946	654,116
Buildings	48,838,737	47,931,635	907,102
Improvements other than buildings	196,156,933	188,575,591	7,581,342
Machinery, furniture and equipment	13,001,434	11,134,762	1,866,672
	261,235,166	250,225,934	11,009,232
Less accumulated depreciation	(120,958,541)	(114,048,937)	(6,909,604)
Construction in progress	31,774,562	19,026,693	12,747,869
Total capital assets (net of accumulated depreciation)	172,051,187	155,203,690	16,847,497
Total noncurrent assets	172,051,187	155,203,690	16,847,497
Total assets	240,795,943	239,436,278	1,359,665
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts on refunding	2,098,835	2,419,692	(320,857)
Deferred amounts of contributions	499,673	464,355	35,318
Deferred amounts of changes in assumptions	60,797	774,284	(713,487)
Difference in expected and actual experience	136,497	13,488	123,009
Total outflows of resources	2,795,802	3,671,819	(876,017)

Business-type Activities-Enterprise Fund

	Water and Wastewater		
	2018	2017	Increase (Decrease)
LIABILITIES			
Current liabilities:			
Vouchers and contracts payable	\$ 3,376,398	\$ 1,858,349	\$ 1,518,049
Retainage payables	775,277	321,553	453,724
Accrued payroll	128,077	197,730	(69,653)
Unearned revenues	70,641	70,641	-
Customer deposits	749,541	721,922	27,619
Accrued interest - revenue bonds	724,275	676,809	47,466
Current maturities of long-term liabilities	6,571,530	6,504,634	66,896
Total current liabilities	12,395,739	10,351,638	2,044,101
Noncurrent liabilities:			
Revenue bonds payable	109,350,554	115,868,003	(6,517,449)
Compensated absences payable	346,027	346,027	-
Other post-employment benefits payable	785,048	704,291	80,757
Net supplemental death benefits payable	252,091	217,688	34,403
Net pension liability	2,927,428	4,000,525	(1,073,097)
Notes payable	14,418	-	14,418
Total noncurrent liabilities	113,675,566	121,136,534	(7,460,968)
Total liabilities	126,071,305	131,488,172	(5,416,867)
DEFERRED INFLOWS OF RESOURCES			
Difference in projected and actual investment earnings	490,452	-	490,452
Total inflows of resources	490,452	-	490,452
NET POSITION			
Net investment in capital assets	85,851,741	74,981,111	10,870,630
Restricted for:			
Debt service	1,303,447	960,360	343,087
Unrestricted	29,874,800	35,678,455	(5,803,655)
Total net position	\$117,029,988	\$111,619,926	\$ 5,410,062



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

For the year ended September 30, 2018

(With comparative amounts for the year ended September 30, 2017)

Business-type Activities-Enterprise Fund			
	Water and Wastewater		
	2018	2017	Increase (Decrease)
Operating revenues:			
Charges for sales and services:			
Water service	\$ 20,400,500	\$ 18,787,531	\$ 1,612,969
Sewer service	12,632,819	12,392,742	240,077
Other	2,194,200	2,080,998	113,202
Total operating revenues	<u>35,227,519</u>	<u>33,261,271</u>	<u>1,966,248</u>
Operating expenses:			
Personnel services	5,201,564	4,943,453	258,111
Supplies	1,710,390	1,540,475	169,915
Repairs and maintenance	1,219,255	955,582	263,673
Depreciation	6,909,604	6,548,999	360,605
Other services and charges	12,083,237	11,726,069	357,168
Total operating expenses	<u>27,124,050</u>	<u>25,714,578</u>	<u>1,409,472</u>
Operating income	<u>8,103,469</u>	<u>7,546,693</u>	<u>556,776</u>
Nonoperating revenues (expenses):			
Interest income	1,072,980	831,715	241,265
Interest expense	<u>(3,782,788)</u>	<u>(3,126,307)</u>	<u>(656,481)</u>
Total nonoperating revenues (expenses)	<u>(2,709,808)</u>	<u>(2,294,592)</u>	<u>(415,216)</u>
Income before transfers and contributions	5,393,661	5,252,101	141,560
Contributions-TxDot	<u>16,401</u>	<u>41,235</u>	<u>(24,834)</u>
Change in net position	5,410,062	5,293,336	116,726
Total net position - beginning	<u>111,784,470</u>	<u>106,491,134</u>	<u>5,293,336</u>
Prior period adjustment	<u>(164,544)</u>	<u>-</u>	<u>(164,544)</u>
Total net assets - restated, beginning	<u>111,619,926</u>	<u>106,491,134</u>	<u>5,128,792</u>
Total net position - ending	<u>\$117,029,988</u>	<u>\$111,784,470</u>	<u>\$ 5,245,518</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, 2018

(With comparative amounts for the year ended September 30, 2017)

Business-type Activities-Enterprise Fund		
	Water and Wastewater	
	2018	2017
Cash flows from operating activities:		
Cash received from customers	\$ 35,151,531	\$ 32,394,156
Cash paid to suppliers	(7,840,562)	(8,530,933)
Cash paid to employees	(5,097,304)	(4,801,212)
Cash paid to other funds for administration, franchise fees and data processing	<u>(5,677,354)</u>	<u>(5,589,156)</u>
Net cash provided by operating activities	<u>16,536,311</u>	<u>13,472,855</u>
Cash flows from capital and related financing activities:		
Capital expenses	(23,353,592)	(13,369,291)
Interest paid on debt	(3,921,914)	(3,157,302)
Debt principal payments	(5,950,000)	(4,650,000)
Proceeds from other governmental entities	1,691	11,462
Proceeds from debt issuance	<u>-</u>	<u>35,141,999</u>
Net cash provided (used) by capital and related financing activities	<u>(33,223,815)</u>	<u>13,976,868</u>
Cash flows from investing activities:		
Interest received on investments	<u>1,072,980</u>	<u>831,715</u>
Net cash provided by investing activities	<u>1,072,980</u>	<u>831,715</u>
Net change in cash and cash equivalents	(15,614,524)	28,281,438
Cash and cash equivalents, beginning of year	<u>80,335,698</u>	<u>52,054,260</u>
Cash and cash equivalents, end of year	<u><u>\$ 64,721,174</u></u>	<u><u>\$ 80,335,698</u></u>
		(Continued)

CITY OF TEMPLE, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND

(Continued)

For the year ended September 30, 2018

(With comparative amounts for the year ended September 30, 2017)

Business-type Activities-Enterprise Fund		
	Water and Wastewater	
	2018	2017
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 8,103,471	\$ 7,247,474
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	6,909,604	6,548,999
Change in assets, deferred outflows of resources, liabilities and deferred inflows of resources:		
Change in accounts receivable	(157,081)	(717,378)
Change in inventory	36,910	45,078
Change in prepaids	(6,521)	(3,325)
Change in vouchers payable	1,518,048	199,429
Change in accrued liabilities	(69,653)	75,306
Change in OPEB liability	80,757	60,093
Change in supplemental death benefit liability	34,403	-
Change in net pension liability	58,754	14,668
Change in customer deposits	27,619	10,337
Change in accrued vacation and sick leave	-	(7,826)
Total adjustments	8,432,840	6,225,381
Net cash provided by operating activities	<u>\$ 16,536,311</u>	<u>\$ 13,472,855</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS FROM STATEMENT OF CASH FLOWS TO STATEMENT OF NET POSITION		
Cash	\$ 5,050	\$ 3,749
Investments	30,071,103	32,591,381
Restricted assets - debt service, and bond proceeds:		
Cash and investments	34,645,021	47,740,568
Total cash and cash equivalents	<u>\$ 64,721,174</u>	<u>\$ 80,335,698</u>

During the fiscal years ended September 30, 2018, and 2017, 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
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

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, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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, 201 Santa Fe Way, Suite 103, 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 requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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, Drainage Fund and the Pass-Through Financing Project Fund.

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

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Receivables

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

General Fund	\$ 2,426,710
Special Revenue Funds	40,776
Debt Service Fund	90,057
Enterprise Fund	517,067

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-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 acquisition 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 \$ 11,091,122. Of this amount, \$ 1,141,145 was included as part of the cost of capital assets during FY 2018.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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*.

8. Other Post-Employment Benefits

For purposes of measuring the Other Post-Employment (OPEB) liability, OPEB related deferred outflows and inflows of resources, and OPEB expense, City specific information about its Fiduciary Net Position in the Texas Municipal Retirement System (TMRS) Supplemental Death Benefit Plan 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.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments are reported at fair value. Information regarding the City's Total OPEB 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. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*.

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 and OPEB 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.
- Changes in assumptions – The result of changes in actuarial assumptions used to measure the total OPEB liability. The change is deferred and amortized over the average of the remaining service lives.
- Differences in expected and actual experience – The change is deferred and amortized over the average of the remaining service lives.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 the following type of item that qualifies for reporting in this category.

- Difference in projected and actual investment earnings – The difference is deferred and amortized over a closed five-year period.
- Difference in expected and actual pension experience – The difference 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.

Purchases on order are amounts that are available for purchases authorized prior to the end of the fiscal year, but that have not been received or delivered.

Unassigned Fund Balance – amounts that are available for any purpose; positive amounts are reported in the General Fund. The General Fund is the only fund that can report a positive unassigned fund balance amount.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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 effective in the current year.

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 has been implemented in fiscal year 2018.

Statement No. 82, *Pension Issues-an amendment of GASB Statements No. 67, 68 and No. 73* – this statement addresses issues regarding the presentation of payroll-related measures in required supplementary information, the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and the classification of payments made by employers to satisfy employee contribution requirements. This statement has been implemented in fiscal year 2018.

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

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Statement No. 83, *Certain Asset Retirement Obligations* – This statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this statement. This statement has been implemented in fiscal year 2019.

Statement No. 84, *Fiduciary Activities* – This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This statement will be implemented in fiscal year 2020.

Statement No. 87, *Leases* – This statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This statement will be implemented in fiscal year 2021.

G. PRIOR PERIOD ADJUSTMENT

The implementation of GASB Statement No. 75 resulted in the restatement of beginning net position for the recording of the net OPEB liability and the beginning deferred outflows for contributions made after the measurement date.

The City also restated its government-wide net position to record a receivable and recognize the corresponding revenue due to a commercial customer's unbilled water usage which occurred over a three year period. It is anticipated the City will collect the amount due.

Prospective applying these changes resulted in the adjustments below:

	Government-wide Statement of Activities		
	Governmental Activities	Business-type Activities	Total
Net position at September 30, 2017			
as previously reported	\$ 49,010,583	\$ 110,886,815	\$ 159,897,398
Elimination of net OPEB liability	2,666,693	737,386	3,404,079
Addition of total OPEB liability-health insurance	(5,029,726)	(685,872)	(5,715,598)
Addition of total OPEB liability-TMRS-SDBF	(1,583,427)	(216,058)	(1,799,485)
Addition of net revenue recognized from prior years	-	897,655	897,655
Net position at September 30, 2017, as restated	<u>\$ 45,064,123</u>	<u>\$ 111,619,926</u>	<u>\$ 156,684,049</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

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 City Secretary, 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 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 re-appropriated 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	\$ 1,675,168
Capital Projects Fund	16,353,569
Nonmajor Funds:	<u>4,748,173</u>
Totals	<u>\$ 22,776,910</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

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, (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, 2018, the City's deposit balances were as follows:

	Primary Government	Component Units	Total Reporting Entity
Total Deposits	<u>\$ 101,937,870</u>	<u>\$ 19,124,541</u>	<u>\$ 121,062,411</u>
Carrying Amount	<u>\$ 100,022,617</u>	<u>\$ 18,003,914</u>	<u>\$ 118,026,531</u>
Petty Cash	<u>\$ 14,900</u>	<u>\$ -</u>	<u>\$ 14,900</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, 2018, the Temple

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

Economic Development Corporation had a total of \$ 5,713,360 in deposits. Of this amount, \$ 500,000 was insured, and \$ 5,213,360 was collateralized with securities held by pledging financial institution's agent in the entity's name.

Investments

The City evaluated all of its investment positions and determined that it had no investments subject to recurring fair value recognition or disclosures. As of September 30, 2018, the City had the following investments:

	Carrying Amount	Fair Value
<u>Primary Government</u>		
Investment pools:		
Texpool	\$ 5,551,707	\$ 5,551,707
TexSTAR	30,285,767	30,285,767
Texas CLASS	4,905,884	4,905,884
Total investment in pools:	<u>40,743,358</u>	<u>40,743,358</u>
 Total investments	 <u>\$ 40,743,358</u>	 <u>\$ 40,743,358</u>
 <u>Discretely Presented Component Units</u>		
Investment pools:		
Texpool	\$ 2,803,191	\$ 2,803,191
TexSTAR	25,377,990	25,377,990
Texas CLASS	1,204,968	1,204,968
Total investment in pools:	<u>29,386,149</u>	<u>29,386,149</u>
 Total investments	 <u>\$ 29,386,149</u>	 <u>\$ 29,386,149</u>
 <u>Reporting Entity</u>		
Total investments	<u>\$ 70,129,507</u>	<u>\$ 70,129,507</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.

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, 2018, the weighted average maturity of the City's investment portfolio was 126.04 days.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

Credit Risk – In compliance with the City's Investment Policy, as of September 30, 2018, 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. TexPool carries investments at amortized cost, which approximates fair value. The City's fair value position is the same as the value of TexPool shares.

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. TexSTAR uses amortized cost to compute share price. The City's fair value position is the same as the value of TexSTAR shares.

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. Texas Class reports the amortized cost of investments, which approximates fair value, to its participants. The City's fair value position is the same as the value of Texas CLASS shares.

The local government investment pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (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	\$ 14,900	\$ -	\$ 14,900
Carrying amount of deposits	100,022,617	18,003,914	118,026,531
Carrying amount of investments	<u>40,743,358</u>	<u>29,386,149</u>	<u>70,129,507</u>
Total	<u>\$ 140,780,875</u>	<u>\$ 47,390,063</u>	<u>\$ 188,170,938</u>
Statement of Net Position:			
Cash	\$ 14,900	\$ 2,684,825	\$ 2,699,725
Investments	105,382,716	15,232,680	120,615,396
Restricted cash and investments	<u>35,383,259</u>	<u>29,472,558</u>	<u>64,855,817</u>
Total	<u>\$ 140,780,875</u>	<u>\$ 47,390,063</u>	<u>\$ 188,170,938</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

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, 2017, upon which the fiscal year 2018 levy was based, was \$ 3,687,589,859. This amount is the net taxable value adjusted for frozen taxable value. The amount of the levy attributable to frozen taxes was \$ 2,382,511. The total levy assessed was \$ 27,354,869. The total taxable value before the adjustment for frozen taxable value was \$ 4,148,669,011.

The tax assessment of October 1, 2017 set a tax levy at \$ 0.6772 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, 2018, delinquent property taxes receivable are \$ 416,218, 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, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2018 was as follows:

	Balance October 1, 2017	Additions Net of CIP Reclassifications	Transfers/ Retirements	Balance September 30, 2018
Primary government:				
Governmental Activities:				
Capital assets not being depreciated				
Land	\$ 26,505,595	\$ 976,384	\$ (5,632)	\$ 27,476,347
Construction in progress	15,241,726	17,978,227	(10,841,695)	22,378,258
Total capital assets not being depreciated	41,747,321	18,954,611	(10,847,327)	49,854,605
Capital assets being depreciated				
Buildings	78,933,236	5,105,441	-	84,038,677
Infrastructure	168,054,991	7,153,733	-	175,208,724
Furniture & equipment	25,745,499	4,295,900	-	30,041,399
Machinery & equipment	36,032,023	3,706,367	(1,510,080)	38,228,310
Total capital assets being depreciated	308,765,749	20,261,441	(1,510,080)	327,517,110
Less accumulated depreciation for:				
Buildings	(36,685,338)	(1,974,284)	-	(38,659,622)
Infrastructure	(93,743,951)	(5,619,631)	-	(99,363,582)
Furniture & equipment	(18,755,469)	(1,818,679)	-	(20,574,148)
Machinery & equipment	(23,644,815)	(2,893,304)	1,441,330	(25,096,789)
Total accumulated depreciation	(172,829,573)	(12,305,898)	1,441,330	(183,694,141)
Total capital assets being depreciated, net	135,936,176	7,955,543	(68,750)	143,822,969
Governmental Activities capital assets, net	\$ 177,683,497	\$ 26,910,154	\$ (10,916,077)	\$ 193,677,574

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

	Balance October 1, 2017	Additions	Transfers/ Retirements	Balance September 30, 2018
Business-type Activities:				
Capital assets not being depreciated				
Land	\$ 2,583,946	\$ 654,116	\$ -	\$ 3,238,062
Construction in progress	19,026,693	21,855,831	(9,107,962)	31,774,562
Total capital assets not being depreciated	21,610,639	22,509,947	(9,107,962)	35,012,624
Capital assets being depreciated				
Buildings	47,931,635	907,102	-	48,838,737
Infrastructure	188,575,591	7,581,342	-	196,156,933
Furniture & equipment	2,268,950	131,774	-	2,400,724
Machinery & equipment	8,865,812	1,734,898	-	10,600,710
Total capital assets being depreciated	247,641,988	10,355,116	-	257,997,104
Less accumulated depreciation for:				
Buildings	(29,246,939)	(1,007,689)	-	(30,254,628)
Infrastructure	(77,501,514)	(5,008,324)	-	(82,509,838)
Furniture & equipment	(1,696,772)	(160,838)	-	(1,857,610)
Machinery & equipment	(5,603,712)	(732,753)	-	(6,336,465)
Total accumulated depreciation	(114,048,937)	(6,909,604)	-	(120,958,541)
Total capital assets being depreciated, net	133,593,051	3,445,512	-	137,038,563
Business-type Activities capital assets, net	\$ 155,203,690	\$ 25,955,459	\$ (9,107,962)	\$ 172,051,187

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

Governmental activities:	
General government	\$ 1,174,843
Public safety	2,565,282
Highways and streets	4,173,930
Sanitation	984,753
Health and welfare	84,590
Culture and leisure services	2,179,932
Airport	1,142,568
Total depreciation expense - Governmental Activities	<u>\$ 12,305,898</u>
Business-type activities:	
Water and sewer	\$ 6,909,604
Total depreciation expense - Business-type Activities	<u>\$ 6,909,604</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

The City has active construction projects as of September 30, 2018. Total accumulated commitments for ongoing capital projects are composed of the following:

General Fund	\$ 84,247
Capital Projects Fund	11,135,847
Water and Sewer Fund	13,693,532
Total	<u>\$ 24,913,626</u>

	Balance October 1, 2017	Additions	Transfers/ Retirements	Balance September 30, 2018
Discretely presented component units:				
Reinvestment Zone No 1:				
Capital assets not being depreciated				
Land	\$ 14,862,649	\$ 2,602,699	\$ -	\$ 17,465,348
Construction in progress	21,619,595	12,954,221	(7,220,995)	27,352,821
Total capital assets not being depreciated	36,482,244	15,556,920	(7,220,995)	44,818,169
Capital assets being depreciated				
Buildings	860,884	1,705,949	-	2,566,833
Infrastructure	73,293,978	5,619,583	-	78,913,561
Furniture & equipment	-	33,862	-	33,862
Machinery & equipment	42,559	-	-	42,559
Total capital assets being depreciated	74,197,421	7,359,394	-	81,556,815
Less accumulated depreciation for:				
Buildings	(256,743)	(30,066)	-	(286,809)
Infrastructure	(25,163,656)	(3,293,637)	-	(28,457,293)
Furniture & equipment	-	(423)	-	(423)
Machinery & equipment	(27,900)	(2,837)	-	(30,737)
Total accumulated depreciation	(25,448,299)	(3,326,963)	-	(28,775,262)
Total capital assets being depreciated, net	48,749,122	4,032,431	-	52,781,553
Reinvestment Zone No.1 capital assets, net	<u>\$ 85,231,366</u>	<u>\$ 19,589,351</u>	<u>\$ (7,220,995)</u>	<u>\$ 97,599,722</u>
Temple Economic Development Corporation:				
Capital assets not being depreciated				
Construction in progress	\$ 463,531	\$ 4,482,046	\$ -	\$ 4,945,577
Total capital assets not being depreciated	463,531	4,482,046	-	4,945,577
Capital assets being depreciated				
Buildings & improvements	461,331	-	(79,608)	381,723
Office equipment	177,956	73,780	-	251,736
Total capital assets being depreciated	639,287	73,780	(79,608)	633,459
Less accumulated depreciation for:				
Buildings & improvements	(119,344)	(11,829)	-	(131,173)
Office equipment	(152,008)	(6,496)	-	(158,504)
Total accumulated depreciation	(271,352)	(18,325)	-	(289,677)
Total capital assets being depreciated, net	367,935	55,455	(79,608)	343,782
Temple Economic Development Corp. capital assets, net	<u>\$ 831,466</u>	<u>\$ 4,537,501</u>	<u>\$ (79,608)</u>	<u>\$ 5,289,359</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. INTERNAL BALANCES

Internal balances represent balances due between the primary government and component units. The following were internal balances reported at September 30, 2018.

	Due from others	Due to others
Primary Government:		
Governmental Activities	\$ -	\$ 200,000
Component Units:		
Reinvestment Zone No. 1	625,396	-
TEDC	200,000	625,396
Totals	<u>\$ 825,396</u>	<u>\$ 825,396</u>

E. DISAGGREGATION OF RECEIVABLES AND PAYABLES

Receivables at September 30, 2018, in the Statement of Net Position were as follows:

	Property (Net of Allowance)	Other (Net of Allowance)	Other Governments	Total Receivables
General Fund	\$ 178,479	\$ 3,327,199	\$ 65,145	\$ 3,570,823
Debt Service Fund	248,939	-	9,906,468	10,155,407
Capital Projects Fund	-	5	1,795,088	1,795,093
Nonmajor Governmental Funds	-	313,830	522,102	835,932
Total Governmental Funds	<u>427,418</u>	<u>3,641,034</u>	<u>12,288,803</u>	<u>16,357,255</u>
Water & Sewer Fund	-	3,535,001	-	3,535,001
Total	<u>\$ 427,418</u>	<u>\$ 7,176,035</u>	<u>\$ 12,288,803</u>	<u>\$ 19,892,256</u>

Payables at September 30, 2018, in the Statement of Net Position were as follows:

	Vouchers & Contracts	Retainages	Accrued Payroll	Deposits	Total Payables
General Fund	\$ 3,248,708	\$ 378	\$ 1,355,237	\$ 40,586	\$ 4,644,909
Capital Projects Fund	1,681,173	444,620	4,282	-	2,130,075
Nonmajor Governmental Funds	571,985	-	47,414	61,468	680,867
Total Governmental Funds	<u>5,501,866</u>	<u>444,998</u>	<u>1,406,933</u>	<u>102,054</u>	<u>7,455,851</u>
Water and Sewer Fund	3,376,398	775,277	128,077	749,541	5,029,293
Total	<u>\$ 8,878,264</u>	<u>\$ 1,220,275</u>	<u>\$ 1,535,010</u>	<u>\$ 851,595</u>	<u>\$ 12,485,144</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

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, 2018:

	Balance October 1, 2017	Additions	Retirements	Balance September 30, 2018
<u>Governmental Activities</u>				
General obligation bonds	\$ 3,089,886	\$ 2,202,618	\$ 410,294	\$ 4,882,210
Total governmental activities	3,089,886	2,202,618	410,294	4,882,210
<u>Business-Type Activities</u>				
General obligation bonds	2,419,692	-	320,857	2,098,835
Total business-type activities	2,419,692	-	320,857	2,098,835
<u>Component Units</u>				
Reinvestment Zone No. 1	195,091	-	51,409	143,682
Total component units	195,091	-	51,409	143,682
Total government	\$ 5,704,669	\$ 2,202,618	\$ 782,560	\$ 7,124,727

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

G. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The amounts reported for deferred outflows/inflows of resources related to pensions and other post-employment benefits of the City for the year ended September 30, 2018:

	Balance October 1, 2017	Additions	Retirements	Balance September 30, 2018
Deferred Outflows of Resources related to pensions and other post-employment benefits				
Contributions subsequent to the measurement date				
Texas Municipal Retirement System	\$ 3,975,799	\$ 4,150,659	\$ (3,975,799)	\$ 4,150,659
Firemen's Pension	1,268,121	1,298,158	(1,299,059)	1,267,220
Texas Municipal Retirement System- Supplemental Death Benefits	14,582	17,630	(14,581)	17,631
Retiree Health Plan	153,493	155,648	(153,493)	155,648
Total contributions subsequent to measurement date	<u>\$ 5,411,995</u>	<u>\$ 5,622,095</u>	<u>\$ (5,442,932)</u>	<u>\$ 5,591,158</u>
Differences between projected and actual investment earnings				
Firemen's Pension	\$ 2,523,472	\$ (958,812)	\$ (721,369)	\$ 843,291
Total differences between projected and actual investment earnings	<u>\$ 2,523,472</u>	<u>\$ (958,812)</u>	<u>\$ (721,369)</u>	<u>\$ 843,291</u>
Changes in assumptions				
Texas Municipal Retirement System	\$ 36,711	\$ -	\$ (15,755)	\$ 20,956
Firemen's Pension	1,327,390	-	(144,281)	1,183,109
Texas Municipal Retirement System- Supplemental Death Benefits	-	159,536	(27,365)	132,171
Retiree Health Plan	-	397,198	(43,576)	353,622
Total differences between changes in assumptions	<u>\$ 1,364,101</u>	<u>\$ 556,734</u>	<u>\$ (230,977)</u>	<u>\$ 1,689,858</u>
Differences between expected and actual experience				
Texas Municipal Retirement System	\$ 155,478	\$ 1,184,000	\$ (92,747)	\$ 1,246,731
Total differences between expected and actual experience	<u>\$ 155,478</u>	<u>\$ 1,184,000</u>	<u>\$ (92,747)</u>	<u>\$ 1,246,731</u>
Deferred Inflows of Resources related to pensions and other post-employment benefits				
Differences between projected and actual investment earnings				
Texas Municipal Retirement System	\$ 6,526,660	\$ (10,682,781)	\$ (154,714)	\$ (4,310,835)
Total differences between projected and actual investment earnings	<u>\$ 6,526,660</u>	<u>\$ (10,682,781)</u>	<u>\$ (154,714)</u>	<u>\$ (4,310,835)</u>
Differences between expected and actual experience				
Firemen's Pension	\$ (694,881)	\$ -	\$ 75,531	\$ (619,350)
Total differences between expected and actual experience	<u>\$ (694,881)</u>	<u>\$ -</u>	<u>\$ 75,531</u>	<u>\$ (619,350)</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

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	\$ 150,894	\$ -	\$ 150,894
Street escrow	-	22,114	22,114
Parks escrow	-	418,609	418,609
Police escrow	-	141,722	141,722
Child safety fees	-	51,599	51,599
Animal shelter	-	815	815
Electric franchise	-	1,563,925	1,563,925
Gas franchise	-	332,983	332,983
Other	-	16,741	16,741
Total General Fund	<u>150,894</u>	<u>2,548,508</u>	<u>2,699,402</u>
Debt Service Fund:			
Delinquent property taxes	237,739	-	237,739
Pass-through toll agreement	<u>9,906,468</u>	<u>-</u>	<u>9,906,468</u>
Total Debt Service Fund	<u>10,144,207</u>	<u>-</u>	<u>10,144,207</u>
Total Governmental Funds	<u><u>\$ 10,295,101</u></u>	<u><u>\$ 2,548,508</u></u>	<u><u>\$ 12,843,609</u></u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

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, 2018:

	Balance October 1, 2017	Additions	Retirements	Balance September 30, 2018	Due within one year
<u>Governmental Activities</u>					
General obligation bonds	\$ 66,265,000	\$ 17,780,000	\$ 5,185,000	\$ 78,860,000	\$ 4,970,000
Certificates of obligation	50,440,000	33,900,000	3,195,000	81,145,000	2,425,000
Contractual obligations	4,525,000	-	1,190,000	3,335,000	1,215,000
Pass-through agreement revenue & limited tax bonds	23,685,000	-	19,020,000	4,665,000	950,000
Notes payable	243,380	2,714,487	196,805	2,761,062	111,814
Plus deferred amount:					
Issuance premium	12,080,938	5,338,054	1,027,542	16,391,450	1,124,050
Issuance discount	(1,102,834)	(465,394)	(101,231)	(1,466,997)	(105,427)
Total bonds payable	156,136,484	59,267,147	29,713,116	185,690,515	10,690,437
Compensated absences	8,213,448	908,649	905,623	8,216,474	682,265
Net pension liability - TMRS	29,714,294	-	8,122,252	21,592,042	-
Net pension liability - FP	16,414,734	-	412,957	16,001,777	-
OPEB liability	5,164,800	592,216	-	5,757,016	-
OPEB liability - SDBF	1,596,377	252,293	-	1,848,670	-
Total governmental activities	217,240,137	61,020,305	39,153,948	239,106,494	11,372,702
<u>Business-Type Activities</u>					
General obligation bonds	34,490,000	-	3,035,000	31,455,000	3,130,000
Revenue bonds	80,755,000	-	2,915,000	77,840,000	2,880,000
Notes payable	-	28,216	6,902	21,314	6,895
Plus deferred amount:					
Issuance premium	7,866,865	-	565,823	7,301,042	565,823
Issuance discount	(786,413)	-	(58,374)	(728,039)	(58,374)
Total bonds payable	122,325,452	28,216	6,464,351	115,889,317	6,524,344
Compensated absences	393,212	68,249	68,249	393,212	47,186
Net pension liability - TMRS	4,000,525	-	1,073,097	2,927,428	-
OPEB liability	704,291	80,757	-	785,048	-
OPEB liability - SDB	217,688	34,403	-	252,091	-
Total business-type activities	127,641,168	211,625	7,605,697	120,247,096	6,571,530
<u>Component Units</u>					
Reinvestment Zone No. 1	41,245,610	24,179,452	4,238,555	61,186,507	4,864,278
Temple Economic Development Corp.	110,332	3,325,025	50,589	3,384,768	123,540
Total component units	41,355,942	27,504,477	4,289,144	64,571,275	4,987,818
Total government	\$ 386,237,247	\$ 88,736,407	\$ 51,048,789	\$ 423,924,865	\$ 22,932,050

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

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.

Long-term debt at September 30, 2018 is comprised of the following:

	Governmental Activities	Business - type Activities
General obligation bonds:		
\$ 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%	\$ 6,525,000	\$ 6,740,000
\$ 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%	4,720,000	15,730,000
\$ 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%	28,870,000	3,925,000
\$ 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	-
\$ 17,780,000 2017 refunding bonds due in annual installments of \$ 400,000 to \$ 2,255,000 through 2034; interest at 2.00% to 5.00%	17,380,000	-
	<u>78,860,000</u>	<u>31,455,000</u>
Certificates of obligation:		
\$ 9,420,000 2012 certificates due in annual installments of \$ 400,000 to \$ 685,000 through 2033; interest at 2.00% to 3.00%	8,190,000	-
\$ 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%	4,385,000	-
\$ 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%	19,625,000	-
\$ 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%	17,025,000	-
\$ 33,900,000 2017 certificates due in annual installments of \$ 770,000 to \$ 2,485,000 through 2037; interest at 3.00% to 5.00%	31,920,000	-
	<u>81,145,000</u>	<u>-</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (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%	\$ 1,915,000	\$ -
\$ 1,950,000 2016 limited tax notes due in annual installments of \$ 265,000 to \$ 295,000 through 2023; interest at 1.96%	1,420,000	-
	<u>3,335,000</u>	<u>-</u>
Revenue bonds:		
\$ 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%	-	13,115,000
\$ 12,990,000 2014 bonds due in annual installments of \$ 90,000 to \$ 790,000 through 2044; interest at 0.45% to 5.05%	-	12,110,000
\$ 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%	-	21,030,000
\$ 32,755,000 2017 bonds due in annual installments of \$ 1,085,000 to \$ 2,245,000 through 2037; interest at 3.00% to 5.00%	-	31,585,000
	<u>-</u>	<u>77,840,000</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%	4,665,000	-
	<u>4,665,000</u>	<u>-</u>
Notes payable:		
\$ 282,050 2018 capital lease due in monthly installments of \$ 3,646 to \$ 4,274 through 2021; interest at 4.20%	248,784	-
\$ 2,308,718 2018 loan agreement due in quarterly installments of \$ 6,039 to \$ 15,082 through 2034; interest at 2.00%	2,308,719	-
\$ 256,136 2017 capital lease due in quarterly installments of \$ 15,136 to \$ 16,992 through 2021; interest at 2.97%	193,479	-
\$ 13,345 2017 capital lease due in quarterly installments of \$ 789 to \$ 875 through 2021; interest at 2.97%	10,080	-
\$ 28,216 2017 capital lease due in quarterly installments of \$ 1,667 to \$ 1,849 through 2021; interest at 2.97%	-	21,314
	<u>2,761,062</u>	<u>21,314</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

	Governmental Activities	Business - type Activities
Issuance premium	\$ 16,391,450	\$ 7,301,042
Issuance discount	(1,466,997)	(728,039)
Total bonds payable	185,690,515	115,889,317
Accrual for compensated absences	8,216,474	393,212
Accrual for net pension liability - TMRS	21,592,042	2,927,428
Accrual for net pension liability - FP	16,001,777	-
Accrual for OPEB liability	5,757,016	785,048
Accrual for OPEB liability - SDB	1,848,670	252,091
Total primary government debt	239,106,494	120,247,096
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	1,440,000	-
\$ 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	7,530,000	-
\$ 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	280,000	-
\$ 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	23,005,000	-
\$ 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	4,370,000	-
\$ 23,565,000 2018 revenue bonds due in annual installments of \$ 140,000 to \$ 1,990,000 through 2038, interest at 5.00%; guaranteed by the City of Temple	23,565,000	-
Issuance premium	1,766,347	-
Issuance discount	(769,840)	-
Total Reinvestment Zone No 1	61,186,507	-
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	47,915	-
\$ 3,864,000 note due in monthly payments of \$ 31,424 through July 2027, interest at 4.75%; this represents the corporation's 69% portion of the note which is shared with another entity; draws are still being made on the note	3,321,271	-
Accrual for compensated absences	15,582	-
Total Temple Economic Development Corporation	3,384,768	-
Total component units debt	64,571,275	-
Total debt - reporting entity	\$ 303,677,769	\$120,247,096

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

The annual requirements to amortize debt outstanding as of September 30, 2018, 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	
2019	\$ 4,970,000	\$ 3,348,850	\$ 3,130,000	\$ 1,273,350	\$ 2,110,000	\$ 368,600	\$ 15,200,800
2020	5,085,000	3,197,900	3,235,000	1,171,300	2,275,000	302,850	15,267,050
2021	5,310,000	3,009,200	3,355,000	1,041,900	2,385,000	189,800	15,290,900
2022	6,580,000	2,805,150	3,510,000	899,150	2,480,000	93,700	16,368,000
2023	6,410,000	2,536,050	3,735,000	741,600	-	-	13,422,650
2024-2028	29,455,000	8,718,650	14,490,000	1,279,450	-	-	53,943,100
2029-2033	15,495,000	3,371,500	-	-	-	-	18,866,500
2034-2035	5,555,000	355,000	-	-	-	-	5,910,000
Total	<u>\$ 78,860,000</u>	<u>\$ 27,342,300</u>	<u>\$ 31,455,000</u>	<u>\$ 6,406,750</u>	<u>\$ 9,250,000</u>	<u>\$ 954,950</u>	<u>\$154,269,000</u>

Certificates of Obligations

Year Ending September 30,	Governmental Activities		Component Units		Total
	Principal	Interest	Principal	Interest	
2019	\$ 2,425,000	\$ 2,884,245	\$ 1,180,000	\$ 868,344	\$ 7,357,589
2020	2,645,000	2,798,370	1,215,000	832,944	7,491,314
2021	2,485,000	2,708,620	1,250,000	796,494	7,240,114
2022	2,610,000	2,628,670	1,285,000	746,494	7,270,164
2023	2,905,000	2,538,870	1,335,000	695,094	7,473,964
2024-2028	23,125,000	10,540,064	7,510,000	2,727,543	43,902,607
2029-2033	29,250,000	5,825,865	9,230,000	1,152,162	45,458,027
2034-2037	15,700,000	1,159,624	-	-	16,859,624
Total	<u>\$ 81,145,000</u>	<u>\$ 31,084,328</u>	<u>\$ 23,005,000</u>	<u>\$ 7,819,075</u>	<u>\$143,053,403</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

Contractual Obligations

Year Ending September 30,	Governmental Activities		
	Principal	Interest	Total
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	290,000	8,624	298,624
2023	295,000	2,891	297,891
Total	<u>\$ 3,335,000</u>	<u>\$ 128,456</u>	<u>\$ 3,463,456</u>

Pass-Through Toll Agreement Revenue & Limited Tax Bonds

Year Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2019	\$ 950,000	\$ 178,125	\$ 1,128,125
2020	990,000	140,125	1,130,125
2021	1,030,000	100,525	1,130,525
2022	-	59,325	59,325
2023	-	59,325	59,325
2024-2028	-	296,625	296,625
2029-2031	1,695,000	177,975	1,872,975
Total	<u>\$ 4,665,000</u>	<u>\$ 1,012,025</u>	<u>\$ 5,677,025</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

Revenue Bonds

Year Ending September 30,	<u>Business-type Activities</u>		<u>Component Units</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2019	\$ 2,880,000	\$ 3,168,582	\$ 1,455,000	\$ 1,226,140	\$ 8,729,722
2020	2,995,000	3,068,382	1,240,000	1,333,744	8,637,126
2021	3,105,000	2,961,039	1,260,000	1,268,670	8,594,709
2022	3,225,000	2,837,177	1,345,000	1,202,422	8,609,599
2023	3,365,000	2,706,714	955,000	1,131,750	8,158,464
2024-2028	20,925,000	11,235,224	5,550,000	4,892,000	42,602,224
2029-2033	22,480,000	6,401,086	7,085,000	3,359,000	39,325,086
2034-2038	14,665,000	2,399,815	9,045,000	1,401,000	27,510,815
2039-2043	3,410,000	733,008	-	-	4,143,008
2044	790,000	39,893	-	-	829,893
Total	<u>\$ 77,840,000</u>	<u>\$ 35,550,920</u>	<u>\$ 27,935,000</u>	<u>\$ 15,814,726</u>	<u>\$ 157,140,646</u>

Notes Payable

Year Ending September 30,	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Component Units Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2019	\$ 111,814	\$ 14,577	\$ 6,895	\$ 557	\$ 123,540	\$ -	\$ 257,383
2020	252,169	55,624	7,103	349	76,091	-	391,336
2021	258,942	48,851	7,316	137	79,785	-	395,031
2022	247,162	40,388	-	-	83,658	-	371,208
2023	144,906	36,496	-	-	87,720	-	269,122
2024-2028	769,603	137,408	-	-	2,933,974	-	3,840,985
2029-2033	850,474	56,539	-	-	-	-	907,013
2034	125,992	992	-	-	-	-	126,984
Total	<u>\$ 2,761,062</u>	<u>\$ 390,875</u>	<u>\$ 21,314</u>	<u>\$ 1,043</u>	<u>\$ 3,384,768</u>	<u>\$ -</u>	<u>\$ 6,559,062</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

(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.

(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, 2018.

(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 Reinvestment Zone No. 1.

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, 2018.

(4) 2018 Issuances -

On November 8, 2017, the City issued \$ 33,900,000 of Combination Tax and Revenue Certificates of Obligation bonds. The interest rate of the bonds range from 3.00% to 5.00% and the maturity date of the bonds is August 1, 2037. These bonds were issued to construct, reconstruct, improve, extend, expand, upgrade and/or develop streets, bridges, trails, sidewalks, intersections, traffic signalization and other traffic improvement projects as part of the City's Transportation Capital Improvement Program. The bonds were also sold to purchase sanitation equipment and vehicles, purchase public safety equipment, including radio communications equipment, to fund costs related to drainage improvements, including

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

a drainage master plan, and to improve, expand and upgrade the City's park and recreational facilities.

On December 20, 2017, the City partially advance refunded the Series 2012 Pass-Through Toll Revenue and Limited Tax Bonds. The par amount of the 2017 General Obligation Refunding bonds was \$ 17,780,000. Net proceeds of \$ 20,297,618 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 will be removed from the City's financial statements in fiscal year 2018.

This advanced refunding will reduce the total debt service payments over the next 17 years by \$ 2,010,430 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 \$ 1,568,277.

On September 27, 2018, the City issued \$ 23,565,000 of Tax Increment Revenue bonds. The interest rate of the bonds is 5.00% and the maturity date of the bonds is August 1, 2038. These bonds were issued to design, construct, improve, acquire, extend, expand, upgrade and develop roads within the Reinvestment Zone No. 1 or that benefit the Zone, to design, construct, improve, acquire and develop the Santa Fe Plaza project, to design, construct, improve, acquire and equip the Draughon-Miller Regional Airport within the Zone including roadway improvements, utilities, headquarters, parking facilities, drainage improvements, taxiway and apron improvements, corporate hangar and other related airport improvements.

In the debt service fund, a fund balance of \$ 283,612 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 \$ 34,645,021, of which \$ 2,027,722 will be used to pay accrued interest and current maturities of bond indentures, \$ 31,887,758 represents remaining bonds proceeds, and the remaining \$ 749,541 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, 2018

III. DETAILED NOTES ON ALL FUNDS (Continued)

J. INTERFUND TRANSFERS

Interfund transfers during the year ended September 30, 2018 were as follows:

	Transfers In	Transfers Out
Major Funds:		
General	\$ -	\$1,943,720
Debt Service	1,765,451	-
Capital Projects	418,518	872,914
Nonmajor Governmental Funds:		
Special Revenue	<u>1,007,406</u>	<u>374,741</u>
Total	<u>\$3,191,375</u>	<u>\$3,191,375</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.

Panda Temple Power, LLC filed for Chapter 11 bankruptcy in the United States Bankruptcy Court for the District of Delaware in April 2017. The City has active agreements with Panda Temple Power and for this reason, believes it is necessary for the City to participate in the bankruptcy proceedings in order to ensure that the City's interests are protected.

On June 28, 2018, the City withdrew from the Chapter 11 bankruptcy against Panda Temple Power, LLC. All outstanding balances due to the City were paid as of September 30, 2108.

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, 2018

IV. OTHER INFORMATION (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 75.00% share of the Temple-Belton WWTP and all associated equipment. The City of Belton owns the remaining 25.00%. 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 fifth year (2019) of the agreement is \$ 1,238,924 for the Temple-Belton WWTP, \$ 1,427,688 for the Doshier Farm WWTP and Lift Stations, and \$ 160,445 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 3.00% 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 – 75.00% to Temple and 25.00% 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 \$ 676,300 annually (\$ 56,358.33 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:

\$ 2.85/ton up to 200,000 tons
\$ 3.55/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, 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.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

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 \$ 20,000,000 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. On the second anniversary of the project's completion, the City received its second reimbursement totaling \$ 1,462,140 and received \$ 1,505,000 on its third reimbursement. Based on these reimbursements, 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 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 payments received, the anticipated collection period was revised, and as of September 30, 2018, the net receivable is \$ 9,906,468.

Administrative Order with the United States Environmental Protection Agency

On August 27, 2018, the United States Environmental Protection Agency (EPA) issued an Administrative Order for violations of the Clean Water Act. Violations were identified based on their review. The violations alleged stem from unauthorized discharges due to sewer system overflows (SSOs) from the City's sewer collection system.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

The Administrative Order does not assess a monetary penalty; however, it does require compliance with the applicable Federal regulations. The compliance deadlines included in the order section of the Administrative Order were agreed to by the City on March 3, 2018. The EPA Region 6 is committed to ensuring compliance with the requirements of the National Pollutant Discharge Elimination System (NPDES) program.

The Administrative Order is a ten year negotiated agreement meeting milestones set forth in the agreement. It requires the City to work with experienced partners in developing and implementing programs and activities specifically focused on EPA expectations, comprehensively addressing overall system needs. The agreement is effective through September 30, 2028.

The Administrative Order is tailored to specific situations through negotiations between the City and the EPA. It requires a Capacity, Management, Operation and Maintenance (CMOM) program development and implementation of the CMOM program is required. Components of the CMOM program include (capacity) – monitoring and modeling; (management) - staff training, effective fats, oils and grease program, and evaluating staffing and resources; (operations) - flow metering and overflow emergency response; and (maintenance) - maintenance system management, condition assessment and sewer cleaning.

Specific CMOM program requirements and associated timeline of the ten year negotiated agreement are shown below.

March 2020 - Develop and implement an electronic asset management program.

September 2022 - Develop 5-year and 10-year design storm hydraulic collection system model, calibrated to reflect actual and existing system conditions.

September 2024 - Address power source redundancy for plants and lift stations; implement CMOM program.

September 2025 - Complete system evaluation capacity and assurance plan (SECAP); evaluate all private non-plastic lateral lines.

September 2027 - Address defective private lateral lines.

September 2028 - Complete projects addressing system deficiencies.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

B. 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, 2018

IV. OTHER INFORMATION (Continued)

C. TAX ABATEMENTS

(1) Property Tax

Through the City's Economic Development Policy, revised July 7, 2016, adopted by Ordinance 2016-4783, 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 through a reduction of the taxable value on certain improvements constructed after the date the agreement was reached in accordance with Chapter 312 of the State of Texas Tax Code. The policy has minimum standards for eligible facilities and required investment. There are additional or enhancement factors that are also taken into consideration when determining the percentage value to be abated and the term of the abatement. 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.

First Year of Abatement	Firm	2018 Abated Value	Term of Abatement	Abatement Percentage	Commitment by Recipient
FY 2008	McLane Group, LP	\$ 276,040	10 years	10% to 100%	Construct new facility; create 80 new jobs
FY 2012	H.E. Butt Grocery	44,730,203	10 years	100%	Construct warehouse and distribution facility; create 112 new jobs
FY 2014	Sparetime Entertainment, LLC	3,476,876	5 years	100%	Construct family entertainment center; create 25 full time jobs and 55 part time jobs
FY 2016	Panda Temple Power, LLC	120,935,400	10 years	50%	Construct new electric power generating facility; create 20 new jobs
FY 2016	Don-Nan Pump & Supply Company	502,750	5 years	50%	Construct manufacturing and storage facility; create and maintain 12 new jobs
FY 2017	Panda Temple Power II, LLC	175,553,300	10 years	12% to 65%	Construct new electric power generating facility
FY 2017	Buc-ee's, LTD	2,787,425	10 years	50%	Construct new travel center; create 150 new jobs
FY 2017	DanHill Fulfillment Center/Starcorr Sheets, LLC	14,104,075	5 years	50%	Construct manufacturing and processing facility; create and maintain 45 new jobs
TBD	Thomas Biodiesel, LLC	-	10 years	50% to 100%	Construct new manufacturing facility; create and maintain 28 new jobs
TBD	Wilsonart LLC	-	10 years	20% to 80%	Construct new office building; create 45 new jobs
TBD	High Ridge Enterprises	-	5 years	45%	Construct office building; create and maintain 19 new jobs
TBD	Temple TX Statutory Trust & Performance Food Groups	-	5 years	100%	Construct expansion of existing distribution center; create 100 new jobs
TBD	LSB Broadcasting	-	10 years	100%	Construct expansion and renovation of existing building; create 65 new jobs
TBD	MS Temple, LLC	-	5 years	50%	Construct new real property improvements; create 90 new jobs
TBD	Cargill, Inc.	-	10 years	50% to 100%	Construct new real property improvements; create 10-33 new jobs
TBD	Palladio Industries, Inc.	-	5 years	50%	Construct new real property improvements; create 30 new jobs

\$ 362,366,069

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

During fiscal year 2018, the total amount of abated property value was \$ 362,366,069. Based on the city tax rate of \$ 0.6772 per \$ 100 of value, the foregone tax levy due to abatement agreements was \$ 2,453,943.

(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. Per the agreement, Buc-ee's, LTD agreed to invest approximately \$ 16,000,000 to construct the Travel Center with approximately 60,000 square feet, employ 150 people by the end of the first full calendar year of operation and to start construction of the Travel Center no later than twelve months after the public utilities were constructed and available for connection by the Travel Center. 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 2018 was \$ 301,671.

D. EMPLOYEE BENEFITS

(1) Retirement Plans

The City participates in two retirement plans. The Texas Municipal Retirement System covered 677 employees as of December 31, 2017. The Temple Firefighter's Relief and Retirement Fund covered 120 employees as of September 30, 2018.

The Texas Municipal Retirement System

Plan Description

The City participates as one of 883 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, 2018

IV. OTHER INFORMATION (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, 2017 valuation and measurement date, the following employees were covered by the benefit terms:

Retirees or beneficiaries currently receiving benefits	395
Inactive employees entitled to but not yet receiving benefits	381
Active employees	<u>677</u>
	<u>1,453</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (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 2018, the City made required contributions of 16.36% for the months in 2017 and required contributions of 16.48% for the months in 2018. The City's contributions for the year ended September 30, 2018, were \$ 5,401,115, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2017, 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, 2017 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.50% to 10.50% per year including inflation
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 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.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

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%	4.55%
International equity	17.5%	6.35%
Core fixed income	10.0%	1.00%
Non-core fixed income	20.0%	4.15%
Real return	10.0%	4.15%
Real estate	10.0%	4.75%
Absolute return	10.0%	4.00%
Private equity	5.0%	7.75%
Total	<u>100.0%</u>	

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.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (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 December 31, 2016	\$ 184,073,312	\$ 150,358,492	\$ 33,714,820
Changes for the year:			
Service cost	5,481,820	-	5,481,820
Interest	12,319,765	-	12,319,765
Change of benefit terms	-	-	-
Difference between expected and actual experience	1,184,000	-	1,184,000
Changes of assumptions	-	-	-
Contributions - employer	-	5,226,253	(5,226,253)
Contributions - employee	-	2,236,174	(2,236,174)
Net investment income	-	20,831,979	(20,831,979)
Benefit payments, including refunds			
employee contributions	(8,598,375)	(8,598,375)	-
Administrative expense	-	(107,997)	107,997
Other changes	-	(5,474)	5,474
Net changes	10,387,210	19,582,560	(9,195,350)
Balance at December 31, 2017	<u>\$ 194,460,522</u>	<u>\$ 169,941,052</u>	<u>\$ 24,519,470</u>

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:

	1% Decrease in Discount Rate (5.75%)	Current Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	\$ 51,739,605	\$ 24,519,470	\$ 2,192,257

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

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, 2018, the City recognized pension expense of \$ 5,792,898.

At September 30, 2018, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,246,731	\$ -
Differences between projected and actual investment earnings	-	4,310,835
Contributions subsequent to the Changes in assumptions	20,956	-
Contributions subsequent to the measurement date	4,150,659	-
Total	<u>\$ 5,418,346</u>	<u>\$ 4,310,835</u>

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$ 4,150,659 will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2018 (i.e. recognized in the City's financial statements September 30, 2019). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Measurement Year Ended December 31</u>	
2018	\$ 530,891
2019	263,591
2020	(1,798,833)
2021	(2,038,797)
Total	<u>\$ (3,043,148)</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (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, 2018

IV. OTHER INFORMATION (Continued)

Members Covered by the Fund –

In the September 30, 2016 actuarial valuation (the September 30, 2018 results are based on a look back to the September 30, 2016 actuarial valuation), the following numbers of members were covered by the Fund:

Retirees and beneficiaries currently receiving benefits	78
Inactive employees entitled to but not yet receiving benefits	1
Active employees	<u>120</u>
	<u>199</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, 2016, the money-weighted rate of return on pension plan investments was 9.10%. 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, 2018

IV. OTHER INFORMATION (Continued)

Net Pension Liability

The City's net pension liability was measured as of September 30, 2017.

Total pension liability	\$ 58,704,181
Plan fiduciary net position	<u>(42,702,404)</u>
City's net pension liability	<u>\$ 16,001,777</u>

Plan fiduciary net position as a percentage of the total pension liability	72.75%
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Actuarial Assumptions –

The total pension liability in the September 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.75%
Salary increases	5.71%, grading down to 0% for longevity and promotion based on years of service
Investment rate of return	7.75%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 blue collar Combined Healthy Mortality Tables for males and for females adjusted backward to 2006 with Scale MP-2014 and projected with Scale MP-2016.

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 best-estimate ranges of 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 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 (assumed 2.75%). Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2018 are summarized in the following table:

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
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	100.0%	
Weighted Average		4.60%

Discount Rate –

The discount rate used to measure the total pension liability was 7.75% net of investment expense. The projection of cash flows was used to determine the discount rate assumed the City contribution would equal the actuarially determined contribution rates. Based on those assumptions, 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 investments was applied to all periods of benefit payments to determine the total pension liability.

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

The following presents the net pension liability of the City of Temple, calculated using the discount rate of 7.75%, 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 (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	1% Decrease in Discount Rate (6.75%)	Current Discount Rate (7.75%)	1% Increase in Discount Rate (8.75%)
City's net pension liability	\$ 22,752,871	\$ 16,001,777	\$ 10,320,086

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

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.

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, 2016	\$ 56,277,136	\$ 39,862,402	\$ 16,414,734
Changes for the year:			
Service cost	1,715,631	-	1,715,631
Interest	4,353,316	-	4,353,316
Change of benefit terms	-	-	-
Difference between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	1,299,059	(1,299,059)
Contributions - employee	-	1,281,087	(1,281,087)
Net investment income	-	4,003,079	(4,003,079)
Benefit payments, including refunds of employee contributions	(3,641,902)	(3,641,902)	-
Administrative expense	-	(101,321)	101,321
Changes in benefit terms	-	-	-
Net changes	2,427,045	2,840,002	(412,957)
Balance at September 30, 2017	<u>\$ 58,704,181</u>	<u>\$ 42,702,404</u>	<u>\$ 16,001,777</u>

The net pension liability was \$ 16,001,777 as of September 30, 2017 which is the City's measurement date associated with its September 30, 2018 reporting date. The results are based on the Fund's September 30, 2016 actuarial valuation.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

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

For the year ended September 30, 2018, the City's GASB 68 pension expense was \$ 2,635,033.

Components of Pension Expense for the Fiscal Year Ended September 30, 2018 –

Service cost	\$ 1,715,631
Interest	4,353,316
Firefighter contributions	(1,281,087)
Projected earnings on pension plan investments	(3,044,267)
Amortization of differences between projected and actual earnings on plan investments	721,369
Amortization of changes of assumptions	144,281
Amortization of differences between expected and actual experience	(75,531)
Pension plan administrative expenses	101,321
Total pension expense	<u>\$ 2,635,033</u>

At September 30, 2018, 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 expected and actual experience	\$ -	\$ 619,350
Changes in assumptions	1,183,109	-
Differences between projected and actual investment earnings	843,291	-
Contributions subsequent to the measurement date	1,267,220	-
Total	<u>\$ 3,293,620</u>	<u>\$ 619,350</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (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	
2019	\$ 790,118
2020	673,904
2021	(222,717)
2022	(123,014)
2023	68,750
Thereafter	220,009
Total	<u>\$ 1,407,050</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, 2017 through September 30, 2018 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, 2019.

(2) Retirement Plans Combined Data

For the year ended September 30, 2018, the City's total net pension liability and pension expense is as follows:

Net Pension Liability	
Texas Municipal Retirement System	\$ 24,519,470
Temple Firefighters' Relief and Retirement Fund	<u>16,001,777</u>
Total Net Pension Liability	<u>\$ 40,521,247</u>
Pension Expense	
Texas Municipal Retirement System	\$ 5,792,898
Temple Firefighters' Relief and Retirement Fund	<u>2,635,033</u>
Total Pension Expense	<u>\$ 8,427,931</u>

The total deferred outflows and inflows related to pensions can be found in Note III, G.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (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 \$ 18,000. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

E. OTHER POST- EMPLOYMENT BENEFITS

(1) The Texas Municipal Retirement System - Supplemental Death Benefit

Plan Description

Texas Municipal Retirement System (TMRS) administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plane (i.e. no assets are accumulated).

Benefits Provided

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of \$ 7,500.

The member 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 the employee's entire career.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

Employees Covered by Benefit Terms –

At the December 31, 2017 valuation and measurement date, the following employees were covered by the benefit terms:

Retirees or beneficiaries currently receiving benefits	302
Inactive employees entitled to but not yet receiving benefits	94
Active employees	<u>677</u>
	<u>1,073</u>

Total OPEB Liability - SDBF

The City's total OPEB liability for SDBF of \$ 2,100,761 was measured as of December 31, 2017, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions –

The total OPEB liability for SDBF in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50% per year
Salary increases	3.50% to 10.50% including inflation
Discount rate*	3.31%
Retirees' share of benefit-related costs	\$ 0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements for GASB Statement No. 68.
Mortality rates – service retirees	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.
Mortality rates – disabled retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a 3 year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

Discount Rate –

*The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2017.

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study for the period December 31, 2010 to December 31, 2014.

Changes in the Total OPEB Liability – SDBF

	<u>Increase (Decrease)</u> <u>Total OPEB</u> <u>Liability</u>
Balance at December 31, 2016	\$ 1,814,065
Changes for the year:	
Service cost	76,669
Interest	69,658
Change of benefit terms	-
Difference between expected and actual experience	-
Changes of assumptions	159,536
Contributions - employer	-
Contributions - employee	-
Net investment income	-
Benefit payments, including refunds employee contributions *	(19,167)
Administrative expense	-
Other changes	-
Net changes	<u>286,696</u>
Balance at December 31, 2017	<u>\$ 2,100,761</u>

*Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated being equal to the employer's yearly contributions for the retirees.

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

The following presents the total OPEB liability of the City, calculated using the discount rate of 3.31%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.31%) or 1-percentage-point higher (4.31%) than the current rate:

	<u>1% Decrease in</u> <u>Discount Rate</u> (2.31%)	<u>Current</u> <u>Discount Rate</u> (3.31%)	<u>1% Increase in</u> <u>Discount Rate</u> (4.31%)
City's total OPEB liability - SDBF	\$ 2,508,984	\$ 2,100,761	\$ 1,782,488

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

OPEB Expense and Deferred Outflows of Resources Related to OPEB - SDBF

For the year ended September 30, 2018, the City recognized OPEB expense of \$ 173,692.

At September 30, 2018, the City reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	132,171	-
Contributions subsequent to the measurement date	17,631	-
Total	<u>\$ 149,802</u>	<u>\$ -</u>

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date of \$ 17,631 will be recognized as a reduction of the total OPEB liability for the measurement year ending December 31, 2018 (i.e. recognized in the City's financial statements September 30, 2019). Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expenses as follows:

<u>Measurement Year Ended December 31</u>	
2018	\$ 27,365
2019	27,365
2020	27,365
2021	27,365
2022	22,711
Total	<u>\$ 132,171</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

(2) Retiree Health Care Plan (RHCP)

Plan Description

The City offers its retired employees medical and dental insurance through a single-employer defined benefit OPEB plan, under City policy. This plan is administered by the City and no separate audited financial statements are available.

Benefits Provided

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 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.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

- 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.

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

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

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.

- 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.

Employees Covered by Benefit Terms –

At the December 31, 2017 valuation and measurement date, the following employees were covered by the benefit terms:

Retirees or beneficiaries currently receiving benefits	108
Inactive employees entitled to but not yet receiving benefits	0
Active employees	<u>745</u>
	<u>853</u>

Total OPEB Liability - RHCP

The City's total OPEB liability for Retiree Health Care Plans of \$ 6,542,064 was measured as of December 31, 2017, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions –

The total OPEB liability for RHCP in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

Inflation	2.50% per year
Salary increases	3.50% to 10.50% for TMRS and 3.75% to 9.46% for firefighters, including inflation
Discount rate	3.31% as of December 31, 2017
Demographic assumptions	Based on the experience study covering the four-year period ending December 31, 2014 as conducted for the Texas Municipal Retirement System (TMRS).
Health Care Trend Rates	Initial rate of 7.50% declining to an ultimate rate of 4.25% after 15 years.
Mortality rates – TMRS	The gender-distinct RP2000 Combined Healthy Mortality Table with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB to account for future mortality improvements.
Mortality rates – Firefighters	The gender-distinct RP2014 Combined Healthy Mortality Table with Blue Collar Adjustment is used. The rates are projected on a fully generational basis with scale MP-2016 to account for future mortality improvements.

Participation Rates –

Age at Retirement	TMRS, eligible for subsidy	Firefighters, eligible for subsidy
Less than 50	20%	65%
Between 50 and 65	45%	65%
65 and over	50%	65%

Discount Rate –

The discount rate equals the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of the valuation, the municipal bond rate is 3.31% (based on the daily rate closest to but not later than the measurement date of the Fidelity “20-Year Municipal GO AA Index”). This discount rate was 3.81% as of the prior measurement date.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

Changes in the Total OPEB Liability – RHCP

	<u>Increase (Decrease)</u> Total OPEB Liability
Balance at December 31, 2016	\$ 5,869,091
Changes for the year:	
Service cost	257,976
Interest	224,587
Change of benefit terms	-
Difference between expected and actual experience	-
Changes of assumptions	397,198
Contributions - employer	-
Contributions - employee	-
Net investment income	
Benefit payments, including refunds of employee contributions	(206,788)
Administrative expense	-
Changes in benefit terms	-
Net changes	<u>672,973</u>
Balance at December 31, 2017	<u>\$ 6,542,064</u>

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

The following presents the total OPEB liability for RHCP of the City, calculated using the discount rate of 3.31%, as well as what the City's total OPEB liability for RHCP would be if it were calculated using a discount rate that is 1-percentage-point lower (2.31%) or 1-percentage-point higher (4.31%) than the current rate:

	<u>1% Decrease in</u> <u>Discount Rate</u> (2.31%)	<u>Current</u> <u>Discount Rate</u> (3.31%)	<u>1% Increase in</u> <u>Discount Rate</u> (4.31%)
City's total OPEB liability	\$ 7,445,004	\$ 6,542,064	\$ 5,778,842

OPEB Expense and Deferred Outflows of Resources Related to OPEB - RHCP

For the year ended September 30, 2018, the City recognized OPEB expense of \$ 526,139.

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

Components of OPEB Expense for the Fiscal Year Ended September 30, 2018 –

Service cost	\$ 257,976
Interest	224,587
Firefighter contributions	-
Projected earnings on pension plan investments	-
Amortization of differences between projected and actual earnings on plan investments	43,576
Amortization of changes of assumptions	-
Amortization of differences between expected and actual experience	-
Administrative expenses	-
Changes in benefit terms	-
Total OPEB expense	<u>\$ 526,139</u>

At September 30, 2018, the City reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	353,622	-
Contributions subsequent to the measurement date	155,648	-
Total	<u>\$ 509,270</u>	<u>\$ -</u>

Deferred outflows of resources related to OPEB for RHCP resulting from contributions subsequent to the measurement date of \$ 155,648 will be recognized as a reduction of the total OPEB liability for the measurement year ending December 31, 2018 (i.e. recognized in the City's financial statements September 30, 2019). Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expenses as follows:

<u>Measurement Year Ended December 31</u>	
2018	\$ 43,576
2019	43,576
2020	43,576
2021	43,576
2022	43,576
Thereafter	135,742
Total	<u>\$ 353,622</u>

CITY OF TEMPLE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION (Continued)

(3) Other Post-Employment Benefits Combined Data

For the year ended September 30, 2018, the City's total OPEB liability and OPEB expense is as follows:

Total OPEB Liability	
Texas Municipal Retirement System - SDBF	\$ 2,100,761
Retiree Health Care Plan	<u>6,542,064</u>
Total OPEB Liability	<u>\$ 8,642,825</u>
OPEB Expense	
Texas Municipal Retirement System - SDBF	\$ 173,692
Retiree Health Care Plan	<u>526,139</u>
Total OPEB Expense	<u>\$ 699,831</u>

The total deferred outflows and inflows related to pensions can be found in Note III, G.

F. RELATED PARTY TRANSACTIONS

A council member was awarded a construction contract on April 20, 2017. The total amount of the construction contract is \$ 1,398,277. To date, \$ 1,147,004 has been paid on this contract. The same council member was awarded a separate construction contract on March 15, 2018. The total amount of the construction contract is \$ 1,745,597. To date, \$ 935,608 has been paid on this contract.

As of September 30, 2018, \$ 183,653 was due to the related party for both of these construction contracts.

Required Supplementary Information

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

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

	Measurement Year 2014*	Measurement Year 2015*	Measurement Year 2016*	Measurement Year 2017*
Total pension liability:				
Service cost	\$ 4,177,238	\$ 4,778,653	\$ 5,254,599	\$ 5,481,820
Interest	11,004,160	11,472,372	11,697,930	12,319,765
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	(1,874,758)	467,238	635,118	1,184,000
Change in assumptions	-	68,221	-	-
Benefit payments, including refunds of employee contributions	(6,991,011)	(6,846,202)	(8,379,414)	(8,598,375)
Net change in total pension liability	6,315,629	9,940,282	9,208,233	10,387,210
Total pension liability - beginning	158,609,168	164,924,797	174,865,079	184,073,312
Total pension liability - ending (a)	<u>\$ 164,924,797</u>	<u>\$ 174,865,079</u>	<u>\$ 184,073,312</u>	<u>\$ 194,460,522</u>
Plan fiduciary net position:				
Contributions - employer	\$ 4,687,061	\$ 4,857,267	\$ 4,847,807	\$ 5,226,253
Contributions - employee	1,874,825	2,033,251	2,141,889	2,236,174
Net investment income	7,718,713	209,717	9,611,394	20,831,979
Benefit payments, including refunds of employee contributions	(6,991,011)	(6,846,202)	(8,379,414)	(8,598,375)
Administrative expense	(80,587)	(127,743)	(108,574)	(107,997)
Other	(6,626)	(6,309)	(5,850)	(5,474)
Net change in plan fiduciary net position	7,202,375	119,981	8,107,252	19,582,560
Plan fiduciary net position - beginning	134,928,884	142,131,259	142,251,240	150,358,492
Plan fiduciary net position - ending (b)	<u>142,131,259</u>	<u>142,251,240</u>	<u>150,358,492</u>	<u>169,941,052</u>
Net pension liability - ending (a) - (b)	<u>\$ 22,793,538</u>	<u>\$ 32,613,839</u>	<u>\$ 33,714,820</u>	<u>\$ 24,519,470</u>
Plan fiduciary net position as a percentage of total pension liability	86.18%	81.35%	81.68%	87.39%
Covered employee payroll	\$ 26,783,210	\$ 28,996,683	\$ 30,585,560	\$ 31,945,335
Net pension liability as a percentage of covered employee payroll	85.10%	112.47%	110.23%	76.75%

*As of December 31

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

Texas Municipal Retirement System
Schedule of Employer Contributions
(Unaudited)

	<u>Fiscal Year 2014</u>	<u>Fiscal Year 2015</u>	<u>Fiscal Year 2016</u>	<u>Fiscal Year 2017</u>	<u>Fiscal Year 2018</u>
Actuarially determined contribution	\$ 4,687,060	\$ 4,981,397	\$ 4,870,468	\$ 5,108,422	\$ 5,401,115
Contribution in relation of the actuarially determined contribution	<u>4,687,060</u>	<u>4,981,397</u>	<u>4,870,468</u>	<u>5,108,422</u>	<u>5,401,115</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 26,783,198	\$ 29,438,972	\$ 30,345,108	\$ 31,447,836	\$ 32,829,410
Contributions as a percentage of covered payroll	17.50%	16.92%	16.05%	16.24%	16.45%

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	28 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.50%
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.

Significant assumption differences for fiscal years prior to 2018:

Inflation	3.0% for fiscal years prior to 2016.
Investment Rate of Return	7.0% for fiscal years prior to 2016.

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

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

	Measurement Year 2014*	Measurement Year 2015*	Measurement Year 2016*	Measurement Year 2017*
Total pension liability:				
Service cost	\$ 1,282,932	\$ 1,339,217	\$ 1,592,233	\$ 1,715,631
Interest	3,846,369	4,062,023	4,125,592	4,353,316
Changes of benefit terms	-	442,935	-	-
Difference between expected and actual experience	-	-	(770,412)	-
Change in assumptions	-	-	1,471,671	-
Benefit payments, including refunds of employee contributions	(2,625,283)	(3,240,391)	(3,359,067)	(3,641,902)
Net change in total pension liability	2,504,018	2,603,784	3,060,017	2,427,045
Total pension liability - beginning	48,109,317	50,613,335	53,217,119	56,277,136
Total pension liability - ending (a)	<u>\$ 50,613,335</u>	<u>\$ 53,217,119</u>	<u>\$ 56,277,136</u>	<u>\$ 58,704,181</u>
Plan fiduciary net position:				
Contributions - employer	\$ 1,111,042	\$ 1,222,221	\$ 1,246,449	\$ 1,299,059
Contributions - employee	1,096,265	1,205,751	1,229,286	1,281,087
Net investment income (loss)	2,415,802	(1,348,337)	3,450,509	4,003,079
Benefit payments, including refunds of employee contributions	(2,625,283)	(3,240,391)	(3,359,067)	(3,641,902)
Administrative expense	(68,151)	(85,189)	(92,392)	(101,321)
Other	-	-	-	-
Net change in plan fiduciary net position	1,929,675	(2,245,945)	2,474,785	2,840,002
Plan fiduciary net position - beginning	37,703,887	39,633,562	37,387,617	39,862,402
Plan fiduciary net position - ending (b)	39,633,562	37,387,617	39,862,402	42,702,404
Net pension liability - ending (a) - (b)	<u>\$ 10,979,773</u>	<u>\$ 15,829,502</u>	<u>\$ 16,414,734</u>	<u>\$ 16,001,777</u>
Plan fiduciary net position as a percentage of total pension liability	78.31%	70.25%	70.83%	72.74%
Covered employee payroll	\$ 7,308,427	\$ 8,038,339	\$ 8,001,862	\$ 8,524,178
Net pension liability as a percentage of covered employee payroll	150.23%	196.93%	205.14%	187.72%

*As of September 30

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

Temple Firefighter's Relief and Retirement Fund
Schedule of Employer Contributions
(Unaudited)

	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
Actuarially determined contribution	\$ 1,111,042	\$ 1,222,757	\$ 1,217,439	\$ 1,296,597	\$ 1,318,723
Contribution in relation of the actuarially determined contribution	1,111,042	1,222,757	1,217,439	1,296,597	1,318,723
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 7,308,427	\$ 8,038,339	\$ 8,001,862	\$ 8,524,178	\$ 8,637,978
Contributions as a percentage of covered payroll	15.20%	15.21%	15.21%	15.21%	15.27%

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	7.75%, net of pension plan investment expense, including inflation
Mortality	RP-2014 blue collar Combined Healthy Mortality Tables for males and for females adjusted backward to 2006 with Scale MP-2014 and projected with Scale MP-2016.
Other Information	There were no benefit changes during the year.

Significant assumption differences for fiscal years prior to 2018:

Investment Rate of Return	8.0% for fiscal years prior to 2016.
Mortality	RP-2000 Combined Healthy Lives Mortality Tables for males and for females projected to 2024 by scale AA for fiscal years prior to 2016.

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

Supplemental Death Benefit Fund
Schedule of Changes in Total OPEB Liability and Related Ratios
(Unaudited)

	Measurement Year 2017*
Total OPEB liability - SDBF:	
Service cost	\$ 76,669
Interest	69,658
Changes of benefit terms	-
Difference between expected and actual experience	-
Change in assumptions	159,536
Benefit payments, including refunds of employee contributions	(19,167)
Net change in total OPEB liability	286,696
Total OPEB liability - beginning	1,814,065
Total OPEB liability - ending	<u>\$ 2,100,761</u>
Covered employee payroll	\$ 31,945,335
Total OPEB liability as a percentage of covered employee payroll	6.58%

*As of December 31

Supplemental Death Benefit
Schedule of Employer Contributions
(Unaudited)

	Fiscal Year 2018
Actuarially determined contribution	\$ 22,160
Contribution in relation of the actuarially determined contribution	22,160
Contribution deficiency (excess)	<u>\$ -</u>
Covered payroll	\$ 32,829,410
Contributions as a percentage of covered payroll	0.07%

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

Supplemental Death Benefit Fund
Schedule of Changes in Total OPEB Liability and Related Ratios
(Unaudited)

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:

Inflation	2.50% per year
Salary increases	3.50% to 10.50% including inflation
Discount rate*	3.31%
Retirees' share of benefit-related costs	\$ 0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements for GASB Statement No. 68.
Mortality rates – service retirees	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.
Mortality rates – disabled retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a 3 year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

Other information:

Notes	There were no benefit changes during the year.
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*Discount rate based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2017.

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

Retiree Health Care Plan
Schedule of Changes in Total OPEB Liability and Related Ratios
(Unaudited)

	Measurement Year 2017*
Total OPEB liability - RHCP:	
Service cost	\$ 257,976
Interest	224,587
Changes of benefit terms	-
Difference between expected and actual experience	-
Change in assumptions	397,198
Benefit payments, including refunds of employee contributions	(206,788)
Net change in total OPEB liability	672,973
Total OPEB liability (RHCP) - beginning	5,869,091
Total OPEB liability (RHCP) - ending	<u>\$ 6,542,064</u>
Covered employee payroll	\$ 40,501,584
Total OPEB liability as a percentage of covered employee payroll	16.15%

*As of December 31

Retiree Health Care Plan
Schedule of Employer Contributions
(Unaudited)

	Fiscal Year 2018
Actuarially determined contribution	\$ 208,943
Contribution in relation of the actuarially determined contribution	208,943
Contribution deficiency (excess)	<u>\$ -</u>
Covered payroll	\$ 41,467,388
Contributions as a percentage of covered payroll	0.50%

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

Retiree Health Care Plan
Schedule of Changes in Total OPEB Liability and Related Ratios
(Unaudited)

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:

Inflation	2.50% per year
Salary increases	3.50% to 10.50% for TMRS and 3.75% to 9.46% for firefighters, including inflation
Discount rate	3.31% as of December 31, 2017
Demographic assumptions	Based on the experience study covering the four-year period ending December 31, 2014 as conducted for the Texas Municipal Retirement System (TMRS).
Health Care Trend Rates	Initial rate of 7.50% declining to an ultimate rate of 4.25% after 15 years.
Mortality rates – TMRS	The gender-distinct RP2000 Combined Healthy Mortality Table with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements.
Mortality rates – Firefighters	The gender-distinct RP2014 Combined Healthy Mortality Table with Blue Collar Adjustment is used. The rates are projected on a fully generational basis with scale MP-2016 to account for future mortality improvements.

CITY OF TEMPLE, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION

Retiree Health Care Plan
Schedule of Changes in Total OPEB Liability and Related Ratios
(Unaudited)

Notes to Schedule (continued):

Participation Rates –

<u>Age at Retirement</u>	<u>TMRS, eligible for subsidy</u>	<u>Firefighters, eligible for subsidy</u>
Less than 50	20%	65%
Between 50 and 65	45%	65%
65 and over	50%	65%

Other Information:

Notes There were no benefit changes during the year.

For the purpose of the valuation, the municipal bond rate is 3.31% (based on the daily rate closest to but not later than the measurement date of the Fidelity “20-Year Municipal GO AA Index”). This discount rate was 3.81% as of the prior measurement date.

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.

Pass-Through Financing Project Fund – 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
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2018

	Special Revenue				Total Nonmajor Governmental Funds
	Hotel/ Motel	Federal/State Grant	Drainage	Pass-Through Financing	
ASSETS					
Cash	\$ 4,600	\$ -	\$ -	\$ -	\$ 4,600
Investments	1,409,017	-	2,196,372	-	3,605,389
Receivables, net	174,221	-	139,609	-	313,830
Due from other governments	583	521,519	-	-	522,102
Inventories	14,503	-	-	-	14,503
Prepaid items	7,973	-	149	-	8,122
Other assets - museum collection	18,561	-	-	-	18,561
Total assets	<u>\$ 1,629,458</u>	<u>\$ 521,519</u>	<u>\$ 2,336,130</u>	<u>\$ -</u>	<u>\$ 4,487,107</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Vouchers and contracts payable	\$ 73,445	\$ 343,363	\$ 155,177	\$ -	\$ 571,985
Accrued payroll	27,085	-	20,329	-	47,414
Vacation and sick leave payable	22,897	-	17,068	-	39,965
Deposits	61,468	-	-	-	61,468
Due to other funds	-	178,156	-	-	178,156
Total liabilities	<u>184,895</u>	<u>521,519</u>	<u>192,574</u>	<u>-</u>	<u>898,988</u>
Fund Balances:					
Nonspendable:					
Inventory and prepaid items	22,476	-	149	-	22,625
Restricted for:					
Museum	11,631	-	-	-	11,631
Promotion of tourism	1,410,456	-	-	-	1,410,456
Committed to:					
Drainage	-	-	2,143,407	-	2,143,407
Total fund balances	<u>1,444,563</u>	<u>-</u>	<u>2,143,556</u>	<u>-</u>	<u>3,588,119</u>
Total liabilities and fund balances	<u>\$ 1,629,458</u>	<u>\$ 521,519</u>	<u>\$ 2,336,130</u>	<u>\$ -</u>	<u>\$ 4,487,107</u>

CITY OF TEMPLE, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the year ended September 30, 2018

	Special Revenue				Total Nonmajor Governmental Funds
	Hotel/ Motel	Federal/State Grant	Drainage	Pass-Through Financing	
Revenues:					
Taxes	\$ 1,593,331	\$ -	\$ -	\$ -	\$ 1,593,331
Intergovernmental	-	1,668,338	-	-	1,668,338
Drainage fees	-	-	2,705,091	-	2,705,091
Charges for services	461,829	-	-	-	461,829
Interest and other	90,761	-	45,036	1,171	136,968
Total revenues	<u>2,145,921</u>	<u>1,668,338</u>	<u>2,750,127</u>	<u>1,171</u>	<u>6,565,557</u>
Expenditures:					
General government	-	44,118	-	-	44,118
Public safety	-	114,645	-	-	114,645
Highways and streets	-	2,356,669	2,159,538	-	4,516,207
Sanitation	-	10,000	-	-	10,000
Health and welfare	-	150,312	-	-	150,312
Culture and leisure services	2,196,286	-	-	-	2,196,286
Total expenditures	<u>2,196,286</u>	<u>2,675,744</u>	<u>2,159,538</u>	<u>-</u>	<u>7,031,568</u>
Excess (deficiency) of revenues over expenditures	<u>(50,365)</u>	<u>(1,007,406)</u>	<u>590,589</u>	<u>1,171</u>	<u>(466,011)</u>
Other financing sources:					
Transfers in - General Fund	-	22,083	-	-	22,083
Transfers in - Capital Projects Fund	-	872,914	-	-	872,914
Transfers in - Pass-Through Financing Project Fun	-	112,409	-	-	112,409
Transfers out - Grant Fund	-	-	-	(112,409)	(112,409)
Transfers out - Debt Service Fund	-	-	(262,332)	-	(262,332)
Lease proceeds	13,345	-	-	-	13,345
Total other financing sources	<u>13,345</u>	<u>1,007,406</u>	<u>(262,332)</u>	<u>(112,409)</u>	<u>646,010</u>
Net change in fund balances	(37,020)	-	328,257	(111,238)	179,999
Fund balances, beginning of year	<u>1,481,583</u>	<u>-</u>	<u>1,815,299</u>	<u>111,238</u>	<u>3,408,120</u>
Fund balances, end of year	<u>\$ 1,444,563</u>	<u>\$ -</u>	<u>\$ 2,143,556</u>	<u>\$ -</u>	<u>\$ 3,588,119</u>



**DISCRETELY PRESENTED
COMPONENT UNIT
FINANCIAL STATEMENTS**

Reinvestment Zone No. 1

CITY OF TEMPLE, TEXAS
REINVESTMENT ZONE NO. 1
COMPARATIVE BALANCE SHEET
September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>
ASSETS			
Current assets:			
Investments	\$ 15,232,680	\$ 17,749,389	\$ (2,516,709)
Receivables (net of allowance for estimated uncollectible):			
Ad valorem taxes	4,082,251	210,110	3,872,141
Accounts receivable	639,023	4,167	634,856
Due from other governments	510,923	-	510,923
Total current assets	<u>20,464,877</u>	<u>17,963,666</u>	<u>2,501,211</u>
Restricted assets:			
Reserve for debt service	2,091,351	-	2,091,351
Bond proceeds	<u>25,002,881</u>	<u>4,274,886</u>	<u>20,727,995</u>
Total restricted assets	<u>27,094,232</u>	<u>4,274,886</u>	<u>22,819,346</u>
Total assets	<u>\$ 47,559,109</u>	<u>\$ 22,238,552</u>	<u>\$ 25,320,557</u>
LIABILITIES AND FUND BALANCES			
Current liabilities:			
Vouchers and contracts payable	\$ 2,237,217	\$ 1,044,148	\$ 1,193,069
Retainage payable	157,598	348,520	(190,922)
Unearned revenues	<u>98,696</u>	<u>210,110</u>	<u>(111,414)</u>
Total current liabilities	<u>2,493,511</u>	<u>1,602,778</u>	<u>890,733</u>
Liabilities from restricted assets:			
Vouchers and contracts payable	821,457	73,937	747,520
Retainage payable	<u>101,455</u>	<u>21,943</u>	<u>79,512</u>
Total liabilities from restricted assets	<u>922,912</u>	<u>95,880</u>	<u>827,032</u>
Total liabilities	<u>3,416,423</u>	<u>1,698,658</u>	<u>1,717,765</u>
Fund Balance:			
Restricted for:			
Debt service	2,091,351	-	2,091,351
Construction	24,079,969	4,179,006	19,900,963
Committed to:			
Reinvestment Zone No. 1 Projects	<u>17,971,366</u>	<u>16,360,888</u>	<u>1,610,478</u>
Total fund balance	<u>44,142,686</u>	<u>20,539,894</u>	<u>23,602,792</u>
Total liabilities and fund balances	<u>\$ 47,559,109</u>	<u>\$ 22,238,552</u>	<u>\$ 25,320,557</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, 2018
(With comparative amounts for the year ended September 30, 2017)

	2018			2017	
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
Revenues:					
Taxes	\$ 17,527,085	\$ 25,167,368	\$ 25,185,270	\$ 17,902	\$ 18,495,349
Intergovernmental	50,000	1,170,000	805,198	(364,802)	50,000
Licenses and permits	36,000	36,000	58,315	22,315	83,483
Interest and other	756,600	956,600	942,588	(14,012)	248,488
Total revenues	<u>18,369,685</u>	<u>27,329,968</u>	<u>26,991,371</u>	<u>(338,597)</u>	<u>18,877,320</u>
Expenditures:					
General government	6,608,863	6,408,368	5,934,336	474,032	5,913,318
Capital outlay	9,718,600	52,635,807	15,685,876	36,949,931	14,487,545
Debt service:					
Principal retirement	4,150,000	4,150,000	4,150,000	-	4,020,000
Interest and fiscal charges	1,618,051	1,618,376	1,618,367	9	1,755,213
Bond issuance costs	-	179,452	179,452	-	-
Total expenditures	<u>22,095,514</u>	<u>64,992,003</u>	<u>27,568,031</u>	<u>37,423,972</u>	<u>26,176,076</u>
Excess (deficiency) of revenues over expenditures	(3,725,829)	(37,662,035)	(576,660)	37,085,375	(7,298,756)
Other financing sources (uses):					
Bond proceeds	22,000,000	23,565,000	23,565,000	-	-
Original issue premium	-	910,440	910,440	-	-
Bond discount	-	(295,988)	(295,988)	-	-
Total other financing sources	<u>22,000,000</u>	<u>24,179,452</u>	<u>24,179,452</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	18,274,171	(13,482,583)	23,602,792	37,085,375	(7,298,756)
Fund balance, beginning of year	<u>20,539,894</u>	<u>20,539,894</u>	<u>20,539,894</u>	<u>-</u>	<u>27,838,650</u>
Fund balance, end of year	<u>\$ 38,814,065</u>	<u>\$ 7,057,311</u>	<u>\$ 44,142,686</u>	<u>\$ 37,085,375</u>	<u>\$ 20,539,894</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, 2018
(With comparative amounts for the year ended September 30, 2017)

	2018			2017	
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
Revenues:					
Taxes	\$13,299,948	\$13,299,948	\$12,998,582	\$ (301,366)	\$ 11,918,256
Intergovernmental	1,462,140	1,462,140	1,505,000	42,860	1,462,140
Interest and other	52,000	52,000	107,745	55,745	57,978
Total revenues	<u>14,814,088</u>	<u>14,814,088</u>	<u>14,611,327</u>	<u>(202,761)</u>	<u>13,438,374</u>
Expenditures:					
Debt Service:					
Principal	10,090,000	10,495,000	10,495,000	-	9,025,000
Interest and fiscal charges	6,650,207	6,244,247	6,153,102	91,145	5,868,068
Refunding bond issuance costs	-	129,247	129,246	1	-
Total expenditures	<u>16,740,207</u>	<u>16,868,494</u>	<u>16,777,348</u>	<u>91,146</u>	<u>14,893,068</u>
Excess (deficiency) of revenues over expenditures	<u>(1,926,119)</u>	<u>(2,054,406)</u>	<u>(2,166,021)</u>	<u>(111,615)</u>	<u>(1,454,694)</u>
Other financing sources (uses):					
Transfers in - General Fund	1,507,925	1,507,925	1,503,119	(4,806)	1,282,438
Transfers in - Drainage Fund	276,400	276,400	262,332	(14,068)	-
Refunding bonds issued	-	17,780,000	17,780,000	-	-
Bond discount	-	(120,242)	(120,242)	-	-
Original issue premium	-	2,770,295	2,770,295	-	-
Payment to refunded bond escrow agent	-	(20,297,618)	(20,297,618)	-	-
Total other financing sources (uses)	<u>1,784,325</u>	<u>1,916,760</u>	<u>1,897,886</u>	<u>(18,874)</u>	<u>1,282,438</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(141,794)</u>	<u>(137,646)</u>	<u>(268,135)</u>	<u>(130,489)</u>	<u>(172,256)</u>
Fund balance, beginning of year	551,747	551,747	551,747	-	724,003
Fund balance, end of year	<u>\$ 409,953</u>	<u>\$ 414,101</u>	<u>\$ 283,612</u>	<u>\$ (130,489)</u>	<u>\$ 551,747</u>

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, 2018
(With comparative amounts for the year ended September 30, 2017)

	2018			2017	
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
Revenues:					
Taxes	\$ 1,462,500	\$ 1,535,807	\$ 1,593,331	\$ 57,524	\$ 1,583,762
Charges for services:					
Civic center	381,000	401,800	404,543	2,743	446,894
Railroad Museum	47,600	47,600	50,841	3,241	56,230
Visitor center	200	4,400	6,445	2,045	1,560
Intergovernmental	-	-	-	-	2,333
Interest and other	12,000	79,468	90,761	11,293	17,491
Total revenues	<u>1,903,300</u>	<u>2,069,075</u>	<u>2,145,921</u>	<u>76,846</u>	<u>2,108,270</u>
Expenditures:					
Civic center	1,044,496	1,362,318	1,201,533	160,785	1,042,310
Railroad museum	448,876	626,763	505,097	121,666	455,273
Tourism marketing	430,628	558,972	486,132	72,840	501,474
Debt Service:					
Principal	-	3,265	3,264	1	-
Interest	-	260	260	-	-
Total expenditures	<u>1,924,000</u>	<u>2,551,578</u>	<u>2,196,286</u>	<u>355,292</u>	<u>1,999,057</u>
Excess (deficiency) of revenues over expenditures	(20,700)	(482,503)	(50,365)	432,138	109,213
Other financing sources:					
Lease Proceeds	-	13,345	13,345	-	-
Total other financing sources	<u>-</u>	<u>13,345</u>	<u>13,345</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing sources	(20,700)	(469,158)	(37,020)	432,138	109,213
Fund balance, beginning of year	<u>1,481,583</u>	<u>1,481,583</u>	<u>1,481,583</u>	<u>-</u>	<u>1,372,370</u>
Fund balance, end of year	<u>\$ 1,460,883</u>	<u>\$ 1,012,425</u>	<u>\$ 1,444,563</u>	<u>\$ 432,138</u>	<u>\$ 1,481,583</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, 2018
(With comparative amounts for the year ended September 30, 2017)

	2018				2017
	Budgeted Amounts			Variance with	
	Original	Final	Actual	Final Budget	Actual
Revenues:					
Intergovernmental	\$ 431,615	\$ 4,921,333	\$ 1,668,338	\$ (3,252,995)	\$ 575,049
Other	-	-	-	-	20,890
Total revenues	431,615	4,921,333	1,668,338	(3,252,995)	595,939
Expenditures:					
General government	67,025	67,025	44,118	22,907	71,118
Public safety	-	179,404	114,645	64,759	54,087
Highways and streets	-	6,971,303	2,356,669	4,614,634	133,213
Sanitation	-	10,000	10,000	-	9,425
Health and welfare	364,590	772,044	150,312	621,732	159,310
Culture and leisure services	-	-	-	-	184,586
Airport	-	-	-	-	3,839
Total expenditures	431,615	7,999,776	2,675,744	5,324,032	615,578
Excess (deficiency) of revenues over expenditures	-	(3,078,443)	(1,007,406)	2,071,037	(19,639)
Other financing sources :					
Transfers in - General Fund	-	3,078,443	1,007,406	(2,071,037)	19,639
Total other financing sources	-	3,078,443	1,007,406	(2,071,037)	19,639
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, 2018
(With comparative amounts for the year ended September 30, 2017)

	2018			2017	
	Budgeted Amounts		Actual	Variance with	Actual
	Original	Final		Final Budget	
Revenues:					
Drainage fees	\$ 2,283,250	\$ 2,283,250	\$ 2,705,091	\$ 421,841	\$ 2,283,793
Interest and other	16,800	17,156	45,036	27,880	24,905
Total revenues	<u>2,300,050</u>	<u>2,300,406</u>	<u>2,750,127</u>	<u>449,721</u>	<u>2,308,698</u>
Expenditures:					
Highways and streets:					
Personnel services	867,579	881,206	770,158	111,048	734,121
Operations	330,506	316,696	243,674	73,022	225,595
Capital outlay	825,565	2,454,589	1,145,706	1,308,883	1,023,372
Total expenditures	<u>2,023,650</u>	<u>3,652,491</u>	<u>2,159,538</u>	<u>1,492,953</u>	<u>1,983,088</u>
Excess (deficiency) of revenues over expenditures	276,400	(1,352,085)	590,589	1,942,674	325,610
Other financing sources (uses):					
Transfers out - Debt Service Fund	(276,400)	(276,400)	(262,332)	14,068	-
Total other financing sources (uses)	<u>(276,400)</u>	<u>(276,400)</u>	<u>(262,332)</u>	<u>14,068</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	(1,628,485)	328,257	1,956,742	325,610
Fund balance, beginning of year	<u>1,815,299</u>	<u>1,815,299</u>	<u>1,815,299</u>	-	<u>1,489,689</u>
Fund balance, end of year	<u>\$ 1,815,299</u>	<u>\$ 186,814</u>	<u>\$ 2,143,556</u>	<u>\$ 1,956,742</u>	<u>\$ 1,815,299</u>

CITY OF TEMPLE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PASS-THROUGH FINANCING PROJECT FUND
For the year ended September 30, 2018
(With comparative amounts for the year ended September 30, 2017)

	2018			2017
	Budgeted Amounts		Variance with	
	Original	Final	Final Budget	Actual
Revenues:				
Interest and other	\$ -	\$ -	\$ 1,171	\$ 3,129
Total revenues	-	-	1,171	3,129
Expenditures:				
Highways and streets:	-	-	-	815,819
Total expenditures	-	-	-	815,819
Excess (deficiency) of revenues over expenditures	-	-	1,171	(812,690)
Other financing sources (uses):				
Transfers out - Federal/State Grant Fund	(112,409)	(112,409)	-	-
Total other financing sources	(112,409)	(112,409)	-	-
Deficiency of revenues and other financing sources over expenditures and other financing uses	(112,409)	(112,409)	1,171	(812,690)
Fund balance, beginning of year	111,238	111,238	-	923,928
Fund balance, end of year	\$ (1,171)	\$ (1,171)	\$ 1,171	\$ 111,238

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, 2018 and 2017

	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>
ASSETS			
Current Assets:			
Cash	\$ 5,250	\$ 5,100	\$ 150
Investments	30,980,878	31,344,767	(363,889)
Receivables (net of allowance for estimated uncollectible):			
State sales tax	1,824,277	1,717,281	106,996
Accounts	1,284,237	1,177,537	106,700
Franchise fees	218,685	218,789	(104)
Ad valorem taxes - delinquent	178,479	169,287	9,192
Due from other funds	178,156	197,854	(19,698)
Due from other governments	65,145	175,732	(110,587)
Inventories	340,748	296,717	44,031
Prepaid items	152,246	135,922	16,324
Total current assets	<u>35,228,101</u>	<u>35,438,986</u>	<u>(210,885)</u>
Restricted Assets:			
Drug enforcement	258,281	173,517	84,764
Public safety	30,643	30,909	(266)
R.O.W. escrow	22,114	91,613	(69,499)
Parks escrow	418,610	371,172	47,438
Rob Roy MacGregor Trust - Library	8,590	9,925	(1,335)
Total restricted assets	<u>738,238</u>	<u>677,136</u>	<u>61,102</u>
Total assets	<u>\$ 35,966,339</u>	<u>\$ 36,116,122</u>	<u>\$ (149,783)</u>

	2018	2017	Increase (Decrease)
LIABILITIES AND FUND BALANCES			
Vouchers payable	\$ 3,448,709	\$ 2,522,650	\$ 926,059
Retainage payable	378	-	378
Accrued payroll	1,355,236	1,840,502	(485,266)
Vacation and sick leave payable	642,300	642,300	-
Deposits	40,586	53,815	(13,229)
Unearned revenues:			
Ad valorem taxes - delinquent	150,894	141,702	9,192
R.O.W. escrow	22,114	91,613	(69,499)
Parks escrow	418,609	371,172	47,437
Electric franchise	1,563,925	1,491,598	72,327
Gas franchise	332,983	276,165	56,818
Other	210,877	202,493	8,384
Total liabilities	8,186,611	7,634,010	552,601
Fund Balance:			
Nonspendable:			
Inventories and prepaid items	492,994	432,639	60,355
Restricted for:			
Drug enforcement	258,281	173,517	84,764
Public safety	30,643	30,909	(266)
Rob Roy MacGregor Trust - Library	8,590	9,925	(1,335)
Municipal court restricted fees	320,950	615,493	(294,543)
Vital statistics preservation fund	3,050	19,409	(16,359)
Public education channel	144,338	147,256	(2,918)
Assigned to:			
Technology replacement	356,940	405,484	(48,544)
Capital projects	4,356,474	4,648,577	(292,103)
Purchases on order	1,675,168	1,866,603	(191,435)
Unassigned	20,132,300	20,132,300	-
Total fund balance	27,779,728	28,482,112	(702,384)
Total liabilities and fund balances	\$ 35,966,339	\$ 36,116,122	\$ (149,783)

CITY OF TEMPLE, TEXAS

GENERAL FUND

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

For the year ended September 30, 2018

(With comparative amounts for the year ended September 30, 2017)

	2018			2017	
	Budgeted Amounts		Actual	Variance with	Actual
	Original	Final		Final Budget	
Revenues:					
Taxes	\$ 35,249,229	\$ 35,249,229	\$ 35,625,665	\$ 376,436	\$ 34,982,637
Franchise fees	6,785,270	6,785,270	6,834,212	48,942	6,771,002
Licenses and permits	812,750	812,750	1,034,209	221,459	905,004
Intergovernmental	48,340	64,737	59,122	(5,615)	197,099
Charges for services	24,249,526	25,717,455	25,369,209	(348,246)	24,995,905
Fines	2,267,470	2,268,460	1,868,233	(400,227)	2,206,811
Interest and other	1,048,101	1,474,996	1,552,914	77,918	1,398,399
Total revenues	70,460,686	72,372,897	72,343,564	(29,333)	71,456,857
Expenditures:					
General government	15,669,514	16,775,566	15,104,412	1,671,154	15,017,031
Public safety	32,299,941	34,359,859	32,830,239	1,529,620	31,291,141
Highways and streets	3,588,098	3,755,242	3,312,864	442,378	3,088,538
Sanitation	6,357,650	7,130,350	6,600,412	529,938	6,551,250
Parks and recreation	11,574,174	12,407,275	11,115,784	1,291,491	10,416,089
Airport	2,228,444	2,708,269	2,553,849	154,420	2,370,389
Debt Service:					
Principal	47,024	109,354	108,767	587	50,096
Interest	8,769	14,087	14,087	-	5,074
Total expenditures	71,773,614	77,260,002	71,640,414	5,619,588	68,789,608
Excess (deficiency) of revenues over expenditures	(1,312,928)	(4,887,105)	703,150	5,590,255	2,667,249
Other financing sources (uses):					
Transfers out:					
Transfers out - Grant Fund	-	(22,083)	(22,083)	-	(17,470)
Transfers out - Capital Projects	-	(454,324)	(418,518)	35,806	(437,000)
Transfers out - Debt Service Fund	(1,507,925)	(1,507,925)	(1,503,119)	4,806	(1,282,438)
Issuance of lease	-	538,186	538,186	-	-
Total other financing sources (uses)	(1,507,925)	(1,446,146)	(1,405,534)	40,612	(1,736,908)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(2,820,853)	(6,333,251)	(702,384)	5,630,867	930,341
Fund balance, beginning of period	28,482,112	28,482,112	28,482,112	-	27,551,771
Fund balance, end of period	\$ 25,661,259	\$ 22,148,861	\$ 27,779,728	\$ 5,630,867	\$ 28,482,112

CITY OF TEMPLE, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
For the year ended September 30, 2018
(With comparative amounts for the year ended September 30, 2017)

	2018			2017
	Budgeted Amounts		Variance with	
	Original	Final	Final Budget	Actual
Taxes:				
Ad valorem:				
Property, current year	\$ 13,384,540	\$ 13,384,540	\$ 39,041	\$ 12,922,325
Property, prior year	139,689	139,689	(82,764)	89,383
Penalty and interest	90,000	90,000	(6,879)	92,509
Total ad valorem taxes	13,614,229	13,614,229	(50,602)	13,104,217
Non-property taxes:				
City sales	21,420,000	21,420,000	411,623	21,652,524
Mixed beverage	155,000	155,000	17,509	162,580
Occupation	40,000	40,000	(40)	42,416
Bingo	20,000	20,000	(2,054)	20,900
Total non-property taxes	21,635,000	21,635,000	427,038	21,878,420
Total taxes	35,249,229	35,249,229	376,436	34,982,637
Franchise Fees:				
Electric franchise	3,260,000	3,260,000	(10,575)	3,271,258
Gas franchise	530,000	530,000	(11,050)	481,408
Telephone franchise	430,000	430,000	(30,761)	415,938
Cable franchise	761,610	761,610	84,011	815,942
Water/Wastewater franchise	1,721,410	1,721,410	-	1,701,491
Other	82,250	82,250	17,317	84,965
Total franchise fees	6,785,270	6,785,270	48,942	6,771,002
Licenses and permits:				
Building permits	350,000	350,000	247,093	388,583
Electrical permits and licenses	87,000	87,000	(24,528)	108,405
Mechanical	75,000	75,000	(22,276)	95,409
Plumbing permit fees	120,000	120,000	15,975	157,296
Other	180,750	180,750	5,195	155,311
Total licenses and permits	812,750	812,750	221,459	905,004
Intergovernmental revenues:				
Federal grants	-	14,713	351	24,195
State grants	-	1,684	1	127,838
State reimbursements	8,352	8,352	-	8,352
Department of Civil Preparedness	39,988	39,988	(5,967)	36,714
Total intergovernmental revenues	48,340	64,737	(5,615)	197,099
				(Continued)

CITY OF TEMPLE, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the year ended September 30, 2018

(With comparative amounts for the year ended September 30, 2017)

(Continued)

	2018			2017	
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
Charges for services:					
Library fees	\$ 25,500	\$ 25,500	\$ 29,254	\$ 3,754	\$ 30,612
Recreational entry fees	107,000	107,000	99,492	(7,508)	111,980
Summit recreational fees	389,450	389,450	440,543	51,093	414,075
Golf course revenues	707,000	707,000	443,479	(263,521)	688,258
Swimming pool	40,000	40,000	37,128	(2,872)	33,954
Lions Junction water park	440,000	440,000	426,115	(13,885)	464,370
Sammons indoor pool	86,500	90,100	87,928	(2,172)	71,740
Vital statistics	110,000	114,118	129,426	15,308	125,722
Police revenue	801,676	1,530,963	1,375,183	(155,780)	1,714,226
Contractual services					
-proprietary fund	4,097,160	4,097,160	4,127,979	30,819	4,056,239
County fire protection	4,000	5,982	5,983	1	5,928
Curb and street cuts	50,000	50,000	69,847	19,847	41,340
Other	60,250	60,250	89,098	28,848	77,134
Solid waste collection - residential	5,238,513	5,248,938	5,198,061	(50,877)	4,943,210
Solid waste collection - commercial	3,170,000	3,189,672	3,229,411	39,739	3,183,821
Solid waste collection - roll-off	2,663,782	2,835,757	2,924,373	88,616	2,724,886
Landfill contract	1,928,229	1,928,229	2,028,996	100,767	2,046,014
Airport sales and rental	2,214,694	2,680,753	2,619,637	(61,116)	2,387,297
Recreational services	1,293,600	1,299,600	1,262,332	(37,268)	1,200,269
Fire department	55,732	63,492	56,236	(7,256)	26,969
Subdivision fees	18,000	18,000	33,898	15,898	31,151
Reinvestment Zone reimbursements	748,440	795,491	654,810	(140,681)	616,710
Total charges for services	24,249,526	25,717,455	25,369,209	(348,246)	24,995,905
Fines:					
Court	1,513,049	1,513,049	1,301,666	(211,383)	1,550,573
Animal pound	49,000	49,000	51,177	2,177	51,543
Overparking	12,000	12,000	5,785	(6,215)	250
Administrative fees	693,421	694,411	509,605	(184,806)	604,445
Total fines	2,267,470	2,268,460	1,868,233	(400,227)	2,206,811
Interest and other:					
Interest	396,000	396,000	499,175	103,175	298,314
Lease and rental	319,471	319,471	356,185	36,714	310,491
Sale of assets	89,200	100,410	171,412	71,002	167,914
Insurance claims	50,000	252,285	242,697	(9,588)	261,800
Payment in lieu of taxes	17,230	17,230	18,033	803	17,230
Building rental - BOA bldg.	85,000	85,000	88,591	3,591	92,297
Other	91,200	304,600	176,821	(127,779)	250,353
Total Interest and other	1,048,101	1,474,996	1,552,914	77,918	1,398,399
Total revenues	\$ 70,460,686	\$ 72,372,897	\$ 72,343,564	\$ (29,333)	\$ 71,456,857

CITY OF TEMPLE, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the year ended September 30, 2018
(With comparative amounts for the year ended September 30, 2017)

	2018			2017	
	Budgeted Amounts		Actual	Variance with	Actual
	Original	Final		Final Budget	
General government:					
City council	\$ 206,310	\$ 230,598	\$ 179,927	\$ 50,671	\$ 201,015
City manager	882,804	1,040,238	712,825	327,413	1,058,637
Assistant city manager	-	-	-	-	-
General services	529,616	184,346	156,205	28,141	358,694
Finance	1,594,489	1,683,920	1,572,754	111,166	1,464,493
Purchasing	396,718	439,426	430,718	8,708	368,679
City secretary	464,549	523,401	442,587	80,814	433,556
Special services	1,376,063	1,717,750	1,519,472	198,278	1,173,682
Legal	869,266	988,397	932,668	55,729	831,604
City planning	669,944	688,087	667,492	20,595	624,464
Information technology services	2,868,049	3,012,324	2,803,519	208,805	2,597,181
Human resources	817,199	937,324	868,369	68,955	783,981
Economic development	1,814,778	2,028,582	2,006,167	22,415	2,288,041
Fleet services	1,126,737	1,162,558	1,070,267	92,291	984,999
Inspections	597,443	603,959	513,410	90,549	493,623
Facility services	1,455,549	1,534,656	1,228,032	306,624	1,354,382
	<u>15,669,514</u>	<u>16,775,566</u>	<u>15,104,412</u>	<u>1,671,154</u>	<u>15,017,031</u>
Public safety:					
Municipal court	775,847	920,412	879,138	41,274	739,607
Police	17,069,386	18,087,187	17,094,528	992,659	16,600,884
Animal control	538,449	560,351	483,607	76,744	478,163
Fire	12,125,406	12,677,739	12,456,888	220,851	12,123,276
Communications	994,258	994,258	994,257	1	987,795
Code enforcement	796,595	1,119,912	921,821	198,091	361,416
	<u>32,299,941</u>	<u>34,359,859</u>	<u>32,830,239</u>	<u>1,529,620</u>	<u>31,291,141</u>
Highways and streets:					
Street	2,548,302	2,683,298	2,369,123	314,175	2,250,360
Traffic signals	415,873	446,338	386,645	59,693	328,380
Engineering	623,923	625,606	557,096	68,510	509,798
	<u>3,588,098</u>	<u>3,755,242</u>	<u>3,312,864</u>	<u>442,378</u>	<u>3,088,538</u>
Sanitation:	<u>6,357,650</u>	<u>7,130,350</u>	<u>6,600,412</u>	<u>529,938</u>	<u>6,551,250</u>
Parks and recreation:					
Parks	4,073,436	4,402,741	3,701,335	701,406	3,405,106
Recreation	3,911,854	4,035,931	3,771,723	264,208	3,624,577
Administration	552,008	575,644	526,435	49,209	518,668
Golf course	1,253,280	1,545,310	1,440,147	105,163	1,250,600
Library	1,783,596	1,847,649	1,676,144	171,505	1,617,138
	<u>11,574,174</u>	<u>12,407,275</u>	<u>11,115,784</u>	<u>1,291,491</u>	<u>10,416,089</u>
Airport:	<u>2,228,444</u>	<u>2,708,269</u>	<u>2,553,849</u>	<u>154,420</u>	<u>2,370,389</u>
Debt service:	<u>55,793</u>	<u>123,441</u>	<u>122,854</u>	<u>587</u>	<u>55,170</u>
Totals	<u>\$ 71,773,614</u>	<u>\$ 77,260,002</u>	<u>\$ 71,640,414</u>	<u>\$ 5,619,588</u>	<u>\$ 68,789,608</u>

CITY OF TEMPLE, TEXAS
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the year ended September 30, 2018
(With comparative amounts for the year ended September 30, 2017)

	2018			2017	
	Budgeted Amounts		Actual	Variance with	Actual
	Original	Final		Final Budget	
General government:					
City council:					
Personnel services	\$ 31,279	\$ 31,279	\$ 12,054	\$ 19,225	\$ 10,080
Operations	175,031	199,319	167,873	31,446	190,935
	206,310	230,598	179,927	50,671	201,015
City manager:					
Personnel services	790,180	726,843	607,235	119,608	804,870
Operations	84,624	160,560	79,421	81,139	237,178
Capital outlay	8,000	152,835	26,169	126,666	16,589
	882,804	1,040,238	712,825	327,413	1,058,637
General services:					
Personnel services	446,646	130,098	109,549	20,549	336,677
Operations	64,470	33,196	25,605	7,591	22,017
Capital outlay	18,500	21,052	21,051	1	-
	529,616	184,346	156,205	28,141	358,694
Finance:					
Personnel services	1,018,067	1,087,533	1,033,771	53,762	960,031
Operations	576,422	576,181	518,777	57,404	504,462
Capital outlay	-	20,206	20,206	-	-
	1,594,489	1,683,920	1,572,754	111,166	1,464,493
Purchasing:					
Personnel services	378,293	410,339	407,913	2,426	348,794
Operations	18,425	19,640	13,358	6,282	19,885
Capital outlay	-	9,447	9,447	-	-
	396,718	439,426	430,718	8,708	368,679
City secretary:					
Personnel services	400,116	432,026	390,392	41,634	378,795
Operations	64,433	76,095	36,915	39,180	48,677
Capital outlay	-	15,280	15,280	-	6,084
	464,549	523,401	442,587	80,814	433,556
Special services:					
Personnel services	351,081	914,096	888,277	25,819	505,596
Operations	656,800	803,472	631,195	172,277	668,086
Capital outlay	368,182	182	-	182	-
	1,376,063	1,717,750	1,519,472	198,278	1,173,682
Legal:					
Personnel services	796,376	820,105	810,035	10,070	761,498
Operations	72,890	156,251	110,593	45,658	57,358
Capital outlay	-	12,041	12,040	1	12,748
	869,266	988,397	932,668	55,729	831,604
City planning:					
Personnel services	624,334	637,115	627,016	10,099	589,820
Operations	45,610	43,071	32,575	10,496	34,644
Capital outlay	-	7,901	7,901	-	-
	669,944	688,087	667,492	20,595	624,464
Information technology services:					
Personnel services	1,412,907	1,438,773	1,353,784	84,989	1,220,347
Operations	1,375,142	1,448,364	1,344,374	103,990	1,205,958
Capital outlay	80,000	125,187	105,361	19,826	170,876
	2,868,049	3,012,324	2,803,519	208,805	2,597,181
Human resources:					
Personnel services	621,873	608,755	551,784	56,971	571,809
Operations	195,326	286,235	275,135	11,100	212,172
Capital outlay	-	42,334	41,450	884	-
	817,199	937,324	868,369	68,955	783,981
Economic development:					
Operations	1,814,778	2,028,582	2,006,167	22,415	2,288,041
	1,814,778	2,028,582	2,006,167	22,415	2,288,041
Fleet services:					
Personnel services	999,284	1,014,839	934,220	80,619	867,504
Operations	85,953	85,099	83,429	1,670	61,390
Capital outlay	41,500	62,620	52,618	10,002	56,105
	1,126,737	1,162,558	1,070,267	92,291	984,999

(Continued)

CITY OF TEMPLE, TEXAS
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the year ended September 30, 2018
(With comparative amounts for the year ended September 30, 2017)

(Continued)

	2018				2017
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
Inspections/Permits:					
Personnel services	\$ 517,446	\$ 468,336	\$ 432,408	\$ 35,928	\$ 435,327
Operations	47,997	103,057	76,246	26,811	35,376
Capital outlay	32,000	32,566	4,756	27,810	22,920
	<u>597,443</u>	<u>603,959</u>	<u>513,410</u>	<u>90,549</u>	<u>493,623</u>
Facility services:					
Personnel services	704,283	715,666	644,143	71,523	626,057
Operations	617,016	631,715	559,057	72,658	531,804
Capital outlay	134,250	187,275	24,832	162,443	196,521
	<u>1,455,549</u>	<u>1,534,656</u>	<u>1,228,032</u>	<u>306,624</u>	<u>1,354,382</u>
Total general government	<u>15,669,514</u>	<u>16,775,566</u>	<u>15,104,412</u>	<u>1,671,154</u>	<u>15,017,031</u>
Public safety:					
Municipal court:					
Personnel services	703,028	717,400	709,531	7,869	646,879
Operations	72,819	71,455	52,288	19,167	72,542
Capital outlay	-	131,557	117,319	14,238	20,186
	<u>775,847</u>	<u>920,412</u>	<u>879,138</u>	<u>41,274</u>	<u>739,607</u>
Police:					
Personnel services	14,724,430	15,446,888	14,901,147	545,741	14,528,886
Operations	1,576,956	1,665,834	1,475,675	190,159	1,376,674
Capital outlay	768,000	974,465	717,706	256,759	695,324
	<u>17,069,386</u>	<u>18,087,187</u>	<u>17,094,528</u>	<u>992,659</u>	<u>16,600,884</u>
Animal control:					
Personnel services	393,902	402,392	390,757	11,635	371,668
Operations	93,547	106,574	73,845	32,729	74,814
Capital outlay	51,000	51,385	19,005	32,380	31,681
	<u>538,449</u>	<u>560,351</u>	<u>483,607</u>	<u>76,744</u>	<u>478,163</u>
Fire:					
Personnel services	11,029,710	11,266,749	11,260,631	6,118	10,967,895
Operations	991,196	1,130,547	1,027,318	103,229	1,028,962
Capital outlay	104,500	280,443	168,939	111,504	126,419
	<u>12,125,406</u>	<u>12,677,739</u>	<u>12,456,888</u>	<u>220,851</u>	<u>12,123,276</u>
Communications:					
Operations	994,258	994,258	994,257	1	987,795
	<u>994,258</u>	<u>994,258</u>	<u>994,257</u>	<u>1</u>	<u>987,795</u>
Code compliance:					
Personnel services	448,590	699,325	658,259	41,066	288,028
Operations	348,005	271,702	174,923	96,779	67,574
Capital outlay	-	148,885	88,639	60,246	5,814
	<u>796,595</u>	<u>1,119,912</u>	<u>921,821</u>	<u>198,091</u>	<u>361,416</u>
Total public safety	<u>32,299,941</u>	<u>34,359,859</u>	<u>32,830,239</u>	<u>1,529,620</u>	<u>31,291,141</u>
Highways and streets:					
Street :					
Personnel services	1,191,147	1,206,330	1,109,169	97,161	1,032,304
Operations	1,247,723	1,246,693	1,184,562	62,131	1,161,609
Capital outlay	109,432	230,275	75,392	154,883	56,447
	<u>2,548,302</u>	<u>2,683,298</u>	<u>2,369,123</u>	<u>314,175</u>	<u>2,250,360</u>
Traffic signals:					
Personnel services	325,839	331,596	314,427	17,169	250,163
Operations	90,034	114,652	72,128	42,524	78,217
Capital outlay	-	90	90	-	-
	<u>415,873</u>	<u>446,338</u>	<u>386,645</u>	<u>59,693</u>	<u>328,380</u>
Engineering:					
Personnel services	477,888	485,413	484,253	1,160	443,053
Operations	106,035	104,750	68,361	36,389	66,745
Capital outlay	40,000	35,443	4,482	30,961	-
	<u>623,923</u>	<u>625,606</u>	<u>557,096</u>	<u>68,510</u>	<u>509,798</u>
Total highways and streets	<u>3,588,098</u>	<u>3,755,242</u>	<u>3,312,864</u>	<u>442,378</u>	<u>3,088,538</u>

(Continued)

CITY OF TEMPLE, TEXAS
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the year ended September 30, 2018
(With comparative amounts for the year ended September 30, 2017)

(Continued)

	2018				2017
	Budgeted Amounts		Actual	Variance with Final Budget	Actual
	Original	Final			
Sanitation:					
Personnel services	\$ 2,551,402	\$ 2,511,049	\$ 2,361,860	\$ 149,189	\$ 2,344,526
Operations	3,790,748	4,110,509	4,069,731	40,778	3,712,058
Capital outlay	15,500	508,792	168,821	339,971	494,666
Total sanitation	6,357,650	7,130,350	6,600,412	529,938	6,551,250
Parks & recreation:					
Parks					
Personnel services	1,786,592	1,808,536	1,632,434	176,102	1,502,342
Operations	1,863,744	1,867,311	1,658,068	209,243	1,526,410
Capital outlay	423,100	726,894	410,833	316,061	376,354
	4,073,436	4,402,741	3,701,335	701,406	3,405,106
Recreation					
Personnel services	2,263,214	2,290,301	2,268,353	21,948	2,052,998
Operations	1,566,740	1,566,648	1,425,624	141,024	1,434,296
Capital outlay	81,900	178,982	77,746	101,236	137,283
	3,911,854	4,035,931	3,771,723	264,208	3,624,577
Administration					
Personnel services	408,379	419,231	396,485	22,746	386,463
Operations	143,629	146,257	119,795	26,462	132,205
Capital outlay	-	10,156	10,155	1	-
	552,008	575,644	526,435	49,209	518,668
Golf course					
Personnel services	741,258	751,319	719,950	31,369	643,708
Operations	475,522	456,956	383,163	73,793	428,684
Capital outlay	36,500	337,035	337,034	1	178,208
	1,253,280	1,545,310	1,440,147	105,163	1,250,600
Library:					
Personnel services	1,231,647	1,251,340	1,140,575	110,765	1,065,706
Operations	551,949	584,948	524,208	60,740	495,817
Capital outlay	-	11,361	11,361	-	55,615
	1,783,596	1,847,649	1,676,144	171,505	1,617,138
Total parks & recreation	11,574,174	12,407,275	11,115,784	1,291,491	10,416,089
Airport:					
Personnel services	852,010	864,747	845,738	19,009	832,782
Operations	1,376,434	1,842,123	1,706,713	135,410	1,515,910
Capital outlay	-	1,399	1,398	1	21,697
Total airport	2,228,444	2,708,269	2,553,849	154,420	2,370,389
Debt service:					
Principal	47,024	109,354	108,767	587	50,096
Interest	8,769	14,087	14,087	-	5,074
Total debt service	55,793	123,441	122,854	587	55,170
Total	\$ 71,773,614	\$ 77,260,002	\$ 71,640,414	\$ 5,619,588	\$ 68,789,608

Supplementary Schedules

CITY OF TEMPLE, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the year ended September 30, 2018

<u>Federal/State Grantor</u> Agency or Pass-Through Program Title	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>Grant</u> <u>Number</u>	<u>Program</u> <u>or Award</u> <u>Amount</u>	<u>Passed</u> <u>Through to</u> <u>Subrecipients</u>	<u>Program</u> <u>Expenditures</u>
Federal Financial Assistance:					
<u>U.S. Department of H.U.D.</u>					
CDBG 2014	14.218	B-14-MC-48-0021	\$ 390,268	\$ -	\$ 8,451
CDBG 2015	14.218	B-15-MC-48-0021	357,357	27,890	37,742
CDBG 2016	14.218	B-16-MC-48-0021	410,971	17,655	118,277
CDBG 2017	14.218	B-17-MC-48-0021	431,615	-	39,961
					<u>204,431</u>
<u>U.S. Department of Homeland Security</u>					
Texas Department of Public Safety:					
Civil Defense	97.042	18TX-EMPG-1142	34,021	-	34,021
Texas Engineering Extension Service					
Urban Search and Rescue	97.025	2178-PP20 2017	10,572	-	10,572
					<u>44,593</u>
<u>U.S. Department of Justice</u>					
2017 Bullet Proof Vests Grant	16.607	2017-BU-BX-13069168	6,803	-	6,803
2016 Bullet Proof Vests Grant	16.607	2016-BU-BX-13069168	11,438	-	2,068
Killeen Police Department:					
2015 Edward Byrne Memorial Justice Assistance Grant	16.738	2015-DJ-BX-0639	16,688	-	551
					<u>9,422</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	-	1,361,345
Pass-Through Agreement	20.205	0320-06-001	16,555,000	-	1,505,000
					<u>2,866,345</u>
<u>U.S. Environmental Protection Agency</u>					
Special Appropriation Act Projects	66.202	01F18601	970,000	-	605,198
					<u>605,198</u>
<u>Institute of Museum and Library Services</u>					
Texas State Library and Archives Commission					
Interlibrary Loan Program	45.310	LS-00-16-0044-16	4,492	-	4,492
					<u>4,492</u>
Total Federal Financial Assistance			23,087,225	45,545	3,734,481
State Financial Assistance:					
<u>Office of the Attorney General</u>					
Chapter 59 Asset Forfeitures	-	-	26,209	-	26,209
					<u>26,209</u>
<u>Office of the Governor - Criminal Justice Division</u>					
Crisis Assistance Program	-	2820003	34,350	-	5,292
Rifle-Resistance Body Armor Program	-	3496701	25,000	-	25,000
Body-Worn Camera Program	-	3276001	52,848	-	52,848
					<u>83,140</u>
<u>Texas Commission on Environmental Quality</u>					
Central Texas Council of Governments					
Household Hazardous Waste Collection	-	-	10,000	-	10,000
					<u>10,000</u>
<u>Texas Department of Transportation</u>					
2018 Routine Airport Maintenance Program (RAMP)	-	M1809TEMP	50,000	-	50,000
Airport Project Participation Grant - NPE	-	1709TMPL	150,000	-	150,000
					<u>200,000</u>
<u>Division of Emergency Management</u>					
Hurricane Harvey - Public Assistance Program	-	-	1,685	-	1,685
					<u>1,685</u>
Total State Financial Assistance			350,092	-	321,034
Total Federal and State Financial Assistance			\$ 23,437,317	\$ 45,545	\$ 4,055,515

CITY OF TEMPLE, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the year ended September 30, 2018

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	\$ 17,500
Hill Country Community Action Association	20,000
Neighborhood Housing Services of Waco	<u>8,045</u>
	<u>\$ 45,545</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	174
<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	180
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	186
<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	191
<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	193
<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	204
<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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets	\$ 52,235,300	\$ 55,403,473	\$ 52,200,366	\$ 48,379,646	\$ 46,131,460	\$ 44,686,194	\$ 40,996,292	\$ 43,934,442	\$ 48,754,446	\$ 52,987,220
Restricted	1,012,487	1,195,105	344,275	1,450,388	5,877,191	62,906	306,050	-	-	-
Unrestricted	17,913,303	17,807,775	19,272,435	19,057,787	20,153,684	18,922,067	7,799,938	3,756,702	(3,690,323)	(7,610,201)
Total governmental activities net position	\$ 71,161,090	\$ 74,406,353	\$ 71,817,076	\$ 68,887,821	\$ 72,162,335	\$ 63,671,167	\$ 49,102,280	\$ 47,691,144	\$ 45,064,123	\$ 45,377,019
Business-type activities										
Net investment in capital assets	\$ 54,645,573	\$ 56,948,517	\$ 62,157,571	\$ 65,054,555	\$ 68,521,536	\$ 72,979,933	\$ 69,469,800	\$ 71,123,596	\$ 74,981,111	\$ 85,851,741
Restricted	3,516,342	3,935,336	4,108,690	2,323,161	548,392	722,685	941,206	1,069,608	960,360	1,303,447
Unrestricted	18,452,048	17,981,899	18,729,166	22,475,876	25,171,256	25,320,194	31,586,228	33,699,494	35,678,455	29,874,800
Total business-type activities net position	\$ 76,613,963	\$ 78,865,752	\$ 84,995,427	\$ 89,853,592	\$ 94,241,184	\$ 99,022,812	\$ 101,997,234	\$ 105,892,698	\$ 111,619,926	\$ 117,029,988
Primary government										
Net investment in capital assets	\$ 106,880,873	\$ 112,351,990	\$ 114,357,937	\$ 113,434,201	\$ 114,652,996	\$ 117,666,127	\$ 110,466,092	\$ 115,058,038	\$ 123,735,557	\$ 138,838,961
Restricted	4,528,829	5,130,441	4,452,965	3,773,549	6,425,583	785,591	1,247,256	1,069,608	960,360	1,303,447
Unrestricted	36,365,351	35,789,674	38,001,601	41,533,663	45,324,940	44,242,261	39,386,166	37,456,196	31,988,132	22,264,599
Total primary government net position	\$ 147,775,053	\$ 153,272,105	\$ 156,812,503	\$ 158,741,413	\$ 166,403,519	\$ 162,693,979	\$ 151,099,514	\$ 153,583,842	\$ 156,684,049	\$ 162,407,007

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities:										
General government	\$ 11,973,280	\$ 11,469,892	\$ 12,099,128	\$ 12,308,008	\$ 13,493,386	\$ 14,634,734	\$ 14,904,124	\$ 15,656,749	\$ 16,538,056	\$ 16,643,280
Public safety	25,002,639	24,674,521	29,791,300	26,988,933	27,732,226	28,224,373	29,912,951	33,628,711	35,449,316	36,004,472
Highways and streets	6,307,841	6,090,841	7,155,289	10,413,550	22,080,671	28,047,101	10,259,565	7,273,731	8,963,462	8,483,731
Sanitation	4,945,085	5,241,149	5,131,467	5,469,440	6,039,912	7,080,709	5,990,896	6,455,973	7,272,582	7,473,148
Health and welfare	220,728	318,782	273,641	244,943	93,539	36,755	112,058	149,961	157,201	225,837
Cultural and leisure services	10,556,001	10,659,300	10,908,726	11,463,800	13,471,535	12,365,268	12,312,968	13,589,344	13,916,558	14,601,953
Airport	3,068,653	3,178,623	3,791,164	3,980,015	3,725,020	3,655,194	3,683,154	3,500,076	3,564,403	3,711,779
Interest on long term debt	3,246,906	3,421,182	3,039,907	2,690,036	4,232,163	3,639,945	4,237,351	5,351,692	5,453,732	5,963,802
Total governmental activities expenses	65,321,133	65,054,290	72,190,622	73,558,725	90,868,452	97,683,079	81,413,067	85,606,237	91,315,310	93,108,002
Business-type activities:										
Water and sewer	22,293,459	23,926,631	23,384,255	24,220,726	25,713,333	26,882,060	26,081,271	28,649,118	28,840,885	30,906,838
Total business-type activities expenses	22,293,459	23,926,631	23,384,255	24,220,726	25,713,333	26,882,060	26,081,271	28,649,118	28,840,885	30,906,838
Total primary government expenses	87,614,592	88,980,921	95,574,877	97,779,451	116,581,785	124,565,139	107,494,338	114,255,355	120,156,195	124,014,840
Program Revenues										
Governmental activities:										
Fees, Fines, and Charges for Services:										
General government	3,447,523	3,432,373	3,285,507	3,359,920	3,691,433	3,900,990	4,143,573	4,189,072	4,415,190	4,537,237
Public safety	2,418,173	2,501,244	2,886,737	2,756,996	3,140,024	3,753,119	4,341,516	4,778,461	4,858,940	4,339,843
Highways and streets	1,111,834	1,111,434	1,127,601	1,235,792	1,202,744	1,238,493	1,322,089	1,425,168	2,510,680	2,974,290
Sanitation	9,398,631	10,045,117	10,065,522	10,145,513	10,509,545	11,222,768	11,303,186	11,764,582	12,897,932	13,380,840
Cultural and leisure services	2,807,967	3,157,108	2,935,299	3,689,340	3,759,669	3,710,483	3,703,956	4,025,396	4,136,650	3,942,908
Airport	2,224,004	2,311,344	2,874,462	3,037,702	2,847,211	2,732,476	2,294,963	2,174,080	2,387,297	2,619,637
Operating grants and contributions	482,504	732,270	867,166	517,463	225,720	513,508	12,501,829	453,554	484,715	356,115
Capital grants and contributions	1,202,640	3,249,962	978,717	1,558,087	17,403,845	12,724,001	391,026	899,586	310,655	1,371,345
Total governmental activities program revenues	23,093,276	26,540,852	25,021,011	26,300,813	42,780,191	39,795,838	40,002,148	29,709,899	32,002,059	33,522,215
Business-type activities:										
Charges for services:										
Water and sewer	27,390,285	25,929,814	29,387,212	28,645,921	30,046,938	29,824,871	30,375,811	31,720,917	33,261,271	35,227,519
Capital grants and contributions	2,763	106,221	-	74,735	248,996	1,330,056	381,295	134,570	41,235	16,401
Total business-type activities program revenues	27,393,048	26,036,035	29,387,212	28,720,656	30,295,934	31,154,927	30,757,106	31,855,487	33,302,506	35,243,920
Total primary government program revenues	\$ 50,486,324	\$ 52,576,887	\$ 54,408,223	\$ 55,021,469	\$ 73,076,125	\$ 70,950,765	\$ 70,759,254	\$ 61,565,386	\$ 65,304,565	\$ 68,766,135

(continued)

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

Table II
 (Continued)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (Expense) Revenue										
Governmental activities	\$ (42,227,857)	\$ (38,513,438)	\$ (47,169,611)	\$ (47,257,912)	\$ (48,088,261)	\$ (57,887,241)	\$ (41,410,919)	\$ (55,896,338)	\$ (59,313,251)	\$ (59,585,787)
Business-type activities	5,099,589	2,109,404	6,002,957	4,499,930	4,582,601	4,272,867	4,675,835	3,206,369	4,461,621	4,337,082
Total primary government net expense	<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>	<u>\$ (54,851,630)</u>	<u>\$ (55,248,705)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Ad valorem	\$ 16,837,010	\$ 17,655,483	\$ 17,582,789	\$ 18,195,808	\$ 19,195,036	\$ 20,187,267	\$ 20,847,366	\$ 23,231,944	\$ 24,983,232	\$ 26,596,960
Sales	15,238,812	15,134,138	16,125,862	16,967,401	18,017,575	18,981,471	21,311,743	20,859,081	21,652,524	21,831,623
Franchise	6,373,864	6,152,140	6,216,239	6,260,051	6,178,547	6,382,781	6,780,354	6,712,490	6,771,002	6,834,212
Hotel/Motel	1,067,836	1,104,894	1,215,396	1,223,910	1,306,257	1,445,935	1,440,351	1,473,592	1,583,762	1,593,331
Mixed beverage	106,387	106,418	123,581	100,164	110,409	155,280	156,030	148,247	162,580	172,509
Other taxes	54,198	55,750	70,191	77,451	80,817	71,750	72,392	62,915	63,316	57,906
Investment earnings	464,244	164,385	88,140	81,493	122,330	108,848	156,778	398,306	674,264	1,513,600
Miscellaneous	1,729,310	1,385,493	3,150,409	1,422,379	1,762,894	2,055,938	746,050	1,598,627	4,742,010	1,298,542
Settlement income, net expense	-	-	-	-	5,350,000	-	-	-	-	-
Transfers	-	-	-	-	47,492	6,803	(2,267)	-	-	-
Total governmental activities	<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>	<u>60,632,690</u>	<u>59,898,683</u>
Business-type activities:										
Investment earnings	235,373	142,385	126,718	358,235	323,317	515,564	353,239	689,095	831,715	1,072,980
Transfers	-	-	-	-	(47,492)	(6,803)	2,267	-	-	-
Total business-type activities	<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>	<u>831,715</u>	<u>1,072,980</u>
Total primary government	<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>	<u>61,464,405</u>	<u>60,971,663</u>
Changes in Net Position										
Governmental activities	(356,196)	3,245,263	(2,597,004)	(2,929,255)	4,083,096	(8,491,168)	10,097,878	(1,411,136)	1,319,439	312,896
Business-type activities	5,334,962	2,251,789	6,129,675	4,858,165	4,858,426	4,781,628	5,031,341	3,895,464	5,293,336	5,410,062
Total primary government	<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>	<u>\$ 6,612,775</u>	<u>\$ 5,722,958</u>

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

	2009	2010	2011	2012	2013	2014 ⁽¹⁾	2015	2016	2017	2018
General fund										
Nonspendable:										
Inventories and prepaid items	\$ 361,371	\$ 375,993	\$ 448,025	\$ 498,812	\$ 451,696	\$ 435,073	\$ 375,039	\$ 441,741	\$ 432,639	\$ 492,994
Restricted for:										
Drug enforcement	298,679	329,408	384,797	321,867	329,651	290,550	345,852	204,399	173,517	258,281
Library, museum, and other	368,817	469,706	636,101	629,792	764,285	772,510	867,470	874,506	822,992	507,571
Assigned to:										
Capital technology acquisition	569,240	231,207	329,162	315,618	390,979	403,071	420,476	379,099	405,484	356,940
Capital projects	4,634,697	5,630,052	6,375,154	4,277,846	5,431,542	5,211,128	4,920,337	5,061,813	4,648,577	4,356,474
Self-funded health insurance	-	-	275,000	300,000	-	-	-	-	-	-
Purchases on order	1,951,008	1,532,988	1,109,456	2,060,396	1,960,290	1,454,214	2,106,552	1,429,303	1,866,603	1,675,168
Unassigned	15,048,035	15,050,138	15,368,477	16,100,649	16,785,630	17,540,678	18,293,530	19,160,910	20,132,300	20,132,300
Total general fund	\$ 23,231,847	\$ 23,619,492	\$ 24,926,172	\$ 24,504,980	\$ 26,114,073	\$ 26,107,224	\$ 27,329,256	\$ 27,551,771	\$ 28,482,112	\$ 27,779,728
All other governmental funds										
Nonspendable:										
Prepaid items	\$ 5,098	\$ 4,581	\$ 4,555	\$ 4,203	\$ 15,527	\$ 20,086	\$ 19,400	\$ 21,804	\$ 24,842	\$ 22,625
Restricted for:										
Debt service	1,538,432	1,758,817	1,364,049	2,960,522	7,356,612	1,349,568	959,697	724,003	551,747	283,612
Construction	9,310,110	15,349,088	4,585,041	30,398,210	37,708,729	11,652,509	44,922,504	41,698,442	24,117,550	40,117,952
Museum	-	-	-	-	8,348	13,049	11,149	11,775	14,108	11,631
Promotion of tourism	1,027,344	913,293	1,149,063	1,350,812	1,077,954	1,126,029	1,305,093	1,338,791	1,442,633	1,410,456
Committed to:										
Drainage	999,253	1,265,722	1,279,068	1,503,965	1,855,290	1,793,015	1,982,887	1,489,689	1,815,299	2,143,407
Total all other governmental funds	\$ 12,880,237	\$ 19,291,501	\$ 8,381,776	\$ 36,217,712	\$ 48,022,460	\$ 15,954,256	\$ 49,200,730	\$ 45,284,504	\$ 27,966,179	\$ 43,989,683

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

	2009	2010	2011	2012	2013	Fiscal Year		2015	2016	2017	2018
						2014	2015				
REVENUES:											
Taxes:											
Ad valorem	\$ 16,741,749	\$ 17,617,718	\$ 17,647,927	\$ 18,246,346	\$ 19,164,488	\$ 20,184,854	\$ 20,801,261	\$ 23,256,440	\$ 25,022,473	\$ 26,562,209	
Sales	15,238,812	15,134,138	16,125,862	16,967,401	18,017,575	18,981,471	21,311,743	20,859,081	21,652,524	21,831,623	
Hotel/Motel	1,067,836	1,104,894	1,215,396	1,223,910	1,306,256	1,445,935	1,440,351	1,473,592	1,583,762	1,593,331	
Mixed beverage	106,387	106,418	123,581	100,164	110,409	155,280	156,030	148,247	162,580	172,509	
Other taxes	54,198	55,751	70,191	77,451	80,817	71,750	72,392	63,316	67,710	57,906	
Franchise fees	6,373,864	6,152,141	6,216,239	6,260,051	6,178,547	6,382,782	6,780,354	6,712,490	6,771,002	6,834,212	
Licenses and permits	333,085	323,817	448,076	377,290	738,449	662,666	613,187	961,527	905,004	1,034,209	
Intergovernmental	1,885,144	3,982,232	1,847,522	2,265,741	17,629,564	13,237,510	879,854	2,163,530	2,236,460	3,232,460	
Drainage fees	981,950	999,274	1,016,748	1,084,423	1,098,165	1,109,378	1,125,126	1,157,851	2,283,793	2,705,091	
Charges for services:											
Library fees	46,864	37,678	40,202	35,829	34,900	32,498	32,118	34,107	30,612	29,254	
Recreational entry fees	162,965	168,238	154,637	136,498	133,153	126,845	120,588	120,492	111,980	99,492	
Summit recreational fees	468,832	624,394	773,341	751,824	627,333	526,310	486,234	389,249	414,075	440,543	
Golf course revenues	911,780	788,981	239,610	1,017,595	950,200	874,917	789,908	690,985	688,258	443,479	
Swimming pool	51,358	30,016	37,922	42,845	48,030	48,870	37,128	37,242	33,954	37,128	
Lions Junction water park	275,978	270,067	298,497	259,976	300,008	298,690	351,788	478,483	464,370	426,115	
Sammons indoor pool	10,507	60,445	72,336	82,530	93,645	91,705	91,330	94,050	71,740	87,928	
Vital statistics	224,293	174,537	138,342	124,135	126,605	120,542	124,847	130,034	125,722	129,426	
Police revenue	268,804	277,769	278,136	228,156	344,477	629,586	1,602,266	1,587,110	1,714,226	1,375,183	
Contractual services - proprietary fund	2,916,744	2,965,786	2,968,883	3,063,081	3,251,073	3,480,132	3,702,807	3,789,646	4,056,239	4,127,979	
County fire protection	5,007	2,058	4,095	3,988	3,583	1,341	4,630	4,136	5,928	5,983	
Curb and street cuts	51,896	42,658	42,745	69,762	23,292	38,732	62,195	96,155	41,340	69,847	
Other	107,866	173,520	177,315	183,078	151,617	159,130	301,443	62,014	77,134	89,098	
Solid waste collection - residential	3,178,301	3,572,061	3,658,361	3,731,899	3,824,407	4,041,272	4,169,597	4,310,048	4,943,210	5,198,061	
Solid waste collection - commercial	2,798,699	2,842,700	2,845,635	2,844,135	2,849,455	2,902,758	2,945,727	3,127,171	3,183,821	3,229,411	
Solid waste collection - roll-off	1,904,048	2,016,329	1,920,793	1,894,753	2,061,942	2,314,814	2,216,659	2,414,007	2,724,886	2,924,373	
Landfill contract	1,517,583	1,614,027	1,640,732	1,674,726	1,773,741	1,963,924	1,971,203	1,913,357	2,046,014	2,028,996	
Airport sales and rental	2,224,005	2,311,344	2,874,462	3,037,702	2,847,211	2,732,476	2,294,963	2,174,080	2,387,297	2,619,637	
Recreational services	550,001	728,785	760,084	819,626	953,425	1,028,223	1,034,161	1,269,230	1,200,269	1,262,332	
Fire department	6,079	10,981	17,636	11,964	14,128	20,620	34,758	51,854	26,969	56,236	
Subdivision fees	12,201	17,975	21,818	15,648	25,724	24,727	18,465	22,298	31,151	33,898	
Reinvestment zone reimbursements	-	-	-	-	-	-	-	388,036	616,710	654,810	
Civic center & railroad museum revenues	254,882	298,504	408,671	402,293	474,161	533,266	508,062	523,522	504,684	461,829	
Fines	1,801,732	1,883,604	2,136,454	2,133,078	2,185,239	2,438,908	2,086,676	2,173,835	2,206,811	1,868,233	
Interest and other	2,536,426	1,884,590	1,866,347	1,700,329	2,160,307	2,581,670	1,728,607	2,082,522	1,912,673	2,747,339	
Total revenues	64,869,676	68,273,430	68,088,596	70,858,551	89,576,741	89,242,742	79,908,200	84,759,337	90,301,148	94,470,160	
EXPENDITURES:											
Current:											
General government	10,996,117	11,408,326	11,324,780	11,703,131	13,660,816	15,223,119	15,445,404	15,286,507	15,899,956	16,287,762	
Public safety	24,608,006	28,959,139	31,542,542	27,628,257	25,743,401	28,225,738	31,013,726	32,680,185	31,367,272	34,394,350	
Highways and streets	6,250,717	4,435,722	5,908,268	9,204,905	24,913,821	29,731,928	17,506,619	22,407,217	14,086,349	17,781,421	
Sanitation	4,471,564	5,188,280	5,391,763	5,056,524	10,190,353	9,923,731	5,177,927	7,380,079	6,590,675	8,411,828	
Health and welfare	130,494	238,743	461,209	205,125	249,711	308,783	102,069	83,828	201,810	150,312	
Culture and leisure services	18,805,709	11,865,596	11,183,792	10,978,275	12,937,428	12,078,707	12,361,459	18,135,207	21,366,366	21,462,623	
Airport	3,504,554	5,153,234	3,273,341	3,626,089	3,392,606	10,011,998	2,640,628	2,347,196	2,374,228	2,605,547	
Debt service:											
Principal retirement	4,332,453	4,868,482	4,772,004	5,405,563	5,110,646	5,608,336	5,821,194	7,673,106	9,075,096	10,603,767	
Interest and fiscal charges	3,314,077	3,381,115	3,244,597	3,236,670	4,797,337	4,110,853	94,609,914	5,598,274	5,873,142	6,420,961	
Total expenditures	\$ 76,413,691	\$ 75,498,637	\$ 77,102,296	\$ 77,044,539	\$ 100,996,119	\$ 115,223,193	\$ 94,609,914	\$ 111,591,599	\$ 106,834,894	\$ 118,118,571	(continued)

	2009	2010	2011	2012	Fiscal Year 2013	2014	2015	2016	2017	2018
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ (11,544,015)	\$ (7,225,207)	\$ (9,013,700)	\$ (6,185,988)	\$ (11,419,378)	\$ (25,980,451)	\$ (14,701,714)	\$ (26,832,262)	\$ (16,533,746)	\$ (23,648,411)
OTHER FINANCING SOURCES (USES):										
Transfer in	1,206,082	1,240,854	1,042,837	1,330,355	8,112,971	2,282,094	1,888,658	1,611,257	1,739,077	3,191,375
Transfer out	(1,206,082)	(1,240,854)	(1,692,472)	(1,845,849)	(8,571,235)	(2,327,620)	(1,873,486)	(1,611,257)	(1,739,077)	(3,191,375)
Issuance of loans and bonds	265,371	13,995,000	-	30,445,000	19,775,000	420,121	46,360,000	20,235,000	145,762	36,614,488
Original issue premium	-	-	-	-	385,580	-	3,275,997	4,158,590	-	5,338,055
Discount on bond issuance	-	-	(68,241)	(291,156)	(219,097)	(88,929)	(556,444)	(176,238)	-	(465,394)
Issuance of refunding bonds	-	3,950,000	9,820,000	9,290,000	-	16,671,941	7,544,558	9,500,000	-	17,780,000
Payment to refunded bond escrow agent	-	(3,926,713)	(9,903,444)	(10,482,241)	-	(23,052,209)	(7,469,063)	(10,578,801)	-	(20,297,618)
Premium on bond issuance	-	5,829	204,248	5,154,623	-	-	-	-	-	-
Claims settlement	-	-	-	-	7,250,000	-	-	-	-	-
Attorney fees	-	-	-	-	(1,900,000)	-	-	-	-	-
Total other financing sources (uses)	265,371	14,024,116	(597,072)	33,600,732	24,833,219	(6,094,602)	49,170,220	23,138,551	145,762	38,969,531
NET CHANGE IN FUND BALANCES	\$ (11,278,644)	\$ 6,798,909	\$ (9,610,772)	\$ 27,414,744	\$ 13,413,841	\$ (32,075,053)	\$ 34,468,506	\$ (3,693,711)	\$ (16,387,984)	\$ 15,321,120
Debt service as a percentage of noncapital expenditures	12.7%	13.5%	13.0%	12.3%	11.5%	10.3%	13.2%	16.6%	18.3%	19.0%
Capital Outlay	\$ 16,423,100	\$ 14,306,611	\$ 15,437,565	\$ 6,873,201	\$ 15,122,317	\$ 20,442,125	\$ 15,920,233	\$ 31,519,203	\$ 24,998,876	\$ 28,374,357

CITY OF TEMPLE, TEXAS
GENERAL GOVERNMENTAL TAX & FRANCHISE REVENUES BY SOURCE ⁽¹⁾
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table V

Fiscal Year	General Property Tax	City Sales Tax	Hotel/Motel Tax	Mixed Beverage Tax	Other Tax	Franchise Fee	Total
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
2017	25,022,473	21,652,524	1,583,762	162,580	63,316	6,771,002	55,255,657
2018	26,562,209	21,831,623	1,593,331	172,509	57,906	6,834,212	57,051,790

⁽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)

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									
2009	\$3,236,862,897	\$ 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%
2017	4,794,096,787	1,071,474,150	45,275,225	4,656,862	1,409,041,409	4,406,597,441	436,256,703	-	3,970,340,738	0.6572	75.13%
2018	5,007,603,892	1,046,175,076	55,340,251	4,820,212	1,418,880,200	4,574,738,305	426,069,294	-	4,148,669,011	0.6772	75.57%

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 Road District	Temple College	Elm Creek			Troy
							Flood Control District	Temple Independent School District	Belton Independent School District	
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
2017	0.3142	0.3430	0.6572	0.4212	0.0299	0.2057	0.0327	1.4000	1.4400	1.3102
2018	0.3142	0.3630	0.6772	0.4212	0.0299	0.2047	0.0327	1.4000	1.6030	1.2902

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 month 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.
Source:	As ordered; not set by date. Tax Appraisal District of Bell County.

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

Table VIII

	FY 2018			FY 2009			
	Taxpayer	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	215,614,624	1	5.20%	-	-	-
	McLane Company, Inc.	106,951,535	2	2.58%	131,945,155	1	4.26%
	Wal-Mart Distribution Center	89,784,571	3	2.16%	102,369,026	2	3.30%
	Wilsonart International	83,749,958	4	2.02%	94,882,694	4	3.06%
	Pactiv Corporation	78,913,372	5	1.90%	96,806,807	3	3.12%
	H.E. Butt Grocery	66,487,281	6	1.60%	-	-	-
	Oncor Electric Delivery Company	64,904,813	7	1.56%	49,054,573	5	-
	BNSF Railway Company	30,586,158	8	0.74%	14,416,640	10	0.46%
	Reynolds Consumer Products, Inc.	29,414,742	9	0.71%	-	-	-
	Performance Food Group	23,295,540	10	0.56%	15,532,592	9	0.50%
	Coyote Temple Mall	-	-	-	17,245,882	6	0.56%
	Southwestern Bell Telephone Company	-	-	-	15,595,460	7	0.50%
	Pecan Point LTD	-	-	-	15,566,088	8	0.50%
	Totals	\$ 789,702,594		19.03%	\$ 553,414,917		17.85%

Source: Tax Appraisal District of Bell County

¹- Total taxable value including real and personal property for fiscal year 2018 is \$ 4,148,669,011 (net taxable value not adjusted for frozen values).

²- Total taxable value including real and personal property for fiscal year 2009 is \$ 3,100,594,231 (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		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		Amount	% of Levy
2009	\$ 17,162,704	\$	-	\$ 17,162,704	\$ 16,794,390	97.85%	\$ 137,689	\$ 16,932,079	98.66%
2010	17,957,542	-	-	17,957,542	17,582,962	97.91%	151,828	17,734,790	98.76%
2011	17,957,507	-	-	17,957,507	17,538,771	97.67%	169,525	17,708,296	98.61%
2012	18,585,931	-	-	18,585,931	18,276,652	98.34%	154,457	18,431,109	99.17%
2013	19,534,480	-	-	19,534,480	19,295,759	98.78%	117,034	19,412,793	99.38%
2014	20,793,147	-	-	20,793,147	20,295,608	97.61%	102,859	20,398,467	98.10%
2015	21,446,210	-	-	21,446,210	21,046,789	98.14%	149,146	21,195,935	98.83%
2016	23,742,734	155,641 ²		23,898,375	23,489,014	98.29%	279,371 ³	23,768,385	99.46%
2017	25,523,538	189,564 ²		25,713,102	25,197,579	98.00%	215,127 ³	25,412,706	98.83%
2018	27,354,869	175,306 ²		27,530,175	26,924,017	97.80%	-	26,924,017	97.80%

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

² - Adjustments to levy for FY 2016 - FY 2018 based on the TCEQ Tier 3 Negotiated Settlement with Panda Temple Power Holdings.

³ - Includes Panda Temple Power Holdings - TCEQ Tier 3 Negotiated Settlement, reflected in FY 2016 and FY 2017.

Source: Tax Appraisal District of Bell County

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

Table X

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Building Material	\$ 89,613,352	\$ 82,462,311	\$ 88,576,484	\$ 87,314,928	\$ 114,672,337	\$ 125,260,898	\$ 134,845,790	\$ 144,716,363	\$ 158,203,586	\$ 161,496,329
General Merchandise Stores	175,596,330	164,686,634	170,470,503	170,797,914	173,890,968	175,654,007	170,777,243	183,917,251	195,062,315	195,270,526
Food Stores ¹	39,420,176	41,712,916	49,113,761	56,881,719	59,918,860	62,771,429	64,320,005	63,619,055	91,214,642	91,310,842
Auto Dealers & Service Stations	55,042,952	57,044,251	58,364,792	59,241,754	60,851,311	62,511,559	66,193,984	83,718,933	65,828,409	71,631,325
Apparel & Accessory Stores	28,783,684	24,779,772	24,857,770	25,852,811	30,199,552	31,759,721	32,629,286	30,461,426	28,296,896	29,590,465
Furniture & Home Furnishings	44,804,031	39,113,284	45,981,591	40,458,746	42,097,157	40,792,351	43,053,963	46,769,756	46,078,709	47,374,823
Eating & Drinking Places	112,977,388	113,463,147	118,255,769	123,216,814	129,906,448	134,804,234	144,994,011	150,750,242	158,032,806	163,752,988
Miscellaneous Retail	66,585,331	67,017,206	67,267,029	62,914,213	65,086,919	68,545,563	67,608,100	68,765,668	69,250,856	67,978,418
Nonstore Retailers	613,748	323,075	13,731	3,894	37,625	67,888	57,976	520,740	349,745	596,458
Total Retail Sales	613,436,992	590,602,596	622,901,430	626,682,793	676,661,177	702,167,650	724,480,358	773,239,434	812,317,964	829,002,174
Total Non-Retail Sales	199,854,667	179,375,190	188,040,333	191,399,847	201,318,871	210,353,735	235,550,282	250,116,197	277,266,757	275,726,898
Total Taxable Sales	\$ 813,291,659	\$ 769,977,786	\$ 810,941,763	\$ 818,082,640	\$ 877,980,048	\$ 912,521,385	\$ 960,030,640	\$ 1,023,355,631	\$ 1,089,584,721	\$ 1,104,729,072

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.

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		Issuance Premium/ Discount	Notes Payable	General Obligation Bonds	Water & Wastewater Revenue Bonds	Notes Payable	Issuance Premium/ Discount				
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	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	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	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	24,700,000	8,595,491	195,819	39,000,000	-	52,855,000	-	5,611,395	247,907,705	38,794	3,377
2016	70,300,000	53,360,000	5,700,000	-	24,580,000	24,580,000	11,697,438	147,714	36,760,000	-	50,380,000	-	5,152,424	258,077,576	39,703	3,428
2017	66,265,000	50,440,000	4,525,000	-	23,685,000	23,685,000	10,978,104	243,380	34,490,000	-	80,755,000	-	7,080,452	278,461,936	39,761	3,623
2018	78,860,000	81,145,000	3,335,000	-	4,665,000	4,665,000	14,924,453	2,761,062	31,455,000	-	77,840,000	21,314	6,573,003	301,579,832	40,773	3,827

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 191 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										% of Estimated		
	General Obligation Bonds ¹	Certificates of Obligation Bonds	Contractual Obligations	Revenue Bonds	Pass-Through Revenue & Limited Tax Bonds		Notes Payable	Total General Bonded Debt Outstanding	Less: Amounts Available in Debt Service Fund	Total General Net Bonded Debt Outstanding	Actual Taxable Value ² of Property	Per Capita ³	
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	47,040,000	23,625,000	-	2,110,000	-	-	771,478	73,546,478	1,364,049	72,182,429	78.83%	1,077	
2012	48,315,000	17,160,000	5,745,000	1,730,000	24,700,000	24,700,000	455,915	98,105,915	2,960,522	95,145,393	78.15%	1,393	
2013	44,990,000	30,150,000	11,455,000	1,330,000	24,700,000	24,700,000	137,235	112,762,235	7,356,612	105,405,623	78.36%	1,500	
2014	49,525,000	20,830,000	5,065,000	910,000	24,700,000	24,700,000	242,013	101,272,013	1,349,568	99,922,445	79.20%	1,392	
2015	75,420,000	36,650,000	4,415,000	465,000	24,700,000	24,700,000	195,819	141,845,819	959,697	140,886,122	79.64%	1,919	
2016	70,300,000	53,360,000	5,700,000	-	24,580,000	24,580,000	147,714	154,087,714	724,003	153,363,711	77.78%	2,037	
2017	66,265,000	50,440,000	4,525,000	-	23,685,000	23,685,000	243,380	145,158,380	551,747	144,606,633	75.13%	1,881	
2018	78,860,000	81,145,000	3,335,000	-	4,665,000	4,665,000	2,761,062	170,766,062	283,612	170,482,450	75.57%	2,164	

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

¹ - FY 2009 through FY 2017 have been restated to only include governmental type general obligation bonds.

² - See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 181 for property value data. (Table VI)

³ - Population data can be found in the Schedule of Demographic and Economic Statistics on page 191. (Table XVI)

CITY OF TEMPLE, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
September 30, 2018

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	\$ 170,482,450	100.00%	\$ 170,482,450
Reinvestment Zone No. 1 ²	60,190,000	100.00%	60,190,000
Total direct debt	<u>230,672,450</u>		<u>230,672,450</u>
Overlapping Debt:			
Temple Independent School District	157,715,000	94.51%	149,056,447
Temple College	28,715,000	100.00%	28,715,000
Bell County	128,565,000	25.53%	32,822,645
Belton Independent School District	229,159,996	24.09%	55,204,643
Troy Independent School District	15,295,010	7.65%	1,170,068
Total estimated overlapping debt	<u>559,450,006</u>		<u>266,968,803</u>
Total direct and overlapping debt	<u><u>\$ 790,122,456</u></u>		<u><u>\$ 497,641,253</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.

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed value 2017/2018 tax roll ¹	\$ 36,872,401
Limit on amount designated for debt service per \$ 100 assessed valuation (\$ 3,687,240,091 / \$ 100 = \$ 36,872,401)	x \$ 1.20
Legal debt service limit	\$ 44,246,881
Actual amount expended by debt Service fund for general obligation debt service during the year ended September 30, 2018	(16,648,102)
	\$ 27,598,779

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt service limit	\$ 33,506,296	\$ 34,778,639	\$ 34,475,515	\$ 35,704,035	\$ 36,299,104	\$ 38,747,288	\$ 39,964,632	\$ 41,332,748	\$ 42,527,390	\$ 44,246,881
Total net debt applicable to limit	(6,744,944)	(6,921,079)	(7,144,451)	(7,597,902)	(8,893,165)	(9,057,343)	(8,687,176)	(11,552,053)	(13,610,630)	(16,648,102)
Legal debt margin	\$ 26,761,352	\$ 27,857,560	\$ 27,331,064	\$ 28,106,133	\$ 27,405,938	\$ 29,689,945	\$ 31,277,456	\$ 29,780,695	\$ 28,916,760	\$ 27,598,779
Total net debt applicable to the limit as a percentage of debt service limit	20.13%	19.90%	20.72%	21.28%	24.50%	23.38%	21.74%	27.95%	32.00%	37.63%

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
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
2017	33,835,002	19,165,579	14,669,423	6,065,724	2.42
2018	36,316,901	20,214,445	16,102,456	5,988,747	2.69

Water Revenue Bonds					
Fiscal Year	Gross Revenue ¹	Less: Operating Expenses ²	Net Available Revenue	Maximum Annual Debt Service ⁴	Coverage
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
2017	33,835,002	19,165,579	14,669,423	4,661,879	3.15
2018	36,316,901	20,214,445	16,102,456	4,661,879	3.45

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 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, plus 2015 Utility Revenue Bonds for fiscal years beginning in 2016, plus 2017 Utility Revenue Bonds beginning in fiscal year 2018.

⁴ - Includes 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, plus 2015 Utility Revenue Bonds for fiscal years beginning in 2016, plus 2017 Utility Revenue Bonds beginning in fiscal year 2018.

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
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	5.86
2013	70,274	2,730,285,448	38,852	34.6	8,749	5.50
2014	71,761	2,717,014,982	37,862	34.6	8,509	4.67
2015	73,408	2,847,789,952	38,794	34.6	8,635	3.69
2016	75,293	2,989,357,979	39,703	34.6	8,658	3.83
2017	76,864	3,056,189,504	39,761	34.6	8,672	3.57
2018	78,793	3,212,626,989	40,773	34.6	8,734	3.38

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 Nine Years Ago

Table XVII

Employer	FY 2018			FY 2009		
	Employees ¹	Rank	Percentage of Total City Employment ²	Employees ³	Rank	Percentage of Total City Employment ²
Baylor Scott & White Health	7,793	1	22.00%	6,848	1	22.42%
Central Texas Veterans Healthcare Systems	2,734	2	7.72%	2,269	3	7.43%
McLane Company - Corporation Headquarters & SW Distribution Center	1,564	3	4.42%	2,385	2	7.81%
BNSF Railway Company	1,500	4	4.24%	-	-	-
Temple Independent School District	1,255	5	3.54%	1,327	5	4.34%
Wilsonart International	949	6	2.68%	1,204	6	3.94%
City of Temple	866	7	2.45%	759	9	2.48%
PACTIV Packaging Corporation	850	8	2.40%	1,066	7	3.49%
Wal-Mart Superstore, Distribution Center and Sam's Club	767	9	2.17%	1,398	4	4.58%
PFG-Performance Food Group	550	10	1.55%	-	-	-
Sprint/Nextel Communications	-	-	-	1,000	8	3.27%
Texas Hydraulics	-	-	-	615	10	2.01%
Totals	18,828		53.17%	18,871		61.77%

¹ - Source: Temple Economic Development Corporation

² - Source: Texas Workforce Commission website

³ - Source: Temple Chamber of Commerce

CITY OF TEMPLE, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XVIII

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government -										
Assistant city manager ^{48, 67 & 121}	-	-	-	-	-	2.00	2.00	2.00	-	-
City council										
City manager ^{3, 8, 21, 40, 48, 86, 100, 121, 135 & 163}	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City secretary ^{41, 68, 87 & 101}	6.00	6.00	8.00	6.75	6.00	4.00	6.00	7.00	7.00	8.00
Facility services ^{2, 13, 22, 42-43, 49, 68, 102, 122, 136, 151 & 161}	4.63	4.63	4.63	4.63	4.63	4.63	5.00	6.00	6.00	6.00
Finance ^{4, 9, 36, 137 & 162}	15.00	16.70	16.70	14.68	15.02	15.45	15.45	16.45	15.70	16.45
Fleet services ^{23, 50, 123 & 138}	11.00	11.00	10.50	11.00	11.00	11.00	11.00	11.00	11.00	11.70
General services ^{21, 37, 47, 67, 70, 86, 100, 122, 136, 151 & 163}	16.10	16.10	16.10	16.00	17.00	18.00	18.00	18.00	19.00	19.00
Human resources ^{11, 89 & 104}	-	-	-	-	2.25	4.25	3.35	2.90	7.10	-
Information technology services ^{2-3, 5, 38, 62, 71, 90, 139 & 152}	6.00	6.00	6.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00
Inspections/Permits ^{44, 52, 72, 74, 105 & 124}	17.50	17.50	16.50	16.50	15.50	16.50	18.00	18.00	18.00	20.00
Legal ^{65, 73, 106 & 168}	-	-	-	-	-	4.00	4.00	7.00	8.00	8.00
Planning ^{2, 10, 24, 75, 91 & 107}	6.63	6.63	6.63	6.63	6.63	7.00	9.00	9.00	9.00	9.00
Permits ^{44, 72 & 105}	6.45	6.45	6.45	5.95	6.95	6.45	8.00	8.00	8.00	8.00
Purchasing ^{92 & 163}	-	-	-	-	-	3.50	3.00	-	-	-
Total general government	99.31	101.01	101.51	97.14	99.98	111.78	119.80	123.35	126.80	125.15
Public safety -										
Animal services ^{25 & 140}	6.50	6.50	6.50	6.50	7.50	7.50	7.50	7.50	7.50	7.50
Code compliance ^{10, 24, 42, 44, 51, 76, 93, 125, 135-136, 151 & 163}	14.50	13.50	13.50	14.00	14.00	7.00	9.00	9.00	9.00	13.80
Fire ^{15, 25-26, 77, 98, 126 & 166}	107.00	112.00	112.00	115.00	118.00	118.00	121.00	121.00	121.00	124.00
Municipal court ^{2, 109 & 141}	12.03	12.03	12.03	12.03	12.03	12.03	12.03	12.03	12.03	12.03
Police ^{2, 14, 27, 53, 70, 110, 127, 142 & 164-165}	157.50	157.50	158.50	160.50	161.50	164.50	170.50	171.50	177.50	180.63
Total public safety	297.53	301.53	302.53	308.03	313.03	309.03	320.03	321.03	327.03	337.96
Highways and streets -										
Engineering ^{2, 17-18, 28, 45-46, 54, 63, 94, 143 & 153}	8.80	8.35	8.35	6.95	6.95	7.95	7.95	7.95	7.95	7.95
Drainage ^{19, 28, 30, 45, 85, 98, 118, 134 & 143-144}	11.58	11.83	11.83	12.98	13.98	14.23	17.23	16.40	16.70	16.40
Street ^{2, 6, 16, 55, 111 & 144}	20.75	20.15	25.15	25.00	24.00	23.50	23.50	24.50	24.50	24.50
Traffic signals ^{79, 144 & 154}	3.00	3.55	3.55	3.50	3.50	3.75	4.75	4.75	4.75	5.75
Total highway and streets	44.13	43.88	48.88	48.43	48.43	49.43	53.43	53.60	53.90	54.60
Sanitation ^{50, 80, 112, 128, & 145}	42.46	42.42	42.42	42.22	42.22	43.22	47.22	48.22	51.22	51.22
Health and welfare -										
Community development projects/grants ^{4, 8-9, 36, 103, 122, 136, 151 & 162}	-	-	0.50	1.25	0.75	0.75	0.65	1.10	2.65	2.33
Total health and welfare	-	-	0.50	1.25	0.75	0.75	0.65	1.10	2.65	2.33

(continued)

CITY OF TEMPLE, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XVIII
(Continued)

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Cultural and leisure services -										
Golf course ^{2, 5, 7, 13, 20, 57 & 119}	27.00	17.87	15.77	18.13	18.13	19.16	19.16	19.16	19.16	19.16
Recreation ^{5, 32, 33, 81, 130 & 147}	45.10	63.06	62.27	66.46	68.54	64.26	65.24	68.49	69.74	69.74
Library ^{2, 31, 113, 146, 155 & 161}	29.79	28.66	28.65	28.65	28.15	28.15	28.15	28.15	28.15	27.65
Mayborn center ^{84 & 133}	15.58	12.70	12.70	13.40	13.40	14.40	15.40	18.29	17.20	17.20
Parks ^{2, 5, 19, 42, 93, 129 & 160}	37.00	36.53	36.06	37.01	36.01	36.41	35.41	35.41	37.41	37.91
Parks & recreation administration services ^{1, 39, 58 & 147}	-	5.75	5.75	5.75	6.23	6.75	6.75	6.75	6.20	6.20
Railroad museum ^{99, 116 & 167}	-	-	-	-	4.05	4.88	4.88	5.38	5.38	5.75
Tourism/Marketing ^{1, 35 & 117}	-	1.28	1.60	1.60	1.85	1.85	1.85	2.60	2.60	2.60
Total cultural and leisure services	154.47	165.85	162.80	171.00	176.36	175.86	176.84	184.23	185.84	186.21
Airport ^{82, 114 & 131} -	14.38	14.38	14.38	14.38	14.38	14.38	13.38	14.38	13.38	13.38
Water and wastewater ^{12, 17, 28-29, 34, 45-46, 60-61, 64, 66, 83, 95-97, 99, 115, 120, 132, 134, 143, 148-149 & 156-159} -	89.53	90.43	90.43	91.18	92.18	89.19	88.19	91.78	92.48	95.28
Totals	741.81	759.50	763.45	773.63	787.33	793.64	819.54	837.69	853.30	866.12

Source: City Budget Office

- 1 - In FY 09-10, new division was created.
- 2 - In FY 09-10, division has position(s) that are authorized but unfunded.
- 3 - In FY 10-11, Communication Specialist position transferred to City Manager from Information Technology Services
- 4 - In FY 10-11, the Accounting Clerk position was funded 56% in General Fund and 44% with Community Development Block Grant (CDBG).
- 5 - In FY 10-11, positions were authorized but unfunded.
- 6 - In FY 10-11, the budget included the addition of one Crew Leader and four Maintenance Worker positions to implement a Crack Sealing Program.
- 7 - In FY 10-11, the reduction of staff was due to renovation project.
- 8 - 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.
- 9 - 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.
- 10 - In FY 11-12, Director of Community Services position was funded 50% in Planning and 50% in Construction Safety.
- 11 - In FY 11-12, City Health Doctor position eliminated.
- 12 - In FY 11-12, Assistant Director of Public Works-Operations position was eliminated as a result of a reorganization of Public Works.
- 13 - 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.
- 14 - In FY 11-12, two Police Officer positions added.
- 15 - In FY 11-12, three Captain positions added and three Fire Control Rescue Officer positions reclassified to Driver positions.
- 16 - 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.
- 17 - In FY 2011, the Director of Public Works and Assistant Director of Public Works position allocations were changed.
- 18 - In FY 11-12, the CIP Project Manager position was reclassified as a Project Engineer.
- 19 - 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.
- 20 - 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.
- 20 - In FY 11-12, reclassified Crew Leader position to Assistant Golf Course Superintendent.

(continued)

**CITY OF TEMPLE, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**

**Table XVIII
(Continued)**

Last Ten Fiscal Years

21	- 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.
22	- 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.
23	- Eliminated one Lead Automotive Technician position and added two Automotive Technician II positions for FY 11-12.
24	- 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.
25	- One Animal Control Officer position added in FY 12-13.
26	- 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 FY 12-13.
27	- 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.
28	- One GIS Specialist position was unfrozen in FY 12-13 and reclassified as a GPS Assessment Field Collection Technician position.
29	- 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.
30	- In FY 12-13, the Street Sweeping program transferred to the Drainage Fund.
31	- 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.
32	- 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.
33	- 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.
34	- Added three Maintenance Laborers and one Maintenance Technician I position in FY 2013.
35	- In FY 2013, reclassified a part-time Office Assistant II position to full-time.
36	- 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.
37	- 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.
38	- Administrative Assistant II position not authorized in FY 2013.
39	- Wellness Program transferred from Human Resources to Parks & Leisure Services in FY 2013. Part-time Health & Wellness Coordinator position added.
40	- During FY 2013, the Management Assistant position was retitled to Executive Assistant to the City Manager.
41	- During FY 2013, the Records Technician position was reclassified to a Records Specialist position.
42	- 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.
43	- 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.
44	- 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.
45	- 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.
46	- During FY 2013, the Assistant Director of Public Works - City Engineer position was changed to a City Engineer position.
47	- In FY 2014, a Management Analyst position was added.
48	- 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.
49	- In FY 2014, a Building Maintenance Worker position was added.
50	- 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.
51	- In FY 2014, a new Code Enforcement Officer position was authorized as part of the East Temple Redevelopment.
52	- In FY 2014, the Administrative Assistant I position is not authorized.
53	- 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.
54	- In FY 2014, a CIP R.O.W. Agent position was authorized. This position is funded with bond proceeds.
55	- In FY 2014, a Street Services Foreman position was reclassified to a Street & Drainage Services Asst. Director position.
56	- 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.
57	- 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.

(continued)

**CITY OF TEMPLE, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years**

Table XVIII
(Continued)

58	- In FY 2014, the Recreation Specialist position for the Wellness Program was reclassified from a part-time to a full-time position.
59	- In FY 2014, a part-time Office Assistant II was added.
60	- During FY 2014, the remaining three Meter Reader positions were eliminated as the final phase to outsourcing meter reading.
61	- During FY 2014, an Assistant Director Water Production position was created and a Maintenance Laborer position was eliminated.
62	- During FY 2014, a Systems Analyst position was added.
63	- During FY 2014, one Project Engineer position was reclassified to a CIP Project Manager - EIT position.
64	- During FY 2014, the Administrative Assistant I position was eliminated and a Customer Service Rep II position was added.
65	- In FY 2014, the part-time Office Assistant I position was reclassified to full-time.
66	- During FY 2014, an Assistant Director Water Production position was created and a Maintenance Laborer position was eliminated.
67	- During FY 2015, the Administrative Assistant II position was reclassified to a Transformation Coordinator position.
68	- 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.
69	- In FY 2015, three Facility Attendant/Custodian positions were reclassified to Crew Leader positions.
70	- 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.
71	- In FY 2015, a Systems Analyst position and a Network Analyst position was added and a part-time Systems Analyst position was eliminated.
72	- 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.
73	- In FY 2015, one Deputy City Attorney position was reclassified to a First Assistant City Attorney position.
74	- In FY 2015, the Permit Assistant - PT position was reclassified to a full-time Permit Supervisor.
75	- In FY 2015, the Planning Intern position was reclassified to a full-time Planning Technician position.
76	- In FY 2015, an Equipment Operator position was added.
77	- In FY 2015, three Firefighter positions were added.
78	- In FY 2015, six Corporal positions were added in FY 2015.
79	- In FY 2015, a Traffic Signal Communication Technician position were added.
80	- In FY 2015, three Automated Route Operator positions and one Maintenance Worker position were added.
81	- In FY 2015, an Assistant Aquatics Coordinator position were added.
82	- 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.
83	- In FY 2015, an Assistant Lab Technician, Solids Operator, Instrument Technician and Maintenance Technician I positions were reclassified to Operator positions.
84	- In FY 2015, a Food & Beverage Specialist position was added.
85	- In FY 2015, one Equipment Operator I position, one Equipment Operator II position and one Crew Leader position were added.
86	- During FY 2015, the Transformation Agent - Lead and Transformation Agent positions were added.
87	- During FY 2015, the Records Assistant position was reclassified to an Administrative Assistant III position.
88	- During FY 2015, the Sustainability & Grant Manager position was eliminated.
89	- 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.
90	- During FY 2015, the Computer Operator position was eliminated and the Information Technology Specialist position was added.
91	- During FY 2015, the Development Coordinator position was transferred to the Planning Department.
92	- During FY 2015, the Senior Buyer and the Senior Buyer II positions were added. The Senior Buyer II position is funded with Bond Funds.
93	- During FY 2015, a Maintenance Worker position was transferred from Parks to Code Enforcement.
94	- 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.
95	- During FY 2015, the Utility Director position was transferred from the Water Treatment Plant.
96	- During FY 2015, the Utility Services Director position was eliminated and the Assistant Utility Services Director position was renamed to Utility Manager.
97	- 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.

(continued)

CITY OF TEMPLE, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XVIII
(Continued)

98	- During FY 2015, the Stormwater Program Technician was renamed to Stormwater Program Specialist.
99	- During FY 2015, the ROW Coordinator position was transferred from the City Manager's department. The ROW Coordinator position is funded with Bond Funds.
100	- In FY 2016, an Administrative Assistant II position was transferred from General Services to the City Manager.
101	- In FY 2016, a Public Records Administrator position was added.
102	- In FY 2016, one Troubleshooter position was added.
103	- 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.
104	- In FY 2016, one HR Generalist position was added.
105	- 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.
106	- In FY 2016, the Administrative Assistant III position was reclassified to the Executive Assistant to the City Attorney.
107	- In FY 2016, the Planner position was reclassified to a Senior Planner position. Planning Technician was reclassified to a Planner position.
108	- In FY 2016, one Deputy Chief position was reclassified to an Assistant Fire Chief - Operations position.
109	- In FY 2016, one Deputy Court Clerk position was reclassified to a Senior Deputy Court Clerk position.
110	- In FY 2016, one Evidence & Property Technician position was added.
111	- In FY 2016, one Foreman - Concrete Const/Maint position was added.
112	- In FY 2016, one Automated Route Operator position was added.
113	- In FY 2016, one part-time Reference Librarian was added and one part-time Circulation Technician was deleted.
114	- In FY 2016, an Administrative Assistant I position was added.
115	- 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.
116	- In FY 2016, a part-time Museum Development Assistant position was added.
117	- In FY 2016, a Downtown Development Coordinator position was added and the part-time Convention Center Staff was eliminated.
118	- 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.
119	- 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.
120	- 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 positions 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.
121	- During FY 2017, all positions from ACM were transferred to the City Manager's
122	- In FY 2017, the funding allocation to the Community Development Manager position was changed and an Administrative Assistant I position added. The Community Development Manager was funded 90% in the Federal/State Grant fund, of which 16.31% was considered direct costs related to the implementation of the Home Improvement Program activity and 73.69% Administration. The remaining 10% of the Community Development Manager position was funded in General Services. The Administrative Assistant I position was funded 50% in the Federal/State Grant Fund, of which 8.42% was considered direct costs related to the implementation of the Home Improvement Program activity and 41.58% Administration. The remaining 50% of the Administrative Assistant I position was funded 25% in General Services and 25% in Facility Services.
123	- During FY 2017, one Automotive Technician II was added.
124	- During FY 2017, one Combination Building Inspector was added.
125	- During FY 2017, one Maintenance Worker-PT was added.
126	- In FY 2017, three Firefighter positions were reclassified to Driver positions and the Firefighter positions were eliminated. Also, Fire Captain (Fire Marshall) was reclassified to a Deputy Fire Chief (Fire Marshall) position, eliminating the Fire Captain position.
127	- In FY 2017, two Lieutenant positions, two Sergeant positions and four backfill Police Officer positions were added while four Corporal positions were eliminated. In addition, two officers were added to the CID unit.
128	- In FY 2017, one Automated Route Operator position was added.
129	- In FY 2017, one Maintenance Worker-Aquatics was added, as well as, a Utility Technician II position which was funded by the Reinvestment Zone # 1.
130	- In FY 2017, a part-time Recreation Leader II was added for the Bloomin Festival.
131	- In FY 2017, one Administrative Assistant I position was eliminated and Weather Certification Add pay eliminated for all positions.

(continued)

**CITY OF TEMPLE, TEXAS
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years**

Table XVIII
(Continued)

132	- In FY 2017, one Environmental Programs Technician was added.
133	- In FY 2017, a reduction in funding for part-time positions occurred due to the type of events booked. One Convention Center Staff-PTB position was eliminated that was split funded between Mayborn and Tourism.
134	- In FY 2017, the two Utility Locate Technician position were split funded between Water Fund (85%) and Drainage Fund (15%).
135	- In FY 2017, two new positions were added for a Special Assistant to City Manager and a Citizens Request Coordinator and a salaried Executive Assistant to City Manager position eliminated. The Administrative Assistant II position was reclassified to an hourly Executive Assistant to City Manager position. Three Transform Temple positions were moved to department 37 - Code Compliance.
136	- In FY 2017, a complete reorganization was completed for departments 24, 37, and 60. One Facility Attendant/Custodian was eliminated and an Administrative Assistant position was added to be split between Facility Services/General Services/Federal/State Grant Fund. The following positions were created: two Resources Coordinator positions and one Strategic Initiatives Manager. The following positions were moved from Department 37 to Department 60: Customer Service Representative II and a Housing Inspector.
137	- In FY 2017, as part of the compensation study, the Payroll Specialist position was reclassified to a Payroll Coordinator and the AP/AR Specialist position was reclassified to an Accounting Technician.
138	- During FY 2017, the Fleet Services Assistant Director was eliminated and a Fleet Services Inventory Supervisor position was added.
139	- During FY 2017, as part of the compensation study, several title changes were made including Systems Analyst I, Computer Technician I to Technical Support Specialist I and Technical Support Specialist to Technical Support Specialist II.
140	- During FY 2017, as part of the compensation study, the Animal Control Officer/Volunteer Coordinator position was retitled to Animal Control Officer- PT.
141	- During FY 2017, as part of the compensation study, Administrative Assistant I was reclassified to a Court Coordinator and a title change occurred from Juvenile Case Manager I to Juvenile Case Manager.
142	- During FY2017, as part of the compensation study, the Alarm Coordinator position was changed to an Administrative Assistant II position.
143	- During FY 2017, as part of the compensation study, several title changes occurred to include Asset Management Analyst to Asset Management Specialist, Asset Assessor to Asset Management Technician, PW Mapping and Technology Manager to Asset Management Coordinator. The Project Engineer was reclassified to a Senior Project Engineer.
144	- During FY 2017, as part of the compensation study, a title change occurred from Street and Drainage Services Assistant Director to Street and Drainage Services Manager.
145	- During FY 2017, two Equipment Operator II positions were added for the Recycling Program, the Mechanic/Welder position was reclassified to Maintenance Coordinator.
146	- During FY 2017, as part of the compensation study, several title changes took place including Reference Department Supervisor to Adult Services Supervisor, Assist Children's Librarian to Assistant Youth Services Librarian, Assistant Children's Librarian- PT to Assistant Youth Services Librarian- PT, Children's Librarian and Technician- Library to Library Technician/Cataloger.
147	- During FY 2017, part-time Administrative Assistant position was eliminated and funds combined with approved part-time funding in Recreation to create one full-time Recreation Specialist position to be funded 25% in 41 and 75% in 32. As part of the compensation study, the Marketing Information Systems Specialist title was changed to Communication Specialist.
148	- During FY 2017, as part of the compensation study, title changes were made to include Meter Changer to Meter Technician I and Meter Repairer to Meter Technician II.
149	- During FY 2017, as part of the compensation study, two title changes occurred including Business Manager to Director of Utility Billing and Assistant Business Manager to Assistant Director of Utility Billing.
150	- During FY 2017, as part of the compensation study, two title changes included Special Programs Clerk to Environmental Programs Clerk and Special Programs Technician- Utilities to Environmental Programs Technician.
151	- In FY 2018 budget process, positions were re-evaluated and payroll distribution accounts were changed.
152	- In FY 2018, one Technology Support Specialist I position was added.
153	- In FY 2018, a Project Manager position was reclassified to a Project Engineer.
154	- In FY 2018, one Signal Maintenance Technician was added.
155	- In FY 2018, one Collection Development Librarian - PT position was added.
156	- In FY 2018, one C&D Technician was added.
157	- In FY 2018, two Utility Locate Technicians were moved from Department 50, where they were split funded as 15% in Drainage and 85% in Water Admin, to Department 52 and will be split 50% in Water Distribution and 50% in Wastewater Collection.
158	- In FY 2018, one part-time Customer Service Representative I was added.
159	- In FY 2018, one Administrative I position was reclassified to a Customer Service Representative I position and allocation changed from 60/40 to 50/50 in the Water Distribution and Wastewater departments respectively. All Environmental Programs positions were moved to a new department (56).
160	- In FY 2018, a part-time Recreation Specialist was added to assist with East Temple Revitalization.
161	- During FY 2018, one Custodian and Maintenance Technician I was moved from the Library and changed to a Facility Attendant/Custodian. The allocation of an Administrative Assistant I was removed from Facility Services.
162	- During FY 2018, one Grant Coordinator position was added and split between General Fund and Grant Fund.
163	- During FY 2018, the General Services Department was dissolved and positions were moved to CMO, Purchasing and Code Compliance.
164	- During FY 2018, the funding for the part-time Office Assistant I was increased.

(continued)

Table XVIII
(Continued)

CITY OF TEMPLE, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

¹⁶⁵ In FY 2018, one Media Specialist position, one Community Service Technician Supervisor position, one Police Officer position and one Deputy Chief position was added. In addition, the Police Records Supervisor position was retitled to Community Service Technician Supervisor. In addition, the Crime Victim Liaison position was retitled to Crime Victim Coordinator.

¹⁶⁶ - In FY 2018, three overhire Firefighter positions were made Firefighter positions. Only one overhire Firefighter position remains authorized and funded. In addition, five Deputy Chief positions were reclassified to Battalion Chief positions.

¹⁶⁷ - During FY 2018, the funding for the part-time Custodian & Maintenance Technician I was increased.

¹⁶⁸ - During FY 2018, one deputy City Attorney position was reclassified to Assistant City Attorney.

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government -										
Capital projects obligated										
Total funds invested @ 9/30	\$114M	\$106M	\$115M	\$110M	\$159M	\$186M	\$235M	\$251M	\$203M	\$249M
Average return on investments	\$77,527,829 0.09%	\$97,408,266 0.20%	\$91,702,563 0.14%	\$112,611,694 0.14%	\$145,606,448 0.15%	\$119,314,561 0.15%	\$165,743,994 0.23%	\$159,839,429 0.42%	\$163,789,917 0.83%	\$183,092,888 1.63%
Public safety -										
Police:										
Noise violations	110	52	41	41	25	10	17	13	5	2
Speeding citations	6,082	7,021	9,126	7,349	8,458	8,204	7,137	9,310	8,548	5,738
Stop sign/red light citations	963	1,014	795	708	685	851	651	637	576	402
Priority 1 calls	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	6 min 46 sec	5 min 32 sec
Priority 2 calls	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	11 min 35 sec	11 min 41 sec
Fire:										
Fire/EMS response time average (minutes)	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	4 min 22 sec	4 min 21 sec
Fire/EMS incidents responded to	11,071	9,747	12,548	12,334	13,851	13,044	13,010	12,659	13,133	12,986
% of one & two-family residential structure fires confined to room/structure of origin	31% / 73%	39% / 89%	60% / 90%	62% / 92%	86% / 87%	79% / 98%	86% / 97%	76% / 96%	63% / 92%	83% / 97%
Animal control:										
Animals handled	4,704	5,009	4,780	4,582	4,082	4,258	4,021	5,034	4,021	3,543
Animals euthanized	2,249	2,471	2,315	1,956	1,885	1,765	1,622	1,574	1,622	1,038
Animals adopted	1,884	1,960	1,862	2,008	1,830	1,710	1,719	1,822	1,719	1,824
Animals reclaimed by owner	562	532	538	596	526	668	619	612	619	582
Inspections:										
Permits issued ¹	4,658	4,949	4,584	4,855	6,106	6,097	7,286	9,094	9,148	8,510
Building inspections	9,914	11,396	8,934	13,837	15,396	12,595	13,475	15,549	17,053	20,238
Highways & streets -										
Street:										
New lane miles	7.0	11.0	7.9	4.0	8.7	7.0	13.0	17.5	8.9	18.9
Streets seal coated (lane miles)	10.0	50.0	15.0	64.0	-	-	-	-	-	-
Streets overlaid (lane miles)	9.0	-	-	-	52.0	62.0	50.3	26.9	27.1	27.0
Traffic signals:										
Signal lights repaired	95	192	312	330	390	460	383	580	441	571
Equipment upgraded by intersection	8	-	-	-	-	27	24	18	6	10
Engineering:										
Construction contracts administered/managed	10	22	17	Not Available	48	84	75	75	95	100
Construction/building plans & plats reviewed	324	404	586	Not Available	489	498	538	523	480	545
Health and welfare -										
Public service contracts										
	6	5	3	3	4	4	4	3	4	4
Sanitation -										
Number of residential customers	18,507	19,064	19,494	19,933	20,576	21,146	21,178	22,496	23,230	23,945
Number of commercial/industrial customers	2,133	2,097	2,055	2,001	1,984	2,004	1,905	2,025	2,082	2,094
Tons of garbage and bulk collected	78,545	83,589	79,590	81,697	84,088	84,417	83,614	88,097	91,443	95,145

* = Not available

(continued)

CITY OF TEMPLE, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Table XIX
(Continued)

Function/Program	Fiscal Year									
Culture and leisure services -	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Parks:										
Ratio of acres maintained per maintenance staff employee	61.2	32.5	33.0	33.0	34.0	34.0	34.0	37.5	39.3	79.0
Park master plans designed	2	2	3	3	2	3	2	6	3	1
Park/city improvement projects completed	151	134	161	141	165	214	224	217	214	298
Leisure services:										
Number of classes offered	830	807	1,141	1,182	1,438	1,399	1,544	2,140	2,267	2,960
Overall customer satisfaction	94.0%	98.6%	99.4%	99.5%	98.0%	97.0%	97.0%	97.0%	95.0%	99.0%
Mayborn center:										
Number of room nights	4,210	10,379	8,030	9,200	6,550	12,210	14,180	15,490	13,197	14,680
Event days booked	192	210	266	305	306	330	336	322	282	235
Golf course:										
Number of rounds of golf played	29,506	27,771	6,642	29,654	32,081	29,990	32,081	24,334	26,202	19,400
Number of youth in 'Learn to Golf' program	240	40	144	176	126	161	126	220	170	181
Education:										
Circulation per capita	7.31	7.03	6.68	6.53	6.16	5.71	5.58	5.03	4.65	4.20
Library visits per capita	4.65	4.75	4.78	4.34	4.05	3.74	3.66	3.68	3.43	3.09
Airport -										
Airshow attendance	23,000	26,000	28,600	22,000	22,500	24,262	26,500	21,000	-	25,000
T-Hangers available / occupancy rate	86 / 100%	86 / 100%	86 / 100%	74 / 100%	74 / 100%	74 / 100%	74 / 100%	74 / 100%	74 / 100%	74 / 100%
Water/wastewater -										
Surface water treated (billions of gallons)	4.88	4.80	5.68	5.73	5.54	5.46	5.32	5.14	5.71	6.29
Number of customers (active meters)	22,467	22,871	23,245	23,802	24,616	25,226	25,953	26,765	27,435	28,214
Water billed (billions of gallons)	4.50	4.02	4.95	4.68	4.53	4.26	4.21	4.39	4.57	5.10
Wastewater billed (billions of gallons)	2.33	2.31	2.37	2.36	2.39	2.39	2.25	2.38	2.45	2.53
Average daily production of treated water in MG (millions of gallons)	13,332	11,966	15,551	13,965	15,086	14,950	14,400	14,000	15,360	16,567
Highest daily production of treated water in MG (millions of gallons)	25,175	21,298	27,047	24,655	22,982	23,800	25,200	26,970	26,410	31,330
Average Cost of water treated per 1,000 gallons ²	\$0.76	\$0.84	\$0.71	\$0.79	\$0.84	\$1.13	\$1.05	\$1.12	\$0.75	\$0.76
Water main breaks repaired	325	301	689	595	539	613	289	311	271	389
New water taps installed	700	475	444	646	873	629	837	893	823	897
Wastewater mains replaced (linear feet)	5,300	10,597	39,934	26,284	24,265	9,406	20,570	18,717	14,675	15,180
Average cost for wastewater per 1,000 gallons (Doshier Only)	\$1.15	\$1.96	\$2.06	\$1.79	\$1.95	\$1.73	\$1.44	\$2.00	\$2.05	\$2.02

* = 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.

¹ In FY 2018, average costs of water treated per 1,000 gallons was restated for FY 2017.

CITY OF TEMPLE, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Public safety -										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Stations	7	7	8	8	8	8	8	8	8	8
Hydrants ³	2,690	2,772	2,831	2,889	3,111	3,368	3,441	3,500	3,500	3,700
Culture & leisure services -										
Parks & recreation:										
Park acreage developed	678	688	688	688	688	718	718	718	775	775
Park acreage undeveloped	49	49	109	109	109	109	109	396	403	403
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	2	2
Tennis courts	16	14	16	16	16	16	14	14	11	10
Swimming pools/water park	4	4	5	5	5	5	5	5	5	5
Soccer fields	6	6	6	6	8	8	8	8	8	8
Picnic pavilions	25	27	26	27	27	27	26	28	31	32
Basketball courts	18	18	18	18	18	18	18	19	20	20
Playgrounds	36	37	39	40	41	41	41	41	41	47
Community centers	2	2	2	2	1	1	1	3	3	3
Recreation centers	3	3	3	3	3	3	3	3	3	3
Multi-use fields	7	8	8	11	9	8	8	8	8	7
Sand volleyball courts	2	2	2	2	2	2	2	2	3	3
Hike and bike trail miles	12	16	18	18	18	18	18	19	23	28
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
Community garden	1	1	1	1	1	1	1	1	1	1
Museum	1	1	1	1	1	1	1	1	1	1
Convention center	1	1	1	1	1	1	1	1	1	1
Education:										
Number of volumes	153,056	166,747	167,550	177,035	189,168	185,450	184,993	190,835	195,327	199,289

(continued)

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Highways & streets -										
Paved streets (lane miles) ²	765.00	765.00	765.00	1,028.00	1,044.00	1,044.00	1,058.00	1,083.00	1,099.00	1,117.00
Unpaved streets (miles)	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Paved alleys (miles)	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Water and wastewater -										
Water:										
Water mains (miles)	593	600	600	600	600	594	599	608	613	628
Daily average production (MGD ¹)	13.332	11.966	15.551	13.965	15.086	14.950	14.400	14.000	15.360	16.570
Plant capacity (MGD ¹) ⁴	41.14	41.14	41.14	41.14	41.14	41.14	41.14	41.14	41.14	41.14
Number of service connections	22,467	22,871	23,245	23,802	24,616	25,226	25,953	26,765	27,435	28,214
Wastewater:										
Wastewater collection system lines (miles)	410	410	410	410	410	400	389	397	400	410
Number of lift stations	24	27	27	29	29	31	32	32	32	30
Daily average treatment:										
Doshier Farm (MGD ¹)	4.080	3,430	1,900	2,290	2,200	1,430	2,240	3,210	2,290	1,900
Temple-Belton WWTP (MGD ¹)	6.590	5.659	5.470	6.380	6.340	6.490	7.070	8.460	5.220	6.230
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	18,945	19,395	19,791	20,206	20,826	21,386	21,983	22,757	23,489	24,232

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
⁴ - In FY 2017, plant capacity was restated from 41.40 to 41.14 for FY 2008 through FY 2016

Source: Data collected from various departments for the budget statistical section.

Table XXI

**CITY OF TEMPLE, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
ANALYSIS OF FUNDING PROGRESS AND CONTRIBUTION RATES
Last Ten Calendar Years**

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
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%
2016	153,186,312	184,073,312	83.2%	30,887,000	31,463,368	98.2%	15.85%	6.37%
2017	162,957,405	194,460,522	83.8%	31,503,117	32,939,866	95.6%	16.36%	6.18%

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

Table XXII

CITY OF TEMPLE, TEXAS
TEMPLE FIREFIGHTERS' RELIEF AND RETIREMENT FUND
ANALYSIS OF FUNDING PROGRESS AND CONTRIBUTION RATES
Last Ten Fiscal Years

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
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%	15.20%
2015	37,387,617	53,217,119	70.3%	15,829,502	8,038,339	196.9%	15.21%
2016	39,862,402	56,277,136	70.8%	16,414,734	8,001,862	205.1%	15.21%
2017	42,702,404	58,704,181	72.7%	16,001,777	8,524,178	187.7%	15.27%

Source: Temple Firefighters' Relief and Retirement Fund

* Measurement date September 30

Table XXIII

CITY OF TEMPLE, TEXAS
ACTIVE AND RETIREE HEALTH CARE COSTS
Last Ten Fiscal Years

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
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
2017	4,737,595	513,254	10.8%	623	106	392	81	17.0%	368,197	(145,056)	3.1%	6,781	4,842
2018	5,556,880	570,723	10.3%	608	112	416	91	18.4%	423,038	(147,685)	2.7%	8,201	5,096
Total	\$ 39,088,300	\$ 5,273,999							\$ 3,427,364	\$ (1,846,635)		\$ 55,428	\$ 49,163
Average	\$ 3,908,830	\$ 527,400	14.0%	614	107	329	68	17.5%	\$ 342,736	\$ (184,664)	5.0%	\$ 5,543	\$ 4,916

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 for 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) ¹</u>	<u>Peak Day Usage (MGD)</u>
2009	13.3220	41.14	25.18
2010	11.9660	41.14	21.30
2011	15.5510	41.14	27.05
2012	13.9650	41.14	24.66
2013	15.0860	41.14	22.98
2014	14.9500	41.14	23.80
2015	14.4000	41.14	25.20
2016	14.0000	41.14	26.97
2017	15.3600	41.14	26.41
2018	16.5670	41.14	31.33

Source: Public Works Administration Office

¹ - In FY 2017, average daily treatment capacity was restated from 41.40 to 41.14 for FY 2008 through FY 2016

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)
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
2017	17,525	44,453
2018	19,315	44,453

Source: Public Works Administration Office

CITY OF TEMPLE, TEXAS
WATER AND WASTEWATER UTILITY SYSTEM
Schedule of Water Pumped to Town vs. Water Billed

Table XXVI

Fiscal Year	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
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%
2017	5,636,190	4,568,607	96,354	82.77%	17,727,639	5.64%	4.03%
2018	6,062,550	5,100,503	120,257	86.11%	19,277,829	8.74%	11.64%

Source: Public Works Administration Office and Utility Business Office

¹ - Information is reported in thousands of gallons

CITY OF TEMPLE, TEXAS
WATER AND WASTEWATER UTILITY SYSTEM
Schedule of Water Customers - Residential and Commercial

Table XXVII

<u>Fiscal Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Total</u>	<u>Percentage Growth</u>
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%
2017	24,496	2,939	27,435	2.50%
2018	25,277	2,931	28,208	2.82%

Source: Utility Business Office

AVERAGE DAILY TREATED WASTEWATER VS. AVERAGE DAILY TREATMENT CAPACITY
Last Ten Fiscal Years

<u>Fiscal Year</u>	Average Daily Wastewater Treated (MGD)			<u>Average Daily Treatment Capacity (MGD)</u>
	<u>Temple-Belton WWTP</u>	<u>Doshier</u>	<u>Total</u>	
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
2017	6.61	2.29	8.90	17.50
2018	6.23	1.90	8.13	17.50

Source: Public Works Administration Office

CITY OF TEMPLE, TEXAS
WATER AND WASTEWATER UTILITY SYSTEM
Schedule of Wastewater Customers - Residential and Commercial

Table XXIX

<u>Fiscal Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Total</u>	<u>Percentage Growth</u>
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%
2017	21,284	2,205	23,489	3.22%
2018	22,033	2,199	24,232	3.16%

Source: Utility Business Office

CITY OF TEMPLE, TEXAS
WATER AND WASTEWATER UTILITY SYSTEM
Schedule of Water and Wastewater Rates

Table XXX

WATER RATES ¹	
Minimum Water Bill Service Charge by Meter Size	
5/8" or 3/4"	\$ 10.00
1"	\$ 16.00
1 1/2"	\$ 20.00
2"	\$ 64.00
3"	\$ 128.00
4"	\$ 200.00
6"	\$ 640.00
8"	\$ 1,120.00
10"	\$ 1,120.00
Water Volumetric Rates	
Straight Volumetric Rate (above 2,000 gallons)	\$ 3.20

WASTEWATER RATES ¹	
Minimum Bill Service Charge	\$ 13.00
Straight Volumetric Rate (above 2,000 gallons)	\$ 4.50

Source: Finance Department

¹ - Effective October 1, 2012 per Resolution No. 2012-6697-R

**City of Temple, Texas
Top 10 Water Customers
For the year ended September 30, 2018**

Customer	Gallons	Revenue	% of Total Annual Revenue	% of Total Usage
Baylor Scott & White Hospital	274,654,700	\$ 988,380	4.84%	5.38%
City of Morgan's Point Resort *	178,801,000	595,009	2.92%	3.51%
Panda Temple Power, LLC	145,947,400	488,584	2.39%	2.86%
City of Temple	120,256,500	519,989	2.55%	2.36%
VA Hospital	106,365,400	367,336	1.80%	2.09%
City of Troy *	105,468,600	345,103	1.69%	2.07%
Pactiv Corporation	72,019,900	253,342	1.24%	1.41%
Wilsonart International	69,619,500	243,100	1.19%	1.36%
Temple Public Schools	55,707,800	219,766	1.08%	1.09%
Bell County WCID # 2	42,168,300	142,542	0.70%	0.83%
	1,171,009,100	\$ 4,163,151	20.40%	22.96%

* Wholesale customers

**City of Temple, Texas
Top 10 Wastewater Customers
For the year ended September 30, 2018**

Customer	Gallons	Revenue	% of Total Annual Revenue	% of Total Usage
Baylor Scott & White Hospital	211,823,100	\$ 955,179	7.56%	8.36%
VA Hospital	93,275,100	419,786	3.32%	3.68%
Temple Public Schools	32,762,800	149,099	1.18%	1.29%
Housing Authority	32,455,300	146,887	1.16%	1.28%
Wilsonart International	31,744,900	143,970	1.14%	1.25%
Pactiv Corporation	30,011,300	135,343	1.07%	1.18%
City of Temple	20,038,700	94,054	0.74%	0.79%
Dr Pepper Bottling	18,304,100	82,416	0.65%	0.72%
Meadow Village Apartments	15,794,000	71,361	0.56%	0.62%
Twin Oaks Apartments	14,098,200	63,491	0.50%	0.56%
	500,307,500	\$ 2,261,586	17.88%	19.73%

Source: Utility Business Office

**City of Temple, Texas
Insurance Coverage**

Table XXXII

Type of Coverage and Insurer	Amount of Coverage	Deductible Amounts ⁽¹⁾	Policy Expiration Date ⁽²⁾
Property:			
Building & Contents:			
Texas Municipal League	\$ 281,137,789	Real and Personal \$ 5,000	10/01/18
Fine Arts/Valuable Papers:			
Texas Municipal League	\$ 263,450	Fine Arts \$ 500	10/01/18
	\$ 1,600,000	Valuable Papers & \$ 5,000	10/01/18
		Records: Includes EDP Media	
Mobile equipment:			
Texas Municipal League	\$ 7,119,344	\$ 1,000	10/01/18
Portable Equipment:			
Texas Municipal League	\$ 300,000	Equipment \$ 1,000	10/01/18
Liability:			
Employee Dishonesty, Theft, Disappearance, & Destruction:			
Texas Municipal League	\$ 200,000	\$ 5,000 per event	10/01/18
Airport:			
Texas Municipal League	\$ 1,000,000	Premises \$ 0	10/01/18
	\$ 1,000,000	Products/ \$ 0	10/01/18
		Completed Operations	
	\$ 1,000,000	Hangar- \$ 2,500	10/01/18
		Keepers-Each Aircraft	
	\$ 1,000,000	Non-Owned- \$ 0	10/01/18
		Each Occurrence	
Cyber Liability & Data Breach	\$ 1,000,000	Each Claim \$ 0	10/01/18
Error & omissions:			
Texas Municipal League	\$ 1,000,000	\$ 10,000	10/01/18
General:			
Texas Municipal League	\$ 1,000,000	\$ 0	10/01/18

(Continued)

**City of Temple, Texas
Insurance Coverage**

**Table XXXII
(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	\$ 0	10/01/18
Auto Physical Damage:				
Texas Municipal League		Per Schedule	\$ 25,000	10/01/18
Law Enforcement:				
Texas Municipal League	\$	1,000,000	\$ 10,000	10/01/18
Bonds:				
Western Surety Company	\$	500,000	Finance Director	03/03/18
Hartford Casualty Ins. Co	\$	500,000	City Manager	05/19/18
Hartford Casualty Ins. Co	\$	600,000	Each (3) Finance	10/01/18
Hartford Casualty Ins. Co	\$	200,000	City Secretary	10/01/18
Insurer's Indemnity	\$	5,000	Electrical Inspector	09/01/19
	\$	5,000	Plumbing Inspector	06/08/19
Worker's Compensation:				
Texas Municipal League				10/01/18

Source: City of Temple Legal Department

⁽¹⁾ Per occurrence, unless noted.

⁽²⁾ Policies are renewed annually or replaced with similar coverage.



Fast Facts

2018 Population: 78,793¹

2018 Assessed Value: \$ 4,397,616,969

Median Age: 34.9

Median Household Income: \$ 48,860

Total Employment in Temple: 34,203

Total Labor Force in Temple: 35,398

Square Miles: 75.279

Developable Land Remaining: 20.86 Square Miles

Housing Units:

- Owner Occupied: 54.1%
- Renter Occupied: 45.9%
- Vacant: 13.8%

Average Home Sale Price: \$172,912

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: October / 3.55"
- Driest Month: December / 1.28"
- Average Annual Rainfall: 25.41"

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 2018 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.

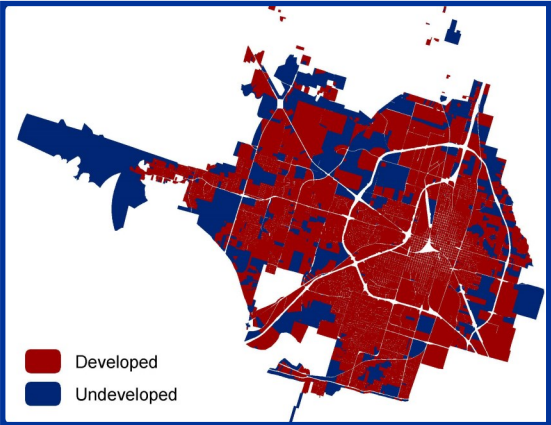
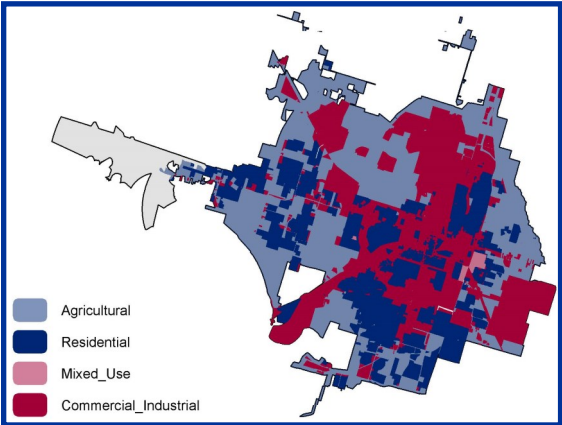
Miscellaneous Statistical Data

GOVERNMENT

Form of government:	Council-Manager, July 8, 1922
Area in square miles:	75.2487
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
2018 Population (est.):	78,793

LAND USE (Square Miles)

Agriculture:	28.27
Commercial/Industrial:	23.22
Mixed use:	0.33
Residential:	18.38



Miscellaneous Statistical Data

SERVICE STATISTICS

Airport

Number of airports: 1

7,000' full precision approach runway and
4,740' RNAV approach crosswind runway
serving general aviation and military air-
craft

Open 5 am - 10 pm, 365 days a year



Fire Protection

Number of stations: 8

Number of hydrants: 3,700

Number of firefighters: 122

Firefighters per 1,000 population: 1.55

Insurers Services Office (ISO) Rating: .. 3

Police Protection

Number of stations: 1

Number of officers: 154

Officers per 1,000 population: 1.95



Miscellaneous Statistical Data

SERVICE STATISTICS CONTINUED

Parks and Recreation

Park acreage developed:.....	775
Park acreage undeveloped:...	403
Golf course:	1
Baseball/softball fields:	17
Football field:	2
Tennis courts:	10
Swimming pools:	4
Soccer fields:	8
Picnic pavilions:	32
Basketball courts:	20
Playgrounds:	47
Community center:	3
Recreation center:	3
Multi-use fields:.....	7
Sand volleyball courts:.....	3
Trail miles:	28.25
Extreme skate park:.....	1
Disc golf course:	2
Family water park:	1
Splash pads:.....	4
Community garden:	1
Museum:.....	1
Convention center:	1



Libraries

Number of libraries (public):	1
Number of volumes:	199,289
Circulation of volumes:	330,953
Library cards in force:.....	60,123

Miscellaneous Statistical Data

SERVICE STATISTICS CONTINUED

Utilities

Miles of water mains:	628 miles
Daily average water treatment:	16.57 MGD
Water treatment plant capacity:	41.14 MGD
Number of water service connections:	28,214
Source of water:	Surface Water
Wastewater collection system:	90 sq. miles
Miles of wastewater collection system lines:	410 miles
Number of lift stations:	30
Daily average wastewater treatment:	
Doshier Farm WWTP	1.90 MGD
Temple-Belton WWTP	6.23 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:	24,232

*MGD—Million gallons daily



Streets

Paved streets:	1,117 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: 151

Number of students:2,310

Middle schools:..... 3

Number of classrooms: 142

Number of students:1,925

Elementary schools: 8

Number of classrooms: 265

Number of students:3,919

Early childhood academy: 1
(pre-kindergarten school)

Number of classrooms: 14

Number of students: 529

Alternative education program:...1

Number of classrooms: 6

Number of students: 51



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 School
(Pre K3 - Kindergarten)

St. Mary's Catholic School
(Pre K3 - 8th grade)

Temple Christian Academy
(1st - 12th grade)

The 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:	125
Number of full-time students:	1,756
Number of part-time students:	3,336
Population served	198,558
Counties served:	3
(East Bell, Milam and East Williamson Counties)	
Annual budget:	\$43,126,462



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

Miscellaneous Statistical Data

OTHER STATISTICS

Hospitals

Number of hospitals: 4

 Baylor Scott & White Medical Center—Temple

 Baylor Scott & White McLane Children’s Medical Center

 Baylor Scott & White Continuing Care Hospital

 Baylor Scott & White Pavilion

 Veteran’s Administration Hospital

Number of beds:..... 1,176



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, 2018, and the related notes to the financial statements, which collectively comprise the City of Temple Texas' basic financial statements, and have issued our report thereon dated January 30, 2019.

Internal Control over Financial Reporting

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



Temple, Texas
January 30, 2019

**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, 2018. 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, 2018.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE
(CONTINUED)**

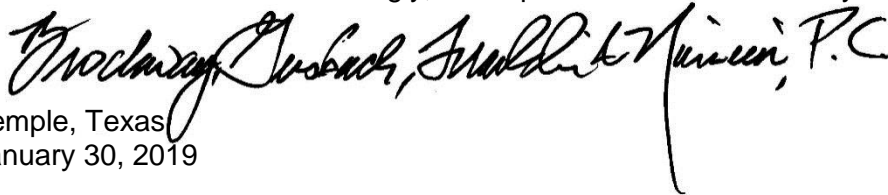
Report on Internal Control over Compliance

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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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.



Temple, Texas
January 30, 2019

**CITY OF TEMPLE, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

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

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, 2018**

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.



January 30, 2019

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

We have audited 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) for the year ended September 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 31, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note I to the financial statements. As described in Note I, F. and G. to the financial statements, the City changed accounting policies related to other post-employment benefits by adopting State of Governmental Accounting Standards (GASB Statement) No.75 Accounting and Financial Reporting for Post Employment Benefits Other than Pensions. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in Note I, G. of the financial statements. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

Management's estimate of the receivable from the pass-through toll agreement is based on the projected collections estimated from the State of Texas traffic records and as adjusted by current traffic counts. We have evaluated the key factors and assumptions used to develop the discounted cash flows to determine this receivable and that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for uncollectible receivables is based on aging of past due accounts and historical collection activity. We evaluated the key factors and assumptions used to develop the allowance for uncollectible receivables in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the accumulated depreciation and related depreciation expense is based on the estimated economic lives of individual assets. We evaluated the key factors and assumptions used to develop the accumulated depreciation and related depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of accrued compensated absences is based on the accrued leave time earned at the current rate of compensation. We evaluated the key factors and assumptions used to develop the accrued compensation absences and determined that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the annual pension cost and the net pension obligation as disclosed in Note IV, D. and the annual OPEB cost and total OPEB liability as disclosed in Note IV, E. are based on the plan benefits and certain actuarial assumptions. We evaluated the key assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of recording the receivable from the pass-through toll agreement in Note IV, A. to the financial statements describes the agreement with the Department of Transportation and the impact of recording this receivable.

The disclosure of commitments and contingencies in Note IV, A. to the financial statements describes pending litigation and commitments that could impact the financial statements in future periods.

The disclosure of the City's retirement plan benefits and other post-employment benefits in Notes IV, D. and E. describes the cost of these benefits, the actuarial accrued liability and the amount of unfunded obligations. The amount of unfunded liability has grown significantly in the past few years as has the required contribution by the City to meet this obligation.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 30, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the City’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

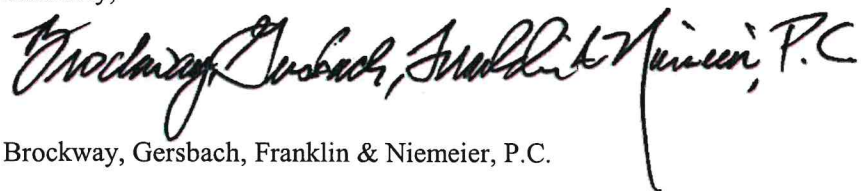
Other Matters

We applied certain limited procedures to Management Discussion and Analysis, Budgetary Comparison Schedules and GASB – Required Supplemental Pension and OPEB Schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Honorable Mayor and Members of the City Council and management of the City of Temple, Texas and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

A handwritten signature in black ink, appearing to read "Brockway, Gersbach, Franklin & Niemeier, P.C.", written in a cursive style.

Brockway, Gersbach, Franklin & Niemeier, P.C.



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #5(A)
Consent Agenda
Page 1 of 1

DEPT./DIVISION SUBMISSION & REVIEW:

Lacy Borgeson, City Secretary

ITEM DESCRIPTION: Approve Minutes:

(A) February 7, 2019 Special & 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:

[February 7, 2019 Special & Regular Meeting Minutes / Video](#)

TEMPLE CITY COUNCIL

FEBRUARY 7, 2019

The City Council of the City of Temple, Texas conducted a workshop on Thursday, February 7, 2019 at 3:00 PM, at the Municipal Building, 2 North Main Street, in the 3rd Floor Conference Room.

PRESENT:

Councilmember Susan Long
Councilmember Jessica Walker
Mayor Pro Tem Judy Morales
Mayor Timothy A. Davis

- 1. Discuss, as may be needed, Regular Meeting agenda items for the meeting posted for Thursday, February 7, 2019.**

Ms. Myers requested that item 7(J) on the Consent Agenda related to the professional services agreement with Kimley-Horn be tabled for additional time.

Ms. Landeros provided a brief overview of (item 10) the potential amendments to Chapter 41 "Credit Access Businesses". She noted the changes were 'housekeeping' to include definitions, formatting, and more transparency.

- 2. Discuss possible board appointments.**

Mrs. Borgeson reviewed the applications on file to be considered for appointment to the various boards (item 13 on regular agenda).

- 3. Receive an update regarding Low Income Housing Tax Credit Program and receive presentations from applicants requesting local government support for their tax credit application.**

Ms. Myers provided a broad overview on the Tax Credit Housing Program. She noted that the Low-Income Housing Tax Credit Program is an indirect Federal subsidy that began in 1986 as a market based incentive to encourage investment and redevelopment of affordable rental housing. In Texas, the Program is administered by the Texas Department of Housing and Community Affairs (TDHCA). The Program is designed to reduce the debt that a developer would otherwise borrow, allowing them to offer lower, more affordable rents. It is intended to be equity financing for the a developer of rental housing, not a direct benefit to the individuals. Each project must offer units at certain rent levels based on regional income; and individuals must qualify and be able to pay that rent, satisfying all applicant

screening standards set by the developer. Under the Texas Program there are two primary project types are General and Elderly.

Some of the local projects are (1) 2001 - Village at Meadowbend Phase 1, General (2) 2004 - Country Lane Phase 1, Elderly; (3) 2004 - Village at Meadowbend Phase 2, General; (4) 2006 - Country Lane Phase 2, Elderly; and (5) 2010 -Fairways at Sammons Park, Elderly. In 2013 the State had an extensive overhaul of the program and this could be why there is a gap in the projects that we have in our community. The last project proposed was in 2017.

Ms. Myers noted that Tax Credits are awarded based on regions; and Temple is located in Region 8 which is in the urban sub-region. Developers compete against projects in Bell, McLennan, Brazos, and Coryell County. In 2019 it is estimated that \$1.87 million will be available in our sub-region. Allocation of funds is based on a competitive scoring system with the following criteria (1) development of high quality housing; (2) serve and support Texas most in need; (3) community support and engagement; and (4) efficient use of resources and accountability. Ms. Myers noted that we will focus more on the community support and engagement category because that's where we as the local government are involved an have action that is required in order for the developer to get points.

Ms. Myers noted there are 14 projects being proposed in our region this year; three of which are in Temple. She noted that two of the projects for Temple, Lake Pointe Estates and The Greens at Midtown have withdrawn their applications. They anticipate that they won't be able to overcome the 2-point gap from the initial self assessment. The other project for the City of Temple is a redevelopment of the Wayman Manor Apartments in East Temple. They are the lowest scored in the region for the self score; and that is why the opportunity index can be critical for this project.

Historically there were no geographical boundaries for eligibility of the program. During the overhaul in 2013, that was changed. This category makes up seven of the total points available. Now a proposed development is eligible for opportunity index points if it is located entirely within a census tract with a poverty rate of less than the great of 20% or the median poverty rate for the region; and a median household income rate in the two highest quartiles within the uniform service region (2-points); or a median household income in the third quartile within the region, and is contiguous to a census tract in the first or second quartile, without physical barriers such as highways or rivers between, and the development site is no more than 2 miles from the boundary between the census tract (1-point). Once you have met this criteria then you may move on to the third part of the opportunity index where you can receive an additional 5-points if you meet the criteria for proximity to certain amenities.

Ms. Myers noted that Council controls 18-total points for the project. If the

Council offers a resolution of support from the governing body the developer could received 17 points; or 14 points if the Council offers a resolution stating no objections. An additional 1-point if a resolution is offered for local government commitment to funding. This could be from a loan, grant, reduced fees, or contribution of other value for the benefit of the development with a minimum value of \$500. The developer can also receive points for quantifiable community participation; support from the State Representative; input from other community organizations; and Community Revitalization Plan.

The Community Revitalization Plan is where this project can be most competitive. If you don't qualify for points in the Opportunity Index, you can qualify for points in the Community Revitalization Plan. You cannot qualify for points in both. To qualify, the project must be located in a distinct area that was once vital and has lapsed into a situation requiring concerted revitalization, and where a concerted revitalization plan has been developed and executed.

Ms. Myers reviewed the overall timeline to be:

1/9/2019 - Pre-application / Elected Official Notification Deadline

3/1/2019 - Full Application Deadline

3/1/2019 - Final Input from Elected Officials Deadline

Mid-May - Final Scoring Notices Issued

June - Release of Eligible Applications for Consideration for Award

July - Final Awards

Mid-August - Commitment Issued

Ms. Myers the reviewed the City's Policy for Tax Credit Housing developments and how they support them. This was adopted in 2004 with an amendment in 2015 following the States legislative changes. The Policy Statement provides the framework for project analysis to (a) establish if LIHTC projects merit local support and / or funding assistance, and (b) prioritize LIHTC submissions if more than a single proposal is received. The Evaluation Criteria updates the evaluation for alignment with current TDHCA program guidelines; and the Application process establishes the process for developers seeking City support and / or financial assistance.

The City's timeline follows the State timeline. However we will have an action item on the February 21st agenda for your consideration of Resolution(s) related to this project.

Paul Moore and Justin Unger, Steele Properties were present and provided a brief presentation. Mr. Moore noted that Steele Properties LLC is a Denver based national real estate investment company specializing in the acquisition, rehabilitation and new construction of affordable housing for multi-family and senior rental properties. Steele Properties has over 60-properties with more than 6,000 units in 18 different states. The management partner is Monroe Group, and are housed in Denver. Steele Properties has a great presence in Texas with 13 different properties and

over 1,000 units.

Mr. Moore stated they are hopeful that the proposed project will be the catalyst for more development and redevelopment in east Temple. Waymon Manor is located at 1811 East Avenue K, and is a general family property. There are 32 single bedrooms, 96 two-bedrooms, and 32 three-bedrooms units; and is 100% project0 based Section 8. Wayman Manon has endured years of neglect and it is estimated to be \$7million for total renovations. The budget is \$40,000/unit or \$6,400,000, with the scope to include exteriors (replacing roofs, siding, and windows); building systems (HVAC, plumbing, and electrical upgrades); interiors (bathrooms, kitchens, appliances, and countertops); and amenities (major face lift on the park and common area). He noted some of the resident concerns was the lack of site lighting and remaining a family friendly complex.

Eight units will be 100% accessible.

Mr. Unger added the property will have an overall better appearance.

Councilmember Long inquired as to what will happen to the current residents while the renovations are being done.

Mr. Unger noted that any ADA residents that are displaced will have their hotel expenses paid for 30-days; and the others will only be displaced during day hours and allowed back into their units each day. We want to minimize any inconvenience to the residents during this time.

Mayor Davis asked what the occupancy rate is.

Mr. Moore noted it is low 90%; which a fairly strong occupancy.

Mr. Unger noted there is a waiting list for this property.

Mr. Moore noted the property is currently under contract; but will not be purchased if the tax credit isn't approved. The goal is that this project foster a cultural shift with the residents. It is anticipated the project to 15-16 months for full completion. At this time Mr. Moore requested that Council consider offering a resolution of support, at minimum \$1,000 in permit fee reduction, as well as City collaboration for this project.

At approximately 4:14 pm, Mayor Davis announced the City Council would enter into executive session to discuss item 5 on the workshop agenda.

- 4. Pursuant to Texas Government Code ? 551.071, the City Council will meet in executive session to seek the advice of the City Attorney on pending and contemplated litigation.**
- 5. Discuss potential economic development prospects who are interested in locating and/or expanding within the City of Temple.**

At approximately 4:48 the executive session was adjourned; and Ms. Landeros stated she would defer the discussions related to item 4 on the workshop agenda.

The City Council of the City of Temple, Texas conducted a Regular Meeting on Thursday, February 7, 2019 at 5:00 PM in the Council Chambers, Municipal Building, 2nd Floor, 2 North Main Street.

Present:

Councilmember Susan Long
Councilmember Jessica Walker
Mayor Pro Tem Judy Morales
Mayor Timothy A. Davis

I. CALL TO ORDER

1. Invocation

Reverend Roscoe Harrison, voiced the Invocation.

2. Pledge of Allegiance

Municipal Court Judge, Kathleen Person led the Pledge of Allegiance.

II. PUBLIC COMMENTS

Mayor Davis stated no one signed up to speak during this portion of the meeting.

III. PROCLAMATIONS AND SPECIAL RECOGNITION

3. Administer the Oath of Office to the Municipal Court Judge Kathleen Person.

Mayor Davis administered the oath of office to Judge Person.

4. Recognize Mark Engelke as the City of Temple Employee of the 1st Quarter.

Mayor Davis provided a proclamation for Mark Engelke.

IV. PUBLIC HEARING – BUDGET

5. 2019-9515-R: PUBLIC HEARING – Conduct a final public hearing and consider a resolution approving the proposed substantial amendment to the adopted Community Development Block Grant, 2015-2019 Consolidated Plan.

6. 2019-9516-R: PUBLIC HEARING – Conduct a final public hearing and consider a resolution approving the substantial amendment to the Community Development Block Grant 2018-2019 Annual Action Plan, including the funding recommendations.

Erin Smith, Assistant City Manager presented an overview to the Council and reminded them this has a 2nd public hearing associated with it as well. Ms. Smith noted the Consolidated Plan focuses on the goals and activities to be undertaken for a period of 5-years, to include the Citizen Participation Plan and Fair Housing Plan; and the Annual Action Plan further defines the programs to be implemented in the upcoming year, which addresses and supports the 5-year Consolidated Plan. A public meeting was held on January 22, 2010 and no comments were received.

The 2015-2019 Consolidated Plan originally adopted on August 6, 2015, reflects the City's community development goals, as identified through the Needs Assessment. The proposed changes are: (1) defund the Housing Improvement Program (HIP); (2) include roadway and sidewalk improvements to two blocks of South 7th Street, located between Avenue H and Avenue J, as a goal/priority.

Mrs. Smith noted the Housing Improvement Program is still something the City wants to pursue, and will utilize this timeframe to bring something to Council prior to next fiscal year.

She noted the total allocations for the Housing Improvement Plan since 2015 through 2018 to be \$663,984.69; and the South 7th Street improvements cost estimate is \$635,710. The City anticipates that the engineering cost will be eligible for reimbursement using CDBG funds, however, if ineligible, TCIP funds will be used. The city will request that the project engineer be awarded go to Kasberg, Patrick and Associates LP in the amount of \$85,710; with a start date of April 2019 and completion date of June 2019. The construction estimate was done in house and is estimated to be \$550,000.

Mayor Davis declared the public hearing open with regards to items 5 & 6 and asked if anyone wished to address either item. There being none, Mayor Davis declared the public hearing closed.

Motion by Mayor Pro Tem Judy Morales adopt resolutions as presented, seconded by Councilmember Jessica Walker.

Motion passed unanimously.

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.

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

(A) January 17, 2019 Special & Regular Called Meeting

(B) 2019-9517-R: Consider adopting a resolution authorizing a professional services agreement with Kasberg, Patrick and Associates, LP, to provide final design services for a new Airport Headquarters/Fixed Base Operator building and supporting appurtenances at the Draughon-Miller Central Texas Regional Airport, in an amount not to exceed \$402,000.

(C) 2019-9518-R: Consider adopting a resolution authorizing a professional services agreement with Kasberg, Patrick & Associates, LP, for professional services required to update the Property Site Certifications and Maps for City of Temple properties located within the Reinvestment Zone, in the amount of \$38,000.

(D) 2019-9519-R: Consider adopting a resolution authorizing a professional services agreement with Nashville recording artists Maddie & Tae for the 2019 Bloomin Temple Festival in an amount not to exceed \$30,000.

(E) 2019-9520-R: Consider adopting a resolution authorizing a professional services agreement with Kasberg, Patrick & Associates, LP to develop a conceptual design for the Georgetown Railroad Hike/Bike Trail Project in the amount of \$28,800.

(F) 2019-9521-R: Consider adopting a resolution authorizing a professional services agreement with Kasberg, Patrick and Associates, LP, to design the conversion of the 1st and 3rd Street underground electric and communication utilities in Downtown Temple in an amount not to exceed \$156,100.

(G) 2019-9522-R: Consider adopting a resolution authorizing a professional services agreement with Kasberg, Patrick and Associates, LP, to design the 1st Street and Avenue A Parking Garage Facility located in Downtown Temple in the amount of \$439,150.

(H) 2019-9523-R: Consider adopting a resolution authorizing a professional services agreement with Kasberg, Patrick and

Associates, LP, to design the Downtown City Center Project in the amount of \$396,900.

(I) 2019-9524-R: Consider adopting a resolution authorizing a professional services agreement with Haley & Olson, P.C., for the remainder of fiscal year 2019, for the provision of legal services associated with various condemnation proceedings, in the estimated amount of \$160,000.

(J) 2019-9525-R: Consider adopting a resolution authorizing a professional services agreement with Kimley-Horn and Associates, Inc., of Austin, for professional services required to design and bid South Pea Ridge Road from Westwood Hills Boulevard to the proposed realignment of Poison Oak Road, as well as, declare an official intent to reimburse the expenditures with the issuance of the 2019 Combination Tax & Revenue Bonds, in the amount of \$331,210.

(K) 2019-9526-R: Consider adopting a resolution authorizing an amendment to the professional services agreement with Haley & Olson, P.C., for the provision of legal services associated with various condemnation proceedings, to increase but not to exceed amount from \$190,000 to \$287,500.

(L) 2019-9527-R: Consider adopting a resolution authorizing a one-year extension of a lease agreement with Crossroads Holdings, Inc. for the lease of property located at 1739 South Martin Luther King Jr. Drive to be used for the City's recycling operations in the annual amount of \$105,360.

(M) 2019-9528-R: Consider adopting a resolution ratifying the assignment of the Economic Development Agreement and Tax Abatement Agreement with Turner Behringer Development Company to Turner Behringer Temple One, LLC.

(N) 2019-9529-R: Consider adopting a resolution authorizing a Strategic Partner funding agreement with Keep Temple Beautiful, for operation support, in an amount not to exceed \$55,000.

(O) 2019-9530-R: Consider adopting a resolution authorizing a Strategic Partner funding agreement with Hill Country Transit District, for HOP fixed route and paratransit public transportation programs in an amount not to exceed \$140,611.

(P) 2019-9531-R: Consider adopting a resolution authorizing a Tourism & Arts Grant agreement with the Cultural Activities Center, for operational support, in an amount not to exceed \$54,000.

(Q) 2019-9532-R: Consider adopting a resolution authorizing an interlocal agreement with Bell County for use of the County's software and fiber optic network to process and maintain records regarding early voting, in an estimated amount of \$1,370.

(R) 2019-9533-R: Consider adopting a resolution ratifying the construction of drainage improvements on Range Road by Wilson Construction Services, LLC, of Belton, in the amount of \$63,660.

(S) 2019-9534-R: Consider adopting a resolution ratifying an emergency repair to a Panda Power reclaim transmission line by All-Tex Utilities, LLC of Hillsboro in the amount of \$31,359.30.

(T) 2019-9535-R: Consider adopting a resolution ratifying an emergency construction contract with All-Tex Utilities, LLC of Hillsboro, for the repair of the 20" transmission main at 909 West Park, in the amount of \$109,834.90.

(U) 2019-9536-R: Consider adopting a resolution authorizing a contract with Kasberg, Patrick and Associates, LP, for professional services required to develop a corporate campus mixed-use master plan, south of Highway 36, east of Loop 363 and Industrial Boulevard and the Future Outer Loop east of Corporate Way, in an amount not to exceed \$243,850.

(V) 2019-9537-R: Consider a resolution authorizing a construction contract with R.T. Schneider Construction Co., Ltd, for services to construct the Rail Backage Road Project within the industrial rail park in northwest Temple, in the amount of \$1,011,074.

(W) 2019-9538-R: Consider adopting a resolution authorizing the following with regards to the construction of airport hangar taxiway improvements at the Draughon-Miller Central Texas Regional Airport:

(1) A construction contract with R.T. Schneider Construction Co., Ltd. of Belton in the amount of \$878,806.50, and

(2) Change order #1 to the construction contract with R.T. Schneider Construction Co., Ltd. of Belton in the amount of \$109,980.

(X) 2019-9539-R: Consider adopting a resolution authorizing a construction contract with Gary W Purser Construction, Ltd., of Killeen, for services to construct the North Outer Loop 12-Inch Water Line from Corporate Way to Wendland Road, in the amount of \$514,184.83.

(Y) 2019-9540-R: Consider adopting a resolution authorizing deductive change order #6 with Lone Star Grading & Materials, LLC, of Salado, for construction of the Kegley Road/FM 2305 intersection improvements, in the amount of \$31,368.67.

(Z) 2019-9541-R: Consider adopting a resolution authorizing change order #1 with Classic Protective Coatings, Inc., of Menomonie, Wisconsin, for construction activities required for the rehabilitation of the Scott Elevated Storage Tank in the amount of \$98,130.

(CC) 2019-9544-R: Consider adopting a resolution authorizing change order #2 with SSP Industries, LP, of Killeen, for construction of the Shallowford Lift Station Improvements in the amount of \$48,771.43.

(AA) 2019-9542-R: Consider adopting a resolution authorizing change order #1 with Santa Clara Construction, Ltd., of Austin, for construction of Phase 5 of the Bird Creek Interceptor Project in the amount of \$16,533.82.

(BB) 2019-9543-R: Consider adopting a resolution authorizing change order #1 with Bruce Flanigan Construction, Inc., of Belton, for construction of the Shallowford 30" Force Main in the amount of \$45,047.30.

(CC) 2019-9544-R: Consider adopting a resolution authorizing change order #2 with SSP Industries, LP, of Killeen, for construction of the Shallowford Lift Station Improvements in the amount of \$48,771.43.

(DD) 2019-9545-R: Consider adopting a resolution ratifying a grant application to the Texas Book Festival for a Collections Enhancement Grant in the amount of \$1,500.

(EE) 2019-9546-R: Consider adopting a resolution to authorize the application for and acceptance of grant funds from the Office of the Governor, Homeland Security Grants Division's Homeland Security Law Enforcement Terrorism Prevention Activities grant program for the replacement of Hazardous materials identification equipment.

(FF) 2019-9547-R: Consider adopting a resolution authorizing the acceptance of grant funds from the Bureau of Justice Assistance Bulletproof Vest Partnership Program of 2018 for the purchase of ballistic vests and replacements for the Police Department in the amount of \$26,077.50, with \$13,038.75 of required City matching funds.

(GG) 2019-9548-R: Consider adopting a resolution entering into a Memorandum of Understanding with Bell County Public Health District setting forth the parties' obligations regarding a portable shower trailer.

(HH) 2019-9549-R: Consider adopting a resolution authorizing the purchase of three rights of way and three temporary construction easements necessary for the Poison Oak Road Expansion Project and authorizing closing costs and relocation benefits associated with the purchase in an estimated amount of \$143,000.

(II) 2019-9550-R: Consider adopting a resolution authorizing the purchase of 636 plastic 96-gallon garbage and recycling containers from Toter, LLC, of Statesville, North Carolina, in the amount of \$31,792.32.

(JJ) 2019-9551-R: Consider adopting a resolution authorizing the purchase of a portable interlocking outfield fence system for Crossroads Park from SportaFence Marketing Enterprises, LLC of Sacramento, California in the amount of \$325,080.

(KK) 2019-9552-R: Consider adopting a resolution authorizing an increase of \$109,276 to the estimated spend under the annual contract for construction material testing with Langerman Foster Engineering Company, LLC of Waco, for three significant public infrastructure capital projects.

(LL) 2019-9553-R: Consider adopting a resolution extending the expiration of the Circle C Ranch final plat for an additional year.

(MM) 2019-4950: SECOND READING – FINAL HEARING – FY-19-2-ZC: Consider adopting an ordinance authorizing a rezoning from Agricultural zoning district to Single Family Two on 23.901 +/- acres, situated in the Elizabeth Berry Survey, Abstract No. 56, Bell County, Texas, located at the southwest corner of West Nugent Avenue and John Paul Jones Drive.

(NN) 2019-4951: SECOND READING – FINAL HEARING – FY-19-3-ZC: Consider adopting an ordinance authorizing a rezoning from Agricultural zoning district to General Retail zoning district on

3.31 +/- acres, situated in the Baldwin Robertson Survey, Abstract 17, Bell County, Texas, located along the east side of State Highway 317, addressed as 6521 State Highway 317.

(OO) 2019-4952: SECOND READING – FINAL HEARING – Consider adopting an ordinance authorizing a five-year franchise with City Ambulance Service to provide non-emergency ambulance transfer services within the City.

(PP) 2019-9554-R: Consider adopting the following resolution:

(1) Ordering the General election for Councilmember District 1 and Councilmember District 4, for May 4, 2019; and (Ordenar las elecciones generales para de Miembro del Concejo Distrito 1 y de Miembro del Concejo Distrito 1, para el 4 de Mayo de 2019.)

(2) Authorizing joint election agreements with the Temple Health & Bioscience Economic Development District; and Temple Independent School District for the May 4, 2019 election. (Autorizar acuerdos de elección conjunta con Temple Health & Bioscience Economic Development District; y Temple Independent School District para las elecciones del 4 de Mayo de 2019.)

(QQ) 2019-9555-R: Consider adopting a resolution authorizing budget amendments for fiscal year 2018-2019.

Motion by Councilmember Jessica Walker approve the Consent Agenda as presented, except for item 7(J) seconded by Mayor Pro Tem Judy Morales.

Motion passed unanimously.

(J) 2019-9525-R: Consider adopting a resolution authorizing a professional services agreement with Kimley-Horn and Associates, Inc., of Austin, for professional services required to design and bid South Pea Ridge Road from Westwood Hills Boulevard to the proposed realignment of Poison Oak Road, as well as, declare an official intent to reimburse the expenditures with the issuance of the 2019 Combination Tax & Revenue Bonds, in the amount of \$331,210.

Motion by Councilmember Jessica Walker , be Table, seconded by Councilmember Susan Long.

Motion passed unanimously.

VI. REGULAR AGENDA

8. **(A) 2018-4944: SECOND READING – FINAL HEARING - Consider adopting an ordinance designating a tract of land consisting of approximately 40 acres and located at the southeast corner of Wendland Road and Moores Mill Road, within a tract of land identified by the Bell County Appraisal Districts as 410044, as City of Temple Tax Abatement Reinvestment Zone Number 39 for commercial/industrial tax abatement.**

(B) 2019-9556-R: Consider adopting a resolution approving a Tax Abatement Agreement with Niagara Bottling, LLC and Tanglefoot Properties, LLC which will cover increases in the taxable value of real and personal property on an approximately 40.0-acre tract of land designated as Tax Abatement Reinvestment Zone Number 39.

(C) 2019-9557-R: Consider adopting a resolution authorizing an Economic Development Agreement with Niagara Bottling, LLC and Tanglefoot Properties, LLC for the construction of a new water bottling facility and the construction of certain public improvements.

Kayla Landeros, City Attorney presented items 8(A-C). She noted that on November 15, 2018 the Council approved on first reading, an ordinance designating Tax Abatement Reinvestment zone Number 39. Before you tonight is the second reading. As a reminder the tax abatement zones are authorized by the Texas Tax Code Chapter 312. The Council may designate an area of the City as a tax abatement reinvestment zone if the designation is likely to (1) contribute to the retention or expansion of primary employment; or (2) attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the City.

The City of Temple has adopted standards for Tax Abatements, which we are required to do under Chapter 312. Our Economic Development Policy states that Council can consider designating a tax abatement reinvestment zone and authorize abatement if at least two of the following criteria are met:

- (1) the project involves a minimum increase in property value of 300% for construction a new facility or 50% for expansion of an existing facility;
- (2) the project makes a substantial contribution to redevelopment efforts or strategic ED programs;
- (3) the project has high visibility, image impact, or is of

significantly higher level of development quality; or
(4) the project stimulates desire concentrations of employment or commercial activity.

Staff believes that Niagara's project will expand the employment base, attract major investment, and will contribute to economic development in the City as required by Chapter 312. Niagara plans to construct a water bottling and beverage manufacturing and distribution facility in Temple. They have submitted an application for tax abatement on real and personal property improvements to be constructed, and is requesting that the City enter into a tax abatement agreement which, if approved, would give the company 10-years of tax abatement in the following percentages:

100% Years 1-5
90% Year 6
80% Year 7
70% Year 8
60% Year 9
50% Year 10

Niagara anticipates making an investment of approximately \$90,000,000 in the total project; this would be done in two phases. Phase 1 will be \$70,000,000 investment with 49 jobs; and Phase 2 would be \$20,000,000 investment in personal property only and the addition of 21 jobs. Our Finance Department has calculated the potential fiscal impact that the agreement would have over 10-years to be the abatement of approximately \$5,058,180 in property taxes.

Ms. Landeros continued explaining the standard tax abatement agreement includes all requirements of State law, including recapture provisions if the applicant defaults for any reason. We are required to provide statutory notices to the other taxing entities in the agreement is approved. As mentioned before, Staff does believe the proposed project meets the minimum requirements for tax abatement that are set forth in the City's Economic Development Policy, because it stimulates desire concentrations of employment or commercial activity and significantly increases the taxable value of the property.

The Economic Development Agreement is the 3rd piece of this item. In that agreement Niagara is obligated to (1) construct Phase 1 by April 30, 2020 for both real and personal property improvements; and (2) construct Phase 2 by December 31, 2022 for personal property improvements only.

The City agrees to (1) construct a 36-foot wide roadway south of the site; (2) construct a 12-inch water line; (3) construct a 10-

inch wastewater line; (3) improvements must be done by September 30, 2019; and (4) waive water and sewer tap fees. Ms. Landeros noted that on the consent agenda, there were some construction contracts associated with the infrastructure improvements. She noted that Staff is ready to begin moving on this project if that is Council's desire.

The roadway the city will be installing is approximately 2,100 linear feet on the south of Niagara's proposed site. Ms. Landeros reminded Council that East Penn is to the South of the Niagara's proposed project, and will also utilize the road as part of their development.

The waterline was anticipated to be installed in a future year for the expansion of Moores Mill Road and Old Howard Road; and so Staff has accelerated that project to be installed this year, 2019.

Ms. Myers thanked Ms. Landeros as well as Adrian Canady, TEDC President for their work on this, and requested favorable consideration by the Council. She noted the property is within the reinvestment zone, that the property tax associated with real property improvements would go into the reinvestment zone fund. So while this proposal includes abatements of taxes, over the 10-year period the City would be phasing in tax revenue for a property that is not otherwise on the tax roll, and we anticipate just under \$9.5 million in revenues. This is a significant investment to our community.

Mayor Davis commented that projects and opportunities like this are exciting, and will make a huge impact on the City of Temple. He thanked TEDC and Staff for their work on this project.

Motion by Councilmember Susan Long approved items 8(A) (B) and (C) as presented seconded by Councilmember Jessica Walker.

Motion passed unanimously.

9. 2019-4953: SECOND READING--FINAL HEARING Consider adopting an ordinance establishing curfew hours for minors in accordance with Texas Local Government Code Section 370.002

Kayla Landeros, City Attorney presented this item to the Council. She reminded the Council that they approved the ordinance on first reading on January 17th but there were some concerns as to what defenses were under the ordinances. In 1994, the City council

established curfew requirements for minors under the age of 17, due to the increase in juvenile violence, juvenile gang activity, and crime by and against persons under the age of 17.

Local Government Section 37.002 requires that every three years, the City (1) review the ordinance's effects on the community and on problems the ordinance was intended to remedy; (2) conduct a public hearing on the need to continue the ordinance, and (3) abolish, continue or modify the ordinance. The ordinance establishing curfew hours for minors has been continuously renewed by Council every three years since 1994, with the current ordinance being adopted February 2016.

The curfew hours Sunday through Thursday are 11:00 pm to 6:00 am; and on Saturday and Sunday, 12:01 am through 6:00 am.

Ms. Landeros stated the offences under the ordinance to are:

- (1) a minor commits an offense if he remains in any public place or on the premises of any establishment during curfew hours;
- (2) a parent or guardian commits an offense if he knowingly permits, or by insufficient control allows, the minor to remain in a public place or on the premises of an establishment during curfew hours; and
- (3) The owner, operator, or any employee of an establishment commits an offense if he knowingly allows a minor to remain upon the premises of the establishment during curfew hours.

It is a defense to prosecution if the minor is: (1) accompanied by the minor's parent or guardian; (2) on an errand at the direction of the minor's parent or guardian, without any detour or stop; (3) in a motor vehicle involved in interstate or intrastate travel; (4) engaged in an employment activity, or going to or returning home from an employment activity, without detour or stop; (5) involved in an emergency; (6) on a sidewalk abutting the minor's residence or the residence of a next-door neighbor if the neighbor has not complained; (7) attending an official school, religious, or other recreational activity; (8) exercising first amendment rights, such as the free exercise of religion, freedom of speech, and the right of assembly; or (9) married or had been married or had disabilities of minority removed.

Ms. Landeros then explained that an offense under this ordinance is punishable by a fine not to exceed \$500; and when required by the Family Code, the municipal court must refer jurisdiction to juvenile court.

The benefits of the curfew hours is that the ordinance provides for the protection of minors both from each other and from other people during certain hours of the day; it promotes parental oversight and responsibility for children; and it is intended to reduce incidents of

juvenile crime. At this time Staff is asking Council to approve the renewal of curfew hours for minors with no changes to the hours.

Chief of Police, Floyd Mitchell noted this is an ordinance that we don't use very often. It was used 24 times in 2018; with only two of those citations were sent for processing. It is important to understand that when our officers stop a juvenile during these hours of curfew, they do a field interview and take the juvenile(s) home; and the juvenile never enters into the 'system'. The juvenile is not processed until it's their third offence. Chief Mitchell stated he did not feel his department was abusing this ordinance, but that it's a tool for them when dealing with juveniles during the curfew hours.

Motion by Mayor Pro Tem Judy Morales adopt ordinance as presented on second and final reading. seconded by Councilmember Susan Long.

Motion passed unanimously.

ORDINANCES

- 10. 2019-4954: FIRST READING – PUBLIC HEARING – Consider adopting an ordinance amending the Code of Ordinances, Chapter 41, “Credit Access Businesses,” to include a general update of the Chapter and two additional provisions for transparency and protection for consumers.**

Amanda Rice, Deputy City Attorney presented this item to the Council. This will be the first of many Codes that you will see as we review the entire Code. Chapter 41 was adopted by Council in 2016; and the proposed changes are minimal. Ms. Rice noted the amendments include, general clean-up of language and formatting; update of staffing position title; addition of definition; and addition of provisions for transparency and protection of consumers.

Staff is requesting that the word 'shall' be changed throughout the chapter to a more direct verb 'must'.

The current ordinance references the General Services Manager as the person that enforces and administers this Chapter. That position no longer exists, therefore Staff is proposing that it be changed to Director of Department designated by the City Council, City Manager, or their designee. Currently the City Secretary's Office handles all the registrations for the Credit Access Businesses and if anyone has a complaint, it is forwarded to the Legal Department for review.

Ms. Rice continued noting that the currently Credit Access Businesses (CABs) are required to provide contact information for

owners of business and their nature and extent of interest in the business. Staff requests that we add a definition of owner to be any person who directly or indirectly owns a credit access business. For publicly traded companies, the term means any person who directly or indirectly owns or controls 10% or more of the outstanding shares of stock in the credit access business.

The last revision is to the disclosures and notices. Currently it is required that CABs provide agreements in the consumers written language of preference; provide both English and Spanish translations on premises; and read in the consumer's language of preference, to consumers who cannot read. It also provides that the Notices and Disclosures only be read in the consumer's language of preference, to consumers who cannot read. Staff is asking to amend this section by requiring the Notices and Disclosures be also provided in the consumers written language of preference; and provide both English and Spanish translations on premises.

Ms. Landeros noted that the State of Texas still has not passed any State legislature related to these operations, and so our ordinance is relevant and not preempted by State law. The general requirements of the ordinance is that the Credit Access Businesses to register with the City, which allows consumers of those businesses to make complaints if they feel there are violations under the ordinance.

Mayor Davis declared the public hearing open with regards to item 10, and asked if anyone wished to address this item. There being none, Mayor Davis declared the public hearing closed.

Motion by Mayor Pro Tem Judy Morales adopt ordinance as presented on first reading, with second and final reading set for February 21, 2019 seconded by Councilmember Jessica Walker.

Motion passed unanimously.

RESOLUTIONS

- 11. 2019-9558-R: FY-18-40-PLT Consider adopting a resolution authorizing approval of the Final Plat for The Bend, a 16.46 +/- acres, 59-lot, 2-block, 2-tract residential subdivision, with a developer-requested exception to the Unified Development Code Section 8.3.1, related to the use of public park fees, located at 5120 South 31st Street, Temple, Texas.**

Mark Baker, Senior Planner presented this case to the Council. He noted the subject property is located at 5324 South 31st Street, and the applicant is DB Commercial on behalf of Barge Properties. Mr. Baker reminded Council that this property had previously been to the

Council. The initial planned development was adopted in 1995, (ordinance 1995-2368). In October 2018, there was a request to add 0.49 +/- acres to the existing planned development (ordinance 2018-4934); and in December 2018 the development site plan was adopted by the council for a layout of only the 59-lot subdivision. Mr. Baker stated that tonight, the subdivision final plat "The Bend" is being considered. The final plat was reviewed by the Development Review Committee and was deemed completed on December 2018. There is still some minor work on deeds and restrictive covenants prior to recordation. The developer is asking for exceptions to use of the public park fees.

The plat is approximately 16.46 +/- acres, 59-lot residential subdivision. The subject property sits within two different zoning districts, General Retail and Multi-Family-two. The Bend subdivision will create four local streets:

Bend Drive - primary access from South 31st Street;
Crooked Tree Drive;
Fallen Tree Drive; and
Leaning Tree Drive.

Water is provided by the 12-inch waterline in South 31st Street, and the sewer is provided by 12-inch sewer line in South 31st Street.

Mr. Baker noted that because the subdivision's proximity to Waterford Park, Staff and the Developer have discussed the possible construction of a bridge (40' - 50' span) across the concrete drainage channel that separates the subdivision from the Park. At this time, the City and the Developer have agreed to the following:

- (1) the developer will add a 'sidewalk easement' on top of a proposed 15-foot drainage easement to provide pedestrian access to the bridge;
- (2) the developer will obtain a cost estimate for construction of the bridge and will determine whether it is feasible to construct the bridge. If the developer finds it is feasible, the bridge will be completed prior to the issuance of the last Certificate of Occupancy within the development; and
- (3) regardless of feasibility, the developer will pay to the City \$13,275 in Park Fees.

Mr. Baker noted that Staff recommends approval of the Final Plat for The Bend and the developer requested exceptions to UDC Section 8.3.1 related to the use of the park fees. At their January 7, 2019 meeting, the Planning and Zoning Commission voted 8/0 to recommend approval of the final plat and exceptions per staff's recommendation.

Councilmember Long asked Mr. Baker to clarify the bid process.

Mr. Baker noted the Developer would be responsible for acquiring the bid and cost estimates, along with identifying the different materials that would be best.

Councilmember Walker, asked if found to not be feasible, then what happens.

Mr. Baker replied, the fees would still be paid to the City, while the bridge would not be built.

Councilmember Walker, asked who owns and maintains the bridge?

Ms. Landeros replied, the City will resume the maintenance of the bridge once it's built.

Ms. Myers added the goal is to have a bridge built from the development to the park. We believe that that will exceed the cost of the required park fees. The developer is doing his due diligence to see if they can make that possible. We're bringing this exception to you, in the event that they are able to construct the bridge we'll waive the park fees in return for the bridge. If the developer finds it not feasible, and it well exceeds the required park fees, the exception is null and the developer will pay the required park fees.

Motion by Councilmember Jessica Walker adopt resolution as presented seconded by Councilmember Susan Long.

Motion passed unanimously.

- 12. 2019-9559-R: Consider adopting a resolution authorizing amendments to an existing Chapter 380 Development Agreement with Short-Term Lending GP, Inc. to assign the Agreement to H5B3, LLC, to increase the grant amount to \$115,000 per property, and to extend the construction timeline.**

Brian Chandler, Director of Planning presented this item to the Council. In June 2018, the City approved a Chapter 380 Development Agreement (the "Agreement") with Short-Term Lending GP, Inc. which provided Strategic Investment Zone grant funding for proposed improvements to properties located at 110 South 1st Street and 112 South 1st Street. The not to exceed amount of SIZ funding for 110 South 1st Street was \$70,000 and the not to exceed amount of SIZ funding for 112 South 1st Street was \$90,530. The improvements were to be completed by June 1, 2019.

Short-Term Lending is under contract to sell both properties to H5B3, LLC ("H5B3"). H5B3 proposes to renovate the properties and

construct a pizza restaurant, tap room, deli and coffee house concept with outdoor dining and entertainment. H5B3 and Short-Term Lending have requested that Council authorize the assignment of the Agreement to H5B3.

Mr. Chandler noted that H5B3 has also requested that Council authorize an amendment to the Agreement which would increase the SIZ funding to \$115,000 for each property (a total of \$230,000). Staff believes the proposed project does qualify for the requested funding increase under Tier III of the City's funding matrix. The project scope consists of interior renovations, including fire suppression, façade improvements, landscaping and other improvements associated with converting the area behind the building to a spacious seating area. Fee waivers up to \$2,000 are also requested. If approved the amendment will also extend the deadline for a year from February 7, 2019.

Lastly, H5B3 has requested an extension to the construction timeline and anticipates completing the project before the end of 2019.

Motion by Mayor Pro Tem Judy Morales adopt resolution as presented seconded by Councilmember Jessica Walker.

Motion passed unanimously.

BOARD APPOINTMENTS

13. 2019-9560-R: Consider adopting a resolution appointing one councilmember to the Hill Country Transit District Board.

Mayor Davis noted that Councilmember Walker agreed to be on this Board.

Motion by Mayor Pro Tem Judy Morales adopt as presented seconded by Councilmember Susan Long.

Motion passed unanimously.

14. 2019-9561-R: Consider adopting a resolution appointing members to the following City boards and commissions:

(A) Building Board of Appeals – four members to fill expiring terms through March 1, 2023;

Reappoint Casey Simpson (Oncor Representative), and hold the two appointments for the Master Electrician and one

member for Journeyman Electrician to the Building Board of Appeals to fill expiring terms through March 1, 2023.

(B) Building and Standards Commission – two members to fill expiring terms through March 1, 2021; and three alternate members to fill expiring terms through March 1, 2021

Reappoint Russell Stenman and Kevin Bonner to the Building and Standards Commission to fill expiring terms through March 1, 2021; and reappoint Bruce Normand, Jeff Byrd, and Jeremy Langley as alternate members to fill expiring terms through March 1, 2021.

(C) Civil Service Commission – one member to fill an unexpired term through September 1, 2019;

Appoint Brian Daniel to the Civil Service Commission to fill an unexpired term through September 1, 2019.

(D) Development Standards Advisory Board –three members to fill expiring terms through March 1, 2022;

Reappoint Ginger Tolbert (Engineer), and Appoint William Harris (General Construction) and Jonathan Perez (Utility Construction) to the Development Standards Advisory Board to fill expiring terms through March 1, 2022.

(E) Library Board – one member to fill an unexpired term through September 1, 2021;

Appoint Erica Mendoza to the Library Board to fill an unexpired term through September 1, 2021.

(F) Parks and Leisure Services Advisory Board – three members to fill expiring terms through March 1, 2022;

Reappoint Lacy Adams, Dr. Mark Smith, and Scott Kiella to the Parks and Leisure Services Advisory Board to fill expiring terms through March 1, 2022.

(G) Zoning Board of Adjustment – two members to fill expiring terms through March 1, 2021; and two alternate members to fill expiring terms through March 1, 2021.

Reappoint Jeremy Langley and Kay Guedea as regular members; and reappoint Brian Daniel and Matthew Calhoun as alternate members to fill expiring terms through March 1, 2021 on the Zoning Board of Adjustment.

Motion by Councilmember Susan Long approve seconded by Councilmember Jessica Walker.

Motion passed unanimously.

Timothy A. Davis, Mayor

ATTEST:

Lacy Borgeson
City Secretary



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #5(B)
Consent Agenda
Page 1 of 2

DEPT./DIVISION SUBMISSION & REVIEW:

Joseph Medici, Director of Airport Services
Charla Thomas, Assistant City Attorney

ITEM DESCRIPTION: Consider adopting a resolution authorizing a Lease Agreement with Erik Olsen for lease of T-hangar #52 at the Draughon-Miller Central Texas Regional Airport.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: Erik Olsen has requested to lease T-hangar #52 at the Airport for aircraft storage and aeronautical purposes. The rent for this T-hangar will be \$185 per month, due on the first day of the month.

Mr. Olsen will be leasing T-Hangar #52, which will be used to store the following aircraft:

Type:	Fixed Wing Single-Engine
Manufacturer:	American Champion Aircraft
Model:	7GCAA
U.S. Registration No./ Tail #:	N29GL

The initial term of this lease agreement will be for 12-months and may be renewed for additional 12-month terms at the agreement of the parties, and as evidenced by the execution of a written amendment or addendum, or a new lease agreement reflecting any new rental rates or changes to terms and conditions. Staff recommends that the lease have an effective date of February 8, 2019.

Mr. Olsen agrees to use the T-hangar solely for aircraft hangar purposes and aeronautical operations and understands that the hangar space is for storage of an operable airworthy aircraft. Mr. Olsen further understands that commercial activity is prohibited in the T-hangar.

Pursuant to the lease agreement, Mr. Olsen will: timely pay rent, store only aircraft and items related to aeronautical operations on the leased premises, grant the City the right to enter the T-hangar at any time for inspection, repairs, additions, alterations, or repairs, furnish a duplicate key or combination to the Airport Director for any lock used to secure the T-hangar, keep the premises in a good and orderly condition, comply with all terms of the lease agreement and all ordinances, rules, regulations of the City and the Airport, and maintain the required liability insurance as evidenced by a current certificate of insurance that names the City as an additional insured. This is an as-is lease, the City will not be making any adjustments or upgrades to the space.

FISCAL IMPACT: Annual lease revenue of \$2,220 for rental of T-Hangar #52 will be deposited into account 110-0000-446-3021.

ATTACHMENTS:
[Resolution](#)

RESOLUTION NO. 2019-9562-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING AN AIRPORT HANGAR LEASE AGREEMENT WITH ERIK OLSEN, IN THE AMOUNT OF \$185 PER MONTH, FOR THE USE OF T-HANGAR NO. 52 AT THE DRAUGHON-MILLER CENTRAL TEXAS REGIONAL AIRPORT; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, Erik Olsen has requested to lease T-hangar No. 52 at the Airport for aircraft storage and aeronautical purposes - the rent for this T-hangar will be \$185 per month, due on the 1st day of the month;

Whereas, Mr. Olsen will be leasing T-Hangar No. 52, which will be used to store the following aircraft:

Type:	Fixed Wing Single-Engine
Manufacturer:	American Champion Aircraft
Model:	7GCAA
U.S. Registration No./ Tail No.:	N29GL

Whereas, Staff recommends Council authorize a 12-month airport hangar lease agreement with Erik Olsen at the rental rate of \$185 per month, to commence February 8, 2019, which may be renewed for additional 12-month terms at the agreement of the parties, and as evidenced by the execution of a written amendment or addendum, or a new lease agreement reflecting any new rental rates or changes to terms and conditions;

Whereas, Mr. Olsen agrees to use the T-hangar solely for aircraft hangar purposes and aeronautical operations and understands that the hangar space is for storage of an operable airworthy aircraft - Mr. Olsen further understands that commercial activity is prohibited in the T-hangar;

Whereas, pursuant to the lease agreement, Mr. Olsen will: timely pay rent, store only aircraft and items related to aeronautical operations on the leased premises, grant the City the right to enter the T-hangar at any time for inspection, repairs, additions, alterations, or repairs, furnish a duplicate key or combination to the Airport Director for any lock used to secure the T-hangar, keep the premises in a good and orderly condition, comply with all terms of the lease agreement and all ordinances, rules, regulations of the City and the Airport, and maintain the required liability insurance as evidenced by a current certificate of insurance that names the City as an additional insured - this is an as-is lease, the City will not be making any adjustments or upgrades to the space;

Whereas, the City will receive annual lease revenue of \$2,200 for rent which will be deposited into Account No. 110-0000-446-3021; 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 her designee, after approval as to form by the City Attorney, to execute an airport T-hangar lease agreement with Erik Olsen in the amount of \$185 per month for the use of Hangar No. 52 at the Draughon-Miller Central Texas Regional Airport beginning February 8, 2019.

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 **21st** day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #5(C)
Consent Agenda
Page 1 of 2

DEPT./DIVISION SUBMISSION & REVIEW:

Joseph Medici, Director of Airport Services
Charla Thomas, Assistant City Attorney

ITEM DESCRIPTION: Consider adopting a resolution authorizing a Lease Agreement with Justin Haun for lease of T-hangar #79 at the Draughon-Miller Central Texas Regional Airport.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: Justin Haun has requested to lease T-hangar #79 at the Airport for aircraft storage and aeronautical purposes. The rent for this T-hangar will be \$250 per month, due on the first day of the month.

Mr. Haun will be leasing T-Hangar #79, which will be used to store the following aircraft:

Type:	Fixed Wing Single-Engine
Manufacturer:	Cirrus Design Corp
Model:	SR22
U.S. Registration No./Tail #:	N570CP

The initial term of this lease agreement will be for 12-months and may be renewed for additional 12-month terms at the agreement of the parties, and as evidenced by the execution of a written amendment or addendum, or a new lease agreement reflecting any new rental rates or changes to terms and conditions. Staff recommends that the lease have an effective date of February 1, 2019.

Mr. Haun agrees to use the T-hangar solely for aircraft hangar purposes and aeronautical operations and understands that the hangar space is for storage of an operable airworthy aircraft. Mr. Haun further understands that commercial activity is prohibited in the T-hangar.

Pursuant to the lease agreement, Mr. Haun will: timely pay rent, store only aircraft and items related to aeronautical operations on the leased premises, grant the City the right to enter the T-hangar at any time for inspection, repairs, additions, alterations, or repairs, furnish a duplicate key or combination to the Airport Director for any lock used to secure the T-hangar, keep the premises in a good and orderly condition, comply with all terms of the lease agreement and all ordinances, rules, regulations of the City and the Airport, and maintain the required liability insurance as evidenced by a current certificate of insurance that names the City as an additional insured. This is an as-is lease, the City will not be making any adjustments or upgrades to the space.

FISCAL IMPACT: Annual lease revenue of \$3,000 for rental of T-Hangar #79 will be deposited into account 110-0000-446-3021.

ATTACHMENTS:
[Resolution](#)

RESOLUTION NO. 2019-9563-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING AN AIRPORT HANGAR LEASE AGREEMENT WITH JUSTIN HAUN, IN THE AMOUNT OF \$250 PER MONTH, FOR THE USE OF T-HANGAR NO. 79 AT THE DRAUGHON-MILLER CENTRAL TEXAS REGIONAL AIRPORT; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, Justin Haun has requested to lease T-hangar No. 79 at the Airport for aircraft storage and aeronautical purposes - the rent for this T-hangar will be \$250 per month, due on the 1st day of the month;

Whereas, Mr. Haun will be leasing T-hangar No. 79, which will be used to store the following aircraft:

Type:	Fixed Wing Single-Engine
Manufacturer:	Cirrus Design Corp
Model:	SR22
U.S. Registration No./ Tail No.:	N570CP

Whereas, Staff recommends Council authorize a 12-month airport hangar lease agreement with Justin Haun at the rental rate of \$250 per month, to commence February 1, 2019, which may be renewed for additional 12-month terms at the agreement of the parties, and as evidenced by the execution of a written amendment or addendum, or a new lease agreement reflecting any new rental rates or changes to terms and conditions;

Whereas, Mr. Haun agrees to use the T-hangar solely for aircraft hangar purposes and aeronautical operations and understands that the hangar space is for storage of an operable airworthy aircraft - Mr. Olsen further understands that commercial activity is prohibited in the T-hangar;

Whereas, pursuant to the lease agreement, Mr. Haun will: timely pay rent, store only aircraft and items related to aeronautical operations on the leased premises, grant the City the right to enter the T-hangar at any time for inspection, repairs, additions, alterations, or repairs, furnish a duplicate key or combination to the Airport Director for any lock used to secure the T-hangar, keep the premises in a good and orderly condition, comply with all terms of the lease agreement and all ordinances, rules, regulations of the City and the Airport, and maintain the required liability insurance as evidenced by a current certificate of insurance that names the City as an additional insured - this is an as-is lease, the City will not be making any adjustments or upgrades to the space;

Whereas, the City will receive annual lease revenue of \$3,000 for rent which will be deposited into Account No. 110-0000-446-3021; 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 her designee, after approval as to form by the City Attorney, to execute an airport hangar lease agreement with Justin Haun in the amount of \$250 per month for the use of T-hangar No. 79 at the Draughon-Miller Central Texas Regional Airport beginning February 1, 2019.

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 **21st** day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #5(D)
Consent Agenda
Page 1 of 2

DEPT./DIVISION SUBMISSION & REVIEW:

Don Bond, P.E., CFM, City Engineer
Richard Wilson, P.E., CFM, Deputy City Engineer

ITEM DESCRIPTION: Consider adopting a resolution authorizing a contract with James Construction Group, LLC, of Temple, to construct drainage improvements in the Fairview and Sunset Additions within central Temple, in an amount not to exceed \$1,393,815.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: The 2008-2009 Drainage Master Plan identified improvements to address flooding in the vicinity of Avenues T and R at 57th Street. On May 18, 2017, Council authorized a contract with BSP to implement the project. Engineering design revealed that constructing the improvements would be cost-prohibitive to reduce the flood risk to the affected number of structures.

Staff and the Engineer identified a revised project scope in the same drainage basin that would address known flooding problems. The revision addresses drainage infrastructure (slightly northeast of the original project scope) that is known to be undersized per current City criteria. A map of the project is attached.

Construction bids ranged from \$1,393,815 to \$2,009,891.40. The opinion of probable construction cost was \$1,500,000. The Engineer recommends award to the low bidder, James Construction Group, LLC, in their attached letter. Construction will upsize a drainage culvert, add new drainage culverts and inlets, and include associated appurtenances such as concrete riprap and flumes.

Time allotted for construction is 270 calendar days.

FISCAL IMPACT: Funding for the construction contract with James Construction Group, LLC in an amount not to exceed \$1,393,815 to construct drainage improvements in the Fairview and Sunset Additions within central Temple (Avenue T and Avenue R) is available in account 353-2900-534-6713, project 101637, as follows:

	292-2900-534-6312	353-2900-534-6713	Total
Project Budget	\$ 148,300	\$ 1,425,614	\$ 1,573,914
Encumbered/Committed to Date	(148,300)	(16,799)	(165,099)
Construction Award - James Construction Group, LLC	-	(1,393,815)	(1,393,815)
Remaining Project Funds	\$ -	\$ 15,000	\$ 15,000

ATTACHMENTS:

[Recommendation Letter](#)

[Bid Tabulation](#)

[Map](#)

[Resolution](#)

Temple
15 West Central Avenue
Temple, Texas 76501
V: (254) 774.9611

Waco
7215 Bosque Blvd. Ste 137
Waco, Texas 76710
V: (254) 756.1610

Hillsboro
861 HCR 1313
Hillsboro, Texas 76645
(254) 774-9611

www.bspengineers.com



February 11, 2019

City of Temple
Mr. Don Bond
City Engineer
3210 East Ave. H, Bldg. A
Temple, Texas 76501

Re: Bid Review, Analysis, and Recommendation for
City of Temple, Fairview and Sunset Additions 2018 Storm Drainage Improvements

Dear Mr. Bond,

We have reviewed the five qualified bids submitted for the above referenced project. James Construction Group, LLC submitted the lowest base bid of \$1,393,815. Please see the enclosed Bid Tabulation Sheet for detailed information.

The bids varied between a low bid of \$1,393,815 to a high bid of \$2,009,891.40, resulting in the low bid being 6.9% below the Engineer's Opinion of Probable Cost of \$1,496,535.25.

We contacted three references as submitted by the proposed contractor and received no unsatisfactory responses from any of them regarding past experiences. We believe, by review of contractor submitted references, that James Construction Group, LLC is qualified and is capable of providing the storm drainage improvements as required in this project.

James Construction Group, LLC is a proven company with many successfully completed projects and we look forward to working with them on this project.

Sincerely,

A handwritten signature in black ink that reads 'Anthony D. Beach'. The signature is written in a cursive, flowing style.

Anthony D. Beach P.E.
BSP Engineers, Inc
www.bspengineers.com



BSP ENGINEERS PROJECT NO: 182419.00
BID DATE: February 5, 2019
BID TIME: 2:00 PM

BID TABULATION REPORT
CLIENT: City of Temple

DESCRIPTION: Fairview and Sunset Additions - 2018 Storm Drainage Improvements
Project No. 29-01-19

BIDDERS													
General Items				Bell Contractors, Inc.		Holy Contractos, LLC		James Construction Group, LLC		Skyblue Utilities, Inc.		TTG Utilities, LP	
Item No.	Item Description	Quantity	Unit	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
1	Provide Mobilization, Bonds, Permits, and Insurance	100%	LS	\$ 60,506.20	\$ 60,506.20	\$ 93,725.00	\$ 93,725.00	\$ 68,000.00	\$ 68,000.00	\$ 103,500.00	\$ 103,500.00	\$ 69,500.00	\$ 69,500.00
2	Provide Preparation of Right-of-Way and Site Clearing	19	STA	\$ 2,466.94	\$ 46,871.86	\$ 7,000.00	\$ 133,000.00	\$ 5,500.00	\$ 104,500.00	\$ 3,450.00	\$ 65,550.00	\$ 2,600.00	\$ 49,400.00
3	Prepare a SWPPP, and Install and Maintain Erosion Control Features	8	MO	\$ 982.50	\$ 7,860.00	\$ 300.00	\$ 2,400.00	\$ 2,460.00	\$ 19,680.00	\$ 2,875.00	\$ 23,000.00	\$ 693.00	\$ 5,544.00
4	Prepare, Implement, and Follow a Traffic Control Plan	8	MO	\$ 1,745.81	\$ 13,966.48	\$ 500.00	\$ 4,000.00	\$ 2,730.00	\$ 21,840.00	\$ 1,725.00	\$ 13,800.00	\$ 2,670.00	\$ 21,360.00

Demolition

Item No.	Item Description	Quantity	Unit	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
5	Saw Cut and Remove Curb and Gutter	160	LF	\$ 25.96	\$ 4,153.60	\$ 36.00	\$ 5,760.00	\$ 9.00	\$ 1,440.00	\$ 17.25	\$ 2,760.00	\$ 15.50	\$ 2,480.00
6	Saw Cut and Remove HMAC Pavement	750	SY	\$ 9.22	\$ 6,915.00	\$ 7.00	\$ 5,250.00	\$ 5.00	\$ 3,750.00	\$ 6.90	\$ 5,175.00	\$ 8.00	\$ 6,000.00
7	Saw Cut and Remove Concrete Flatwor	1655	SF	\$ 14.60	\$ 24,163.00	\$ 2.50	\$ 4,137.50	\$ 2.00	\$ 3,310.00	\$ 9.20	\$ 15,226.00	\$ 2.00	\$ 3,310.00
8	Remove and Salvage 8' Metal R-panel Fence	105	LF	\$ 23.37	\$ 2,453.85	\$ 10.00	\$ 1,050.00	\$ 10.00	\$ 1,050.00	\$ 34.50	\$ 3,622.50	\$ 11.50	\$ 1,207.50
9	Demolish and Remove 6' Wood Privacy Fence	225	LF	\$ 10.53	\$ 2,369.25	\$ 2.85	\$ 641.25	\$ 10.00	\$ 2,250.00	\$ 6.90	\$ 1,552.50	\$ 11.00	\$ 2,475.00
10	Demolish and Remove 4' Chain Link	525	LF	\$ 8.99	\$ 4,719.75	\$ 3.00	\$ 1,575.00	\$ 8.00	\$ 4,200.00	\$ 5.75	\$ 3,018.75	\$ 9.50	\$ 4,987.50
11	Demolish and Remove 36"-42" RCP	755	LF	\$ 33.74	\$ 25,473.70	\$ 57.48	\$ 43,397.40	\$ 13.00	\$ 9,815.00	\$ 28.75	\$ 21,706.25	\$ 28.50	\$ 21,517.50
12	Demolish and Remove 18"-30" RCP	1415	LF	\$ 27.52	\$ 38,940.80	\$ 48.48	\$ 68,599.20	\$ 9.00	\$ 12,735.00	\$ 23.00	\$ 32,545.00	\$ 17.50	\$ 24,762.50
13	Demolish and Remove Storm Manhole	3	LF	\$ 2,366.41	\$ 7,099.23	\$ 4,000.00	\$ 12,000.00	\$ 760.00	\$ 2,280.00	\$ 1,380.00	\$ 4,140.00	\$ 1,425.00	\$ 4,275.00
14	Plug and Abandon 18" RCP in-place	100%	LS	\$ 8,616.63	\$ 8,616.63	\$ 9,000.00	\$ 9,000.00	\$ 1,220.00	\$ 1,220.00	\$ 13,214.00	\$ 13,214.00	\$ 502.00	\$ 502.00

Storm Drainage Improvements

Item No.	Item Description	Quantity	Unit	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
15	7x5' Precast Jct. Box (with Connections to Existing 60" and 36" RCP)	1	EA	\$ 15,219.99	\$ 15,219.99	\$ 9,136.00	\$ 9,136.00	\$ 9,700.00	\$ 9,700.00	\$ 11,541.24	\$ 11,541.24	\$ 8,705.00	\$ 8,705.00
16	7x4' Precast Jct. Box (with Connection to Existing 21" RCP)	1	EA	\$ 10,303.83	\$ 10,303.83	\$ 4,208.00	\$ 4,208.00	\$ 5,600.00	\$ 5,600.00	\$ 8,616.25	\$ 8,616.25	\$ 5,420.00	\$ 5,420.00
17	5x4' Precast RCB	735	LF	\$ 468.92	\$ 344,656.20	\$ 710.80	\$ 522,438.00	\$ 430.00	\$ 316,050.00	\$ 575.60	\$ 423,066.00	\$ 546.00	\$ 401,310.00
18	5x2' Precast RCB	865	LF	\$ 409.43	\$ 354,156.95	\$ 673.87	\$ 582,897.55	\$ 400.00	\$ 346,000.00	\$ 514.40	\$ 444,956.00	\$ 450.00	\$ 389,250.00
19	4x4' Precast Sump Inlet with 3'x3' Storm Gate	1	EA	\$ 5,736.90	\$ 5,736.90	\$ 3,052.00	\$ 3,052.00	\$ 4,300.00	\$ 4,300.00	\$ 4,923.76	\$ 4,923.76	\$ 3,477.00	\$ 3,477.00
20	4x4' Precast Riser with Storm Manhole Frame and Cover	3	EA	\$ 5,150.82	\$ 15,452.46	\$ 7,368.00	\$ 22,104.00	\$ 4,600.00	\$ 13,800.00	\$ 5,486.25	\$ 16,458.75	\$ 3,015.00	\$ 9,045.00
21	3x3' Precast Riser with 3'x3' Storm Gate	4	EA	\$ 4,864.74	\$ 19,458.96	\$ 3,918.00	\$ 15,672.00	\$ 4,300.00	\$ 17,200.00	\$ 4,652.50	\$ 18,610.00	\$ 2,865.00	\$ 11,460.00
22	3x5' Precast Sump Inlet with 3'x5' Storm Gate	1	EA	\$ 6,332.82	\$ 6,332.82	\$ 5,874.00	\$ 5,874.00	\$ 5,600.00	\$ 5,600.00	\$ 6,582.50	\$ 6,582.50	\$ 4,562.00	\$ 4,562.00
23	3'x3' Precast Sump Inlet with 3'x3' Storm Gate	1	EA	\$ 4,672.74	\$ 4,672.74	\$ 3,570.00	\$ 3,570.00	\$ 3,400.00	\$ 3,400.00	\$ 5,027.50	\$ 5,027.50	\$ 2,468.00	\$ 2,468.00
24	10' Curb Inlet	2	EA	\$ 6,945.03	\$ 13,890.06	\$ 6,311.00	\$ 12,622.00	\$ 4,200.00	\$ 8,400.00	\$ 8,428.75	\$ 16,857.50	\$ 4,388.00	\$ 8,776.00
25	10' Curb Inlet (with 30" RCP Riser from Box Culvert)	1	EA	\$ 6,981.99	\$ 6,981.99	\$ 5,270.00	\$ 5,270.00	\$ 4,200.00	\$ 4,200.00	\$ 8,405.00	\$ 8,405.00	\$ 4,535.00	\$ 4,535.00
26	10' Two-Sided Curb Inlet (with 30" RCP Riser from Box Culvert)	1	EA	\$ 7,274.07	\$ 7,274.07	\$ 5,270.00	\$ 5,270.00	\$ 4,200.00	\$ 4,200.00	\$ 7,830.00	\$ 7,830.00	\$ 4,535.00	\$ 4,535.00
27	5' Curb Inlet (with 30" RCP Riser from Box Culvert)	1	EA	\$ 5,362.26	\$ 5,362.26	\$ 4,058.00	\$ 4,058.00	\$ 3,600.00	\$ 3,600.00	\$ 6,341.25	\$ 6,341.25	\$ 3,200.00	\$ 3,200.00
28	36" CL III RCP	26	LF	\$ 351.88	\$ 8,797.00	\$ 188.80	\$ 4,720.00	\$ 210.00	\$ 5,250.00	\$ 259.37	\$ 6,484.25	\$ 195.50	\$ 4,887.50
29	30" CL III RCP	345	LF	\$ 190.85	\$ 65,843.25	\$ 177.00	\$ 61,065.00	\$ 180.00	\$ 62,100.00	\$ 235.18	\$ 81,137.10	\$ 193.75	\$ 66,843.75
30	24" CL III RCP	150	LF	\$ 130.36	\$ 19,554.00	\$ 129.20	\$ 19,380.00	\$ 170.00	\$ 25,500.00	\$ 189.10	\$ 28,365.00	\$ 141.00	\$ 21,150.00
31	21" CL III RCP	15	LF	\$ 338.65	\$ 5,079.75	\$ 94.60	\$ 1,419.00	\$ 150.00	\$ 2,250.00	\$ 179.27	\$ 2,689.05	\$ 134.00	\$ 2,010.00
32	18" CL III RCP	160	LF	\$ 186.69	\$ 29,870.40	\$ 90.80	\$ 14,528.00	\$ 150.00	\$ 24,000.00	\$ 149.93	\$ 23,988.80	\$ 116.00	\$ 18,560.00
33	30" HDPE (with Adapters to 30" RCP)	50	LF	\$ 177.87	\$ 8,893.50	\$ 59.88	\$ 2,994.00	\$ 160.00	\$ 8,000.00	\$ 201.93	\$ 10,096.50	\$ 55.25	\$ 2,762.50
34	42" Steel Casing by Boring	40	LF	\$ 618.65	\$ 24,746.00	\$ 650.00	\$ 26,000.00	\$ 835.00	\$ 33,400.00	\$ 609.50	\$ 24,380.00	\$ 696.00	\$ 27,840.00
35	Connection to Existing Curb Inlet	10	LF	\$ 1,985.53	\$ 19,855.30	\$ 1,000.00	\$ 10,000.00	\$ 400.00	\$ 4,000.00	\$ 3,220.00	\$ 32,200.00	\$ 328.50	\$ 3,285.00
36	Concrete Apron (6" Thick)	110	SF	\$ 22.52	\$ 2,477.20	\$ 8.00	\$ 880.00	\$ 17.00	\$ 1,870.00	\$ 13.80	\$ 1,518.00	\$ 14.00	\$ 1,540.00
37	Prepare, Implement, and Follow a Trench Safety Plan	1	LS	\$ 14,678.09	\$ 14,678.09	\$ 12,000.00	\$ 12,000.00	\$ 1,600.00	\$ 1,600.00	\$ 5,750.00	\$ 5,750.00	\$ 14,300.00	\$ 14,300.00

Roadway Improvements

Item No.	Item Description	Quantity	Unit	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
38	Prepare Subgrade to 6" Depth	1525	SY	\$ 28.23	\$ 43,050.75	\$ 2.53	\$ 3,858.25	\$ 6.00	\$ 9,150.00	\$ 4.60	\$ 7,015.00	\$ 12.50	\$ 19,062.50
39	Crushed Limestone Base Material (8" Thick)	1525	SY	\$ 25.59	\$ 39,024.75	\$ 20.36	\$ 31,049.00	\$ 14.00	\$ 21,350.00	\$ 10.35	\$ 15,783.75	\$ 28.50	\$ 43,462.50
40	Hot Mix Asphaltic Concrete, Type D (2" Thick)	725	SY	\$ 19.20	\$ 13,920.00	\$ 17.00	\$ 12,325.00	\$ 23.00	\$ 16,675.00	\$ 46.00	\$ 33,350.00	\$ 24.75	\$ 17,943.75
41	24" Standard Concrete Curb and Gutter	155	LF	\$ 24.64	\$ 3,819.20	\$ 36.00	\$ 5,580.00	\$ 35.00	\$ 5,425.00	\$ 46.00	\$ 7,130.00	\$ 45.00	\$ 6,975.00
42	Concrete Sidewalk (4" Thick)	100	SF	\$ 21.66	\$ 2,166.00	\$ 8.00	\$ 800.00	\$ 16.00	\$ 1,600.00	\$ 8.05	\$ 805.00	\$ 17.50	\$ 1,750.00
43	10' Wide Low Flow Concrete Flume	7250	SF	\$ 12.80	\$ 92,800.00	\$ 10.00	\$ 72,500.00	\$ 14.00	\$ 101,500.00	\$ 11.50	\$ 83,375.00	\$ 11.50	\$ 83,375.00
44	Topsoil Placement (4" Thick)	3600	SY	\$ 3.90	\$ 14,040.00	\$ 12.23	\$ 44,028.00	\$ 4.00	\$ 14,400.00	\$ 3.45	\$ 12,420.00	\$ 6.50	\$ 23,400.00
45	Solid Block Grass Sod (Match Type Disturbed by Construction)	3600	SY	\$ 5.40	\$ 19,440.00	\$ 14.00	\$ 50,400.00	\$ 8.00	\$ 28,800.00	\$ 8.05	\$ 28,980.00	\$ 5.50	\$ 19,800.00

8

Miscellaneous

Item No.	Item Description	Quantity	Unit	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
46	8' Metal R-panel Fence (Using Salvaged Materials)	105	LF	\$ 38.94	\$ 4,088.70	\$ 136.00	\$ 14,280.00	\$ 50.00	\$ 5,250.00	\$ 17.25	\$ 1,811.25	\$ 21.00	\$ 2,205.00
47	6' Cedar Privacy Fence	225	LF	\$ 32.45	\$ 7,301.25	\$ 56.52	\$ 12,717.00	\$ 28.00	\$ 6,300.00	\$ 34.50	\$ 7,762.50	\$ 49.50	\$ 11,137.50
48	4' Chain Link Fence	525	LF	\$ 29.21	\$ 15,335.25	\$ 31.63	\$ 16,605.75	\$ 15.00	\$ 7,875.00	\$ 17.25	\$ 9,056.25	\$ 37.00	\$ 19,425.00

49	Relocate 2" Water Main to Facilitate Construction of Box Culvert	3	EA	\$ 2,412.47	\$ 7,237.41	\$ 3,100.00	\$ 9,300.00	\$ 1,300.00	\$ 3,900.00	\$ 4,130.10	\$ 12,390.30	\$ 2,450.00	\$ 7,350.00
50	Remove and Replace 8" SDR-26 PVC Sanitary Sewer to Facilitate Bore for 42"	50	LF	\$ 140.42	\$ 7,021.00	\$ 55.11	\$ 2,755.50	\$ 110.00	\$ 5,500.00	\$ 78.63	\$ 3,931.50	\$ 173.50	\$ 8,675.00
TOTAL BID AMOUNT					\$ 1,532,647.38		\$ 2,009,891.40		\$ 1,393,815.00		\$ 1,728,445.00		\$ 1,501,804.00

Bid Tabulation Notes:

Bidders

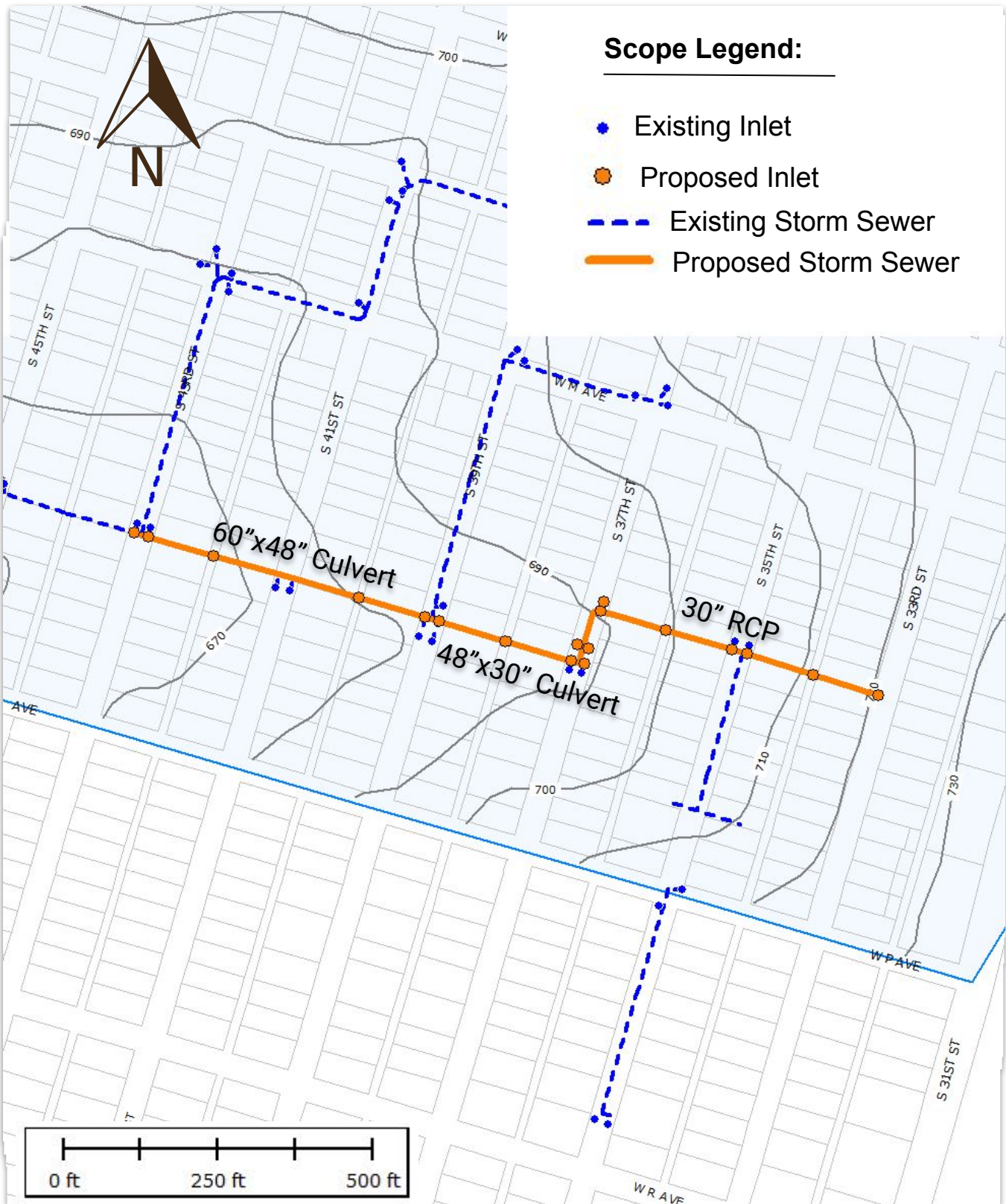
Bell Contractors, Inc.
Holy Contractos, LLC
James Construction Group, LLC
Skyblue Utilities, Inc.
TTG Utilities, LP

BID SUMMARY

Base Bid
\$1,532,647.38
\$2,009,891.40
\$1,393,815.00
\$1,728,445.00
\$1,501,804.00



Anthony D. Beach
02/11/2019



City of Temple - 2018 Storm Drainage Improvements
Fairview and Sunset Additions

RESOLUTION NO. 2019-9564-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A CONSTRUCTION CONTRACT WITH JAMES CONSTRUCTION GROUP, LLC, OF TEMPLE, TEXAS IN AN AMOUNT NOT TO EXCEED \$1,393,815, FOR DRAINAGE IMPROVEMENTS IN THE FAIRVIEW AND SUNSET ADDITIONS; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the 2008-2009 Drainage Master Plan identified improvements to address flooding in the vicinity of Avenues T & R at 57th Street - on May 18, 2017, Council authorized a contract with BSP Engineers, Inc. (BSP) to implement the project;

Whereas, engineering design revealed that constructing the improvements would be cost-prohibitive to reduce the flood risk to the affected number of structures;

Whereas, Staff and the City's Engineer identified a revised project scope in the same drainage basin that would address known flooding problems and addresses drainage infrastructure (slightly northeast of the original project scope) that is known to be undersized per current City criteria;

Whereas, construction will upsize a drainage culvert, add new drainage culverts & inlets, and include associated appurtenances such as concrete riprap and flumes;

Whereas, Staff recommends Council authorize a construction contract with James Construction Group, LLC, of Temple, Texas in an amount not to exceed \$1,393,815.00, for drainage improvements in the Fairview and Sunset Additions;

Whereas, funding for this construction contract is available in Account No. 292-2900-534-6312 and Account No. 353-2900-534-6713, Project No. 101637; 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 her designee, after approval as to form by the City Attorney, to execute a construction contract with James Construction Group, LLC, of Temple, Texas in an amount not to exceed \$1,393,815.00, for drainage improvements in the Fairview and Sunset Additions.

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 **21st** day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #5(E)
Consent Agenda
Page 1 of 2

DEPT./DIVISION SUBMISSION & REVIEW:

Don Bond, P.E., City Engineer
Richard Wilson, P.E., Deputy City Engineer

ITEM DESCRIPTION: Consider adopting a resolution authorizing change order #6 with R.T. Schneider Construction Company, Ltd., of Belton for construction of Prairie View Road Phase 2 from FM 2483 to North Pea Ridge Road, in the amount of \$38,600.

STAFF RECOMMENDATION: Adopt resolution as presented in item summary.

ITEM SUMMARY: The City of Temple has adopted a Transportation Capital Improvement Program in which capacity and connectivity improvements to Prairie View Road are identified. The roadway improvements are needed to support the growing area. Proposed development includes the Lake Belton High School campus.

On January 18, 2018 Council authorized a construction contract with RTS for construction of Prairie View Road Phase 2 in the amount of \$6,770,497.11. Change orders 1-5 amounting to \$163,624.35 have previously been approved.

This change order includes furnishing and installing a traffic signal video system, constructing a retaining wall, and demolishing the existing flashing yellow traffic signal and represents a contract increase of \$38,600 or 0.6% of the original contract amount. The net increase in the contract including previous change orders is \$202,224.35 or 3.0% of the original contract amount and the total revised contract amount is \$6,972,721.46. There are 79 proposed additional calendar days for the change order including weather, dry utility, and water utility final tie-in delays.

Per the attached recommendation letter the engineering consultant has reviewed the change order and recommends approval.

Change Order Grant Breakdown:

Transportation Improvements (Grant Eligible)	\$ 38,600
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FISCAL IMPACT: Funding for change order #6 with R.T. Schneider Construction Company, Ltd. in the amount of \$38,600 for construction of Prairie View Road Phase 2 is available in account 260-3400-531-6862, project 101257, as follows:

	<u>260-3400-531-6862</u>	<u>365-3400-531-6862</u>	<u>520-5900-535-6521</u>	<u>Total</u>
Project Budget	\$ 6,963,560	\$ 2,821,193	\$ 850,000	\$ 10,634,753
Encumbered/Committed to Date	(6,375,661)	(2,772,177)	(779,281)	(9,927,119)
RT Schneider Construction Co. CO #6	(38,600)	-	-	(38,600)
Remaining Project Funds	\$ 549,299	\$ 49,016	\$ 70,719	\$ 669,034

ATTACHMENTS:

[Recommendation Letter](#)
[Aerial Photo](#)
[Change Order Form](#)
[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. "TRAE" SUTTON, III, P.E., CFM
JOHN A. SIMCIK, P.E., CFM

Georgetown
1008 South Main Street
Georgetown, Texas 78626
(512) 819-9478

January 28, 2019

Mr. Richard Wilson, P.E., CFM
3210 E. Avenue H
Building A
Temple, Texas 76501

Re: City of Temple, Texas
Prairie View Road Phase Two

Dear Mr. Wilson:

Attached is Change Order #6 for the Prairie View Road Phase Two Project. This change order is recommending demolishing and removing an existing flashing light at SH317/FM2483 intersection, furnish/install 18" high concrete retaining wall, furnish/install traffic signal camera system and adding calendars days to the contract to compensate for dry utility relocation, water utility final tie-in and rain delays.

Demolish/remove existing flashing signal

There is an existing flashing signal at the intersection of SH317 and FM2483 that will become obsolete once the new signalized SH317/FM21483 intersection is completed. The flashing signal pole and mast arms will be removed and provided to the City of Temple. The existing concrete foundation will be demolished and removed to below grade. The remaining surface will be saw cut and the concrete island will be patched to finish grade. An additional two (2) days is requested for this work. Cost is \$8,550.00.

Furnish/install 18" high concrete retaining wall

This sidewalk retaining wall will provide slope transition around an existing Oncor power pole in close proximity behind the proposed sidewalk. An additional two (2) days is requested for this work. Cost is \$3,350.00.

Furnish/install traffic signal camera system

City transportation staff has requested a camera system for the SH317/FM2483 signalized intersection. Work includes complete camera equipment for traffic detection and signal operation. An additional three (3) calendar days is requested for this work. Cost is \$26,700.00.

Dry utility relocation delays

Dry utilities include electric, communication and television cable companies. Efforts were made to coordinate dry utility relocation ahead of start of construction. Invariably, field conditions, weather and dry utility company workload were factors in delays occurring during roadway construction. Additional thirty-six (36) days are requested due to dry utility relocation delays affecting roadway construction progress efficiency.

Water utility final tie-in delays

City water distribution coordination required additional days for at least two final water tie-ins. Delays included drought contingency concerns, water distribution and scheduling around holidays in order to minimize impacts to utility customers and emergency responders. Additional twenty-eight (28) days are requested.

Rain Days

November 2018 produced ten (10) rain days and December produced twelve (12) rain days per weather reports as follows:

- November 1, 3, 4, 5, 8, 9, 10, 11, 12, 13 10 days - 7 days = 3 excess days
- December 1, 2, 7, 8, 9, 10, 26, 27, 28, 29, 30, 31 12 days - 7 days = 5 excess days

The statistical average rain for November and December is seven (7) days each month. The total rain days in excess of the statistical average for November 2018 and December 2018 are eight (8) days. Additional eight (8) days are requested.

Total cost of Change Order #6 is \$38,600.00.

Total additional time is 79 calendar days.

We have reviewed Change Order #6 and recommend it be processed and executed with respect to the R.T. Schneider Construction Co., LTD construction contract for the above referenced project.

Sincerely,



Michael C. Newman, P.E., CFM

MCN/mcn

xc: R.T. Schneider Construction Company, LTD
KPA Project File: 2013-128-40



CHANGE ORDER

PROJECT: **Prairie View Road Phase 2**
 OWNER: **City of Temple**
 CONTRACTOR: **R.T. Schneider Construction Company, LTD.**
 ENGINEER: **Kasberg, Patrick & Associates**
 CHANGE ORDER #: **Six**

Make the following **additions**, modifications or **deletions** (bold and underline those that apply) to the work described in the Contract Documents:

Add: **Add Contract Calendar Days due to Remove Flashing Signal, 18" Concrete Retain Wall, Traffic Signal Camera System, Add Time due to items above plus Dry Utility, Water Tie-in and Rain delays.**

Item	Description	Quantity	Unit	Unit Price	Extended Amount
CO6-1	Demolish/remove flashing signal at SH317-FM2483	1.00	LS	\$ 8,550.00	\$ 8,550.00
CO6-2	Furnish/install 18" high concrete wall	1.00	LS	\$ 3,350.00	\$ 3,350.00
CO6-3	Furnish/install traffic signal camera system	1.00	LS	\$ 26,700.00	\$ 26,700.00
				Add Total	\$ 38,600.00

Add 2 days for removing existing flashing signal, **add 2 days** for 18" concrete wall, **add 3 days** for traffic signal camera system, **add 36 days** for dry utility relocation, **add 28 days** for water utility final tie-ins and **add 8 days** for excess rain days in Nov. & Dec. 2018. Total is additional 79 calendar days.

79

This Change Order modifies the day for completion adding 79 Calendar Days due additional work.

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	\$ 6,770,497.11
Previous Net Change in Contract Amount	\$ 163,624.35
Net Change in Contract Amount	\$ 38,600.00
Revised Contract Amount	\$ 6,972,721.46
Original Contract Time	330 days
Previous Net Change in Contract Time	107 days
Net Change in Contract Time	79 days
Revised Contract Time	516 days
Original Final Completion Date	January 15, 2019
Revised Final Completion Date	July 20, 2019


Recommended By:

 2/1/19
 Project Manager (City Staff) Date

Recommended by:

 1/28/2019
 Architect/Engineer Date

Agreed to:

 1/28/19
 Contractor Date

Approved by City of Temple:

Brynn Myers, City Manager Date

Approved as to form:

Approved by Finance Department

City Attorney's Office Date

Finance Date

Texas Department of Transportation

Victor J. Goebel, TxDOT Waco District Date

RESOLUTION NO. 2019-9565-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING CHANGE ORDER NO. 6 TO THE CONSTRUCTION CONTRACT WITH R.T. SCHNEIDER CONSTRUCTION COMPANY, LLC OF BELTON, TEXAS IN THE AMOUNT OF \$38,600, FOR CONSTRUCTION OF PRAIRIE VIEW ROAD, PHASE 2 FROM FM 2483 TO NORTH PEA RIDGE ROAD; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the City of Temple adopted a Transportation Capital Improvement Program in which capacity and connectivity improvements to Prairie View Road are identified - the improvements needed are to support the growing area, which includes the proposed development of the Lake Belton High School campus;

Whereas, on January 18, 2018, Council authorized a construction contract with R.T. Schneider Construction Company, Ltd. ("RTS") for construction of Prairie View Road Phase 2 - Change Orders 1-5 amounting to \$163,624.35 have previously been approved;

Whereas, Change Order No. 6 includes furnishing and installing a traffic signal video system, constructing a retaining wall, and demolishing the existing flashing yellow traffic signal;

Whereas, Staff recommends Council authorize Change Order No. 6 to the construction contract with R.T. Schneider Construction Company, LLC of Belton, Texas in the amount of \$38,600, for the construction of Prairie View Road, Phase 2;

Whereas, funds are available for this change order in Account No. 260-3400-531-6862, Account No. 365-3400-531-6862 and Account No. 520-5900-535-6521, Project No. 101257; 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 her designee, after approval as to form by the City Attorney, to execute Change Order No. 6 to the construction contract with R.T. Schneider Construction Company, LLC of Belton, Texas in the amount of \$38,600, for the construction of Prairie View Road, Phase 2.

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 **21st** day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #5(F)
Consent Agenda
Page 1 of 1

DEPT./DIVISION SUBMISSION & REVIEW:

Kayla Landeros, City Attorney
Christina Demirs, Deputy City Attorney

ITEM DESCRIPTION: Consider adopting a resolution ratifying the acceptance of a donation of 3.06-acres of right-of-way from Temple Economic Development Corporation, which is necessary for the construction of the Rail Backage Road and Rail Spur.

STAFF RECOMMENDATION: Adopt resolution presented in item description.

ITEM SUMMARY: Rail access and road access in the Industrial Rail Park situated in northwest Temple is required for property within the Park. By constructing the road and rail spur, the property will be more desirable to potential businesses for economic development.

At this time, Staff is seeking ratification for the acceptance of the donation of 3.06-acre of right-of-way from Temple Economic Development Corporation, which is necessary for the construction of the Rail Backage Road and Rail Spur.

The address of the property is Moores Mill Road, Temple, Bell CAD ID 410044.

FISCAL IMPACT: The city will be responsible for future maintenance of the property and any costs associated with the closing transaction on the land which are expected to be nominal.

ATTACHMENTS:

[Resolution](#)

RESOLUTION NO. 2019-9566-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, RATIFYING THE ACCEPTANCE OF A DONATION OF APPROXIMATELY 3.06 ACRES OF RIGHT OF WAY FROM TEMPLE ECONOMIC DEVELOPMENT CORPORATION, WHICH IS NECESSARY FOR THE CONSTRUCTION OF THE RAIL BACKAGE ROAD AND RAIL SPUR; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, rail access and road access in the Industrial Rail Park situated in northwest Temple is required for property within the Park and by constructing the road and rail spur, the property will be more desirable to potential businesses for economic development;

Whereas, Staff recommends Council ratify the acceptance of the donation of approximately 3.06 acres of right of way from Temple Economic Development Corporation, which is necessary for the construction of the Rail Backage Road and Rail Spur;

Whereas, the address of the property is Moores Mill Road, Temple (BellCAD ID 410044);

Whereas, the City will be responsible for future maintenance of the property and any costs associated with the closing transaction on the land, which are expected to be nominal; 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 ratifies the acceptance of the donation of approximately 3.06 acres of right of way from Temple Economic Development Corporation, which is necessary for the construction of the Rail Backage Road and Rail Spur.

Part 3: The City Council authorizes the City Manager, or her designee, after approval as to form by the City Attorney, to execute any documents that may be necessary to accept this donation.

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 **21st** day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #5(G)
Consent Agenda
Page 1 of 1

DEPT./DIVISION SUBMISSION & REVIEW:

Alan DeLoera, Information Technology Director

ITEM DESCRIPTION: Consider adopting a resolution authorizing an agreement for the purchase and installation of a video surveillance system with Knight Security Systems, LLC of Austin, in the amount of \$27,131.50.

STAFF RECOMMENDATION: Adopt resolution as presented in the item description.

ITEM SUMMARY: The Information Technology Department is proposing the acquisition of video surveillance equipment and installation services from Knight Security Systems, LLC (Knight Security) for an additional City facility. Technologies like video surveillance and interactive video surveillance gives Staff the power to see, respond, intervene and mitigate risks, if and when they arise.

Knight Security has been awarded State of Texas DIR Contracts DIR-TSO-3430, through the State of Texas Department of Information Resources (DIR). Contracts awarded through DIR have been competitively procured and meet the statutory procurement requirements for all Texas governmental entities per Texas Government Code §2157.068 for the purchase of technology commodity items.

FISCAL IMPACT: Funding for the purchase and installation of a video surveillance system with Knight Security Systems, LLC in the amount of \$27,131.50 is available in account 110-5924-519-6310, project 102014, as follows:

Project Budget	\$	66,000
Encumbered/Committed to Date		-
Knight Security Systems, LLC - Video Surveillance System		(27,132)
A-1 Fire & Security Equipment Co. - Access Control Equipment		(31,000)
Remaining Project Funds Available	\$	<u>7,868</u>

ATTACHMENTS:

[Resolution](#)

RESOLUTION NO. 2019-9567-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING AN AGREEMENT FOR THE PURCHASE AND INSTALLATION OF A VIDEO SURVEILLANCE SYSTEM IN THE AMOUNT OF \$27,131.50 FROM KNIGHT SECURITY SYSTEMS, LLC OF AUSTIN, TEXAS; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the Information Technology Department is proposing the acquisition of video surveillance equipment and installation services from Knight Security Systems, LLC (Knight Security) for an additional City facility - technologies like video surveillance and interactive video surveillance gives Staff the power to see, respond, intervene and mitigate risks should they arise;

Whereas, Knight Security Systems, LLC, has been awarded State of Texas DIR Contract DIR-TSO-3430, through the State of Texas Department of Information Resources (DIR) - contracts awarded through DIR have been competitively procured and meet the statutory procurement requirements for Texas municipalities per Texas Government Code 2157.068 for the Purchase of Technology Commodity items;

Whereas, Staff recommends Council authorize the purchase of a Video Surveillance System in the amount of \$27,131.50 from Knight Security Systems, LLC of Austin, Texas, utilizing a DIR Contract;

Whereas, funding for this purchase is available in Account No. 110-5924-519-6310, Project No. 102014; 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 a Video Surveillance System in the amount of \$27,131.50 from Knight Security Systems, LLC of Austin, Texas, utilizing a DIR Contract.

Part 3: The City Council authorizes the City Manager, or her 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 **21st** day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #(H)
Consent Agenda
Page 1 of 1

DEPT./DIVISION SUBMISSION & REVIEW:

Alan DeLoera, Information Technology Director

ITEM DESCRIPTION: Consider adopting a resolution authorizing an agreement for the purchase and installation of access control equipment with A-1 Fire & Security Equipment Co. of Waco, in the estimated amount of \$31,000.

STAFF RECOMMENDATION: Adopt resolution as presented in the item description.

ITEM SUMMARY: The Information Technology Department is proposing the acquisition of additional door access control equipment and services from A-1 Fire & Security Equipment Co. (A-1) for City Hall.

Technologies like automated door access control allows City management the power to see, respond, intervene, and mitigate risks. In addition, door access control system eliminate the need for keys and the need to re-key facilities upon the loss of a key or the departure of a terminated employee. Access control also gives the City the ability to quickly upgrade or downgrade access, reducing concerns about the wrong person accessing sensitive parts of the building.

This purchase is supported by General Services Administration (GSA) Contract GS-07F-078DA, which has been competitively procured and meets the statutory procurement requirements for Texas municipalities.

FISCAL IMPACT: Funding for the purchase and installation of access control equipment with A-1 Fire & Security Equipment Co. in the estimated amount of \$31,000 is available in account 110-5924-519-6310, project 102014, as follows:

Project Budget	\$	66,000
Encumbered/Committed to Date		-
Knight Security Systems, LLC - Video Surveillance System		(27,132)
A-1 Fire & Security Equipment Co. - Access Control Equipment		(31,000)
Remaining Project Funds Available	\$	<u>7,868</u>

ATTACHMENTS:

[Resolution](#)

RESOLUTION NO. 2019-9568-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING AN AGREEMENT FOR THE PURCHASE AND INSTALLATION OF ACCESS CONTROL EQUIPMENT IN THE ESTIMATED AMOUNT OF \$31,000, WITH A-1 FIRE & SECURITY EQUIPMENT CO. OF WACO, TEXAS; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the Information Technology Department is proposing the acquisition of additional door access control equipment and services from A-1 Fire & Security Equipment Co. (A-1) for City Hall;

Whereas, technologies like automated door access control allows City management the power to see, respond, intervene, and mitigate risks and a door access control system eliminates the need for keys and the need to re-key facilities upon the loss of a key or the departure of a terminated employee - access control also gives the City the ability to quickly upgrade or downgrade access, reducing concerns about the wrong person accessing sensitive parts of the building;

Whereas, A-1 has been awarded General Services Administration (GSA) Contract GS-07F-078DA - contracts awarded through GSA have been competitively procured and meet the statutory procurement requirements for Texas municipalities;

Whereas, Staff recommends Council authorize the purchase and installation of access control equipment in the estimated amount of \$31,000 with A-1 Fire & Security Equipment Co. of Waco, Texas, utilizing a GSA Contract;

Whereas, funding for this purchase is available in Account No. 110-5924-519-6310, Project No. 102014; 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 and installation of access control equipment in the estimated amount of \$31,000 with A-1 Fire & Security Equipment Co. of Waco, Texas, utilizing a GSA Contract.

Part 3: The City Council authorizes the City Manager, or her 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 **21st** day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #5(I)
Consent Agenda
Page 1 of 2

DEPT./DIVISION SUBMISSION & REVIEW:

Brynn Myers, City Manager
Erin Smith, Assistant City Manager

ITEM DESCRIPTION: Consider adopting the following:

- 1) A resolution of support for a housing tax credit general project by Steele Wayman, LLC.
- 2) A resolution of commitment to local funding through fee reductions not to exceed \$500 for a housing tax credit general project by Steele Wayman, LLC.

STAFF RECOMMENDATION: Adopt resolutions as presented in item description.

ITEM SUMMARY: Steele Wayman, LLC has submitted a pre-application to the Texas Housing and Development Corporation housing tax credit program for the redevelopment of a general housing project at Wayman Manor Apartments. The developer anticipates a total project investment of approximately \$28,000,000 to include 160 total units in which 100% of the units will be designated to families with annual incomes at or below 60% AMI. Since the project is 100% subsidized by a Project Based Section 8 Housing Assistance Payment Contract the tenant's rents will not change following the acquisition. The proposed rehabilitation project is located on the east side of South 30th Street, between East Avenue K and East Avenue N.

The tax credit is an indirect Federal subsidy, begun in 1986, as a market-based incentive to encourage investment and development of affordable rental housing. The program works by reducing the debt that the developer would otherwise borrow, allowing them to offer lower, more affordable rents. The program provides equity financing for the developer and is not a direct benefit to individuals.

The Tax Credit program is a competitive system, largely based on point categories, including points related to community support and engagement. Up to 17 points are available to the developer if a resolution of support is obtained from the municipality in which the development will be located. Up to an additional one point is available to the developer if the municipality provides a commitment to local funding of the project. Up to nine points are available to the developer if they receive quantifiable community participation.

The City Council has adopted a resolution that established a policy regarding lending support for tax credit projects. As part of the resolution, the following criteria were established for evaluation of proposed projects:

- Alignment with the priorities stated in the City's five-year Consolidated Plan;
- Alignment with the Comprehensive Plan, Future Land Use Map, and zoning;
- Involvement and support from local stakeholders and neighborhood organizations;
- Impact on existing affordable housing in a neighborhood;
- Quality of design and construction;
- Impact on City infrastructure;
- Provision of both tax credit and market rate units;
- Level of funding assistance requested;
- Developments that pay property taxes;
- Demonstrated development team experience;
- Impact on elimination of blight;
- Impact of traffic associated with the project;
- Availability of and impact on public transit service;
- Impact on area schools;
- Preservation of environmental assets and/or enhancement of landscaping;
- Impact on surrounding neighborhood(s); and
- Any other factor relevant to the best interest of the City (includes consideration for fair housing).

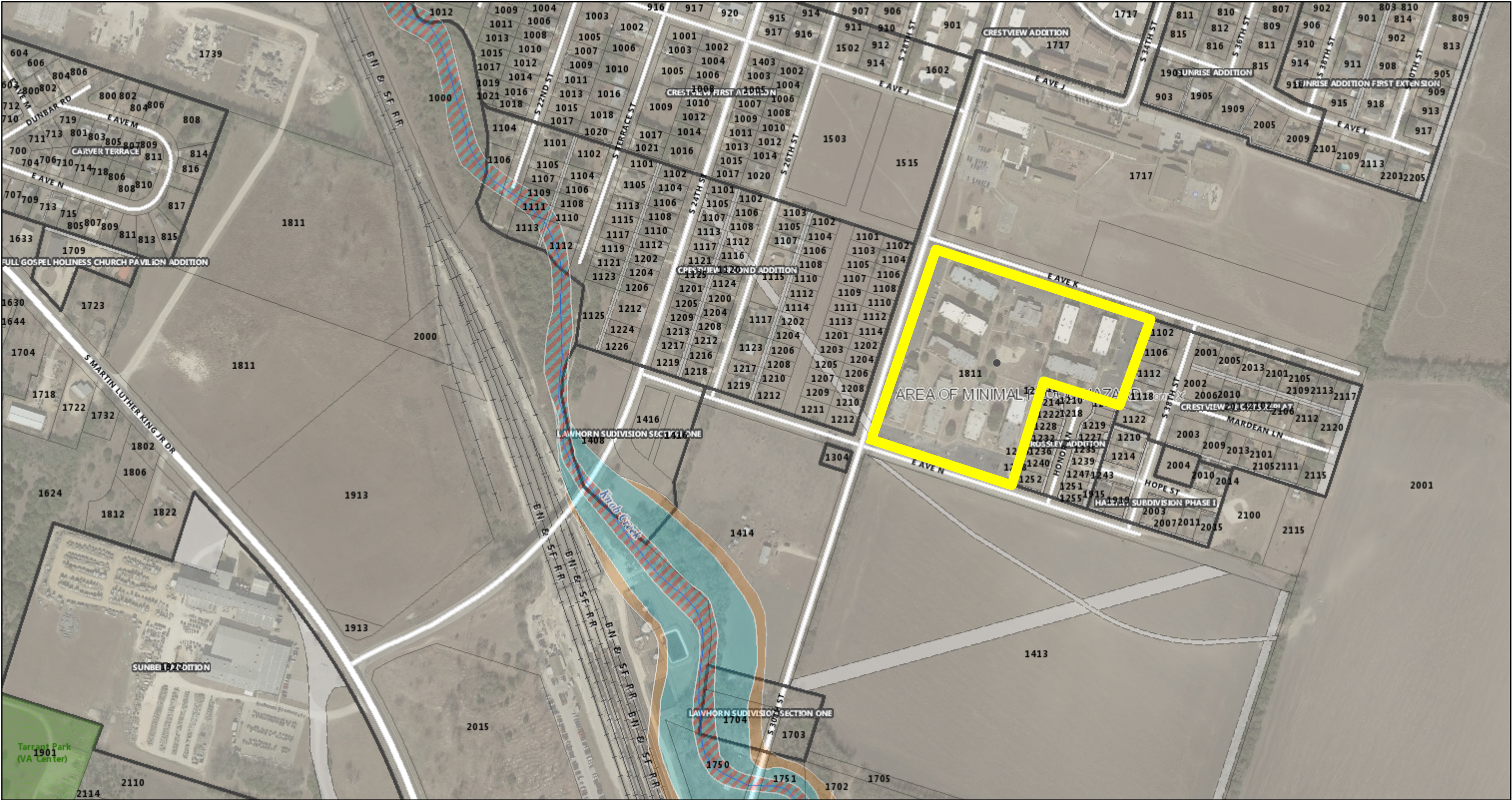
The developer is requesting a resolution of support for their proposed project and \$500 in waived permit fees.

FISCAL IMPACT: Capital investment by Steele Wayman, LLC would be approximately \$28,000,000 with the land and improvements being subject to property taxes. Upon approval of resolution (Item 2), the City will commit to waiving a portion of permit fees in an amount not to exceed \$500.

ATTACHMENTS:

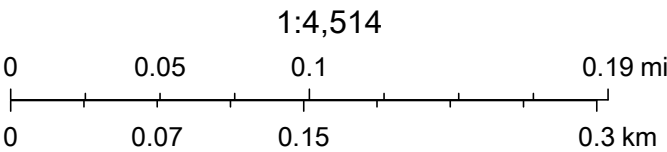
[Project Location Map](#)
[Project Site Plan](#)
[Resolutions](#)

Wayman Manor Apartments



2/12/2019, 10:15:43 AM

- | | | | | | |
|-----------------------------------|---|-------------------|------------------|--------------|----------------------|
| Parcels | Future Conditions 1% Annual Chance Flood Hazard | ETJ Boundary | CLUB HOUSE | PARKING | TENNIS COURT |
| Flood Hazard Zones | Area with Reduced Risk Due to Levee | Park Areas | WATER FEATURE | PAVILION | VOLLYBALL COURT |
| 1% Annual Chance Flood Hazard | Flood Hazard Boundaries | ParkStructures | BASEBALL FIELD | PLAYGROUND | WATER PARK |
| Regulatory Floodway | Other Boundaries | MUSEUM | BASKETBALL COURT | POOL | Easement |
| Special Floodway | Limit Lines | POOL FACILITY | BATHROOM | SOCCER FIELD | Subdivision |
| Area of Undetermined Flood Hazard | SFHA / Flood Zone Boundary | PARK FACILITY | COMMUNITY CENTER | SPLASH PAD | Bell County Boundary |
| 0.2% Annual Chance Flood Hazard | Water Lines | CONVENTION CENTER | | | |



RESOLUTION NO. 2019-9569-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, EXPRESSING (A) SUPPORT FOR THE APPLICATION OF STEELE WAYMAN LLC TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR 2019 COMPETITIVE NINE-PERCENT HOUSING TAX CREDITS AND FOR THE REHABILITATION OF WAYMAN MANOR APARTMENTS, AN EXISTING APARTMENT COMMUNITY WHICH IS LOCATED IN TEMPLE, TEXAS; AND (B) RECOGNITION OF A COMMITMENT OF FUNDING ASSISTANCE BY THE CITY OF TEMPLE TO THE PROJECT; AND (C) RECOGNITION THAT THE PROJECT CONTRIBUTES MORE THAN ANY OTHER DEVELOPMENT TO THE CITY'S CONCERTED REVITALIZATION EFFORTS; AND (D) AUTHORIZING SUCH OTHER ACTIONS NECESSARY OR CONVENIENT TO CARRY OUT THIS RESOLUTION; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, Steele Wayman LLC ("Applicant") has brought to the City of Temple a proposal to re-develop an existing affordable rental housing community in Temple, Texas, named Wayman Manor Apartments, which is located at 1811 East Avenue K in Temple, Texas;

Whereas, the Applicant intends to file an application to the Texas Department of Housing and Community Affairs (TDHCA) for an allocation of 2019 Competitive 9% Housing Tax Credits (HTC) for the rehabilitation of Wayman Manor Apartments, TDHCA# 19050;

Whereas, the Applicant has requested from the City Council of the City of Temple support for its application to the TDHCA, and for the rehabilitation of Wayman Manor Apartments, the commitment of required funding assistance for its application and identification as the development contributing most to the City's concerted revitalization efforts;

Whereas, capital investment by Steele Wayman, LLC would be approximately \$28,000,000 with the land and improvements being subject to property taxes - upon approval the City will commit to waiving a portion of permit fees in an amount not to exceed \$500; 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 of Temple, acting through its governing body, hereby confirms that it supports the rehabilitation of Wayman Manor Apartments, TDHCA# 19050 located at 1811 East Avenue K in Temple, Texas, and additionally supports the Applicant's application to the

TDHCA for HTC's.

Part 3: The City of Temple, acting through its governing body, hereby approves a commitment to Wayman Manor Apartments of permanent funding assistance in an amount not to exceed \$500 which, in the City's discretion, may be in the form of a grant, reduced fees, or gap funding.

Part 4: Notwithstanding anything herein to the contrary, the funding commitment by the City of Temple set forth in this Resolution shall be contingent on: (i) the Applicant securing HTC's from TDHCA in the amount sufficient to rehabilitate Wayman Manor Apartments and (ii) development approvals by the City of Temple in connection with the rehabilitation of Wayman Manor Apartments.

Part 5: The City of Temple hereby identifies Wayman Manor Apartments as being the development that contributes more than any other development to the concerted revitalization efforts of the City as described in:

- 2015-2019 City of Temple Consolidated Plan
- 2018-2019 City of Temple Annual Action Plan; and
- East Temple Development and Revitalization Plan

Part 6: This formal action has been taken to put on record the opinion expressed by the City of Temple as of the date of this resolution.

Part 7: The Mayor and the City Manager of the City of Temple, each acting without the necessity of joinder of the other, are authorized, empowered and directed to certify these resolutions to the TDHCA upon request.

Part 8: 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 **21st** day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #5(J)
Consent Agenda
Page 1 of 2

DEPT./DIVISION SUBMISSION & REVIEW:

Kayla Landeros, City Attorney
Amanda Rice, Deputy City Attorney

ITEM DESCRIPTION: SECOND READING – FINAL HEARING. Consider adopting an ordinance amending the Code of Ordinances, Chapter 41, “Credit Access Businesses,” to include a general update of the Chapter and two additional provisions for transparency and protection for consumers.

STAFF RECOMMENDATION: Adopt ordinance on first reading as presented in item description and conduct a public hearing. Second reading will be scheduled for the February 21, 2019 City Council meeting.

ITEM SUMMARY: In a continuing effort to review and update the City’s Code of Ordinances, Staff is proposing certain amendments to Chapter 41, “Credit Access Businesses.” The amendments include general clean-up of the language and changes to formatting. In addition, Staff proposes updating a reference to a city staff position. The Chapter gives the “General Services Manager” the authority to enforce and administer this Chapter. There is currently no staff position with this title. The amendments propose to change the title of “General Services Manager” to “the director of the department designated by the City of Temple’s City Council, City Manager, or their designee, to enforce and administer this Chapter.”

The amendments also include two proposed changes to provide transparency and protect consumers. For these amendments, the proposed changes provide that a credit access business with a current City certificate of registration will not have to comply with these changes until the credit access business’ certificate of registration is renewed with the City.

The first amendment is a proposed change that would require a credit access business to provide the contact information of persons with a financial interest in the credit access business to the City to obtain a City certificate of registration. This Chapter currently only requires a credit access business to provide contact information for owners of the credit access business.

The second amendment is a proposed change that would require disclosures and notices required by state law to be written and provided to consumers in the consumers’ language of preference. The proposed change would also compel credit access businesses to maintain on their premises state required disclosures and notices written in Spanish and English. Chapter 41 currently provides these language requirements for agreements between credit access businesses and consumers but does not have a similar provision for state required disclosures and notices.

Staff recommends approval of the proposed amendments.

FISCAL IMPACT: Not Applicable

ATTACHMENTS:

[Redlined draft of Chapter 41](#)
[Clean draft of Chapter 41](#)
[Ordinance](#)

Chapter 41

CREDIT ACCESS BUSINESSES

ARTICLE 1. CREDIT ACCESS BUSINESSES

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State law reference—Credit Organizations, V.T.C.A., Finance Code § 393.001 et seq.; credit access businesses, V.T.C.A., Finance Code § 393.601 et seq.

41-1. Short Title and Purpose.

- (a) This Article may be known and cited as “Credit Access Businesses Regulation.”
- (b) The purpose of this Article is to protect the welfare of the citizens of the City of Temple by monitoring credit access businesses in an effort to reduce abusive and predatory lending practices. To this end, this Article establishes a registration program for credit access businesses, imposes restrictions on extensions of consumer credit made by credit access businesses, and imposes recordkeeping requirements on credit access businesses.

(Prior Code, § 41-1)

41-2. Definitions.

As used in this chapterArticle:

- (1) CERTIFICATE OF REGISTRATION means a certificate of registration issued by the ~~Director~~director under this Article to the owner or operator of a credit access business.
- (2) CITY means the City of Temple, Texas, the City Council of Temple, Texas, or its representatives, employees, agents, or designees.
- (3) CONSUMER means an individual who is solicited to purchase or who purchases the services of a credit access business.
- (4) CONSUMER’S LANGUAGE OF PREFERENCE is the language the consumer understands best.
- (5) CREDIT ACCESS BUSINESS has the meaning given that term in Section 393.601 of the Texas Finance Code, as amended.

(65) DEFERRED PRESENTMENT TRANSACTION has the meaning given that term in Section 393.601 of the Texas Finance Code, as amended.

(7) ~~(6)~~—DIRECTOR means the ~~General Services Manager~~ director of the department designated by the City of Temple's City Council, City Manager, or their designee, to enforce and administer this Chapter.

(87) EXTENSION OF CONSUMER CREDIT has the meaning given that term in Section 393.001 of the Texas Finance Code, as amended.

(98) MOTOR VEHICLE TITLE LOAN has the meaning given that term in Section 393.601 of the Texas Finance Code, as amended.

(109) PERSON means any individual, corporation, organization, partnership, association, financial institution, or any other legal entity.

(110) REGISTRANT means a person issued a certificate of registration for a credit access business under this ~~Article~~ chapter and includes all owners and operators of the credit access business identified in the registration application filed under this ~~Article~~ chapter.

(124) STATE LICENSE means a license to operate a credit access business issued by the Texas Consumer Credit Commissioner under Chapter 393, Subchapter G of the Texas Finance Code, as amended.

(Prior Code, § 41-2)

41-3.- Violations; ~~p~~Penalty.

(a) A person who violates a provision of this ~~Article~~ chapter, or who fails to perform an act required of the person by this ~~Article~~ chapter, commits an offense. A person commits a separate offense for each ~~and every~~ violation ~~of this Article relating to an extension of consumer credit~~, and for each day or portion of a day during which a violation is committed, permitted, or continued.

(b) An offense under this ~~Article~~ chapter is a ~~C~~ class C misdemeanor, punishable by a fine of not more than five hundred dollars (\$500.00) ~~\$500~~.

(c) A culpable mental state is not required for the commission of an offense under this ~~Article~~ article and need not be proved.

(d) The penalties provided for in Subsection (b) are in addition to any other remedies that the ~~C~~ city may have under city ordinances and state law.

(Prior Code, § 41-3)

41-4.- Defenses.

It is a defense to prosecution under this ~~article~~Article that at the time of the alleged offense the person was not required to be licensed by the state as a credit access business under Chapter 393, Subchapter G, of the Texas Finance Code, as amended.

(Prior Code, § 41-4)

41-5.- Registration ~~r~~Required.

A person commits an offense if the person acts, operates, or conducts business as a credit access business without a valid certificate of registration. A certificate of registration is required for each physically separate credit access business.

(Prior Code, § 41-5)

41-6.- Registration ~~a~~Application.

(a) To obtain a certificate of registration for a credit access business, a person must submit an application on a form provided for that purpose to the ~~Director~~director. The application must contain the following:

- (1) ~~t~~The name, street address, mailing address, facsimile number, and telephone number of the applicant;
- (2) ~~t~~The business or trade name, street address, mailing address, facsimile number, and telephone number of the credit access business;
- (3) ~~t~~The names, street addresses, mailing addresses, and telephone numbers of all owners of the credit access business and other persons with a financial interest in the credit access business, and the nature and extent of each person's interest in the credit access business;

(A) A credit access business with a current City certificate of registration as of February 21, 2019 must provide to the director the names, street addresses, mailing addresses, and telephone numbers of persons with a financial interest in the credit access business upon renewal of their certificate of registration;

- (4) ~~A~~a copy of a current, valid state license held by the credit access business pursuant to Chapter 393, Subchapter G of the Texas Finance Code, as amended;
- (5) ~~A~~a copy of a current, valid certificate of occupancy showing that the credit access business is in compliance with the City of Temple Code of Ordinances; and;
- (6) a fifty dollar (A-\$50.00) non-refundable application fee.

(b) An applicant or registrant ~~shall~~must notify the ~~Director~~director within forty-five (45) days after any material change in the information contained in the application for a certificate of registration, including, but not

limited to, any change of address and any change in the status of the state license held by the applicant or registrant.

(Prior Code, § 41-6)

41-7.- Issuance and ~~d~~Display of ~~c~~Certificate of ~~r~~Registration; ~~p~~Presentment upon ~~r~~Request.

- (a) The ~~Director~~director ~~shall will~~ issue to the applicant a certificate of registration upon receiving a completed application under Sec~~tion~~ 41-6.
- (b) A certificate of registration issued under this ~~S~~section must be conspicuously displayed to the public in the credit access business. The certificate of registration must be presented upon request to the ~~Director~~director or any peace officer for examination.

(Prior Code, § 41-7)

41-8.- Expiration and ~~r~~Renewal of ~~c~~Certificate of ~~r~~Registration.

- (a) A certificate of registration expires on the earlier~~st~~ of:
 - (1) ~~o~~One year after the date of issuance; or
 - (2) ~~t~~The date of revocation, suspension, surrender, expiration without renewal, or other termination of the registrant's state license.
- (b) A certificate of registration may be renewed by making application in accordance with Sec~~tion~~ 41-6. ~~A~~registrant ~~shall must~~ apply for renewal at least ~~thirty~~ (30) days before the expiration of the registration.

(Prior Code, § 41-8)

41-9.- Non-transferability.

A certificate of registration for a credit access business is not transferable.

(Prior Code, § 41-9)

41-10.- Maintenance of ~~r~~Records.

- (a) A credit access business ~~shall must~~ maintain a complete set of records of all extensions of consumer credit arranged ~~arranged~~ or obtained by the credit access business, which must include the following information:
 - (1) ~~t~~The name and address of the consumer;
 - (2) ~~t~~The principal amount of cash actually advanced;

(3) ~~The~~ length of the extension of consumer credit, including the number of installments and renewals;

(4) ~~The~~ fees charged by the credit access business to ~~arrange~~ arrange or obtain an extension of consumer credit; and

(5) ~~The~~ documentation used to establish a consumer's income under ~~Section~~ 41-12 of this ordinance.

(b) A credit access business ~~shall~~must maintain a copy of each written agreement between the credit access business and a consumer evidencing an extension of a consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer).

(c) A credit access business ~~shall~~must maintain copies of all quarterly reports filed with the Texas Consumer Credit Commissioner under Section 393.627 of the Texas Finance Code, as amended.

(d) The records required to be maintained by a credit access business under this ~~Section~~ must be retained for at least three years ~~from the date of the extension of consumer credit~~ and made available for inspection by the City upon request during the usual and customary business hours of the credit access business.

(Prior Code, § 41-10)

41-11.- Reserved.

41-12.- Restrictions ~~on~~ ~~an~~ ~~extension of~~ ~~consumer~~ ~~credit~~.

(a) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining in the form of a deferred presentment transaction may not exceed twenty percent (20%) ~~20 percent~~ of the consumer's gross monthly income.

(b) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining in the form of a motor vehicle title loan may not exceed the lesser of:

(1) ~~Three~~ percent (3%) of the consumer's gross annual income; or

(2) ~~70-seventy~~ percent (70%) of the retail value of the motor vehicle.

(c) A credit access business ~~shall~~must use a paycheck or other documentation establishing income to determine a consumer's income.

(d) An extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining and that provides for repayment in installments may not be payable in more than four installments. Proceeds from each installment must be used to repay at least ~~25-twenty-five~~ percent (25%) of the principal

amount of the extension of consumer credit. An extension of consumer credit that provides for repayment in installments may not be refinanced or renewed.

- (e) An extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining and that provides for a single lump sum repayment may not be refinanced or renewed more than three times. Proceeds from each refinancing or renewal must be used to repay at least ~~25~~twenty-five percent ~~(25%)~~ of the principal amount of the original extension of consumer credit.
- (f) For purposes of this ~~S~~section, an extension of consumer credit that is made to a consumer within seven ~~(7)~~ days after a previous extension of consumer credit has been paid by the consumer will constitute a refinancing or renewal.

(Prior Code, § 41-12)

41-13.- Requirements of ~~c~~Consumer ~~u~~Understanding of ~~a~~Agreement.

- (a) Every agreement between the credit access business and a consumer evidencing an extension of consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer), must be written in the consumer's language of preference. ~~Every credit access business location must maintain on its premises, to be available for use by consumers, agreements in the English and Spanish languages.~~

~~(b) Every disclosure and notice required by law must be written and provided to the consumer in the consumer's language of preference. Every credit access business location must maintain on its premises, to be available for use by consumer, required disclosures and notices in the English and Spanish languages.~~

~~(1) A credit access business with a current City certificate of registration as of February 21, 2019 must comply with Subsection (b) upon renewal of their certificate of registration.~~

- ~~(c)~~~~b~~ For every consumer who cannot read, every agreement between the credit access business and a consumer evidencing an extension of consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer) must be read to the consumer in its entirety in the consumer's language of preference, prior to the consumer's signature.
- ~~(d)~~~~e~~ For every consumer who cannot read, every disclosure and notice required by law must be read to the consumer in its entirety in the consumer's language of preference, prior to the consumer's signature.

(Prior Code, § 41-13)

41-14.-Referral to ~~c~~Consumer ~~c~~Credit ~~c~~Counseling.

A credit access business ~~must~~~~shall~~ provide a form, to be prescribed by the ~~Director~~~~director~~, to each consumer seeking assistance in obtaining an extension of consumer credit which references non-profit agencies that provide financial education and training programs and agencies with cash assistance programs. The form ~~must will~~ also contain information regarding extensions of consumer ~~credit, and~~credit and must include the information required by 41-10(a)(1)-(5) of this ordinance specific to the loan agreement with the consumer. If the

~~Director~~director has prescribed a form in the consumer's language of preference, the form must be provided in the consumer's language of preference.

(Prior Code, § 41-14)

~~(REVISED: Ordinance No. 2016-4774, June 16, 2016)~~

DRAFT

Chapter 41

CREDIT ACCESS BUSINESSES

ARTICLE I. CREDIT ACCESS BUSINESSES

State law reference—Credit Organizations, V.T.C.A., Finance Code § 393.001 et seq.; credit access businesses, V.T.C.A., Finance Code § 393.601 et seq.

41-1. Short title and purpose.

- (a) This Article may be known and cited as “Credit Access Businesses Regulation.”
- (b) The purpose of this Article is to protect the welfare of the citizens of the City of Temple by monitoring credit access businesses in an effort to reduce abusive and predatory lending practices. To this end, this Article establishes a registration program for credit access businesses, imposes restrictions on extensions of consumer credit made by credit access businesses, and imposes recordkeeping requirements on credit access businesses.

(Prior Code, § 41-1)

41-2. Definitions.

As used in this Article:

- (1) CERTIFICATE OF REGISTRATION means a certificate of registration issued by the director under this Article to the owner or operator of a credit access business.
- (2) CITY means the City of Temple, Texas, the City Council of Temple, Texas, or its representatives, employees, agents, or designees.
- (3) CONSUMER means an individual who is solicited to purchase or who purchases the services of a credit access business.
- (4) CONSUMER’S LANGUAGE OF PREFERENCE is the language the consumer understands best.
- (5) CREDIT ACCESS BUSINESS has the meaning given that term in Section 393.601 of the Texas Finance Code, as amended.
- (6) DEFERRED PRESENTMENT TRANSACTION has the meaning given that term in Section 393.601 of the Texas Finance Code, as amended.

- (7) DIRECTOR means the director of the department designated by the City of Temple's City Council, City Manager, or their designee, to enforce and administer this Chapter.
- (8) EXTENSION OF CONSUMER CREDIT has the meaning given that term in Section 393.001 of the Texas Finance Code, as amended.
- (9) MOTOR VEHICLE TITLE LOAN has the meaning given that term in Section 393.601 of the Texas Finance Code, as amended.
- (10) PERSON means any individual, corporation, organization, partnership, association, financial institution, or any other legal entity.
- (11) REGISTRANT means a person issued a certificate of registration for a credit access business under this Article and includes all owners and operators of the credit access business identified in the registration application filed under this Article.
- (12) STATE LICENSE means a license to operate a credit access business issued by the Texas Consumer Credit Commissioner under Chapter 393, Subchapter G of the Texas Finance Code, as amended.

(Prior Code, § 41-2)

41-3. Violations; penalty.

- (a) A person who violates a provision of this Article, or who fails to perform an act required of the person by this Article, commits an offense. A person commits a separate offense for each violation of this Article and for each day or portion of a day during which a violation is committed, permitted, or continued.
- (b) An offense under this Article is a Class C misdemeanor, punishable by a fine of not more than five hundred dollars (\$500.00).
- (c) A culpable mental state is not required for the commission of an offense under this Article and need not be proved.
- (d) The penalties provided for in Subsection (b) are in addition to any other remedies that the City may have under city ordinances and state law.

(Prior Code, § 41-3)

41-4. Defense.

It is a defense to prosecution under this Article that at the time of the alleged offense the person was not required to be licensed by the state as a credit access business under Chapter 393, Subchapter G, of the Texas Finance Code, as amended.

(Prior Code, § 41-4)

41-5. Registration required.

A person commits an offense if the person acts, operates, or conducts business as a credit access business without a valid certificate of registration. A certificate of registration is required for each physically separate credit access business.

(Prior Code, § 41-5)

41-6. Registration application.

- (a) To obtain a certificate of registration for a credit access business, a person must submit an application on a form provided for that purpose to the director. The application must contain the following:
- (1) the name, street address, mailing address, facsimile number, and telephone number of the applicant;
 - (2) the business or trade name, street address, mailing address, facsimile number, and telephone number of the credit access business;
 - (3) the names, street addresses, mailing addresses, and telephone numbers of all owners of the credit access business and other persons with a financial interest in the credit access business, and the nature and extent of each person's interest in the credit access business;
 - (A) A credit access business with a current City certificate of registration as of February 21, 2019 must provide to the director the names, street addresses, mailing addresses, and telephone numbers of persons with a financial interest in the credit access business upon renewal of their certificate of registration;
 - (4) a copy of a current, valid state license held by the credit access business pursuant to Chapter 393, Subchapter G of the Texas Finance Code, as amended;
 - (5) a copy of a current, valid certificate of occupancy showing that the credit access business is in compliance with the City of Temple Code of Ordinances; and
 - (6) a fifty dollar (\$50.00) non-refundable application fee.
- (b) An applicant or registrant must notify the director within forty-five (45) days after any material change in the information contained in the application for a certificate of registration, including, but not limited to, any change of address and any change in the status of the state license held by the applicant or registrant.

(Prior Code, § 41-6)

41-7. Issuance and display of certificate of registration; presentment upon request.

- (a) The director will issue to the applicant a certificate of registration upon receiving a completed application under Sec. 41-6.
- (b) A certificate of registration issued under this Section must be conspicuously displayed to the public in the credit access business. The certificate of registration must be presented upon request to the director or any peace officer for examination.

(Prior Code, § 41-7)

41-8. Expiration and renewal of certificate of registration.

- (a) A certificate of registration expires on the earlier of:
 - (1) one year after the date of issuance; or
 - (2) the date of revocation, suspension, surrender, expiration without renewal, or other termination of the registrant's state license.
- (b) A certificate of registration may be renewed by making application in accordance with Sec. 41-6. A registrant must apply for renewal at least thirty (30) days before the expiration of the registration.

(Prior Code, § 41-8)

41-9. Non-transferability.

A certificate of registration for a credit access business is not transferable.

(Prior Code, § 41-9)

41-10. Maintenance of records.

- (a) A credit access business must maintain a complete set of records of all extensions of consumer credit arranged or obtained by the credit access business, which must include the following information:
 - (1) the name and address of the consumer;
 - (2) the principal amount of cash actually advanced;
 - (3) the length of the extension of consumer credit, including the number of installments and renewals;
 - (4) the fees charged by the credit access business to arrange or obtain an extension of consumer credit; and
 - (5) the documentation used to establish a consumer's income under Sec. 41-12 of this ordinance.

- (b) A credit access business must maintain a copy of each written agreement between the credit access business and a consumer evidencing an extension of a consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer).
- (c) A credit access business must maintain copies of all quarterly reports filed with the Texas Consumer Credit Commissioner under Section 393.627 of the Texas Finance Code, as amended.
- (d) The records required to be maintained by a credit access business under this Section must be retained for at least three years and made available for inspection by the City upon request during the usual and customary business hours of the credit access business.

(Prior Code, § 41-10)

41-11. Reserved.

41-12. Restrictions on extensions of consumer credit.

- (a) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining in the form of a deferred presentment transaction may not exceed twenty percent (20%) of the consumer's gross monthly income.
- (b) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining in the form of a motor vehicle title loan may not exceed the lesser of:
 - (1) three percent (3%) of the consumer's gross annual income; or
 - (2) seventy percent (70%) of the retail value of the motor vehicle.
- (c) A credit access business must use a paycheck or other documentation establishing income to determine a consumer's income.
- (d) An extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining and that provides for repayment in installments may not be payable in more than four installments. Proceeds from each installment must be used to repay at least twenty-five percent (25%) of the principal amount of the extension of consumer credit. An extension of consumer credit that provides for repayment in installments may not be refinanced or renewed.
- (e) An extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining and that provides for a single lump sum repayment may not be refinanced or renewed more than three times. Proceeds from each refinancing or renewal must be used to repay at least twenty-five percent (25%) of the principal amount of the original extension of consumer credit.
- (f) For purposes of this Section, an extension of consumer credit that is made to a consumer within seven (7) days after a previous extension of consumer credit has been paid by the consumer will constitute a refinancing or renewal.

(Prior Code, § 41-12)

41-13. Requirements of consumer understanding of agreement.

- (a) Every agreement between the credit access business and a consumer evidencing an extension of consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer), must be written in the consumer's language of preference. Every credit access business location must maintain on its premises, to be available for use by consumers, agreements in the English and Spanish languages.
- (b) Every disclosure and notice required by law must be written and provided to the consumer in the consumer's language of preference. Every credit access business location must maintain on its premises, to be available for use by consumer, required disclosures and notices in the English and Spanish languages.
 - (1) A credit access business with a current City certificate of registration as of February 21, 2019 must comply with Subsection (b) upon renewal of their certificate of registration.
- (c) For every consumer who cannot read, every agreement between the credit access business and a consumer evidencing an extension of consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer) must be read to the consumer in its entirety in the consumer's language of preference, prior to the consumer's signature.
- (d) For every consumer who cannot read, every disclosure and notice required by law must be read to the consumer in its entirety in the consumer's language of preference, prior to the consumer's signature.

(Prior Code, § 41-13)

41-14. Referral to consumer credit counseling.

A credit access business must provide a form, to be prescribed by the director, to each consumer seeking assistance in obtaining an extension of consumer credit which references non-profit agencies that provide financial education and training programs and agencies with cash assistance programs. The form must also contain information regarding extensions of consumer credit and must include the information required by 41-10(a)(1)-(5) of this ordinance specific to the loan agreement with the consumer. If the director has prescribed a form in the consumer's language of preference, the form must be provided in the consumer's language of preference.

(Prior Code, § 41-14)

ORDINANCE NO. 2019-4954

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AMENDING THE CODE OF ORDINANCES CHAPTER 41, "CREDIT ACCESS BUSINESSES" TO INCLUDE A GENERAL UPDATE AND TWO ADDITIONAL PROVISIONS FOR TRANSPARENCY AND PROTECTION FOR CUSTOMERS; PROVIDING A REPEALER; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, in a continuing effort to review and update the City's Code of Ordinances, Staff recommends amendments to Chapter 41, "Credit Access Businesses" that include general language clean-up, changes to formatting and updating a reference to a City staff position;

Whereas, Chapter 41 gives the "General Services Manager" the authority to enforce and administer this Chapter - there is currently no staff position with this title and the amendment changes the title of "General Services Manager" to "the Director of the department designated by the City of Temple's City Council, City Manager, or their designee, to enforce and administer this Chapter;"

Whereas, other amendments include two changes to provide transparency and protect consumers - the changes provide that a credit access business with a current City certificate of registration does not have to comply with these changes until the credit access business' certificate of registration is renewed with the City;

Whereas, the first amendment is a change that requires a credit access business to provide the contact information of persons with a financial interest in the credit access business to the City to obtain a City certificate of registration - this Chapter currently only requires a credit access business to provide contact information for owners of the credit access business;

Whereas, the second amendment is a change that requires disclosures and notices required by state law to be written and provided to consumers in the consumers' language of preference – this change also compels credit access businesses to maintain on their premises, state required disclosures and notices written in Spanish and English as Chapter 41 currently provides these language requirements for agreements between credit access businesses and consumers but does not have a similar provision for state required disclosures and notices;

Whereas, for the above reasons, Staff recommends Council amend the Code of Ordinances Chapter 41, "Credit Access Businesses," as outlined in Exhibit 'A,' attached hereto and incorporated herein for all purposes; and

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 Ordinance as if copied in their entirety.

Part 2: The City Council amends the Code of Ordinances Chapter 41, “Credit Access Businesses” as outlined 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 7th day of **February**, 2019.

PASSED AND APPROVED on Second Reading on the 21st day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #5(K)
Consent Agenda
Page 1 of 1

DEPT./DIVISION SUBMISSION & REVIEW:

Traci L. Barnard, Director of Finance

ITEM DESCRIPTION: Consider adopting a resolution approving first quarter financial results for Fiscal Year 2019.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

BACKGROUND: This item will present in detail the first quarter ending December 31, 2018, for the General, Water and Sewer, Hotel/Motel Tax, and Drainage Funds.

Included with these first quarter results will be various schedules detailing grants, sales tax, capital projects, investments and an update on redevelopment grants and incentive programs within the Strategic Investment Zones.

FISCAL IMPACT: Not applicable.

ATTACHMENTS:

[Quarterly Financial Statements](#)
[Resolution](#)



FIRST QUARTER FINANCIAL STATEMENTS

2018/19

Prepared by the
Finance Department





QUARTERLY FINANCIAL STATEMENTS

For the three months ended 12.31.18

Prepared by:

City of Temple, Finance Department

Traci L. Barnard, CPA
Director of Finance

Melissa A. Przybylski, CPA
Assistant Director of Finance

Stacey Reisner, CPA
Treasury/Grants Manager

Jennifer Emerson
Director of Budget

Sherry M. Pogor
Financial Analyst

Erica Glover
Senior Accountant



TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit/Table</u>
Introductory Section –		
Transmittal Letter	9	
Financial Section –		
<u>General Fund</u>		
Comparative Balance Sheets.....	14	A-1
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget.....	16	A-2
Schedule of Revenues – Actual and Budget.....	17	A-3
Schedule of Expenditures – Actual and Budget.....	19	A-4
Detail Schedule of Expenditures – Actual and Budget.....	21	A-5
<u>Water and Wastewater Fund</u>		
Statement of Net Position	26	B-1
Statements of Revenues, Expenses, and Changes in Fund Net Position	28	B-2
Comparative Schedule of Operating Revenues	29	B-3
Comparative Schedule of Operating Expenses by Department.....	30	B-4
Comparative Statement of Revenues and Expenses – Actual and Budget.....	32	B-5

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit/Table</u>
<u>Special Revenue Funds</u>		
<u>Hotel-Motel Tax Fund –</u>		
Comparative Balance Sheets	34	C-1
Statement of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget	35	C-2
Detail Schedule of Expenditures – Actual and Budget	36	C-3
 <u>Drainage Fund –</u>		
Comparative Balance Sheets	37	D-1
Statement of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget	38	D-2
 <u>Capital Projects</u>		
<u>Schedule of Capital Projects Bond Proceeds & Related Expenditures –</u>		
Summary of all Bond Issues	40	E-1
Utility System Revenue Bonds 2006, 2008, 2010, 2015 & 2017.....	41	E-2
Combination Tax & Revenue Certificates of Obligation Bonds 2012, 2014, 2016, 2018	42	E-3
Reinvestment Zone No. 1 Combination Tax & Revenue Certificates of Obligation Bonds 2013	43	E-4

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit/Table</u>
<u>Capital Projects (Continued)</u>		
<u>Schedule of Capital Projects Bond Proceeds & Related Expenditures (Continued) –</u>		
Parks General Obligation Bonds 2015.....	44	E-5
Combination Tax & Revenue Certificates of Obligation Bonds 2017....	45	E-6
SECO LoanSTAR Loan Program	46	E-7
Reinvestment Zone No. 1 Tax Increment Revenue Bonds 2018.....	47	E-8
<u>Capital Improvement Program –</u>		
Projects Underway/Scheduled	48	E-9
Projects Underway/Scheduled – Detail	49	E-10
Project Status {Based on \$'s}.....	58	E-11
Project Status {Based on # of Projects}	59	E-12
Project Status {Based on Funding Source}.....	60	E-13
Project Status {Based on Completion Date}	61	E-14
<u>Investments</u>		
Schedule of Investment Allocations	65	F-1
Investment Portfolio – Marked to Market	66	F-2
Carrying Value and Fair Value Comparison	67	F-3

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit/Table</u>
Supplemental Financial Information		
<u>Tables</u>		
Fund Balance – General Fund	71	I
Schedule of Expenditures of Federal and State Awards.....	72	II
Schedule of Expenditures of Federal and State Awards –		
By Project Type.....	74	III
Hotel/Motel Tax Receipts – By Reporting Entity	75	IV
Historical Sales Tax Revenue – By Month.....	76	V
Parks Escrow Funds – By Addition Name	77	VI
<u>Strategic Investment Zones</u>		
Redevelopment Grants and Incentive Programs within		
Strategic Investment Zones (SIZ)	80	VII
Strategic Investment Zone Map (SIZ)	81	

TRANSMITTAL LETTER

February 21, 2019

Honorable Mayor and Council Members

City of Temple, Texas

We are pleased to submit the Quarterly Financial Statements for the General Fund, Water and Sewer Fund, and Special Revenue Funds of the City of Temple, Texas for the three months ended December 31, 2018. These financial statements were prepared by the Finance Department of the City of Temple.

The key criteria by which internal interim reports are evaluated are their relevance and usefulness for purposes of management control, which include planning future operations as well as evaluating current financial status and results to date. Continual efforts are made to assure that accounting and related interim information properly serves management needs. Because managerial styles and perceived information needs vary widely, appropriate internal interim reporting is largely a matter of professional judgment rather than one set forth in **Governmental Accounting and Financial Reporting Standards**. Currently, there is no Generally Accepted Accounting Principles (GAAP) for government **interim** financial statements. These financial statements have been compiled in accordance with standards the Finance Department considered to be applicable and relevant for the City of Temple's interim financial reports. The Finance Department has also followed standards established by the American Institute of Certified Public Accountants in compiling these financial statements.

THREE-MONTH REVIEW

GENERAL FUND –

The amount of revenues from various sources for the three months ended December 31, 2018, as compared to the FY 2019 amended budget, is shown in the following table (presented in thousands):

	<u>Actual</u>	<u>Amended Budget</u>	<u>Percent of Budget</u>
Revenues:			
Taxes	\$ 15,339	\$ 36,499	42%
Franchise fees	1,764	7,103	25%
Licenses and permits	234	909	26%
Intergovernmental	14	50	29%
Charges for services	6,318	26,587	24%
Fines	430	2,209	19%
Interest and other	374	1,631	23%
Total revenues	<u><u>\$ 24,474</u></u>	<u><u>\$ 74,988</u></u>	<u><u>33%</u></u>

TRANSMITTAL

LETTER

Revenues compared to the amended budget for FY 2019 are at 33% with 25% of the year completed. A detail of the revenues as compared to budget is shown below:

Revenues	% of Budget
Ad valorem taxes	70.51%
Sales tax receipts	24.77%
Other taxes	27.25%
Franchise fees	24.84%
Licenses and permits	25.70%
Intergovernmental revenues	28.63%
Charges for services	23.76%
Fines	19.45%
Interest and other	22.93%

Expenditures by major function for the three months ended December 31, 2018, as compared to the FY 2019 amended budget are shown in the following table (presented in thousands):

	Actual	Amended Budget	Percent of Budget
Expenditures:			
General government	\$ 4,421	\$ 17,979	25%
Public safety	9,441	34,429	27%
Highways and streets	952	3,871	25%
Sanitation	1,853	6,715	28%
Parks and recreation	2,181	10,771	20%
Education	474	1,844	26%
Airport	634	2,381	27%
Debt Service:			
Principal	27	135	20%
Interest	4	16	24%
Total expenditures	\$ 19,986	\$ 78,140	26%

Expenditures compared to the amended budget are at 26% with 25% of the year complete. Detail is provided below:

Expenditures	% of Budget
Personnel	23.80%
Operations	24.77%
Capital	54.30%
Debt service	20.35%

Detail of expenditures begins on page 19, Exhibit A-4 and A-5.

TRANSMITTAL LETTER

WATER/WASTEWATER FUND –

Operating revenue has decreased by \$1,073,405 over the same time period as last fiscal year. Operating expenses increased by \$52,750 compared to the same period of last fiscal year. First quarter financials for this fund begin on page 26.

HOTEL-MOTEL FUND –

The Hotel-Motel Fund is reported beginning on page 34. This special revenue fund is used to account for the levy and utilization of the hotel-motel room tax.

DRAINAGE FUND –

Drainage Fund is reported beginning on page 37. This special revenue fund was created in fiscal year 1999 to account for recording revenues and expenditures addressing the storm water drainage needs of our community. The City Council extended the ordinance on September 18, 2003, establishing the drainage fund for an additional five years. On September 4, 2008, Council amended the ordinance removing the 5-year sunset provision from the ordinance. The ordinance was also amended to remove the calculation of the fees from the ordinance and set the fees by resolution.

CAPITAL PROJECTS –

The City of Temple has in the past and is currently investing heavily in improving infrastructure. This section contains detailed schedules that review current capital projects funded by bond proceeds and begins on page 40. Also included in this section, is a detailed listing of current projects in the City's capital improvement program.

INVESTMENTS/CASH MANAGEMENT –

All of the City's cash and investments are maintained in a pool that is available for use by all funds. Interest earnings are allocated based on cash amounts in individual funds in a manner consistent with legal requirements. Investments are made in accordance with the Comprehensive Policy adopted by the City on August 24, 2018. The City's primary investment objectives, in order of priority, are as follows:

- Safety
- Liquidity
- Yield

As of December 31, 2018, the City had cash and investments with a carrying value of \$188,608,779 and a fair value of \$191,114,488. Total interest earnings for the three months ended are \$1,022,830. The investment schedules presented in Exhibit F-1 through F-3 are prepared in accordance with Generally Accepted Accounting Principles (GAAP).

TRANSMITTAL LETTER

The investment portfolio complies with the City's Investment Policy and Strategy and the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended.

We are investing municipal funds in accordance with our investment policy using basically four of our investment type options.

- Triple A rated (AAA) investment pools
- Money market sweep accounts
- Money market deposit accounts
- Certificates of deposits

Details of our current investment portfolio begin on page 65, Exhibit F-1 through F-3.

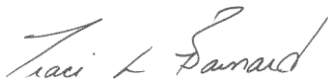
SUPPLEMENTAL INFORMATION –

This section has details of General Fund balances and designations (page 71). Also in this section is a schedule of federal and state grants, a detailed schedule of historical sales tax revenue by month, a schedule of Hotel/Motel receipts by month, and a schedule of parks escrow funds.

CONCLUSION –

I want to take time to thank the Finance Department staff for their hard work in preparing these financial statements particularly Assistant Director of Finance, Melissa Przybylski, CPA; Treasury/Grants Manager, Stacey Reisner, CPA; Director of Budget, Jennifer Emerson; Financial Analyst, Sherry Pogor; and Senior Accountant, Erica Glover for their excellent work and efforts.

Respectively submitted,



Traci L. Barnard, CPA
Director of Finance

GENERAL FUND FINANCIALS

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds.

CITY OF TEMPLE, TEXAS
GENERAL FUND
COMPARATIVE BALANCE SHEETS
December 31, 2018 and 2017

	<u>FY 2019</u>	<u>FY 2018</u>	<u>Increase (Decrease)</u>
ASSETS			
Cash	\$ 5,850	\$ 5,700	\$ 150
Investments	38,334,343	39,245,690	(911,347)
Receivables (net of allowance for estimated uncollectible):			
State sales tax	1,786,879	1,721,105	65,774
Accounts	1,365,861	1,510,366	(144,505)
Ad valorem taxes	3,572,852	3,610,876	(38,024)
Inventories	333,985	319,870	14,115
Prepaid items	572,614	623,511	(50,897)
Total current assets	<u>45,972,384</u>	<u>47,037,118</u>	<u>(1,064,734)</u>
 Restricted cash and investments:			
Drug enforcement	266,133	187,952	78,181
Public safety	30,798	30,984	(186)
R.O.W. Escrow	22,238	91,864	(69,626)
Parks Escrow {Table VI, pg. 77}	422,076	376,472	45,604
Rob Roy MacGregor Trust - Library	7,481	8,483	(1,002)
Total restricted cash and investments	<u>748,726</u>	<u>695,755</u>	<u>52,971</u>
 TOTAL ASSETS	<u><u>\$ 46,721,110</u></u>	<u><u>\$ 47,732,873</u></u>	<u><u>\$ (1,011,763)</u></u>

	FY 2019	FY 2018	Increase (Decrease)
LIABILITIES AND FUND BALANCES			
Liabilities:			
Vouchers payable	\$ 5,628,303	\$ 5,100,932	\$ 527,371
Retainage payable	5,884	-	5,884
Accrued payroll	2,670,511	2,490,656	179,855
Deposits	39,327	42,638	(3,311)
Deferred revenues:			
Ad valorem taxes	3,545,267	3,583,291	(38,024)
R.O.W. Escrow	22,238	13,774	8,464
Parks Escrow	457,401	376,472	80,929
Electric franchise	1,760,445	1,725,863	34,582
Gas franchise	211,647	199,528	12,119
Other	360,356	171,278	189,078
Total liabilities	14,701,379	13,704,432	996,947
Fund Balance:			
Nonspendable:			
Inventories and prepaid items	492,994	432,639	60,355
Restricted for:			
Drug enforcement	241,001	163,594	77,407
Public safety	30,643	30,909	(266)
Rob Roy MacGregor Trust - Library	8,590	9,925	(1,335)
Municipal court	320,950	615,493	(294,543)
Vital statistics preservation	3,050	-	3,050
Public education channel	144,338	147,256	(2,918)
Assigned to:			
Technology replacement	234,640	189,225	45,415
Capital projects {Table I, pg. 71}	915,630	1,819,483	(903,853)
Unassigned:	20,132,300	20,132,300	-
Budgeted decrease in fund balance	5,255,592	4,941,288	314,304
Total fund balance	27,779,728	28,482,112	(702,384)
Excess revenues over expenditures YTD	4,240,003	5,546,329	(1,306,326)
TOTAL LIABILITIES AND FUND BALANCES	\$ 46,721,110	\$ 47,732,873	\$ (1,011,763)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - ACTUAL AND BUDGET

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	FY 2019			FY 2018	Analytical
			Percent		\$
	Actual	Budget	of Budget	Actual	Increase (Decrease) Prior yr.
Revenues:					
Taxes	\$ 15,339,091	\$ 36,498,625	42.03%	\$ 15,410,244	\$ (71,153)
Franchise fees	1,764,362	7,103,030	24.84%	1,650,955	113,407
Licenses and permits	233,697	909,250	25.70%	160,823	72,874
Intergovernmental	14,398	50,285	28.63%	25,576	(11,178)
Charges for services	6,318,436	26,587,467	23.76%	5,947,524	370,912
Fines	429,524	2,208,553	19.45%	432,145	(2,621)
Interest and other	374,023	1,631,047	22.93%	389,490	(15,467)
Total revenues	24,473,531	74,988,257	32.64%	24,016,757	456,774
Expenditures:					
General government	4,420,730	17,979,301	24.59%	3,939,048	481,682
Public safety	9,440,590	34,429,109	27.42%	8,550,603	889,987
Highways and streets	952,357	3,870,671	24.60%	848,008	104,349
Sanitation	1,853,086	6,714,524	27.60%	2,118,761	(265,675)
Parks and recreation	2,180,689	10,771,418	20.25%	2,200,321	(19,632)
Education	474,418	1,843,555	25.73%	437,851	36,567
Airport	633,741	2,380,903	26.62%	618,179	15,562
Debt Service:					
Principal	26,791	134,876	19.86%	12,845	13,946
Interest	3,926	16,072	24.43%	948	2,978
Total expenditures	19,986,328	78,140,429	25.58%	18,726,564	1,259,764
Excess (deficiency) of revenues over expenditures	4,487,203	(3,152,172)	-	5,290,193	(802,990)
Other financing sources (uses):					
Transfers out:					
Debt Service	-	(1,506,800)	0.00%	-	-
Capital Projects - Designated	(247,200)	(693,114)	35.67%	-	(247,200)
Grant Fund	-	(6,732)	0.00%	-	-
Lease Proceeds	-	103,226	0.00%	256,136	(256,136)
Total other financing sources (uses)	(247,200)	(2,103,420)	11.75%	256,136	(503,336)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	4,240,003	(5,255,592)	-	5,546,329	(1,306,326)
Fund balance, beginning of period	27,779,728	27,779,728	-	28,482,112	(702,384)
Fund balance, end of period	\$ 32,019,731	\$ 22,524,136	\$ -	\$ 34,028,441	\$ (2,008,710)

GENERAL FUND

SCHEDULE OF REVENUES - ACTUAL AND BUDGET

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	FY 2019			FY 2018	Analytical
	Actual	Budget	Percent of Budget	Actual	\$ Increase (Decrease) Prior yr.
Taxes:					
Ad valorem:					
Property, current year	\$ 9,670,762	\$ 13,527,275	71.49%	\$ 10,010,721	\$ (339,959)
Property, prior year	21,383	141,350	15.13%	25,846	(4,463)
Penalty and interest	9,159	90,000	10.18%	11,631	(2,472)
Total ad valorem taxes	9,701,304	13,758,625	70.51%	10,048,198	(346,894)
Non-property taxes:					
City sales {Table V, pg. 76}	5,580,567	22,530,000	24.77%	5,309,311	271,256
Mixed beverage	46,905	155,000	30.26%	40,495	6,410
Occupation	10,315	40,000	25.79%	12,240	(1,925)
Bingo	-	15,000	0.00%	-	-
Total non-property taxes	5,637,787	22,740,000	24.79%	5,362,046	275,741
Total taxes	15,339,091	36,498,625	42.03%	15,410,244	(71,153)
Franchise Fees:					
Electric franchise	812,569	3,445,000	23.59%	735,013	77,556
Gas franchise	216,122	560,000	38.59%	178,839	37,283
Telephone franchise	95,502	380,000	25.13%	98,385	(2,883)
Cable franchise	180,000	835,821	21.54%	194,000	(14,000)
Water/Sewer franchise	448,965	1,795,859	25.00%	430,352	18,613
Other	11,204	86,350	12.98%	14,366	(3,162)
Total franchise fees	1,764,362	7,103,030	24.84%	1,650,955	113,407
Licenses and permits:					
Building permits	142,679	605,500	23.56%	53,407	89,272
Electrical permits and licenses	6,964	36,000	19.34%	21,428	(14,464)
Mechanical	5,548	18,000	30.82%	16,909	(11,361)
Plumbing permit fees	24,837	96,000	25.87%	32,256	(7,419)
Other	53,669	153,750	34.91%	36,823	16,846
Total licenses and permits	233,697	909,250	25.70%	160,823	72,874
Intergovernmental revenues:					
Federal grants	5,220	5,220	100.00%	14,713	(9,493)
State grants	-	-	0.00%	1,685	(1,685)
State reimbursements	-	8,352	0.00%	-	-
Department of Civil Preparedness	9,178	36,713	25.00%	9,178	-
Total intergovernmental revenues	14,398	50,285	28.63%	25,576	(11,178)

(Continued)

	FY 2019			FY 2018	Analytical
	Actual	Budget	Percent of Budget	Actual	\$ Increase (Decrease) Prior yr.
Library fees	\$ 5,933	\$ 25,500	23.27%	\$ 5,979	\$ (46)
Recreational entry fees	13,287	104,500	12.71%	18,822	(5,535)
Summit recreational fees	91,717	405,800	22.60%	87,542	4,175
Golf course revenues	109,929	842,080	13.05%	126,121	(16,192)
Swimming pool	-	34,000	0.00%	-	-
Lions Junction water park	174	478,820	0.04%	893	(719)
Sammons indoor pool	12,898	90,100	14.32%	12,395	503
Vital statistics	24,946	115,000	21.69%	24,468	478
Police revenue	340,909	985,757	34.58%	354,674	(13,765)
Contractual services					
-proprietary fund	1,057,476	4,310,357	24.53%	1,037,191	20,285
Curb and street cuts	9,482	40,000	23.71%	11,276	(1,794)
Other	1,365	80,000	1.71%	212	1,153
Solid waste collection - residential	1,388,095	5,641,221	24.61%	1,282,997	105,098
Solid waste collection - commercial	852,170	3,351,342	25.43%	805,237	46,933
Solid waste collection - roll-off	767,531	2,710,527	28.32%	657,914	109,617
Landfill contract	506,560	2,441,794	20.75%	490,659	15,901
Airport sales and rental	596,628	2,270,196	26.28%	619,851	(23,223)
Subdivision fees	7,724	22,000	35.11%	9,830	(2,106)
Recreational services	200,428	1,215,500	16.49%	199,298	1,130
Fire department	26,891	80,732	33.31%	26,792	99
Reinvestment Zone reimbursements	304,293	1,342,241	22.67%	175,373	128,920
Total charges for services	6,318,436	26,587,467	23.76%	5,947,524	370,912
Fines:					
Court	287,435	1,479,853	19.42%	297,340	(9,905)
Animal pound	9,493	49,000	19.37%	12,678	(3,185)
Over parking	3,575	20,000	17.88%	-	3,575
Administrative fees	129,021	659,700	19.56%	122,127	6,894
Total fines	429,524	2,208,553	19.45%	432,145	(2,621)
Interest and other:					
Interest	155,906	793,500	19.65%	97,627	58,279
Lease and rental	48,075	177,380	27.10%	104,024	(55,949)
Sale of fixed assets	39,998	136,900	29.22%	16,954	23,044
Insurance claims	3,355	53,026	6.33%	25,096	(21,741)
Payment in lieu of taxes	16,588	18,033	91.99%	18,033	(1,445)
Building rental -					
BOA bldg.	25,899	86,390	29.98%	25,554	345
Other	84,202	365,818	23.02%	102,202	(18,000)
Total interest and other	374,023	1,631,047	22.93%	389,490	(15,467)
Total revenues	\$ 24,473,531	\$ 74,988,257	32.64%	\$ 24,016,757	\$ 456,774

GENERAL FUND

SCHEDULE OF EXPENDITURES- ACTUAL AND BUDGET

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	FY 2019			FY 2018	Analytical
	Actual	Budget	Percent of Budget	Actual	\$ Increase (Decrease) Prior yr.
General government:					
City council	\$ 53,335	\$ 215,269	24.78%	\$ 24,150	\$ 29,185
City manager	400,903	1,425,337	28.13%	160,461	240,442
Administrative services	-	-	0.00%	82,759	(82,759)
Finance	432,594	1,729,350	25.01%	409,669	22,925
Purchasing	129,523	575,779	22.50%	109,580	19,943
City secretary	114,849	505,397	22.72%	125,948	(11,099)
Special services	189,877	1,796,096	10.57%	304,748	(114,871)
Legal	235,826	963,696	24.47%	235,318	508
City planning	181,142	711,381	25.46%	176,500	4,642
Information technology services	999,333	3,031,224	32.97%	914,085	85,248
Human resources	223,517	1,000,757	22.33%	241,302	(17,785)
Economic development	665,249	2,521,213	26.39%	453,904	211,345
Fleet services	223,888	1,223,784	18.29%	280,556	(56,668)
Inspections/Permits	168,031	631,985	26.59%	132,617	35,414
Facility services	402,663	1,648,033	24.43%	287,451	115,212
	<u>4,420,730</u>	<u>17,979,301</u>	<u>24.59%</u>	<u>3,939,048</u>	<u>481,682</u>
Public safety:					
Municipal court	208,741	826,304	25.26%	245,304	(36,563)
Police	5,354,072	18,282,290	29.29%	4,463,367	890,705
Animal control	136,418	566,851	24.07%	137,983	(1,565)
Fire	3,250,239	12,529,150	25.94%	3,205,056	45,183
Communications	235,223	940,894	25.00%	248,564	(13,341)
Code compliance	255,897	1,283,620	19.94%	250,329	5,568
	<u>9,440,590</u>	<u>34,429,109</u>	<u>27.42%</u>	<u>8,550,603</u>	<u>889,987</u>
Highways and streets:					
Street	670,564	2,800,165	23.95%	607,424	63,140
Traffic signals	113,209	440,447	25.70%	92,236	20,973
Engineering	168,584	630,059	26.76%	148,348	20,236
	<u>952,357</u>	<u>3,870,671</u>	<u>24.60%</u>	<u>848,008</u>	<u>104,349</u>
Sanitation:	<u>1,853,086</u>	<u>6,714,524</u>	<u>27.60%</u>	<u>2,118,761</u>	<u>(265,675)</u>

(Continued)

	FY 2019			FY 2018	Analytical \$ Increase (Decrease) Prior yr.
	Actual	Budget	Percent of Budget	Actual	
Parks and recreation:					
Administration	\$ 140,430	\$ 626,827	22.40%	\$ 150,458	\$ (10,028)
Parks	1,016,979	4,707,460	21.60%	1,005,717	11,262
Recreation	731,045	4,027,691	18.15%	740,112	(9,067)
Golf course	292,235	1,409,440	20.73%	304,034	(11,799)
	<u>2,180,689</u>	<u>10,771,418</u>	<u>20.25%</u>	<u>2,200,321</u>	<u>(19,632)</u>
Library:	<u>474,418</u>	<u>1,843,555</u>	<u>25.73%</u>	<u>437,851</u>	<u>36,567</u>
Airport:	<u>633,741</u>	<u>2,380,903</u>	<u>26.62%</u>	<u>618,179</u>	<u>15,562</u>
Debt service:	<u>30,717</u>	<u>150,948</u>	<u>20.35%</u>	<u>13,793</u>	<u>16,924</u>
Totals	<u>\$ 19,986,328</u>	<u>\$ 78,140,429</u>	<u>25.58%</u>	<u>\$ 18,726,564</u>	<u>\$ 1,259,764</u>

**CITY OF TEMPLE, TEXAS
GENERAL FUND**

Exhibit A-5

DETAILED SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	FY 2019			FY 2018	Analytical \$ Increase (Decrease) Prior yr.
	Actual	Budget	Percent of Budget	Actual	
General government:					
City council:					
Personnel services	\$ 3,320	\$ 35,740	9.29%	\$ 3,016	\$ 304
Operations	50,015	179,529	27.86%	21,134	28,881
	53,335	215,269	24.78%	24,150	29,185
City manager:					
Personnel services	230,774	1,153,835	20.00%	142,773	88,001
Operations	43,139	144,512	29.85%	12,346	30,793
Capital outlay	126,990	126,990	100.00%	5,342	121,648
	400,903	1,425,337	28.13%	160,461	240,442
Administrative services:					
Personnel services	-	-	0.00%	57,668	(57,668)
Operations	-	-	0.00%	21,440	(21,440)
Capital outlay	-	-	0.00%	3,651	(3,651)
	-	-	0.00%	82,759	(82,759)
Finance:					
Personnel services	281,673	1,139,573	24.72%	257,618	24,055
Operations	150,921	589,777	25.59%	131,845	19,076
Capital outlay	-	-	0.00%	20,206	(20,206)
	432,594	1,729,350	25.01%	409,669	22,925
Purchasing:					
Personnel services	123,843	557,840	22.20%	94,773	29,070
Operations	5,680	17,939	31.66%	5,360	320
Capital outlay	-	-	0.00%	9,447	(9,447)
	129,523	575,779	22.50%	109,580	19,943
City secretary:					
Personnel services	104,651	422,439	24.77%	100,331	4,320
Operations	10,198	82,958	12.29%	10,337	(139)
Capital outlay	-	-	0.00%	15,280	(15,280)
	114,849	505,397	22.72%	125,948	(11,099)
Special services:					
Personnel services	120,989	353,012	34.27%	146,984	(25,995)
Operations	68,888	778,359	8.85%	157,764	(88,876)
Capital outlay (Contingency)	-	664,725	0.00%	-	-
	189,877	1,796,096	10.57%	304,748	(114,871)
Legal:					
Personnel services	215,596	858,623	25.11%	204,282	11,314
Operations	20,230	105,073	19.25%	18,995	1,235
Capital outlay	-	-	0.00%	12,041	(12,041)
	235,826	963,696	24.47%	235,318	508
City planning:					
Personnel services	169,824	669,720	25.36%	150,814	19,010
Operations	11,318	41,661	27.17%	17,785	(6,467)
Capital outlay	-	-	0.00%	7,901	(7,901)
	181,142	711,381	25.46%	176,500	4,642

(Continued)

**CITY OF TEMPLE, TEXAS
GENERAL FUND**

**Exhibit A-5
(Continued)**

DETAILED SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	FY 2019			FY 2018	Analytical \$ Increase (Decrease) Prior yr.
	Actual	Budget	Percent of Budget	Actual	
Information technology services:					
Personnel services	\$ 368,455	\$ 1,510,201	24.40%	\$ 328,071	\$ 40,384
Operations	620,537	1,502,770	41.29%	469,195	151,342
Capital outlay	10,341	18,253	56.65%	116,819	(106,478)
	<u>999,333</u>	<u>3,031,224</u>	<u>32.97%</u>	<u>914,085</u>	<u>85,248</u>
Human resources:					
Personnel services	150,344	645,518	23.29%	151,251	(907)
Operations	73,173	342,621	21.36%	76,884	(3,711)
Capital outlay	-	12,618	0.00%	13,167	(13,167)
	<u>223,517</u>	<u>1,000,757</u>	<u>22.33%</u>	<u>241,302</u>	<u>(17,785)</u>
Economic development:					
Operations	665,249	2,521,213	26.39%	453,904	211,345
	<u>665,249</u>	<u>2,521,213</u>	<u>26.39%</u>	<u>453,904</u>	<u>211,345</u>
Fleet services:					
Personnel services	205,118	1,076,642	19.05%	230,558	(25,440)
Operations	18,770	95,442	19.67%	26,501	(7,731)
Capital outlay	-	51,700	0.00%	23,497	(23,497)
	<u>223,888</u>	<u>1,223,784</u>	<u>18.29%</u>	<u>280,556</u>	<u>(56,668)</u>
Inspections/Permits:					
Personnel services	129,508	524,128	24.71%	115,416	14,092
Operations	10,712	48,047	22.29%	12,445	(1,733)
Capital outlay	27,811	59,810	46.50%	4,756	23,055
	<u>168,031</u>	<u>631,985</u>	<u>26.59%</u>	<u>132,617</u>	<u>35,414</u>
Facility services:					
Personnel services	181,573	828,643	21.91%	166,650	14,923
Operations	112,572	558,199	20.17%	119,242	(6,670)
Capital outlay	108,518	261,191	41.55%	1,559	106,959
	<u>402,663</u>	<u>1,648,033</u>	<u>24.43%</u>	<u>287,451</u>	<u>115,212</u>
Total general government	<u>4,420,730</u>	<u>17,979,301</u>	<u>24.59%</u>	<u>3,939,048</u>	<u>481,682</u>
Public safety:					
Municipal court:					
Personnel services	182,668	740,742	24.66%	175,166	7,502
Operations	13,387	72,875	18.37%	13,117	270
Capital outlay	12,686	12,687	99.99%	57,021	(44,335)
	<u>208,741</u>	<u>826,304</u>	<u>25.26%</u>	<u>245,304</u>	<u>(36,563)</u>
Police:					
Personnel services	3,765,171	15,448,328	24.37%	3,776,037	(10,866)
Operations	560,759	1,762,109	31.82%	512,589	48,170
Capital outlay	1,028,142	1,071,853	95.92%	174,741	853,401
	<u>5,354,072</u>	<u>18,282,290</u>	<u>29.29%</u>	<u>4,463,367</u>	<u>890,705</u>
Animal control:					
Personnel services	85,876	437,544	19.63%	97,962	(12,086)
Operations	22,732	96,928	23.45%	21,015	1,717
Capital outlay	27,810	32,379	85.89%	19,006	8,804
	<u>136,418</u>	<u>566,851</u>	<u>24.07%</u>	<u>137,983</u>	<u>(1,565)</u>

(Continued)

**CITY OF TEMPLE, TEXAS
GENERAL FUND**

**Exhibit A-5
(Continued)**

DETAILED SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	FY 2019			FY 2018	Analytical \$ Increase (Decrease) Prior yr.
	Actual	Budget	Percent of Budget	Actual	
Fire:					
Personnel services	\$ 2,818,336	\$ 11,224,974	25.11%	\$ 2,818,084	\$ 252
Operations	243,964	1,089,166	22.40%	253,770	(9,806)
Capital outlay	187,939	215,010	87.41%	133,202	54,737
	<u>3,250,239</u>	<u>12,529,150</u>	<u>25.94%</u>	<u>3,205,056</u>	<u>45,183</u>
Communications:					
Operations	235,223	940,894	25.00%	248,564	(13,341)
	<u>235,223</u>	<u>940,894</u>	<u>25.00%</u>	<u>248,564</u>	<u>(13,341)</u>
Code compliance:					
Personnel services	178,663	692,746	25.79%	175,892	2,771
Operations	37,548	382,317	9.82%	24,758	12,790
Capital outlay	39,686	208,557	19.03%	49,679	(9,993)
	<u>255,897</u>	<u>1,283,620</u>	<u>19.94%</u>	<u>250,329</u>	<u>5,568</u>
Total public safety	<u>9,440,590</u>	<u>34,429,109</u>	<u>27.42%</u>	<u>8,550,603</u>	<u>889,987</u>
Highways and streets:					
Streets:					
Personnel services	277,770	1,229,901	22.58%	282,104	(4,334)
Operations	290,713	1,297,183	22.41%	320,927	(30,214)
Capital outlay	102,081	273,081	37.38%	4,393	97,688
	<u>670,564</u>	<u>2,800,165</u>	<u>23.95%</u>	<u>607,424</u>	<u>63,140</u>
Traffic signals:					
Personnel services	95,198	345,634	27.54%	77,611	17,587
Operations	18,011	94,813	19.00%	14,535	3,476
Capital outlay	-	-	0.00%	90	(90)
	<u>113,209</u>	<u>440,447</u>	<u>25.70%</u>	<u>92,236</u>	<u>20,973</u>
Engineering:					
Personnel services	123,386	496,313	24.86%	119,236	4,150
Operations	14,237	102,785	13.85%	24,630	(10,393)
Capital outlay	30,961	30,961	100.00%	4,482	26,479
	<u>168,584</u>	<u>630,059</u>	<u>26.76%</u>	<u>148,348</u>	<u>20,236</u>
Total highways and streets	<u>952,357</u>	<u>3,870,671</u>	<u>24.60%</u>	<u>848,008</u>	<u>104,349</u>
Sanitation:					
Personnel services	665,454	2,765,787	24.06%	605,989	59,465
Operations	1,098,294	3,850,399	28.52%	1,100,872	(2,578)
Capital outlay	89,338	98,338	90.85%	411,900	(322,562)
Total sanitation	<u>1,853,086</u>	<u>6,714,524</u>	<u>27.60%</u>	<u>2,118,761</u>	<u>(265,675)</u>
Parks and recreation:					
Administration					
Personnel services	100,305	403,181	24.88%	103,009	(2,704)
Operations	40,125	223,646	17.94%	37,294	2,831
Capital outlay	-	-	0.00%	10,155	(10,155)
	<u>140,430</u>	<u>626,827</u>	<u>22.40%</u>	<u>150,458</u>	<u>(10,028)</u>

(Continued)

**CITY OF TEMPLE, TEXAS
GENERAL FUND**

**Exhibit A-5
(Continued)**

DETAILED SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	FY 2019			FY 2018	Analytical \$ Increase (Decrease) Prior yr.
	Actual	Budget	Percent of Budget	Actual	
Parks					
Personnel services	\$ 402,403	\$ 1,849,237	21.76%	\$ 428,791	\$ (26,388)
Operations	346,056	2,372,502	14.59%	406,304	(60,248)
Capital outlay	268,520	485,721	55.28%	170,622	97,898
	<u>1,016,979</u>	<u>4,707,460</u>	<u>21.60%</u>	<u>1,005,717</u>	<u>11,262</u>
Recreation					
Personnel services	439,973	2,417,056	18.20%	448,356	(8,383)
Operations	286,251	1,555,664	18.40%	262,381	23,870
Capital outlay	4,821	54,971	8.77%	29,375	(24,554)
	<u>731,045</u>	<u>4,027,691</u>	<u>18.15%</u>	<u>740,112</u>	<u>(9,067)</u>
Golf course					
Personnel services	192,730	808,698	23.83%	171,417	21,313
Operations	99,505	497,516	20.00%	95,816	3,689
Capital outlay	-	103,226	0.00%	36,801	(36,801)
	<u>292,235</u>	<u>1,409,440</u>	<u>20.73%</u>	<u>304,034</u>	<u>(11,799)</u>
Total parks and recreation	<u>2,180,689</u>	<u>10,771,418</u>	<u>20.25%</u>	<u>2,200,321</u>	<u>(19,632)</u>
Library:					
Personnel services	311,695	1,260,534	24.73%	263,144	48,551
Operations	162,723	583,021	27.91%	170,431	(7,708)
Capital outlay	-	-	0.00%	4,276	(4,276)
Total library	<u>474,418</u>	<u>1,843,555</u>	<u>25.73%</u>	<u>437,851</u>	<u>36,567</u>
Airport:					
Personnel services	162,206	887,239	18.28%	218,943	(56,737)
Operations	459,540	1,449,669	31.70%	397,838	61,702
Capital outlay	11,995	43,995	27.26%	1,398	10,597
Total airport	<u>633,741</u>	<u>2,380,903</u>	<u>26.62%</u>	<u>618,179</u>	<u>15,562</u>
Debt service:					
Principal	26,791	134,876	19.86%	12,845	13,946
Interest	3,926	16,072	24.43%	948	2,978
Total debt service	<u>30,717</u>	<u>150,948</u>	<u>20.35%</u>	<u>13,793</u>	<u>16,924</u>
Total	<u>\$ 19,986,328</u>	<u>\$ 78,140,429</u>	<u>25.58%</u>	<u>\$ 18,726,564</u>	<u>\$ 1,259,764</u>

WATER & WASTEWATER ENTERPRISE FUND FINANCIALS

The Water & Wastewater Fund is to account for the provision of water and wastewater services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including but not limited to administration, operation, maintenance, financing and related debt services, billing and collection.

CITY OF TEMPLE, TEXAS
WATER AND WASTEWATER ENTERPRISE FUND
STATEMENT OF FUND NET POSITION
December 31, 2018 and 2017

Exhibit B-1

	<u>FY 2019</u>	<u>FY 2018</u>	<u>Increase (Decrease)</u>
ASSETS			
Current assets:			
Cash	\$ 7,650	\$ 5,125	\$ 2,525
Investments	27,986,742	32,785,702	(4,798,960)
Customer receivables	2,140,657	1,495,708	644,949
Accounts receivable	564,784	146,192	418,592
Inventories	298,196	285,924	12,272
Prepaid items	8,400	9,000	(600)
Total current assets	<u>31,006,429</u>	<u>34,727,651</u>	<u>(3,721,222)</u>
Restricted cash and investments:			
Revenue bond debt service	4,646,875	4,397,609	249,266
Customer deposits	748,965	721,423	27,542
Construction account	25,498,163	43,185,395	(17,687,232)
	<u>30,894,003</u>	<u>48,304,427</u>	<u>(17,410,424)</u>
Property and equipment:			
Land	3,238,061	2,583,946	654,115
Improvements other than buildings	196,156,933	188,575,591	7,581,342
Buildings	48,838,737	47,931,635	907,102
Machinery and equipment	12,874,772	11,134,762	1,740,010
	261,108,503	250,225,934	10,882,569
Less accumulated depreciation	(122,588,179)	(115,735,439)	(6,852,740)
Construction in progress	59,075,048	43,252,616	15,822,432
Net property and equipment	<u>197,595,372</u>	<u>177,743,111</u>	<u>19,852,261</u>
Total assets	<u>259,495,804</u>	<u>260,775,189</u>	<u>(1,279,385)</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts on refunding	2,018,621	2,339,477	(320,856)
Deferred amounts of contributions	499,673	444,307	55,366
Deferred amounts of changes in assumptions	60,797	774,284	(713,487)
Difference in expected and actual experience	136,497	13,488	123,009
Total deferred outflows of resources	<u>\$ 2,715,588</u>	<u>\$ 3,571,556</u>	<u>\$ (855,968)</u>

	<u>FY 2019</u>	<u>FY 2018</u>	<u>Increase (Decrease)</u>
LIABILITIES			
Current liabilities:			
Vouchers & contracts payable	\$ 6,155,773	\$ 7,662,742	\$ (1,506,969)
Retainage payables	148,329	146,057	2,272
Accrued payroll	282,822	244,162	38,660
Deferred revenue	70,641	70,641	-
Total current liabilities	<u>6,657,565</u>	<u>8,123,602</u>	<u>(1,466,037)</u>
Liabilities payable from restricted assets:			
Customers deposits	748,965	721,423	27,542
Vouchers & contracts payable	15,613,472	15,207,649	405,823
Retainage payables	709,344	172,499	536,845
Accrued interest - revenue bonds	724,275	676,809	47,466
Current maturities of long-term liabilities	6,016,895	5,950,000	66,895
	<u>23,812,951</u>	<u>22,728,380</u>	<u>1,084,571</u>
Long-term liabilities, less current maturities:			
Revenue bonds payable	103,285,000	109,295,000	(6,010,000)
Vacation and sick leave payable	346,027	346,027	-
Net pension liability	2,927,428	4,000,525	(1,073,097)
Other post-employment benefits payable	785,048	737,386	47,662
Net supplemental death benefits payable	252,091	-	252,091
Notes payable	14,418	28,216	(13,798)
Premium on bonds payable	7,159,587	7,725,409	(565,822)
Discount on bonds payable	(713,445)	(771,820)	58,375
	<u>114,056,154</u>	<u>121,360,743</u>	<u>(7,304,589)</u>
Total liabilities	<u>144,526,670</u>	<u>152,212,725</u>	<u>(7,686,055)</u>
DEFERRED INFLOWS OF RESOURCES			
Difference in projected and actual investment earnings	490,452	-	490,452
Total deferred inflows of resources	<u>490,452</u>	<u>-</u>	<u>490,452</u>
NET POSITION			
Invested in capital assets, net of related debt	110,082,188	102,222,860	7,859,328
Restricted for debt service	3,922,600	3,720,800	201,800
Unrestricted	3,025,200	4,943,155	(1,917,955)
Total net position	<u>117,029,988</u>	<u>110,886,815</u>	<u>6,143,173</u>
Net income {YTD}	<u>164,282</u>	<u>1,247,205</u>	<u>(1,082,923)</u>
Total liabilities and net position	<u>\$ 262,211,392</u>	<u>\$ 264,346,745</u>	<u>\$ (2,135,353)</u>

CITY OF TEMPLE, TEXAS
WATER AND WASTEWATER ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION

Exhibit B-2

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	<u>FY 2019</u>	<u>FY 2018</u>	<u>Increase (Decrease)</u>
Operating revenues:			
Water service	\$ 3,756,149	\$ 4,669,995	\$ (913,846)
Sewer service	3,002,994	3,129,151	(126,157)
Other	<u>517,044</u>	<u>550,446</u>	<u>(33,402)</u>
Total operating revenues	<u>7,276,187</u>	<u>8,349,592</u>	<u>(1,073,405)</u>
Operating expenses:			
Personnel services	1,384,801	1,321,327	63,474
Supplies	389,893	471,362	(81,469)
Repairs and maintenance	271,307	265,996	5,311
Depreciation	1,756,301	1,686,502	69,799
Other services and charges	<u>3,515,806</u>	<u>3,520,171</u>	<u>(4,365)</u>
Total operating expenses	<u>7,318,108</u>	<u>7,265,358</u>	<u>52,750</u>
Operating income	<u>(41,921)</u>	<u>1,084,234</u>	<u>(1,126,155)</u>
Nonoperating revenues (expenses):			
Interest income	299,779	243,638	56,141
Interest expense	<u>(96,671)</u>	<u>(94,808)</u>	<u>1,863</u>
Total nonoperating revenues (expenses)	<u>203,108</u>	<u>148,830</u>	<u>54,278</u>
Income before transfers and contributions	161,187	1,233,064	(1,071,877)
Contributions from TxDot	<u>3,095</u>	<u>14,141</u>	<u>(11,046)</u>
Change in net position	164,282	1,247,205	(1,082,923)
Net position, beginning of period	<u>117,029,988</u>	<u>110,886,815</u>	<u>6,143,173</u>
Net position, end of period	<u>\$ 117,194,270</u>	<u>\$ 112,134,020</u>	<u>\$ 5,060,250</u>

CITY OF TEMPLE, TEXAS
WATER AND WASTEWATER ENTERPRISE FUND
COMPARATIVE SCHEDULE OF OPERATING REVENUES

Exhibit B-3

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	<u>FY 2019</u>	<u>FY 2018</u>	<u>Increase (Decrease)</u>
<i>Current water service:</i>			
Residential	\$ 1,725,638	\$ 2,279,952	\$ (554,314)
Commercial	1,620,329	1,944,508	(324,179)
Wholesale	209,552	219,293	(9,741)
Effluent	200,630	226,242	(25,612)
Total water service	<u>3,756,149</u>	<u>4,669,995</u>	<u>(913,846)</u>
<i>Current sewer service:</i>			
Residential	1,743,834	1,714,416	29,418
Commercial	1,259,160	1,414,735	(155,575)
Total sewer service	<u>3,002,994</u>	<u>3,129,151</u>	<u>(126,157)</u>
<i>Other:</i>			
Transfers and rereads	39,745	42,315	(2,570)
Penalties	116,096	114,774	1,322
Reconnect fees	74,710	72,015	2,695
Tap fees	57,271	57,572	(301)
Panda reimbursements	207,206	207,206	-
Other sales	22,016	56,564	(34,548)
Total other	<u>517,044</u>	<u>550,446</u>	<u>(33,402)</u>
Total operating revenues	<u>\$ 7,276,187</u>	<u>\$ 8,349,592</u>	<u>\$ (1,073,405)</u>

CITY OF TEMPLE, TEXAS
WATER AND WASTEWATER ENTERPRISE FUND
COMPARATIVE SCHEDULE OF OPERATING
EXPENSES BY DEPARTMENT

Exhibit B-4

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	FY 2019	FY 2018	Increase (Decrease)
Administrative:			
Personnel services	\$ 175,279	\$ 162,771	\$ 12,508
Supplies	11,573	2,143	9,430
Repairs and maintenance	655	387	268
Other services and charges	1,543,693	1,431,514	112,179
	<u>1,731,200</u>	<u>1,596,815</u>	<u>134,385</u>
Water treatment and production:			
Personnel services	274,876	301,679	(26,803)
Supplies	223,244	325,042	(101,798)
Repairs and maintenance	98,223	104,648	(6,425)
Other services and charges	574,557	674,886	(100,329)
	<u>1,170,900</u>	<u>1,406,255</u>	<u>(235,355)</u>
Distribution system:			
Personnel services	292,640	280,024	12,616
Supplies	55,694	55,596	98
Repairs and maintenance	88,625	90,092	(1,467)
Other services and charges	25,243	24,855	388
	<u>462,202</u>	<u>450,567</u>	<u>11,635</u>
Metering:			
Personnel services	105,191	93,941	11,250
Supplies	52,322	48,685	3,637
Repairs and maintenance	5,798	5,546	252
Other services and charges	79,129	75,915	3,214
	<u>242,440</u>	<u>224,087</u>	<u>18,353</u>
Wastewater collection system:			
Personnel services	292,626	279,767	12,859
Supplies	43,233	29,810	13,423
Repairs and maintenance	58,100	45,099	13,001
Other services and charges	44,261	19,369	24,892
	<u>438,220</u>	<u>374,045</u>	<u>64,175</u>
Wastewater treatment and disposal:			
Supplies	2,811	-	2,811
Other services and charges	993,243	1,000,680	(7,437)
	<u>996,054</u>	<u>1,000,680</u>	<u>(4,626)</u>

(Continued)

WATER AND WASTEWATER ENTERPRISE FUND
COMPARATIVE SCHEDULE OF OPERATING
EXPENSES BY DEPARTMENT

(Continued)

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	FY 2019	FY 2018	Increase (Decrease)
Water collection offices:			
Personnel services	\$ 142,724	\$ 128,404	\$ 14,320
Supplies	1,943	9,095	(7,152)
Repairs and maintenance	17,025	19,400	(2,375)
Other services and charges	251,430	288,678	(37,248)
	<u>413,122</u>	<u>445,577</u>	<u>(32,455)</u>
Water purchasing:			
Personnel services	17,429	19,734	(2,305)
Supplies	368	194	174
Repairs and maintenance	-	758	(758)
Other services and charges	1,760	1,289	471
	<u>19,557</u>	<u>21,975</u>	<u>(2,418)</u>
Environmental programs:			
Personnel services	84,036	55,007	29,029
Supplies	1,516	797	719
Repairs and maintenance	70	66	4
Other services and charges	2,490	2,985	(495)
	<u>88,112</u>	<u>58,855</u>	<u>29,257</u>
Depreciation	<u>1,756,301</u>	<u>1,686,502</u>	<u>69,799</u>
Totals	<u>\$ 7,318,108</u>	<u>\$ 7,265,358</u>	<u>\$ 52,750</u>

CITY OF TEMPLE, TEXAS
WATER AND WASTEWATER ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES & EXPENSES
ACTUAL AND BUDGET

Exhibit B-5

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	FY 2019			FY 2018			FY 19 vs. FY 18
	Actual	Budget	% of Budget	Actual	Budget	% of Budget	Increase (Decrease)
Operating revenues:							
Water service	\$ 3,555,519	\$ 18,574,662	19.14%	\$ 4,443,753	\$ 18,147,198	24.49%	\$ (888,234)
Sewer service	3,002,994	12,881,780	23.31%	3,129,151	12,701,253	24.64%	(126,157)
Effluent	200,630	1,050,000	19.11%	226,242	775,000	29.19%	(25,612)
Other	517,044	2,112,159	24.48%	550,446	2,051,826	26.83%	(33,402)
Total operating revenues	7,276,187	34,618,601	21.02%	8,349,592	33,675,277	24.79%	(1,073,405)
Operating expenses:							
Personnel services	1,384,801	5,856,520	23.65%	1,321,327	5,399,757	24.47%	63,474
Supplies	389,893	2,007,065	19.43%	471,362	1,834,203	25.70%	(81,469)
Repairs and maintenance	271,307	1,353,024	20.05%	265,996	1,347,818	19.74%	5,311
Depreciation	1,756,301	7,000,000	25.09%	1,686,502	6,600,000	25.55%	69,799
Other services and charges	3,515,806	13,737,169	25.59%	3,520,171	13,540,524	26.00%	(4,365)
Total operating expenses	7,318,108	29,953,778	24.43%	7,265,358	28,722,302	25.30%	52,750
Operating income	(41,921)	4,664,823	-0.90%	1,084,234	4,952,975	21.89%	(1,126,155)
Nonoperating revenues (expenses):							
Interest income	299,779	1,301,823	23.03%	243,638	752,914	32.36%	56,141
Interest expense	(96,671)	-	0.00%	(94,808)	(4,728,699)	2.00%	1,863
Total nonoperating revenues (expenses)	203,108	1,301,823	-	148,830	(3,975,785)	-	54,278
Income before transfers and contribution	161,187	5,966,646	-	1,233,064	977,190	-	(1,071,877)
Contributions from TxDot	3,095	155,349	1.99%	14,141	629,006	2.25%	(11,046)
Net income	\$ 164,282	\$ 6,121,995	-	\$ 1,247,205	\$ 1,606,196	-	\$ (1,082,923)

SPECIAL REVENUE FUND FINANCIALS

Special Revenue Fund is used to account for specific revenue that are legally restricted to expenditures for particular purposes.

Hotel-Motel Fund: To account for the levy and utilization of the hotel-motel room tax. State law requires that the revenue from this tax be used for advertising and promotion of the City.

Drainage Fund: To account for the levy and assessment of the drainage fee.

CITY OF TEMPLE, TEXAS
HOTEL-MOTEL FUND
COMPARATIVE BALANCE SHEETS
December 31, 2018 and 2017

Exhibit C-1

	FY 2019	FY 2018	Increase (Decrease)
ASSETS			
Cash	\$ 4,600	\$ 4,600	\$ -
Investments	1,511,559	1,542,878	(31,319)
Accounts receivable	166,500	123,918	42,582
Inventories	13,865	14,386	(521)
Prepaid items	6,450	6,450	-
Museum collection	18,561	18,561	-
Total assets	<u>\$ 1,721,535</u>	<u>\$ 1,710,793</u>	<u>\$ 10,742</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Vouchers payable	\$ 143,011	\$ 78,645	\$ 64,366
Accrued payroll	73,943	68,571	5,372
Deposits	53,504	47,108	6,396
Total liabilities	<u>270,458</u>	<u>194,324</u>	<u>76,134</u>
Fund Balance:			
Nonspendable:			
Inventories and prepaid items	20,315	20,836	(521)
Restricted for:			
Promotion of tourism	1,068,838	1,074,507	(5,669)
Budgeted decrease in fund balance	<u>355,410</u>	<u>386,240</u>	<u>(30,830)</u>
Total fund balance	<u>1,444,563</u>	<u>1,481,583</u>	<u>(37,020)</u>
Excess revenues over expenditures YTD	<u>6,514</u>	<u>34,886</u>	<u>(28,372)</u>
Total liabilities and fund balances	<u>\$ 1,721,535</u>	<u>\$ 1,710,793</u>	<u>\$ 10,742</u>

HOTEL-MOTEL FUND

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

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	FY 2019			FY 2018	Analytical
	Actual	Budget	Percent of Budget	Actual	Increase (Decrease) Prior year
Revenues:					
Taxes					
City	\$ 396,592	\$ 1,472,500	26.93%	\$ 340,496	\$ 56,096
County	74,438	74,438	100.00%	73,307	1,131
Charges for services					
Civic center and Visitor center	131,948	368,500	35.81%	120,225	11,723
Museum	16,981	90,100	18.85%	9,943	7,038
Interest and other	6,928	27,600	25.10%	23,462	(16,534)
Total revenues	626,887	2,033,138	30.83%	567,433	59,454
Expenditures:					
Civic center	279,839	1,130,911	24.74%	272,377	7,462
Railroad museum	196,759	576,133	34.15%	117,149	79,610
Tourism marketing	142,894	677,978	21.08%	156,366	(13,472)
Debt Service:					
Principal	806	3,262	24.71%	-	806
Interest	75	264	28.41%	-	75
Total expenditures	620,373	2,388,548	25.97%	545,892	74,481
Excess (deficiency) of revenues over expenditures	6,514	(355,410)	-	21,541	(15,027)
Other financing sources (uses):					
Lease Proceeds	-	-	0.00%	13,345	13,345
Total other financing sources (uses)	-	-	0.00%	13,345	13,345
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	6,514	(355,410)	-	34,886	(28,372)
Fund balance, beginning of period	1,444,563	1,444,563	-	1,481,583	(37,020)
Fund balance, end of period	\$ 1,451,077	\$ 1,089,153	-	\$ 1,516,469	\$ (65,392)

HOTEL-MOTEL FUND

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	FY 2019			FY 2018	Analytical
	Actual	Budget	Percent of Budget	Actual	Increase (Decrease) Prior yr.
Civic center:					
Personnel services	\$ 184,503	\$ 697,270	26.46%	\$ 186,121	\$ (1,618)
Operations	78,162	300,729	25.99%	80,022	(1,860)
Capital outlay	17,174	132,912	12.92%	6,234	10,940
	<u>279,839</u>	<u>1,130,911</u>	<u>24.74%</u>	<u>272,377</u>	<u>7,462</u>
Railroad museum:					
Personnel services	71,556	312,586	22.89%	70,612	944
Operations	43,722	175,766	24.88%	34,644	9,078
Capital outlay	81,481	87,781	92.82%	11,893	69,588
	<u>196,759</u>	<u>576,133</u>	<u>34.15%</u>	<u>117,149</u>	<u>79,610</u>
Tourism marketing:					
Personnel services	51,887	233,900	22.18%	39,868	12,019
Operations	85,087	438,078	19.42%	107,469	(22,382)
Capital outlay	5,920	6,000	98.67%	9,029	(3,109)
	<u>142,894</u>	<u>677,978</u>	<u>21.08%</u>	<u>156,366</u>	<u>(13,472)</u>
Totals	<u>\$ 619,492</u>	<u>\$ 2,385,022</u>	<u>25.97%</u>	<u>\$ 545,892</u>	<u>\$ 73,600</u>

CITY OF TEMPLE, TEXAS
DRAINAGE FUND
COMPARATIVE BALANCE SHEETS
December 31, 2018 and 2017

Exhibit D-1

	<u>FY 2019</u>	<u>FY 2018</u>	<u>Increase (Decrease)</u>
ASSETS			
Investments	\$ 2,419,371	\$ 2,101,812	\$ 317,559
Accounts receivable	114,837	114,311	526
Total assets	<u>\$ 2,534,208</u>	<u>\$ 2,216,123</u>	<u>\$ 318,085</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Vouchers payable	\$ 958,440	\$ 1,308,637	\$ (350,197)
Accrued payroll	50,574	46,261	4,313
Total liabilities	<u>1,009,014</u>	<u>1,354,898</u>	<u>(345,884)</u>
Fund balance:			
Committed to:			
Drainage	958,443	671,814	286,629
Budgeted decrease in fund balance	<u>1,185,113</u>	<u>1,143,485</u>	<u>41,628</u>
Total fund balance	<u>2,143,556</u>	<u>1,815,299</u>	<u>328,257</u>
Excess revenues over expenditures YTD	<u>(618,362)</u>	<u>(954,074)</u>	<u>335,712</u>
Total liabilities and fund balances	<u>\$ 2,534,208</u>	<u>\$ 2,216,123</u>	<u>\$ 318,085</u>

DRAINAGE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - ACTUAL AND BUDGET

For the three months ended December 31, 2018

(With comparative amounts for the three months ended December 31, 2017)

	FY 2019			FY 2018	Analytical \$ Increase (Decrease) Prior yr.
	Actual	Budget	Percent of Budget	Actual	
Revenues:					
Drainage fee - commercial	\$ 327,671	\$ 1,310,000	25.01%	\$ 326,489	\$ 1,182
Drainage fee - residential	333,568	1,410,000	23.66%	343,354	(9,786)
Interest and other	10,537	34,500	30.54%	19,659	(9,122)
Total revenues	<u>671,776</u>	<u>2,754,500</u>	<u>24.39%</u>	<u>689,502</u>	<u>(17,726)</u>
Expenditures:					
Drainage					
Personnel services	196,846	1,030,622	19.10%	190,781	6,065
Operations	72,865	588,404	12.38%	76,238	(3,373)
Capital outlay	1,020,427	2,056,418	49.62%	1,376,557	(356,130)
Total expenditures	<u>1,290,138</u>	<u>3,675,444</u>	<u>35.10%</u>	<u>1,643,576</u>	<u>(353,438)</u>
Excess (deficiency) of revenues over expenditures	<u>(618,362)</u>	<u>(920,944)</u>	<u>-</u>	<u>(954,074)</u>	<u>335,712</u>
Other financing sources (uses):					
Transfers out - Debt Service Fund	-	(264,169)	0.00%	-	-
Total other financing uses	<u>-</u>	<u>(264,169)</u>	<u>0.00%</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(618,362)</u>	<u>(1,185,113)</u>	<u>-</u>	<u>(954,074)</u>	<u>335,712</u>
Fund balance, beginning of period	<u>2,143,556</u>	<u>2,143,556</u>	<u>-</u>	<u>1,815,299</u>	<u>328,257</u>
Fund balance, end of period	<u>\$ 1,525,194</u>	<u>\$ 958,443</u>	<u>-</u>	<u>\$ 861,225</u>	<u>\$ 663,969</u>

CAPITAL PROJECTS

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital.

- New construction, expansion, renovation or replacement project for an existing facility or facilities. The project must have a total costs of at least \$10,000 over the life of the project. Project costs can include the cost of land, engineering, architectural planning and contractual services.
- Purchase of major equipment (assets) costing \$10,000 or more with a useful lie of at least 10 years.
- Major maintenance or rehabilitation project for existing facilities with a cost of \$10,000 or more and an economic life of at least 10 years.

CITY OF TEMPLE, TEXAS
SCHEDULE OF CAPITAL PROJECTS BOND PROCEEDS & RELATED EXPENDITURES
As of Decemer 31, 2018

Exhibit E-1

Exhibit	Bond Issue	Focus of Issue	Issue Proceeds	Adjusted Bond Fund Revenues	Total Project Costs (1)	Remaining Funds (2)
E-2	2006, 2008, 2010, 2015, & 2017 Utility Revenue Bond Issue (Fund 561)	Various Utility Infrastructure Improvements	\$ 115,590,344	\$ 122,279,085	\$ 121,128,994	\$ 1,150,091
E-3	2012, 2014, 2016 & 2018 Combination Tax & Revenue Certificates of Obligation Bond Issue (Fund 365)	Street Improvements	84,948,791	91,567,611	89,919,773	1,647,838
E-4	2013 Combination Tax & Revenue Certificates of Obligation Bond Issue (Fund 795)	Various Reinvestment Zone Infrastructure Improvements	25,313,032	25,548,917	25,417,076	131,841
E-5	2015 Parks General Obligation Bond Issue (Fund 362)	Parks Infrastructure Improvements	27,786,449	28,233,358	27,867,297	366,061
E-6	2017 Combination Tax & Revenue Certificates of Obligation Bond Issue (Fund 353)	Drainage Improvements	4,049,422	6,652,702	6,544,728	107,974
E-7	2017 LoneSTAR Loan (Fund 358)	Facility Improvements	2,803,109	2,803,109	2,802,359	750
E-8	2018 Reinvestment Zone No. 1 Tax Increment Revenue Bond Issue (Fund 795)	Various Reinvestment Zone Infrastructure Improvements	24,179,452	24,321,449	24,179,451	141,998
			<u>\$ 284,670,599</u>	<u>\$ 301,406,231</u>	<u>\$ 297,859,678</u>	<u>\$ 3,546,553</u>

Note (1) Total project costs include costs incurred, encumbered and estimated costs to complete.

Note (2) Remaining funds represent funds that are available for allocation to projects.

SCHEDULE OF CAPITAL PROJECTS BOND PROCEEDS & RELATED EXPENDITURES

UTILITY SYSTEM REVENUE BONDS 2006, 2008, 2010, 2015 & 2017 - WATER/SEWER CAPITAL PROJECTS FUND 561

For the period beginning October 11, 2006 and ending December 31, 2018

Expenditures	
Construction in Progress	
Expenditures	\$ 96,649,500
Encumbrances as of 12/31/18	(1) 14,458,689
Estimated Costs to Complete Projects	10,020,805
	<u>\$ 121,128,994</u>

Revenue & Bond Proceeds	
Prior Issues FY 2007 - FY 2017	\$ 109,190,000
Intent to Reimburse (FY 2019 Issuance)	2,000,000
Issuance Premium	6,400,344
Interest Income	(2) 2,758,602
Reimbursement Received from TxDOT	1,930,139
	<u>\$ 122,279,085</u>

Detail of Construction Costs

Project	BUDGET			ACTUAL		
	Original Budget	Adjustments to Original Budget	Adjusted Budgeted	Total Costs Incurred & Encumbered	Estimated Costs to Complete	Total Designated Project Cost
Bond Issue Costs *	\$ 1,194,609	\$ -	\$ 1,194,609	\$ 1,194,609	\$ -	\$ 1,194,609
CIP Management Cost	-	885,435	885,435	822,261	63,174	885,435
Completed Projects - Prior to FY 2019 *	76,795,849	(10,072,853)	66,722,996	66,722,996	-	66,722,996
Loop 363/31st Street Utility Relocation *	3,200,000	1,205,746	4,405,746	4,405,746	-	4,405,746
Leon River Trunk Sewer, Lift Station and Force Main *	-	6,062,172	6,062,172	5,947,055	115,117	6,062,172
TCIP - Hogan Road Waterline Improvements	1,850,000	215,100	2,065,100	214,071	1,851,029	2,065,100
Bird Creek, Phase III Const.; Phase IV & V Design	-	1,528,646	1,528,646	1,481,221	47,425	1,528,646
Temple-Belton WWTP Expansion, Phase 2 (Design Only)	750,000	489,623	1,239,623	1,239,623	-	1,239,623
WTP Improvements - Tasks 1-3 (Prelim Eng Only)	1,000,000	(757,168)	242,832	242,832	-	242,832
TCIP - Outer Loop, Phase III-B	-	600,000	600,000	600,000	-	600,000
Old Town South Sewer Line (3rd, 11th, 9th St)	610,000	550,000	1,160,000	1,159,999	-	1,159,999
Shallowford Lift Station Reconstruction & Relocation	8,200,000	(842,798)	7,357,202	7,176,990	180,212	7,357,202
Jackson Park Vicinity Water & Wastewater Line Impr *	-	495,482	495,482	495,482	-	495,482
Bird Creek Intereceptor, Phase V - Construction	1,500,000	112,349	1,612,349	1,612,349	-	1,612,349
Force Main - Shallowford to Temple-Belton Plant	2,700,000	275,100	2,975,100	2,975,100	-	2,975,100
Ferguson Park Utility Design	-	300,000	300,000	75,600	224,400	300,000
WTP Chlorine Storage Safety	-	95,636	95,636	95,636	-	95,636
TCIP - Kegley Road, Phase III & IV	-	39,600	39,600	39,600	-	39,600
WTP Improvements - Tasks 2 - MWT Optimization	-	39,353	39,353	20,810	18,543	39,353
WTP Improvements - Tasks 3 - Lagoon Improvements	3,500,000	(2,885,627)	614,373	278,597	335,776	614,373
WTP Improvements - Tasks 4 Intake Conditioner	-	36,360	36,360	36,360	-	36,360
Williamson Creek Trunk Sewer	3,200,000	(34,621)	3,165,379	2,925,477	239,902	3,165,379
TCIP - Outer Loop, Phase IV	-	84,000	84,000	84,000	-	84,000
TCIP - Poison Oak, Phase I & II	-	125,000	125,000	123,429	1,571	125,000
Temple-Belton WWTP Expansion, Phase 1 (Construction)	10,100,000	20,869	10,120,869	10,118,751	2,118	10,120,869
Scott Elevated Storage Tank Rehabilitation	-	1,400,149	1,400,149	1,400,149	-	1,400,149
WTP Byproduct Reduction Initiative	-	500,000	500,000	-	500,000	500,000
City-Wide SECAP	1,000,000	-	1,000,000	709,541	290,459	1,000,000
WTP Clarifier #3 Rehabilitation	-	777,319	777,319	770,694	6,625	777,319
New Pepper Creek Elevated Storage Tank	-	500,000	500,000	159,590	340,410	500,000
57th - 43rd, Ave R - Ave Z Utility Improvements	-	500,000	500,000	-	500,000	500,000
Garden District Utility Improvements	-	300,000	300,000	-	300,000	300,000
West Temple Distribution Line	-	200,000	200,000	-	200,000	200,000
Apache Elevated Storage Tank Rehabilitation	-	100,000	100,000	-	100,000	100,000
Friar Creek Assessment	1,000,000	-	1,000,000	906,490	93,510	1,000,000
Outer Loop Water Line & Wastewater Line	-	1,220,000	1,220,000	390,055	829,945	1,220,000
WTP Clarifier #4 Rehabilitation	-	6,625	6,625	6,625	-	6,625
Contingency (3)	4,189,886	(3,998,114)	191,772	-	-	-
	<u>\$ 117,590,344</u>	<u>\$ 3,730,422</u>	<u>\$ 121,320,766</u>	<u>\$ 111,108,189</u>	<u>\$ 10,020,805</u>	<u>\$ 121,128,994</u>

Remaining (Needed) Funds	\$ 1,150,091
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* Project Final

** Substantially Complete

Note (1): Encumbered amounts are included in total construction in progress due to the obligation of funds by contract(s) or purchase order(s).

Note (2): Reclassification of capitalized interest expense allowing the use of interest income on eligible projects.

Note (3): Contingency funds were used for FY 2016 projects in the FY 2016 Annual Operating and Capital Budget.

CITY OF TEMPLE, TEXAS
SCHEDULE OF CAPITAL PROJECTS BOND PROCEEDS & RELATED EXPENDITURES
COMBINATION TAX & REVENUE CERTIFICATES OF
OBLIGATION BONDS 2012, 2014, 2016 & 2018 - CAPITAL PROJECTS BOND FUND 365
For the period beginning November 15, 2012 and ending December 31, 2018

Exhibit E-3

Expenditures		Revenue & Bond Proceeds	
Construction in Progress			
Expenditures	\$ 61,412,896	Prior Issues CO Bonds, Series 2012-2016	\$ 48,935,000
Encumbrances as of 12/31/18	(1) 11,479,750	Series 4 Issue - CO Bonds, Series 2018	30,165,000
Estimated Costs to Complete Projects	17,027,127	Intent to Reimburse - Series 2019 Issuance	1,350,000
	<u>\$ 89,919,773</u>	Net Offering Premium	5,848,791
		KTMPO Category 7 Grant (Prairie View Construction)	3,888,000
		Transfer In - PTF Bond Funds (Prairie View Road)	112,409
		Transfer In - Street Perimeter Fees	112,695
		Transfer In - Street Perimeter Fees (Hogan Road)	77,650
		Interest Income	1,078,066
			<u>\$ 91,567,611</u>

****Detail of Construction Costs****

Project	BUDGET			ACTUAL		
	Original Budget	Adjustments to Original Budget	Adjusted Budgeted	Total Costs Incurred & Encumbered	Estimated Costs to Complete	Total Designated Project Cost
Bond Issue Costs	* \$ 982,036	\$ 338,229	\$ 1,320,265	\$ 1,302,843	\$ -	\$ 1,302,843
CIP Management Cost	-	582,181	582,181	451,382	130,799	582,181
Completed Projects - Prior to FY 2019	* 48,703,576	(6,233,523)	42,470,053	42,470,053	-	42,470,053
Kegley Road Improvements, Phase I	** 700,000	655,550	1,355,550	1,236,617	118,933	1,355,550
Hogan Road Improvements	3,977,650	(484,654)	3,492,996	523,545	2,969,451	3,492,996
Westfield Boulevard Improvements, Phase II	-	2,792,210	2,792,210	2,733,248	58,962	2,792,210
Outer Loop, Phase IIIB	5,800,000	515,475	6,315,475	5,678,647	636,828	6,315,475
S Pea Ridge Developer Agreement (WBW Development)	1,000,000	(850,000)	150,000	150,000	-	150,000
East Temple Greenfield Development	-	75,792	75,792	-	75,792	75,792
Prairie View Road Improvements-Phase II	8,562,000	(5,740,807)	2,821,193	2,697,046	124,147	2,821,193
Prairie View Road Improvements, Phase II - Construction	(2) 3,888,000	3,075,560	6,963,560	6,375,661	587,899	6,963,560
SH317 Sidewalks	* -	200,000	200,000	200,000	-	200,000
Kegley Road Improvements, Phase II	4,550,000	613,800	5,163,800	450,145	4,713,655	5,163,800
Kegley Road Improvements, Phase III & IV	720,000	456,090	1,176,090	756,124	419,966	1,176,090
Signal - N Kegley @ Airport	-	224,650	224,650	216,360	8,290	224,650
Signal - Adams-LP/Greenview	-	291,650	291,650	247,521	44,129	291,650
N Pea Ridge, Phase I	1,800,000	385,000	2,185,000	665,650	1,519,350	2,185,000
Outer Loop, Phase IV	1,600,000	800,000	2,400,000	894,900	1,505,100	2,400,000
Poison Oak Road, Phase I & II	3,400,000	805,000	4,205,000	1,588,809	2,616,191	4,205,000
Sammons Golf Course - Green Improvements	* 550,000	70,000	620,000	618,382	1,618	620,000
Hogan Road Developer Agreement	-	800,240	800,240	800,240	-	800,240
S 31st Sidewalk Advanced Funding Agreement	-	415,000	415,000	415,000	-	415,000
South Temple Park Restrooms	-	79,400	79,400	62,250	17,150	79,400
Westfield Developer Agreement (Keilla)	-	70,510	70,510	70,509	-	70,509
S 5th Street Cost Sharing Agreement	-	73,619	73,619	73,619	-	73,619
Grant Match Sidewalks/Trail Connections	500,000	(474,600)	25,400	-	25,400	25,400
Friars Creek Trail - Grant	-	24,600	24,600	-	24,600	24,600
Azalea Drive Developer Agreement (Patco Construction)	-	682,163	682,163	682,163	-	682,163
Replace 2004 Crimson Spartan - Upgrade to Small Quint	973,500	-	973,500	933,080	40,420	973,500
Medium Rescue Apparatus	376,500	-	376,500	329,500	47,000	376,500
Signal - Video Detection Equipment FY 19 / FY 20	* -	168,000	168,000	166,560	1,440	168,000
Azalea Drive	-	1,442,800	1,442,800	102,800	1,340,000	1,442,800
Contingency	2,396,058	(1,824,421)	571,637	-	-	-
Contingency - CIP Management Cost	240,000	(224,951)	15,049	-	-	-
	<u>\$ 90,719,320</u>	<u>\$ (195,437)</u>	<u>\$ 90,523,883</u>	<u>\$ 72,892,646</u>	<u>\$ 17,027,127</u>	<u>\$ 89,919,773</u>

* Project Final

Remaining (Needed) Funds \$ 1,647,838

** Substantially Complete

Note (1): Encumbered amounts are included in total construction in progress due to the obligation of funds by contract(s) or purchase order(s).

Note (2): Includes funding from KTMPO Category 7 Grant funding of \$3,888,000 and Pass-Through Financing bond funds of \$112,409.

CITY OF TEMPLE, TEXAS
SCHEDULE OF CAPITAL PROJECTS BOND PROCEEDS & RELATED EXPENDITURES
COMBINATION TAX & REVENUE CERTIFICATES OF
OBLIGATION BONDS 2013 - CAPITAL PROJECTS BOND FUND - 795
For the period beginning August 8, 2013 and ending December 31, 2018

Exhibit E-4

Expenditures		Revenue & Bond Proceeds	
Construction in Progress			
Expenditures	\$ 24,960,757	Original Issue (August 2013)	\$ 25,260,000
Encumbrances as of 12/31/18	(1) 274,214	Net Offering Premium/Discount	53,032
Estimated Costs to Complete Projects	182,105	Interest Income	235,885
	<u>\$ 25,417,076</u>		<u>\$ 25,548,917</u>

Detail of Construction Costs						
Project	BUDGET			ACTUAL		
	Original Budget	Adjustments to Original Budget	Adjusted Budgeted	Total Costs Incurred & Encumbered	Estimated Costs to Complete	Total Designated Project Cost
Bond Issue Costs	* \$ 120,000	\$ (15,305)	\$ 104,695	\$ 99,850	\$ -	\$ 99,850
TMED Avenue R - Intersections	* -	1,077,710	1,077,710	1,077,710	-	1,077,710
Outer Loop (IH-35 to Wendland Ultimate)	2,705,000	741,000	3,446,000	3,427,621	18,379	3,446,000
Outer Loop (Wendland to McLane Pkwy)	5,960,000	(3,535,000)	2,425,000	2,313,462	111,538	2,425,000
Outer Loop (McLane Pkwy to Cen Pt Pkwy)	1,500,000	(656,000)	844,000	791,812	52,188	844,000
Corporate Campus Park - Bioscience Trail	* 750,000	(295,100)	454,900	454,900	-	454,900
McLane Pkwy / Research Pkwy Connection	* 710,000	(212,959)	497,041	497,041	-	497,041
Crossroads Park @ Pepper Creek Trail	1,750,000	1,200,150	2,950,150	2,950,150	-	2,950,150
Synergy Park Entry Enhancement	500,000	(484,745)	15,255	15,255	-	15,255
Lorraine Drive / Panda Drive Asphalt	* 610,000	(272,673)	337,327	337,327	-	337,327
Santa Fe Plaza (Design)	* 300,000	663,600	963,600	963,600	-	963,600
Downtown Master Plan	* 125,000	(19,500)	105,500	105,500	-	105,500
TMED - Loop 363 Frontage (UPRR to 5th) - TXDOT AFA	** 6,450,000	-	6,450,000	6,450,000	-	6,450,000
TMED - 31st Street/Loop 363/Monumentation	520,000	461,527	981,527	981,527	-	981,527
TMED - Avenue U - 1st Street to 13th Street	* 1,275,000	1,485,319	2,760,319	2,760,319	-	2,760,319
TMED Master Plan (Health Care Campus)	* 125,000	(20,150)	104,850	104,850	-	104,850
Friar's Creek Trail to Ave R Trail	* 500,000	36,558	536,558	536,557	-	536,557
Airport Enhancement Projects	* 1,320,000	47,490	1,367,490	1,367,490	-	1,367,490
	\$ 25,220,000	\$ 201,922	\$ 25,421,922	\$ 25,234,971	\$ 182,105	\$ 25,417,076
Remaining (Needed) Funds						\$ 131,841

* Project Final

** Substantially Complete

Note (1): Encumbered amounts are included in total construction in progress due to the obligation of funds by contract(s) or purchase orders(s).

CITY OF TEMPLE, TEXAS
SCHEDULE OF CAPITAL PROJECTS BOND PROCEEDS & RELATED EXPENDITURES
GENERAL OBLIGATION BONDS 2015 - CAPITAL PARKS PROJECTS BOND FUND 362
For the period beginning May 10, 2015 and ending December 31, 2018

Exhibit E-5

Expenditures			Revenue & Bond Proceeds	
Construction in Progress				
Expenditures		\$ 22,535,679	Original Issue (September 2015)	\$ 25,130,000
Encumbrances as of 12/31/18	(1)	4,380,970	Net Offering Premium/Discount	2,656,449
Estimated Costs to Complete Projects		950,648	Interest Income	446,909
		<u>\$ 27,867,297</u>		<u>\$ 28,233,358</u>

Detail of Construction Costs						
Project	BUDGET			ACTUAL		
	Original Budget	Adjustments to Original Budget	Adjusted Budgeted	Total Costs Incurred & Encumbered	Estimated Costs to Complete	Total Designated Project Cost
Bond Issue Costs	\$ 111,449	\$ -	\$ 111,449	\$ 111,449	\$ -	\$ 111,449
CIP Management Cost	55,464	133,407	188,871	187,287	-	187,287
Carver Park	177,915	(52,643)	125,272	125,272	-	125,272
Crossroads Athletic Park	11,900,000	2,413,691	14,313,691	13,656,616	657,075	14,313,691
Jaycee Park	989,570	69,575	1,059,145	1,059,145	-	1,059,145
Jefferson Park	377,675	(81,954)	295,721	295,721	-	295,721
Korampai Soccer Fields	254,745	(25,408)	229,337	229,337	-	229,337
Linkage Trails-Echo Village	490,000	(360,943)	129,057	129,057	-	129,057
Linkage Trails-Windham Trail	-	193,240	193,240	193,240	-	193,240
Lions Junction	1,925,000	29,986	1,954,986	1,954,986	-	1,954,986
Mercer Fields	677,610	-	677,610	512,646	164,964	677,610
Northam Complex	647,090	11,260	658,350	658,350	-	658,350
Oak Creek Park	458,415	(42,505)	415,910	415,910	-	415,910
Optimist Park	496,285	(65,697)	430,588	430,587	-	430,587
Prairie Park	440,000	(321,826)	118,174	68,776	49,398	118,174
Sammons Community Center	1,750,000	244,290	1,994,290	1,994,290	-	1,994,290
Scott & White Park	300,590	58,884	359,474	359,474	-	359,474
Southwest Community Park	3,330,000	(2,463,264)	866,736	866,736	-	866,736
Western Hills Park	302,140	(14,577)	287,563	287,563	-	287,563
Wilson Basketball Cover	203,770	(2,243)	201,527	201,527	-	201,527
Wilson Football Field	611,375	(111,028)	500,347	500,347	-	500,347
Wilson Recreation Center	1,300,000	(42,568)	1,257,432	1,257,432	-	1,257,432
Wilson South	789,755	535,353	1,325,108	1,320,272	4,836	1,325,108
New Vestibule - Summit Fitness Center	-	47,529	47,529	47,529	-	47,529
Clarence Martin, Phaes 1B Facility Upgrade	-	51,200	51,200	5,100	46,100	51,200
Pool Floor Plaster - Sammons Indoor Pool	-	20,000	20,000	20,000	-	20,000
Gold Course Pump Station (Design)	-	28,000	28,000	28,000	-	28,000
Light Control - Miller Park	-	9,425	9,425	-	9,425	9,425
Light Control - West Temple	-	9,425	9,425	-	9,425	9,425
Light Control - Freedom Park	-	9,425	9,425	-	9,425	9,425
Contingency	78,215	(14,794)	63,421	-	-	-
Contingency - CIP Management Cost	119,386	(119,386)	-	-	-	-
	<u>\$ 27,786,449</u>	<u>\$ 145,854</u>	<u>\$ 27,932,303</u>	<u>\$ 26,916,649</u>	<u>\$ 950,648</u>	<u>\$ 27,867,297</u>

Remaining (Needed) Funds \$ 366,061

* Project Final

**Substantially Complete

Note (1): Encumbered amounts are included in total construction in progress due to the obligation of funds by contract(s) or purchase order(s).

SCHEDULE OF CAPITAL PROJECTS BOND PROCEEDS & RELATED EXPENDITURES

COMBINATION TAX & REVENUE CERTIFICATES OF OBLIGATION 2017 - CAPITAL PROJECTS BOND FUND 353

For the period beginning April 1, 2017 and ending December 31, 2018

Expenditures		Revenue & Bond Proceeds	
Construction in Progress			
Expenditures	\$ 2,433,905	Current Revenues - FY 2017 ^	\$ 1,033,722
Encumbrances as of 12/31/18 (1)	888,385	Fund Balance Appropriation	1,495,941
Estimated Costs to Complete Projects	3,222,438	Original Issue {October 2017}	3,735,000
	<u>\$ 6,544,728</u>	Net Offering Premium/Discount	314,422
		Interest Income	73,617
			<u>\$ 6,652,702</u>

****Detail of Construction Costs****

Project	BUDGET			ACTUAL		
	Original Budget	Adjustments to Original Budget	Adjusted Budgeted	Total Costs Incurred & Encumbered	Estimated Costs to Complete	Total Designated Project Cost
Bond Issue Costs *	\$ 51,079	\$ -	\$ 51,079	\$ 50,525	\$ -	\$ 50,525
Meadowbrook/Conner Park Drainage Improvements	1,807,095	(4,638)	1,802,457	1,792,395	10,062	1,802,457
Azalea Drive Drainage Improvements	1,223,468	-	1,223,468	123,593	1,099,875	1,223,468
Ave T & Ave R Drainage Improvements	1,248,300	-	1,248,300	164,900	1,083,400	1,248,300
Ave D & 14th Street Drainage Improvements	516,300	8,850	525,150	42,616	482,534	525,150
Drainage Master Plan Modeling Assessment	1,330,500	-	1,330,500	783,933	546,567	1,330,500
Azalea Drive Developer Agmt (Patco Construction)	-	364,328	364,328	364,328	-	364,328
Contingency	402,343	(368,540)	33,803	-	-	-
	<u>\$ 6,579,085</u>	<u>\$ -</u>	<u>\$ 6,579,085</u>	<u>\$ 3,322,290</u>	<u>\$ 3,222,438</u>	<u>\$ 6,544,728</u>

* Project Final

Remaining (Needed) Funds \$ 107,974

** Substantially Complete

^ Available funding due to fee increase effective January 2017 designated for drainage capital improvements

Note (1): Encumbered amounts are included in total construction in progress due to the obligation of funds by contract(s) or purchase order(s).

CITY OF TEMPLE, TEXAS
SCHEDULE OF CAPITAL PROJECTS BOND PROCEEDS & RELATED EXPENDITURES
SECO LOANSTAR LOAN PROGRAM 2017 - CAPITAL PROJECTS FUND 358
For the period beginning June 1, 2017 and ending December 31, 2018

Exhibit E-7

Expenditures		Revenue & Bond Proceeds	
Construction in Progress			
Expenditures	\$ 2,700,387	Loan Proceeds (July 2017)	\$ 2,803,109
Encumbrances as of 12/31/18	(1) 101,972	Transfer - In	-
Estimated Costs to Complete Projects	-		
	<u>\$ 2,802,359</u>		<u>2,803,109</u>

Detail of Construction Costs						
Project	BUDGET			ACTUAL		
	Original Budget	Adjustments to Original Budget	Adjusted Budgeted	Total Costs Incurred & Encumbered	Estimated Costs to Complete	Total Designated Project Cost
Completed Projects prior to FY 2019 - Lighting Upgrades	* \$ 294,675	\$ (118,754)	\$ 175,921	\$ 175,921	\$ -	\$ 175,921
Police Department - Lighting Upgrade	* 142,000	(30,026)	111,974	111,975	-	111,975
City Hall - Lighting Upgrade	* 17,950	4,149	22,099	22,099	-	22,099
Summit Fitness Center - Lighting Upgrade	* 6,490	6,864	13,354	13,355	-	13,355
Fire Station - #8 - Lighting Upgrade	* 6,285	5,483	11,768	11,768	-	11,768
Sammons Comm Cntr - Indoor Pool - Lighting Upgrade	* 3,415	(1,139)	2,276	2,276	-	2,276
Completed Projects prior to FY 2019 - HVAC Improvements	* 497,950	189,756	687,706	687,706	-	687,706
Santa Fe - HVAC Improvements	236,812	129,744	366,556	366,556	-	366,556
Mayborn Convention Center - HVAC Improvements	* 465,300	6,085	471,385	471,385	-	471,385
City Hall - HVAC Improvements	172,575	(57,664)	114,911	114,911	-	114,911
Summit Fitness Center - HVAC Improvements	* 165,325	85,641	250,966	250,966	-	250,966
Service Centers A/B/C - HVAC Improvements	* 189,360	104,574	293,934	293,934	-	293,934
Elmer Reed General Aviation Term - HVAC Improvements	33,150	14,406	47,556	47,556	-	47,556
Design Fees	224,249	7,704	231,953	231,953	-	231,953
Contingency	336,373	(335,623)	750	-	-	-
	<u>\$ 2,803,109</u>	<u>\$ -</u>	<u>\$ 2,803,109</u>	<u>\$ 2,802,359</u>	<u>\$ -</u>	<u>\$ 2,802,359</u>
Remaining (Needed) Funds						<u>\$ 750</u>

* Project Final

** Substantially Complete

Note (1): Encumbered amounts are included in total construction in progress due to the obligation of funds by contract(s) or purchase order(s).

CITY OF TEMPLE, TEXAS
SCHEDULE OF CAPITAL PROJECTS BOND PROCEEDS & RELATED EXPENDITURES
REINVESTMENT ZONE NO. 1 TAX INCREMENT
REVENUE BONDS 2018 - CAPITAL PROJECTS BOND FUND - 795
For the period beginning September 27, 2018 and ending December 31, 2018

Exhibit E-8

Expenditures		Revenue & Bond Proceeds	
Construction in Progress			
Expenditures	\$ 2,283,767	Original Issue {September 2018}	\$ 23,565,000
Encumbrances as of 12/31/18	(1) 2,941,978	Net Offering Premium/Discount	614,452
Estimated Costs to Complete Projects	18,953,706	Interest Income	141,997
	\$ 24,179,451		\$ 24,321,449

Detail of Construction Costs						
Project	BUDGET			ACTUAL		
	Original Budget	Adjustments to Original Budget	Adjusted Budgeted	Total Costs Incurred & Encumbered	Estimated Costs to Complete	Total Designated Project Cost
Bond Issue Costs *	\$ 179,452	\$ -	\$ 179,452	\$ 179,452	\$ -	\$ 179,452
Outer Loop (IH 35 to Wendland) - ROW	500,000	-	500,000	-	500,000	500,000
Outer Loop (McLane to Central Point Parkway)	7,250,000	-	7,250,000	45,030	7,204,970	7,250,000
Santa Fe Plaza	1,300,000	-	1,300,000	1,300,000	-	1,300,000
TMED - 31st Street/Loop 363/Monumentation	450,000	-	450,000	-	450,000	450,000
Downtown City Center/Hawn Hotel	2,050,000	-	2,050,000	-	2,050,000	2,050,000
Outer Loop, Phase VI (Old Waco Road to IH 35 South)	3,340,000	-	3,340,000	1,210,159	2,129,841	3,340,000
East Outer Loop	623,000	-	623,000	622,210	790	623,000
1st Street from Ave A to Central Ave	1,380,000	-	1,380,000	-	1,380,000	1,380,000
Airport Corporate Hangar, Phase IV {Design} *	132,000	-	132,000	131,600	400	132,000
Airport FBO Center & Parking {Design}	440,000	-	440,000	-	440,000	440,000
Outer Loop, Phase V (Poison Oak to Old Waco Road)	2,820,000	-	2,820,000	871,865	1,948,135	2,820,000
Avenue C from Main Street to 24th Street	2,740,000	-	2,740,000	648,330	2,091,670	2,740,000
Santa Fe Plaza - Central Ave Parking & Enhancement	325,000	-	325,000	217,100	107,900	325,000
Overlay Industrial Blvd	650,000	-	650,000	-	650,000	650,000
	\$ 24,179,452	\$ -	\$ 24,179,452	\$ 5,225,745	\$ 18,953,706	\$ 24,179,451
Remaining (Needed) Funds						\$ 141,998

* Project Final

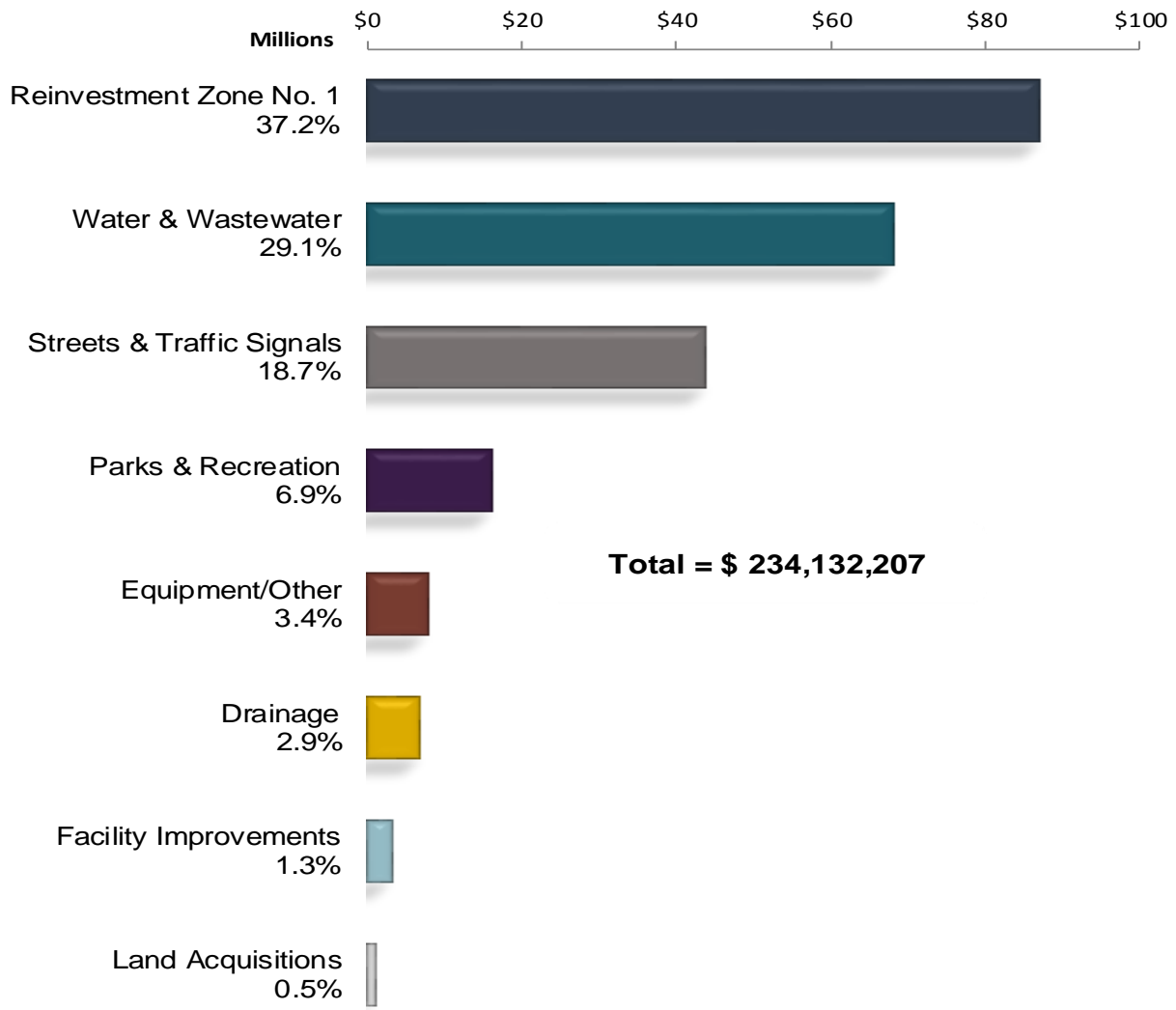
** Substantially Complete

Note (1): Encumbered amounts are included in total construction in progress due to the obligation of funds by contract(s) or purchase orders(s).

CITY OF TEMPLE, TEXAS
CAPITAL IMPROVEMENT PROGRAM - PROJECTS UNDERWAY/SCHEDULED
As of December 31, 2018

Exhibit E-9

Reinvestment Zone No. 1	\$	87,073,770
Water & Wastewater		68,073,816
Streets & Traffic Signals		43,855,186
Parks & Recreation		16,156,684
Equipment/Other		7,833,631
Drainage		6,870,613
Building Construction & Renovations		3,127,584
Land Acquisitions		1,140,923
Total of Capital Improvement Projects Underway/Scheduled	\$	234,132,207



CITY OF TEMPLE, TEXAS
CAPITAL IMPROVEMENT PROGRAM-PROJECTS UNDERWAY/SCHEDULED - DETAIL
December 31, 2018

Exhibit E-10

Project	Project #	Funding	Acct #	Project Budget	Actual Commit / Spent	Status	Scheduled Completion
Exterior Master Plan Construction, Phase I - Mayborn	101389	Hotel/Motel	240-4400-551-6310	\$ 98,890	\$ -	On Hold	TBD
Security Upgrade at Service Center - Video Surveillance and Door Access Control System	101404	LTN-16 BUDG-U	364-3800-519-6310 520-5000-535-6310	84,199	84,198	Complete	Nov-18
Upgrade Gate - Service Center	101405	BUDG-19 LTN-16 BUDG-U	110-5924-519-6310 364-3800-519-6310 520-5000-535-6310	68,537	68,537	Complete	Nov-18
New Vestibule - Summit Fitness Center	101548	BUDG-18 GO-15	110-5932-551-6310 362-3200-551-6421	54,300	54,300	Substantially Complete	Jan-19
Office Remodel - City Manager's Office	101654	BUDG-18 LTN-16	110-1100-513-6310 110-5911-513-6310 364-1100-513-6310	149,821	149,822	Substantially Complete	Jan-19
Roof Replacement, Bldg A - Service Center	101659	BUDG-18	110-5924-519-6310 292-2900-534-6310 520-5000-535-6310	63,750	-	Planning	Apr-19
Facility Upgrade, Phase 1B - Clarence Martin (Brick Work with Engineering)	101692	BUDG-18 GO-15	110-5932-551-6310 362-3200-551-6422	53,400	7,300	On Hold	TBD
Santa Fe - HVAC Improvements (Additional Funding in LoanStar Loan Program)	101751	Hotel/Motel	240-7000-551-6310	78,918	78,918	Construction	Feb-19
Mayborn Convention Center - HVAC Improvements (Additional Funding in LoanStar Loan Program)	101752	Hotel/Motel	240-4400-551-6310	11,537	11,537	Complete	Nov-18
Downtown Lighting	101836	BUDG-18	110-3795-524-6310	60,000	-	Planning	TBD
Airfield Lighting/Wiring (AIP Grant) (Engineering Only)	101868	BUDG-19	110-5900-560-6310	32,000	-	Planning	TBD
Facility Improvements	101873	BUDG-19	110-5924-519-6310	76,500	-	Planning	TBD
Study for Firing Range	101895	BUDG-19	110-5900-521-2616	25,000	-	Planning	TBD
Utility Business Office - Soundproofing	101941	BUDG-U	520-5800-535-6310	17,000	-	Planning	May-19
1 South First Street - Building Purchase (Relocate Human Resource Department)	101984	Hotel/Motel Drainage DESCAP BUDG-U	240-4400-551-6310 292-2900-534-6310 351-1100-513-6310 520-5000-535-6310	280,000	271,271	Complete	Nov-18
1 South First Street, Install Network Connections - Human Resource Offices	101989	BUDG-18 Hotel/Motel Drainage BUDG-U	110-1900-519-6240 240-4400-551-6310 292-2900-534-6310 520-5000-535-6310	15,000	12,248	Complete	Nov-18
1 South First Street, Remodel - Human Resource Offices	101993	BUDG-19 Hotel/Motel Drainage BUDG-U	110-5924-519-6310 240-4400-551-6310 292-2900-534-6310 520-5000-535-6310	20,000	13,361	Complete	Nov-18
Lighting Upgrades - Multi Facility (LoneSTAR Loan Program)	Multi	LSL-17	358-XXXX-XXX-6310	210,181	210,182	Complete	Oct-18
HVAC Improvements - Multi Facility (LoneSTAR Loan Program)	Multi	LSL-17	358-XXXX-XXX-6310	1,728,551	1,728,551	Construction	Feb-19
Total Building Construction & Renovations				\$ 3,127,584	\$ 2,690,224		
Meadowbrook/Conner Park Drainage	101592	Drainage CO-18D	292-2900-534-6312 353-2900-534-6714	1,802,457	1,792,410	Construction	May-19
Azalea Drive Drainage Improvements	101636	Drainage CO-18D	292-2900-534-6312 353-2900-534-6712	1,223,468	123,593	Engineering	Nov-19
Ave T & Ave R Drainage Improvements	101637	Drainage CO-18D	292-2900-534-6312 353-2900-534-6713	1,248,300	164,900	Engineering	Aug-19
Ave D & 14th Street Drainage Improvements	101638	Drainage	292-2900-534-6312	525,150	42,632	On Hold	TBD
Drainage Master Plan Modeling Assessment	101777	Drainage CO-18D	292-2900-534-6510 353-2900-534-6710	1,330,500	783,933	Engineering	Dec-19
Hogan Road Developer Agreement (Kiella Development, Inc.)	101802	Drainage	292-2900-534-6312	305,900	305,900	Cost Sharing Agreement Authorized	TBD
Westfield Developer Agreement (Kiella Development, Inc.)	101822	Drainage	292-2900-534-6312	70,510	70,509	Cost Sharing Agreement Authorized	Mar-19

(Continued)

Project	Project #	Funding	Acct #	Project Budget	Actual Commit / Spent	Status	Scheduled Completion
Azalea Drive Developer Agreement {Patco Construction, LLC}	101860	CO-18D	353-2900-534-6715	\$ 364,328	\$ 364,328	Cost Sharing Agreement Authorized	Mar-19
Total Drainage				\$ 6,870,613	\$ 3,648,205		
Advanced Metering Infrastructure	101173	BUDG-U Util-RE	520-5300-535-6250 520-5900-535-6250	1,275,000	1,121,151	Construction	May-19
CityWorks AMS Software - Public Works	101640	BUDG-17 Drainage DESCAP BUDG-U	110-5919-519-6221 292-2900-534-6221 351-1900-519-6221 520-5000-535-6221	108,402	77,022	In Progress	June-19
Replace '05 Ford F150 Pickup - Animal Services Asset #12134	101652	BUDG-18	110-5921-529-6213	28,379	27,810	Ordered	Feb-19
Replace '07 Ford F150 4X4 - Engineering Asset #12571	101655	BUDG-18	110-5900-533-6213	30,961	30,961	Complete	Nov-18
Replace '03 Dodge Ram - Facility Services Asset #13402	101656	BUDG-18	110-5924-519-6213	65,949	65,949	Complete	Oct-18
Quad Truck, Shared Custodial Crew - Facility Services Asset #'s 12342, 12786	101658	BUDG-18	110-5924-519-6213	28,200	27,545	Complete	Oct-18
Replace '05 Ford Expedition - Fire Asset #12113	101663	BUDG-18	110-5900-522-6213	42,697	42,697	Complete	Dec-18
Oil Dispenser Expansion - Fleet Services	101666	BUDG-18	110-5938-519-6216	10,000	-	Planning	Feb-19
Replace '07 Ford F150 - Inspection/Permits Asset #12573	101670	BUDG-18	110-5947-519-6213	27,810	27,811	Complete	Oct-18
Replace '03 Ford F150 - Parks Asset #11625	101678	BUDG-18	110-5935-552-6213	27,810	27,811	Complete	Oct-18
Replace '05 Dodge Ram 2500 - Parks Asset #12192	101679	BUDG-18	110-5935-552-6213	43,525	43,525	Ordered	Feb-19
Replace '07 Ford F150 - Parks Asset #12570	101681	BUDG-18	110-5935-552-6213	27,810	27,811	Complete	Oct-18
Replace '08 Kubota RTV - Parks Asset #12801	101683	BUDG-18	110-5935-552-6222	19,000	17,097	Complete	Oct-18
Van with Equipment for Crash Reconstruction - Police Asset #9945 and #11147	101687	BUDG-18	110-2032-521-6213 110-5900-521-6213	59,843	59,843	Complete	Dec-18
Replace (3) BMW Motorcycles for (1) Ford Taurus - Police Asset #'s 13709, 13710, 13872	101688	BUDG-18	110-5900-521-6213	41,103	41,103	Complete	Oct-18
Replace '01 GMC Pickup - Police Asset #13406	101689	BUDG-18	110-5900-521-6213	25,128	25,128	Complete	Oct-18
Replace '98 International Dump Truck - Streets Asset #10365	101701	BUDG-18	110-5900-531-6222	102,081	102,081	Ordered	Apr-19
Pickup Truck, New C&D Technician - Metering **Addition to Fleet**	101705	BUDG-18	520-5300-535-6213	28,000	27,836	Complete	Oct-18
Replace '04 Chevrolet Silverado - Water/Wastewater Asset #11925	101706	BUDG-18	520-5200-535-6213	32,000	25,455	Complete	Oct-18
Replace '06 Chevrolet Silverado - Water/Wastewater Asset #12274	101708	BUDG-18	520-5100-535-6213	41,823	40,963	Ordered	Feb-19
Replace '06 Chevrolet Silverado - Water/Wastewater Asset #12275	101709	BUDG-18	520-5100-535-6213	41,823	40,963	Ordered	Feb-19
K-9 (2017 JAG Grant) - Police	101779	GRANT	260-2000-521-6211	17,167	-	Planning	Oct-20
Replace '10 Ford Crown Victoria - Police Asset #13217	101816	BUDG-18	110-2031-521-6213	43,633	43,633	Complete	Nov-18
Replace '08 Ford F350 - Streets Asset #12589	101859	BUDG-18	110-5900-531-6213	52,000	-	Planning	June-19
Velocity Migration Upgrade - Court	101861	BUDG-18	110-1800-525-6221	12,688	12,686	Complete	Dec-18
Shredder - Airport	101867	BUDG-19	110-5900-560-6222	11,995	11,995	Complete	Oct-18
Replace '05 Ford F150 Regular Cab - Code Compliance Asset #12136	101869	BUDG-19	110-5900-524-6213	32,000	-	Planning	July-19
Replace '08 F350 / Upgrade F250 Crew Cab & Utility Body - Code Compliance Asset #12920	101870	BUDG-19	110-5900-524-6213	45,000	-	Planning	July-19

(Continued)

Project	Project #	Funding	Acct #	Project Budget	Actual Commit / Spent	Status	Scheduled Completion
Replace '01 Dodge / Upgrade F250 Regular Cab with Utility Body & Lift Gate - Facility Services Asset #10638	101871	BUDG-19	110-5924-519-6213	\$ 43,000	\$ -	Planning	July-19
Replace '05 Ford F150 - Facility Services Asset # 12135	101872	BUDG-19	110-5924-519-6213	34,000	-	Planning	July-19
Replace Cardiac Defibrillator Monitor - Fire	101878	BUDG-19	110-2230-522-6211 110-5900-522-6211	140,488	133,417	Substantially Complete	Jan-19
Vehicle Exhaust System Update/Repair - Fleet	101879	BUDG-19	110-5938-519-6310	19,500	-	Planning	June-19
Pro-Cut On Car Brake Lathe -Fleet	101881	BUDG-19	110-5938-519-6216	14,000	-	Planning	June-19
Replace '08 Ford F150 - Inspections/Permits Asset #12821	101885	BUDG-19	110-5942-519-6213	32,000	-	Planning	July-19
Replace '04 Crimson Spartan / Upgrade to Small Quint Fire Apparatus {Intent to Reimburse}	101886	CO-19	365-2200-522-6776	973,500	933,080	Ordered	Aug-19
Replace '06 Ford F350 - Parks Asset #12356	101887	BUDG-19	110-5935-552-6213	43,000	-	Planning	July-19
Replace '06 Chevy Truck - Parks Asset #12345	101888	BUDG-19	110-5935-552-6213	32,000	-	Planning	July-19
3/4 Ton Truck - Irrigation Technician **Addition to Fleet**	101889	BUDG-19	110-3500-552-6213	43,000	-	Planning	July-19
Replace Marked Unit, SRO - Police Asset #13223	101891	BUDG-19	110-3500-552-6211	47,750	42,017	Ordered	July-19
Replace (10) Marked Units, Patrol - Police	101892	BUDG-19	110-5900-521-6213	477,500	474,447	Ordered	May-19
Axon Evidence Management Software System	101893	BUDG-19	110-5900-521-6211	293,476	293,476	In Progress	July-19
Utility Vehicle, Sergeant - Police **Addition to Fleet**	101894	BUDG-19	110-5900-521-6213	57,750	40,202	Ordered	May-19
Medium Rescue Fire Apparatus **Addition to Fleet** {Intent to Reimburse}	101896	CO-19	365-2200-522-6776	376,500	329,500	Ordered	Aug-19
Replace '01 Chevrolet Astro - Recreation Asset #11143	101899	BUDG-19	110-5932-551-6213	32,200	-	Planning	July-19
Skid Steer # 2 - Recycling Program **Addition to Fleet**	101904	BUDG-19	110-5900-540-6222	51,337	51,337	Substantially Complete	Jan-19
Lift Truck # 2 - Recycling Program **Addition to Fleet**	101905	BUDG-19	110-5900-540-6222	32,106	32,106	Complete	Nov-18
Replace '14 Freightliner/Heil Garbage Collection - Solid Waste Asset #13688 {Intent to Reimburse}	101906	LTN-19	364-2300-540-6220	335,500	329,636	Ordered	June-19
Replace '11 Peterbilt, Frontload - Solid Waste Asset #13276 {Intent to Reimburse}	101908	LTN-19	364-2300-540-6220	349,500	326,385	Ordered	June-19
Replace '08 International Work Star, Sideload - Solid Waste Asset #12581 {Intent to Reimburse}	101909	LTN-19	364-2300-540-6220	295,500	283,845	Ordered	June-19
Replace '08 Ford F250 - Streets Asset #12867	101910	BUDG-19	110-5900-531-6213	32,000	-	Planning	July-19
Replace '95 Ford F800 Water Truck - Streets Asset #9837	101912	BUDG-19	110-5900-531-6222	79,000	-	Planning	Aug-19
Replace '00 Freightliner Dump Truck - Drainage Asset #10942	101914	Drainage	292-2900-534-6222	112,500	102,081	Ordered	May-19
Replace '09 International Street Sweeper - Drainage Asset #13120	101915	Drainage	292-2900-534-6222	240,000	234,027	Ordered	Feb-19
72" Cut Zero Turn Mower - New Drainage Maintenance Crew **Addition to Fleet**	101916	Drainage	292-2900-534-6222	12,000	-	Planning	May-19
192" Cut Batwing Mower - New Drainage Maintenance Crew **Addition to Fleet**	101917	Drainage	292-2900-534-6222	98,000	-	Planning	May-19
Trailer for Equipment - New Drainage Maintenance Crew **Addition to Fleet**	101918	Drainage	292-2900-534-6211	10,000	-	Planning	May-19
1 Ton Crew Cab Pick w Utility Body - New Drainage Maintenance Crew **Addition to Fleet**	101919	Drainage	292-2900-534-6213	52,000	-	Planning	May-19

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Project	Project #	Funding	Acct #	Project Budget	Actual Commit / Spent	Status	Scheduled Completion
Replace '08 Ford F350 Regular Cab - Water/Wastewater Asset #12918	101923	BUDG-U	520-5400-535-6213	\$ 48,000	\$ -	Planning	July-19
Replace '08 Ford F350 Regular Cab - Water/Wastewater Asset #12919	101924	BUDG-U	520-5400-535-6213	48,000	-	Planning	July-19
Replace '09 Ford F350 Regular Cab - Water/Wastewater Asset #12968	101925	BUDG-U	520-5400-535-6213	48,000	-	Planning	July-19
Replace '10 Ford F350 Regular Cab - Water/Wastewater Asset #13133	101926	BUDG-U	520-5400-535-6213	48,000	-	Planning	July-19
Replace '10 Ford F450 Regular Cab - Water/Wastewater Asset #13139	101927	BUDG-U	520-5400-535-6213	50,000	-	Planning	July-19
Freightliner SD114 with Vactor Body - W/WW Specialty Crew **Addition to Fleet**	101929	BUDG-U	520-5200-535-6222 520-5400-535-6222	382,000	366,587	Ordered	June-19
Upgrade for the Manhole Inspection Van (Closed Circuit Television) - W/WW Specialty Crew (Asset # 11606)	101930	BUDG-U	520-5200-535-6213 520-5400-535-6310	55,000	-	Planning	May-19
Service Center Office Improvements - Suite 123	101931	BUDG-U	520-5200-535-6310 520-5400-535-6310	10,000	-	Planning	TBD
Replace '08 Ford F150 Regular Cab - Metering Asset #12825	101932	BUDG-U	520-5300-535-6213	32,000	-	Planning	July-19
1/2 Ton Reg Cab Truck - W/WW New Crew Leader **Addition to Fleet**	101934	BUDG-U	520-5200-535-6213 520-5400-535-6213	32,000	-	Planning	July-19
Golf Cart GPS Screens	101936	BUDG-19	110-3110-551-6213	103,226	-	Planning	Mar-19
Replace '09 Ford F350 - Water/Wastewater Asset # 12967	101937	BUDG-U	520-5200-535-6213	48,000	-	Planning	July-19
Water Distribution Modeling and Management Software	101938	BUDG-U	520-5200-535-6221	31,215	-	Planning	July-19
(3) Handheld GIS Units	101939	BUDG-U	520-5200-535-6211	26,200	-	Planning	Aug-19
Replace '03 Caterpillar 420D Backhoe - Waste/Wastewater Asset # 11623	101940	BUDG-U	520-5100-535-6220	91,000	-	Planning	July-19
K-9 (2018 JAG Grant) - Police	101959	GRANT	260-2000-521-6211	18,534	-	Planning	Oct-21
Swift Water Boat, State Farm Grant - Fire	101991	BUDG-19	110-2230-522-6222	20,000	-	Planning	May-19
AreaRAE Air Monitor Deployment Kit, LETPA Grant - Fire	101994	BUDG-19 GRANT	110-2230-522-6211 260-2200-522-6211	61,522	61,522	Complete	Dec-18
Total Equipment/Other				\$ 7,833,631	\$ 6,002,540		
Charter Oak Waterline Replacement, Phase II {ROW}	100608	Util-RE	520-5900-535-6110	324,102	314,973	In Progress	Apr-19
Bird Creek Interceptor {ROW}	101213	Util-RE	520-5900-535-6110	577,134	276,586	In Progress	Apr-19
New Pepper Creek Tank {Property Acquisition}	101944	Util-RE	520-5900-535-6110	100,000	-	Planning	June-19
S Temple Ground Storage and Pump Station {Property Acquisition}	101953	Util-RE	520-5900-535-6110	50,000	-	Planning	TBD
SH 317 Ground Storage and Pump Station {Property Acquisition}	101954	Util-RE	520-5900-535-6110	50,000	-	Planning	TBD
Land Purchase 908 E Ave B	101990	BUDG-19	110-3795-524-6110	39,687	39,686	Complete	Oct-18
Total Land Acquisitions				\$ 1,140,923	\$ 631,246		
Caboose Renovations	101303	Hotel/Motel	240-7000-551-6310	21,809	20,279	Construction	Apr-19
Crossroads Athletic Park {RZ Funds in Project 101005}	101311	GO-15	362-3500-552-6402	14,313,691	13,656,616	Construction	Apr-19
Mercer Fields	101317	GO-15	362-3500-552-6408	677,610	512,646	Construction	Apr-19
Prairie Park	101321	GO-15	362-3500-552-6412	118,174	68,776	Substantially Complete	Jan-19
Trail Repair - Wilson Park	101674	BUDG-18	110-5935-552-6310	17,900	8,910	Complete	Oct-18
Sammons Golf Course Green Improvements	101771	CO-18	365-3100-551-6984	620,000	618,382	Complete	Oct-18

(Continued)

Project	Project #	Funding	Acct #	Project Budget	Actual Commit / Spent	Status	Scheduled Completion
South Temple Park Restrooms	101819	BUDG-18 CO-18	110-3500-552-6332 365-3500-552-6988	\$ 199,325	\$ 182,175	Construction	Mar-19
Meadow Bend Park	101862	BUDG-18	110-3500-552-6332	33,862	28,911	Complete	Dec-18
Von Rosenberg Park	101863	BUDG-18	110-3500-552-6332	13,577	13,577	In Progress	Feb-19
West Temple Park	101864	BUDG-18	110-3500-552-6332	15,786	15,535	In Progress	Feb-19
Pool Floor Plaster - Sammons	101897	BUDG-19	362-3200-551-6423	20,000	20,000	Construction	Apr-19
Alta Vista Park	101996	BUDG-19	110-3500-552-6332	76,950	-	Planning	May-19
Golf Course Pump Station (Design)	102002	GO-15	362-3100-551-6840	28,000	28,000	Engineering	May-19
Total Parks & Recreation				\$ 16,156,684	\$ 15,173,806		
Rail Maintenance	100692	RZ	795-9500-531-6514	383,706	209,073	In Progress	TBD
Road/Sign Maintenance	100693	RZ	795-9500-531-6317	320,331	213,562	In Progress	Sept-19
Little Elm Trunk Sewer	101000	RZ	795-9500-531-6368	1,925,000	1,867,193	Construction	Apr-19
Temple Industrial Park - Outer Loop (IH35 to Wendland)	101000	RZ	795-9600-531-6863 795-9800-531-6863	3,946,000	3,427,621	Engineering	TBD
Temple Industrial Park - Outer Loop (Wendland to McLane Pkwy) (Design & ROW)	101001	RZ	795-9800-531-6864	2,425,000	2,313,462	Engineering	TBD
Corporate Campus Park - Outer Loop (McLane Pkwy to Cen Pt Pkwy)	101004	RZ	795-9600-531-6881 795-9800-531-6881	8,094,000	836,842	Engineering	Oct-20
Crossroads Park @ Pepper Creek Trail (Park Bond Funds in Project 101311)	101005	RZ	795-9500-531-6867 795-9800-531-6867	5,925,000	5,925,000	Construction	Apr-19
Synergy Park - Entry Enhancement (Design)	101006	RZ	795-9500-531-6868 795-9800-531-6868	62,101	62,100	On Hold	TBD
Downtown - Santa Fe Plaza	101008	RZ	795-9500-531-6870 795-9600-531-6870 795-9800-531-6870	15,112,538	14,772,861	Construction	Apr-19
TMED - Loop 363 Frontage (UPRR Bridge to 5th TRZ Portion) (AFA - TXDOT)	101010	RZ	795-9500-531-6872 795-9800-531-6872	6,749,994	6,567,065	Substantially Complete	Jan-19
TMED - 31st St./Loop 363 Improvements/Monumentation	101011	RZ	795-9500-531-6873 795-9600-531-6873 795-9800-531-6873	1,495,000	1,013,637	Construction	Apr-19
Downtown City Center / Hawn Hotel	101029	RZ	795-9500-531-6565 795-9600-531-6565	2,200,000	150,000	Engineering	TBD
Santa Fe Market Trail	101262	RZ	795-9500-531-6566	5,035,100	4,819,290	Construction	June-19
Veteran's Memorial Boulevard, Phase II (Design & ROW)	101263	RZ	795-9500-531-6567	925,000	622,217	On Hold	TBD
R & D Rail Tracks (Design)	101457	RZ	795-9500-531-6568	124,400	124,400	On Hold	TBD
Taxiway for Airport	101563	RZ	795-9500-531-6558	1,038,600	153,785	Engineering	July-19
Outer Loop, Phase VI (IH35 South) (Design & ROW)	101585	RZ	795-9500-531-6557 795-9600-531-6557	3,750,000	1,615,665	Engineering	Dec-19
TMED South 1st Street, Phase I (Change Order to Project 101010) (AFA - TXDOT)	101627	RZ	795-9500-531-6570	1,845,000	1,845,000	Substantially Complete	Jan-19
East Outer Loop	101796	RZ	795-9600-531-6890	623,000	622,210	Engineering	TBD
1st Street from Ave A to Central Ave	101797	RZ	795-9500-531-6561 795-9600-531-6561	1,676,000	295,260	Engineering	Jan-20
N 31st Street (Nugent to Central) (Concept Design & Land Acquisition)	101798	RZ	795-9500-531-6571	2,552,000	2,325,697	Engineering	Oct-19
Corporate Hangar, Phase IV (Design)	101800	RZ	795-9500-531-6558 795-9600-531-6558	232,000	231,600	Complete	Nov-18
Airport FBO Center & Parking Visioning (Design)	101801	RZ	795-9500-531-6573 795-9600-531-6573	559,000	118,860	Engineering	TBD

(Continued)

Project	Project #	Funding	Acct #	Project Budget	Actual Commit / Spent	Status	Scheduled Completion
Outer Loop, Phase V {Design & ROW}	101824	RZ	795-9600-531-6813	\$ 2,820,000	\$ 871,865	Engineering	Mar-20
1st Street Parking Garage	101840	RZ	795-9500-531-6891 795-9600-531-6891	6,450,000	-	Planning	TBD
Ave C (Main Street to 24th Street) {Design & ROW}	101841	RZ	795-9600-531-6892	2,740,000	648,330	Engineering	Feb-20
Santa Fe Plaza Parking Design	101842	RZ	795-9600-531-6893	325,000	217,100	Planning	TBD
Rail Backage Road	101844	RZ	795-9500-531-6527	2,500,000	362,299	Engineering	Oct-19
Industrial Boulevard Overlay	101845	RZ	795-9600-531-6512	650,000	-	Planning	TBD
Corporate Campus Property Acquisition	101846	RZ	795-9500-531-6110	750,000	568,336	In Progress	Apr-19
1st Street from Ave A to Ave B	101847	RZ	795-9500-531-6551	1,275,000	1,059,652	Construction	June-19
Mouser Road Improvements	101928	RZ	795-9500-531-6317	340,000	22,326	Construction	July-19
3rd Street Improvements {United Way}	101977	RZ	795-9500-531-6315	125,000	125,000	Cost Sharing Agreement Authorized	TBD
East/West Gateway Landscaping	101978	RZ	795-9500-531-6319	560,000	59,700	Engineering	Nov-19
Land @ Synergy Park	101979	RZ	795-9500-531-6110	750,000	-	Planning	TBD
Airport Improvements - Clear Area Near Fire Station	101980	RZ	795-9500-531-6341	172,500	-	Planning	TBD
Airport Improvements - Repaint Tower	101981	RZ	795-9500-531-6341	172,500	-	Planning	TBD
Airport Improvements - Demolition of Old Terminal Building	101982	RZ	795-9500-531-6341	115,000	-	Planning	TBD
Airport Improvements - Fence Realignment	101983	RZ	795-9500-531-6341	175,000	-	Planning	TBD
Adams/Central Ave Bicycle Pedestrian	101987	RZ	795-9500-531-6315	155,000	153,250	Engineering	Apr-19
Total Reinvestment Zone No. 1 Infrastructure				\$ 87,073,770	\$ 54,220,258		
Kegley Road, Phase I	100346	CO-14	365-3400-531-6888	1,355,550	1,236,616	Substantially Complete	Jan-19
Hogan Road Improvements	100952	CO-12 CO-18	365-3400-531-6857	3,248,850	279,399	Construction	June-20
Westfield Boulevard Improvements, Phase II	100970	CO-12	365-3400-531-6859	2,792,210	2,733,249	Construction	May-19
Outer Loop, Phase IIIB	101121	CO-12 CO-14 CO-18	365-3400-531-6813	6,506,055	5,869,227	Construction	Apr-19
S Pea Ridge Developer Agreement {WBW Development, LTD}	101214	CO-18	365-3400-531-6860	150,000	150,000	Cost Sharing Agreement Authorized	Mar-19
East Temple - Greenfield	101234	CO-12	365-3400-531-6884	75,792	-	On Hold	TBD
Prairie View, Phase II (N Pea Ridge to FM 2483)	101257	GRANT CO-14	260-3400-531-6862 365-3400-531-6862	9,784,753	9,072,707	Construction	Apr-19
SH317 Sidewalks {AFA - TXDOT}	101285	CO-14	365-3400-531-6315	200,000	200,000	Complete	Dec-18
Kegley Road, Phase II	101606	CO-16 CO-18	365-3400-531-6888	5,163,800	450,145	Engineering	Aug-20
Kegley Road, Phase III & IV {Preliminary Design & ROW}	101607	CO-16 CO-18	365-3400-531-6888	1,176,090	756,124	Engineering	Aug-19
Traffic Signal Upgrade - N Kegley @ Airport Rd	101611	CO-16	365-2800-532-6810	224,650	216,360	Construction	Feb-19
Traffic Signal Upgrade - Adams @ Greenview	101612	CO-16	365-2800-532-6810	291,650	247,521	Construction	Feb-19
Sidewalk/Transportation Enhancements	101711	GRANT	260-6100-571-6315	25,000	19,780	Engineering	June-19

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Project	Project #	Funding	Acct #	Project Budget	Actual Commit / Spent	Status	Scheduled Completion
N Pea Ridge, Phase I {Design & ROW}	101713	CO-16 CO-18	365-3400-531-6985	\$ 2,185,000	\$ 665,650	Engineering	Nov-19
Outer Loop, Phase IV {Design & ROW}	101714	CO-16 CO-18	365-3400-531-6813	2,400,000	894,900	Engineering	June-20
Poison Oak, Phase I & II {Design & ROW}	101715	CO-16 CO-18	365-3400-531-6886	4,205,000	1,588,809	Engineering	Jan-20
Hogan Road Developer Agreement {Kiella Development, Inc.}	101802	CO-16	365-3400-531-6857	800,240	800,240	Cost Sharing Agreement Authorized	TBD
S 31st Street Sidewalk - TXDOT AFA	101804	CO-18	365-3400-531-6532	415,000	415,000	Engineering	Jan-20
Westfield Developer Agreement {Kiella Development, Inc.}	101822	CO-18	365-3500-552-6516	388,964	388,964	Cost Sharing Agreement Authorized	Mar-19
S 5th Street Sidewalk - Cost Sharing Agreement {WBW Development, Ltd}	101827	CO-18	365-3400-531-6315	73,619	73,619	Cost Sharing Agreement Authorized	Feb-19
Grant Match Sidewalks/Trail Connections	101829	CO-18	365-3400-531-6315	25,400	-	Planning	TBD
Friars Creek Trail - Grant	101855	CO-18	365-3400-531-6315	24,600	-	Planning	TBD
Azalea Drive Developer Agreement {Patco Construction, LLC}	101860	CO-18	365-3400-531-6715	682,163	682,163	Cost Sharing Agreement Authorized	Mar-19
Sidewalk/Transportation Enhancements	101942	GRANT	260-6100-571-6315	50,000	-	Planning	TBD
Video Detection Equipment 2019/2020 - Signals	101956	CO-18	365-2800-532-6810	168,000	166,560	Complete	Dec-18
Azalea Drive	101985	CO-18	365-3400-531-6715	1,442,800	102,800	Engineering	May-20
Total Streets/Related Facilities				\$ 43,855,186	\$ 27,009,833		
TCIP - Kegley Road Utility Improvements, Phase I	100346	BUDG-U	520-5200-535-6357	110,000	89,220	Substantially Complete	Jan-19
Charter Oak Waterline Replacement, Phase II	100608	UR-15 UR-17	561-5200-535-6939	4,791,792	1,011,801	Engineering	June-19
TXDOT I-35 Utility Relocation Project: North Loop 363 to Northern Temple City Limits {Engineering Only}	100682	TxDOT	520-5900-535-6618	193,240	193,240	Construction	Mar-19
TXDOT I-35 Utility Relocation Project: South Loop 363 to Nugent {Engineering Only}	100687	TxDOT	520-5900-535-6618	544,852	492,690	Construction	Mar-19
TXDOT I-35 Utility Relocation Project: Nugent to North Loop 363 {Engineering Only}	100688	TxDOT	520-5900-535-6618	456,838	404,675	Construction	Mar-19
Leon River Trunk Sewer, Lift Station and Force Main	100851	UR-10	561-5400-535-6941	6,062,172	5,947,055	Complete	Dec-18
TCIP - Hogan Road Waterline Improvements	100952	UR-15 UR-17	561-5200-535-6983	2,065,100	214,071	Construction	June-20
TCIP - Westfield Blvd Utility Improvements, Phase II	100970	BUDG-U	520-5200-535-6357	127,096	113,319	Construction	May-19
Bird Creek Interceptor, Phase IV {Design Only}	100980	UR-15	561-5400-535-6925	563,615	516,190	Engineering	Mar-19
Utility Improvements - FY 2014 {Greenfield Development}	101064	BUDG-U	520-5000-535-6370	312,893	-	On Hold	TBD
Temple-Belton WWTP Expansion, Phase II {Engineering Only}	101086	Util-RE UR-15	520-5900-535-6310 561-5500-535-6938	1,589,623	1,589,623	Engineering	Apr-19
WTP Improvements - Tasks 1-3 {Preliminary Engineering Only}	101087	UR-15	561-5100-535-6954	242,832	242,832	Engineering	Feb-19
TCIP - Outer Loop, Phase III-B {Utilities}	101121	Util-RE UR-15	520-5900-535-6521 561-5200-535-6813	1,282,087	1,245,080	Construction	Apr-19
Water/Wastewater Replacement - 2nd & 4th; Ave C to Adams Ave	101186	Util-RE	520-5900-535-6521	83,715	83,715	On Hold	TBD
WW Master Plan Update	101197	Util-RE	520-5900-535-2616	499,200	492,934	Engineering	Mar-19
Old Town South Sewer Line (3rd & 11th/Ave D to Ave H & 3rd & 9th/Ave K to Ave N)	101201	BUDG-U UR-15	520-5400-535-6361 561-5400-535-6964	3,342,907	3,113,944	Construction	Mar-19

(Continued)

Project	Project #	Funding	Acct #	Project Budget	Actual Commit / Spent	Status	Scheduled Completion
TCIP - Prairie View Utility Improvements, Phase II (N Pea Ridge to FM 2483)	101257	Util-RE	520-5900-535-6521	\$ 850,000	\$ 779,281	Construction	Apr-19
WTP Membrane Plant - Repaint Piping, Floors, and Concrete Slab	101420	BUDG-U	520-5100-535-6310	494,000	398,555	Construction	May-19
Ave G & Loop 363 Pump Stations - Install Overhead Monorail and Chain Hoist System	101433	BUDG-U	520-5100-535-6222	100,000	-	On Hold	TBD
WTP Conventional - Lab Upgrades	101452	BUDG-U	520-5100-535-6310	144,833	144,833	Substantially Complete	Jan-19
Shallowford Lift Station Reconstruction & Relocation	101475	UR-15 UR-17	561-5400-535-6905	7,357,202	7,176,990	Construction	July-19
Jackson Park Vicinity Water & Wastewater Line Improvements	101476	Util-RE UR-15	520-5900-535-6361 561-5400-535-6970	1,692,778	1,646,277	Complete	Nov-18
Bird Creek Interceptor, Phase V	101477	BUDG-U UR-15 UR-17	520-5400-535-6361 561-5400-535-6925	2,612,349	2,336,272	Construction	July-19
Highland Park Water Lines (Stellar Development)	101488	Util-RE	520-5900-535-6366	152,844	152,844	Cost Sharing Agreement Authorized	TBD
Force Main - Shallowford to TBP	101512	Util-RE UR-15 UR-17	520-5900-535-6352 561-5400-535-6973	4,275,100	3,413,792	Construction	June-19
East Temple Utility Improvements	101575	UR-15	561-5200-535-6974	300,000	75,600	Engineering	TBD
TCIP - Kegley Road Utility Improvements, Phase II	101606	BUDG-U	520-5200-535-6357	514,000	-	Engineering	Aug-20
TCIP - Kegley Road, Phase III & IV (Preliminary Design)	101607	UR-15	561-5200-535-6888	39,600	39,600	Engineering	Aug-19
WTP Improvements - Task 2 - MWT Optimization	101613	UR-15	561-5100-535-6954	39,353	20,810	Engineering	Feb-19
WTP Improvements - Task 3 - Lagoon Improvements (Final Engineering)	101614	UR-15 UR-17	561-5100-535-6954	614,373	278,597	On Hold	TBD
WTP Improvements - Task 4 - Intake Conditioning (Design)	101619	UR-17	561-5100-535-6959	36,360	36,360	Engineering	July-19
Williamson Creek Trunk Sewer	101628	UR-15 UR-17	561-5400-535-6980	3,165,379	2,925,477	Engineering	Sept-19
Knob Creek Trunk Sewer (Design of Phase I-V)	101629	Util-RE	520-5900-535-6631	2,268,126	2,139,429	Engineering	July-19
Wastewater Line Projects - FY 2018	101704	BUDG-18	520-5400-535-6361	21,749	-	Planning	TBD
Water Line Improvement Projects - FY 2018	101707	BUDG-18	520-5200-535-6357	10,063	-	Planning	TBD
Replace Membrane Modules - FY 2018	101710	BUDG-18	520-5100-535-6211	349,687	332,312	Construction	Mar-19
TCIP - N Pea Ridge, Phase I (Design & ROW)	101713	Util-RE	520-5900-535-6985	584,900	54,900	Engineering	Nov-19
TCIP - Outer Loop, Phase IV (Design & ROW)	101714	UR-15	561-5200-535-6813	84,000	84,000	Engineering	June-20
TCIP - Poison Oak Utility Improvements, Phase I & II (Design)	101715	UR-15	561-5200-535-6986	125,000	123,429	Engineering	May-20
North Gate Subdivision, Utility Extension (West Tanglefoot Development, Inc)	101719	Util-RE	520-5900-535-6368	436,031	436,030	Complete	Oct-18
Temple-Belton WWTP Expansion, Phase I (Construction)	101774	UR-17	561-5500-535-6938	10,120,869	10,118,751	Construction	May-19
Hogan Road Developer Agreement (Kiella Development, Inc.)	101802	Util-RE	520-5900-535-6368	169,286	169,286	Cost Sharing Agreement Authorized	TBD
Wastewater Line Developer Agreement (Cedon Realty, Ltd)	101823	BUDG-U	520-5400-535-6361	36,751	36,751	Cost Sharing Agreement Authorized	TBD
Turbine Pump at Membrane Water Treatment Plant	101828	BUDG-U	520-5100-535-6211	11,563	11,563	Complete	Nov-18
Scott Elevated Storage Tank Rehabilitation	101834	BUDG-U UR-17	561-5100-535-6954	1,425,149	1,424,949	Construction	July-19
Azalea Drive Developer Agreement (Patco Construction, LLC)	101860	Util-RE	520-5900-535-6362	305,412	305,412	Cost Sharing Agreement Authorized	Mar-19

(Continued)

CITY OF TEMPLE, TEXAS
CAPITAL IMPROVEMENT PROGRAM-PROJECTS UNDERWAY/SCHEDULED - DETAIL
December 31, 2018

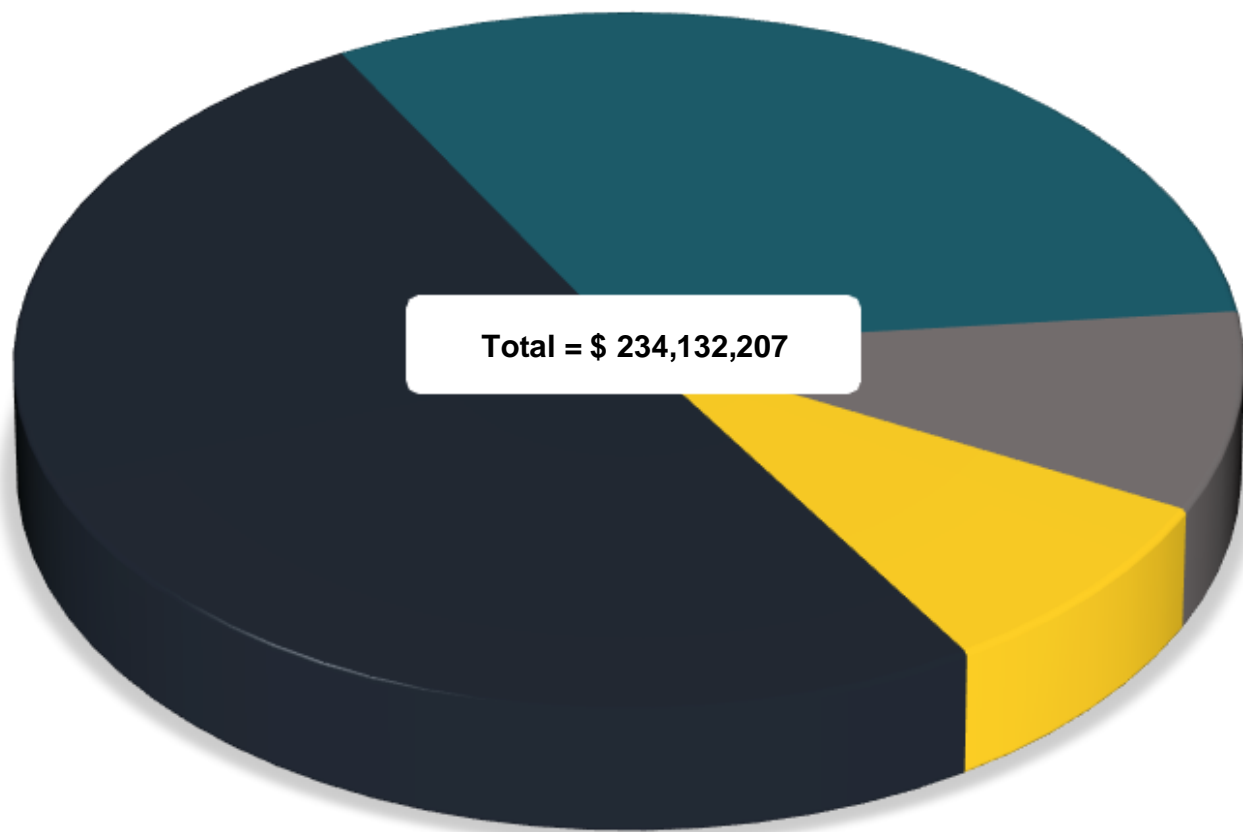
Exhibit E-10
(Continued)

				Project Budget	Actual Commit / Spent	Status	Scheduled Completion
Project	Project #	Funding	Acct #				
WTP - Disinfection Byproduct Reduction Initiative {Design}	101902	UR-17	561-5100-535-6992	\$ 500,000	\$ -	Planning	TBD
FY 2019 - Approach Mains	101921	BUDG-U	520-5000-535-6369	500,000	-	Planning	TBD
City-wide SECAP {Intent to Reimburse}	101922	UR-19	561-5400-535-6997	1,000,000	709,541	Engineering	Jan-20
Gateway Center Area Utility Improvements	101943	Util-RE	520-5900-535-6521	500,000	37,221	In Progress	July-19
MWTP - Upgrade Turbidity Analyzers	101945	Util-RE	520-5900-535-6211	100,000	-	Planning	Feb-19
Waterline Pressure Monitors (20) - Link to SCADA	101946	Util-RE	520-5900-535-6211	100,000	-	Planning	TBD
WTP - Clarifier #3 Rehabilitation	101947	UR-17	561-5100-535-6990	777,319	777,319	Construction	May-19
New Pepper Creek Storage Tank {Design}	101948	UR-17	561-5100-535-6991	500,000	159,590	Engineering	Mar-19
57th - 43rd, Ave R - Ave Z Utility Improvements {Design}	101949	UR-17	561-5200-535-6994	500,000	-	Planning	TBD
Garden District Utility Improvements {Design}	101950	UR-17	561-5200-535-6995	300,000	-	Planning	Oct-19
West Temple Distribution Line {Design}	101951	UR-17	561-5200-535-6996	200,000	-	Planning	TBD
Apache Elevated Storage Tank Rehabilitation {Design}	101952	UR-17	561-5100-535-6993	100,000	-	Planning	TBD
Friar Creek Assessment {Intent to Reimburse}	101992	UR-19	561-5400-535-6997	1,000,000	906,490	Engineering	Jan-20
Outer Loop Water Line and East/West Sewer Main	101997	UR-17	561-5200-535-6813 561-5400-535-6813	1,220,000	390,055	Construction	Aug-19
Wildflower Wastewater Line Replacement	102000	BUDG-U	520-5400-535-6990	117,093	108,343	Construction	Feb-19
Hidden Villages Subdivision, Utility Extension {Sears-Bond LP}	520004	Util-RE	520-5900-535-6366	54,685	54,685	Cost Sharing Agreement Authorized	TBD
Total Water & Wastewater Facilities				\$ 68,073,816	\$ 53,555,732		
Total Capital Projects				\$ 234,132,207	\$ 162,931,844		

CITY OF TEMPLE, TEXAS
CAPITAL IMPROVEMENT PROGRAM - PROJECT STATUS {BASED ON \$'s}
As of December 31, 2018

Exhibit E-11

Under Construction / In Progress	\$ 118,876,200
Engineering	73,825,338
Projects Complete	21,541,199
Planning Phase	19,889,470
Total Estimated Costs of Capital Improvement Projects	<u>\$ 234,132,207</u>

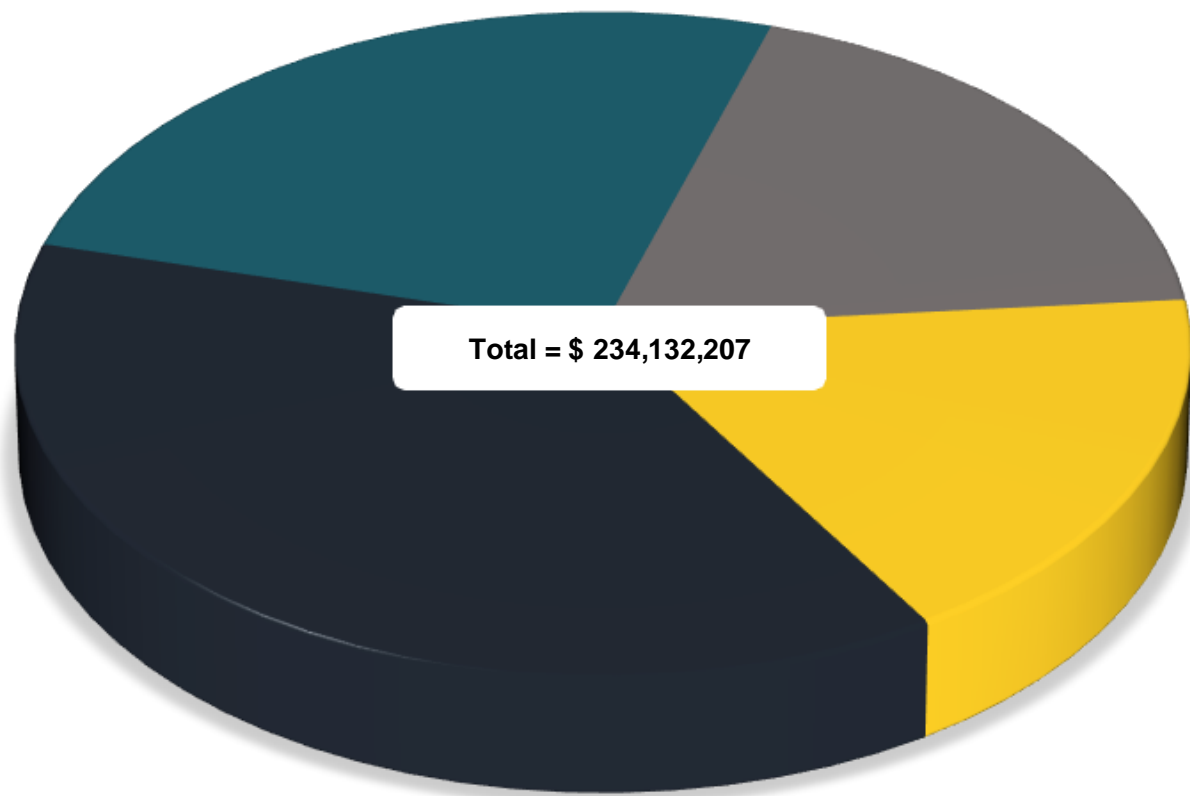


■ Under Construction / In Progress 50.8%	■ Engineering 31.5%	■ Projects Complete 9.2%	■ Planning Phase 8.5%
--	------------------------	-----------------------------	--------------------------

CAPITAL IMPROVEMENT PROGRAM - PROJECT STATUS {BASED ON NUMBER OF PROJECTS}

As of December 31, 2018

Planning Phase	87
Under Construction / In Progress	59
Projects Complete	43
Engineering	40
Total Number of Capital Improvement Projects	229

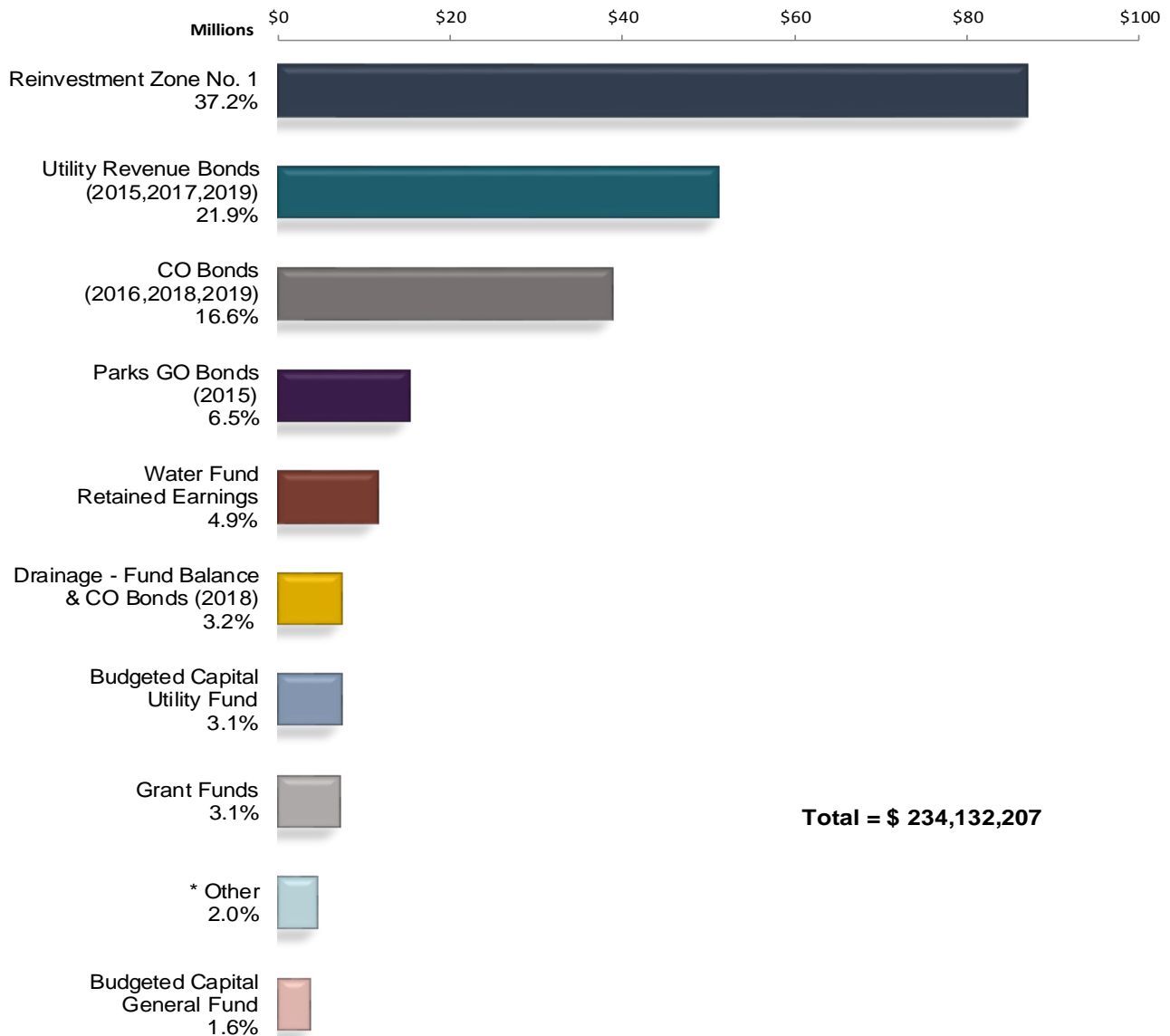


■ Planning Phase 38.0%	■ Under Construction/ In Progress 25.8%	■ Projects Complete 18.8%	■ Engineering 17.5%
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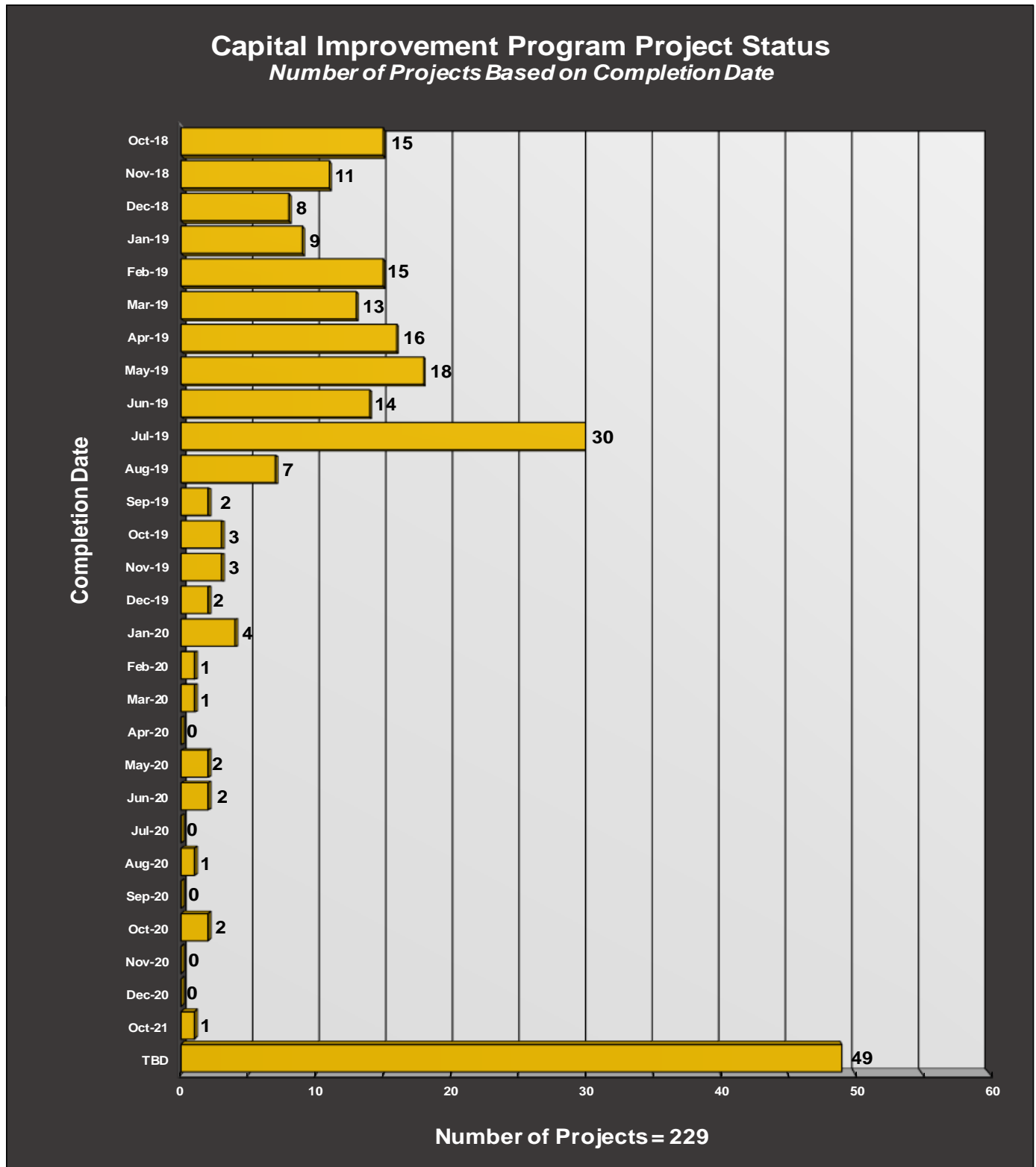
CITY OF TEMPLE, TEXAS
CAPITAL IMPROVEMENT PROGRAM - PROJECT STATUS {BASED ON FUNDING SOURCE}
As of December 31, 2018

Exhibit E-13

	Total Dollars	% of Total
Reinvestment Zone No. 1	\$ 87,073,770	37.19%
Utility Revenue Bonds (2015,2017,2019)	51,187,669	21.86%
Combination Tax & Revenue CO Bonds (2016,2018,2019)	38,866,026	16.60%
Parks GO Bonds (2015)	15,236,204	6.51%
Water Fund - Retained Earnings	11,559,818	4.94%
Drainage Fund - Designated from Fund Balance and CO Bonds (2018)	7,406,433	3.16%
Budgeted Capital - Utility Fund	7,288,509	3.11%
Grant Funds	7,132,783	3.05%
Budgeted Capital - General Fund	3,736,885	1.60%
LoanSTAR Loan Program *	1,938,732	0.83%
TxDOT Reimbursable Utility Agreements *	1,194,930	0.51%
Limited Tax Notes (2016,2019) *	1,057,299	0.45%
General Fund - Designated from Fund Balance/Other *	236,010	0.10%
Hotel-Motel Fund - Designated from Fund Balance *	217,139	0.09%
Total Capital Improvement Projects {by funding source}	\$ 234,132,207	100.00%



*Funding source is reflected in "other" on graph

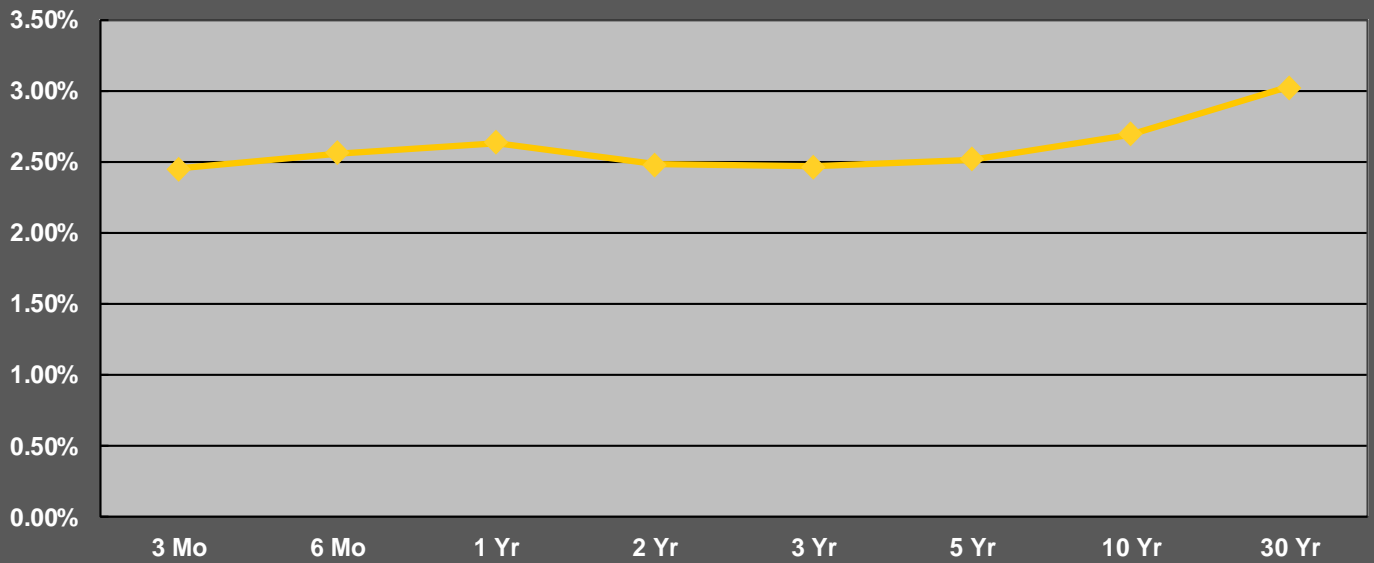




INVESTMENTS

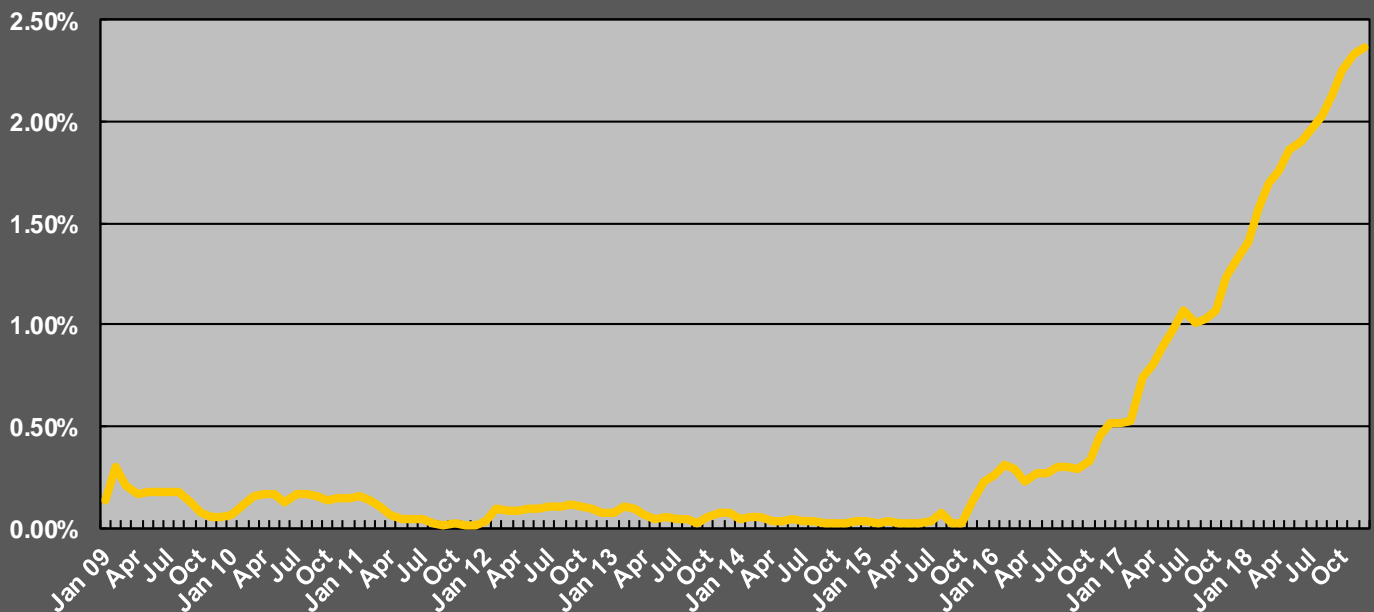
The Public Funds Investment Act, Chapter 2256 of Texas Government Code, requires the investment officer to prepare and submit a written report of investments to the governing body of the entity not less than quarterly.

Treasury Yield Curve



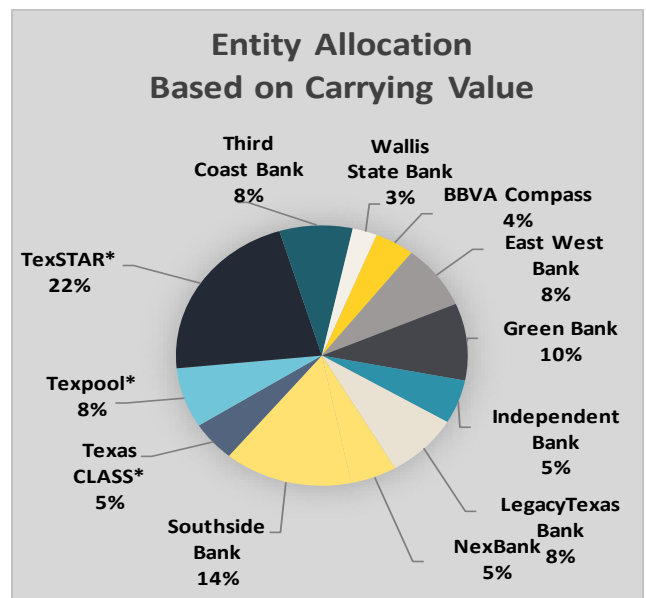
Source - Board of Governors of the Federal Reserve System Statistical Release H.15, January 2, 2019

Average 3-Month Treasury Bill Rate

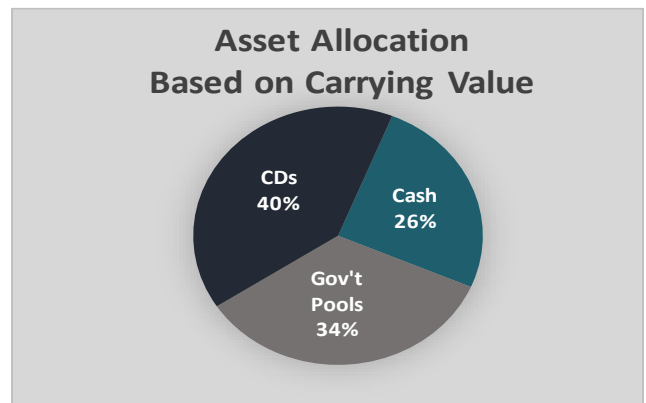


Source - Board of Governors of the Federal Reserve System; <https://fred.stlouisfed.org/series/TB3MS>

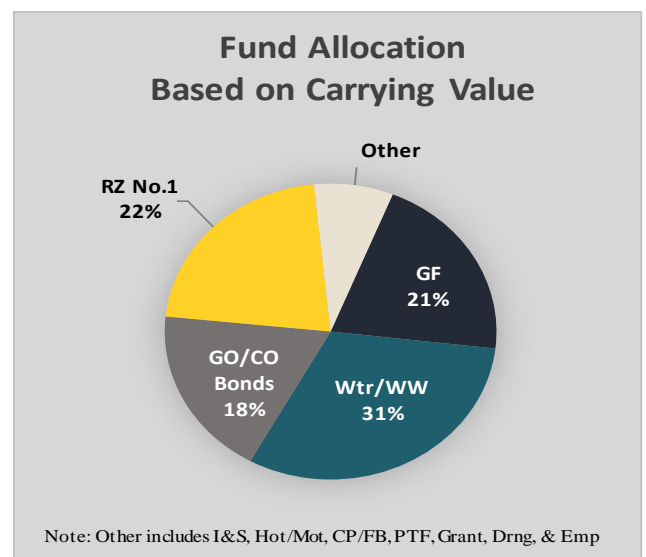
<u>Entity Allocation</u>	<u>Carrying Value</u>	<u>Bank Balance/ Fair Value</u>
BBVA Compass	\$ 8,320,147	\$ 10,825,856
East West Bank	15,064,347	15,064,347
Green Bank	18,061,385	18,061,385
Independent Bank	10,256,714	10,256,714
LegacyTexas Bank	15,283,376	15,283,376
NexBank	9,690,826	9,690,826
Southside Bank	26,832,377	26,832,377
Texas CLASS*	9,383,580	9,383,580
Texpool*	14,084,090	14,084,090
TexSTAR*	41,235,703	41,235,703
Third Coast Bank	15,293,912	15,293,912
Wallis State Bank	5,102,322	5,102,322
	<u>\$188,608,779</u>	<u>\$191,114,488</u>



<u>Asset Allocation</u>	<u>Carrying Value</u>	<u>Bank Balance/ Fair Value</u>
Cash	\$ 47,872,365	\$ 50,378,074
Gov't Pools	64,703,373	64,703,373
CDs	76,033,041	76,033,041
	<u>\$188,608,779</u>	<u>\$191,114,488</u>



<u>Fund Allocation</u>	<u>Carrying Value</u>	<u>% of Carrying Value</u>
General Fund (GF)	\$ 39,083,070	20.72%
Water & Wastewater (Wtr/WW)	58,880,746	31.22%
GO Interest & Sinking (I&S)	10,080,182	5.34%
Hotel / Motel (Hot/Mot)	1,511,559	0.80%
Capital Projects - GO/CO Bond Program (GO/CO Bonds)	35,040,479	18.58%
Capital Projects - Designated Fund Balance (CP/FB)	15,315	0.01%
Federal / State Grant Fund (Grant)	(28,835)	-0.02%
Drainage (Drng)	2,419,371	1.28%
Employee Benefits Trust (Emp)	571,367	0.30%
Reinvestment Zone No.1 (RZ No.1)	41,035,525	21.76%
	<u>\$188,608,779</u>	<u>100.00%</u>



* The City's investments in local government investment pools are stated at carrying value, which also represents the value of the investments upon withdrawal. Accordingly, carrying and fair value are reported as the same amount.

CITY OF TEMPLE, TEXAS
INVESTMENT PORTFOLIO - MARKET TO MARKET
December 31, 2018

Exhibit F-2

Type	Par Value	Term* (Days)	Yield %	Maturity Date	Carrying Value	Fair Value	Fair vs Carrying
Independent Bank CD	\$ 5,113,874	3	1.5000	03-Jan-19	\$ 5,124,172	\$ 5,124,172	\$ -
Southside Bank CD	5,000,000	59	2.4900	28-Feb-19	5,010,489	5,010,489	-
Southside Bank CD	5,000,000	59	2.4900	28-Feb-19	5,010,489	5,010,489	-
Independent Bank CD	5,121,542	60	1.6000	01-Mar-19	5,132,542	5,132,542	-
Third Coast Bank CD	5,082,726	113	2.2000	23-Apr-19	5,103,865	5,103,865	-
Legacy Texas CD	5,144,101	127	2.1000	07-May-19	5,151,204	5,151,204	-
East West Bank CD	10,023,523	150	2.7200	30-May-19	10,023,523	10,023,523	-
Wallis State Bank CD	5,097,201	163	1.9300	12-Jun-19	5,102,322	5,102,322	-
LegacyTexas CD	5,114,625	224	1.7000	12-Aug-19	5,119,389	5,119,389	-
Third Coast Bank CD	5,062,868	275	2.5000	02-Oct-19	5,094,077	5,094,077	-
Third Coast Bank CD	5,064,129	367	2.5500	02-Jan-20	5,095,970	5,095,970	-
East West Bank CD	5,040,824	448	2.9100	23-Mar-20	5,040,824	5,040,824	-
Green Bank CD	5,000,000	518	3.0000	01-Jun-20	5,011,392	5,011,392	-
Legacy Texas CD	5,012,370	609	3.0500	31-Aug-20	5,012,783	5,012,783	-
TexPool Investment Pool	14,084,090	87	2.2872	-	14,084,090	14,084,090	-
TexSTAR Investment Pool	41,235,703	95	2.3069	-	41,235,703	41,235,703	-
Texas CLASS Investment Pool	9,383,580	56	2.5000	-	9,383,580	9,383,580	-
BBVA Compass Cash	5,238,135	1	0.6100	-	5,238,135	7,743,844	N/A
BBVA Compass Money Market	3,082,012	1	1.1100	-	3,082,012	3,082,012	N/A
Green Bank Money Market	13,049,993	1	2.4000	-	13,049,993	13,049,993	N/A
NexBank Money Market	9,690,826	1	2.5600	-	9,690,826	9,690,826	N/A
Southside Bank Money Market	16,811,399	1	2.4400	-	16,811,399	16,811,399	N/A
	\$ 188,453,521				\$ 188,608,779	\$ 191,114,488	\$ -

Fair Value as a % of Carrying Value 100.00%

Weighted Average

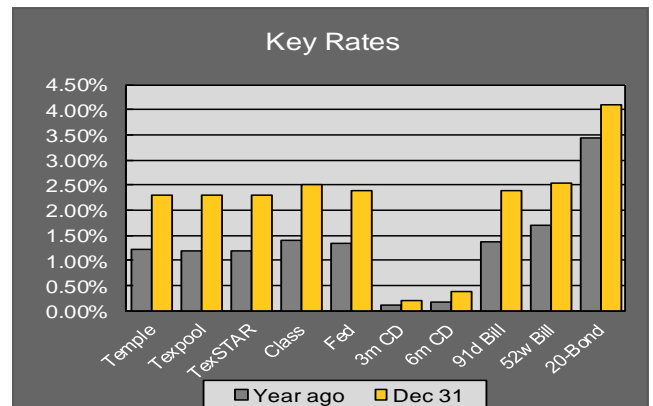
Maturity 119.33 Days 2.30% Yield

Benchmark Yield

Average rolling 90-day T-Bill rate 2.37%

Key Rates: Cash Markets		
Rate	Year ago	Dec 31
City of Temple	1.22	2.30
Texpool	1.18	2.29
TexSTAR	1.18	2.31
Texas Class	1.40	2.50
Fed funds*	1.33	2.40
CDs: Three months*	0.12	0.22
CDs: Six months*	0.19	0.38
T- bill 91-day yield*	1.37	2.40
T- bill 52-week yield*	1.70	2.54
Bond Buyer 20- bond municipal index	3.44	4.10

*Source - Federal Reserve Bank



Traci L. Barnard
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Assistant Director of Finance

Erica Glover
Erica Glover

Stacey Reisner
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Treasury Manager

Sherry M. Pogor
Sherry M. Pogor
Financial Analyst

CITY OF TEMPLE, TEXAS
CARRYING VALUE AND FAIR VALUE COMPARISON
For the Quarter Ending December 31, 2018

Exhibit F-3

Type	Par Value	Maturity	Carrying Value		Increase / (Decrease)
			9/30/2018	12/31/2018	
BBVA Compass CD	\$ 5,091,234	03-Dec-18	\$ 5,107,819	\$ -	\$ (5,107,819)
Independent Bank CD	5,113,874	03-Jan-19	5,104,871	5,124,172	19,301
Southside Bank CD	5,000,000	28-Feb-19	0	5,010,489	5,010,489
Southside Bank CD	5,000,000	28-Feb-19	0	5,010,489	5,010,489
Independent Bank CD	5,121,542	01-Mar-19	5,111,927	5,132,542	20,615
Third Coast Bank CD	5,082,726	23-Apr-19	5,075,719	5,103,865	28,146
Legacy Texas CD	5,144,101	07-May-19	5,124,034	5,151,204	27,170
East West Bank CD	10,023,523	30-May-19	0	10,023,523	10,023,523
Wallis State Bank CD	5,097,201	12-Jun-19	5,077,620	5,102,322	24,702
LegacyTexas CD	5,114,625	12-Aug-19	5,097,515	5,119,389	21,874
Third Coast Bank CD	5,062,868	02-Oct-19	5,062,178	5,094,077	31,899
Third Coast Bank CD	5,064,129	02-Jan-20	5,063,426	5,095,970	32,544
East West Bank CD	5,040,824	23-Mar-20	5,003,988	5,040,824	36,836
Green Bank CD	5,000,000	01-Jun-20	0	5,011,392	5,011,392
Legacy Texas CD	5,012,370	31-Aug-20	0	5,012,783	5,012,783
TexPool Investment Pool	14,084,090	-	8,354,898	14,084,090	5,729,192
TexSTAR Investment Pool	41,235,703	-	55,663,757	41,235,703	(14,428,054)
Texas CLASS Investment Pool	9,383,580	-	6,110,852	9,383,580	3,272,728
BBVA Compass Cash	5,238,135	-	8,049,466	5,238,135	(2,811,331)
BBVA Compass Money Market	3,082,012	-	3,071,182	3,082,012	10,830
Green Bank Money Market	13,049,993	-	3,011,786	13,049,993	10,038,207
NexBank Money Market	9,690,826	-	40,506,744	9,690,826	(30,815,918)
Southside Bank Money Market	16,811,399	-	7,495,106	16,811,399	9,316,293
	\$193,544,755		\$ 183,092,888	\$ 188,608,779	\$ 5,515,891

Type	Par Value	Maturity	Fair Value		Increase / (Decrease)
			9/30/2018	12/31/2018	
BBVA Compass CD	\$ 5,091,234	03-Dec-18	\$ 5,107,819	\$ -	\$ (5,107,819)
Independent Bank CD	5,113,874	03-Jan-19	5,104,871	5,124,172	19,301
Southside Bank CD	5,000,000	28-Feb-19	0	5,010,489	5,010,489
Southside Bank CD	5,000,000	28-Feb-19	0	5,010,489	5,010,489
Independent Bank CD	5,121,542	01-Mar-19	5,111,927	5,132,542	20,615
Third Coast Bank CD	5,082,726	23-Apr-19	5,075,719	5,103,865	28,146
Legacy Texas CD	5,144,101	07-May-19	5,124,034	5,151,204	27,170
East West Bank CD	10,023,523	30-May-19	0	10,023,523	10,023,523
Wallis State Bank CD	5,097,201	12-Jun-19	5,077,620	5,102,322	24,702
LegacyTexas CD	5,114,625	12-Aug-19	5,097,515	5,119,389	21,874
Third Coast Bank CD	5,062,868	02-Oct-19	5,062,178	5,094,077	31,899
Third Coast Bank CD	5,064,129	02-Jan-20	5,063,426	5,095,970	32,544
East West Bank CD	5,040,824	23-Mar-20	5,003,988	5,040,824	36,836
Green Bank CD	5,000,000	01-Jun-20	0	5,011,392	5,011,392
Legacy Texas CD	5,012,370	31-Aug-20	0	5,012,783	5,012,783
TexPool Investment Pool	14,084,090	-	8,354,898	14,084,090	5,729,192
TexSTAR Investment Pool	41,235,703	-	55,663,757	41,235,703	(14,428,054)
Texas CLASS Investment Pool	9,383,580	-	6,110,852	9,383,580	3,272,728
BBVA Compass Cash	5,238,135	-	10,435,137	7,743,844	(2,691,293)
BBVA Compass Money Market	3,082,012	-	3,071,182	3,082,012	10,830
Green Bank Money Market	13,049,993	-	3,011,786	13,049,993	10,038,207
NexBank Money Market	9,690,826	-	40,506,744	9,690,826	(30,815,918)
Southside Bank Money Market	16,811,399	-	7,495,106	16,811,399	9,316,293
	\$193,544,755		\$ 185,478,559	\$ 191,114,488	\$ 5,635,929

Investments with a \$0 Carrying and Fair Value at 9/30/2018 were purchased after 9/30/2018.



SUPPLEMENTAL INFORMATION

Supplemental Information includes:

Fund Balance Reserves/Designations – General Fund	71
Expenditures of Federal and State Awards	72
Awards of Federal & State Grants by Project Type	74
Hotel/Motel Tax Receipts by Reporting Entity	75
Historical Sales Tax Revenue by Month.....	76
Parks Escrow Deposits by Addition Name	77



		Council Approved		
	Balance		Appropriation	Balance
	10/01/18	Reallocation	Increase (Decrease)	12/31/18
CAPITAL PROJECTS:				
2018/2019 Budgetary Supplement-Capital/SIZ/TEDC Matrix:				
Capital Equipment Purchases	\$ 1,833,739	\$ -	\$ (1,833,739)	\$ -
Strategic Investment Zone	100,000	-	(100,000)	-
TEDC Matrix Allocation	863,236	-	(863,236)	-
Capital Replacement - Sanitation Vehicles	274,000	-	(274,000)	-
Capital Replacement - P25 Radios	249,500	-	(249,500)	-
TOTAL BUDGETARY SUPPLEMENT	3,320,475	-	(3,320,475)	-
TOTAL - PROJECT SPECIFIC	3,320,475	-	(3,320,475)	-
CAPITAL PROJECTS -				
ASSIGNED	1,035,999	-	(120,369)	915,630
TOTAL CAPITAL PROJECTS	4,356,474	-	(3,440,844)	915,630
Other Fund Balance Classifications:				
Encumbrances:	1,675,168	-	(1,675,168)	-
Nonspendable:				
Inventory & Prepaid Items	492,994	-	-	492,994
Restricted for:				
Rob Roy MacGregor Trust - Library	8,590	-	-	8,590
Drug enforcement {Forfeiture Funds}	258,281	-	(17,280)	241,001
Municipal Court Restricted Fees	320,950	-	-	320,950
Vital Statistics Preservation Fund	3,050	-	-	3,050
Public Safety	30,643	-	-	30,643
Public Education Government (PEG) Access Channel	144,338	-	-	144,338
Assigned to:				
Technology Replacement	356,940	-	(122,300)	234,640
Budgeted decrease in Fund Balance	-	\$ -	\$ (5,255,592)	5,255,592
Unassigned: { 4 months operations }	20,132,300			20,132,300
Total Fund Balance	\$ 27,779,728			\$ 27,779,728

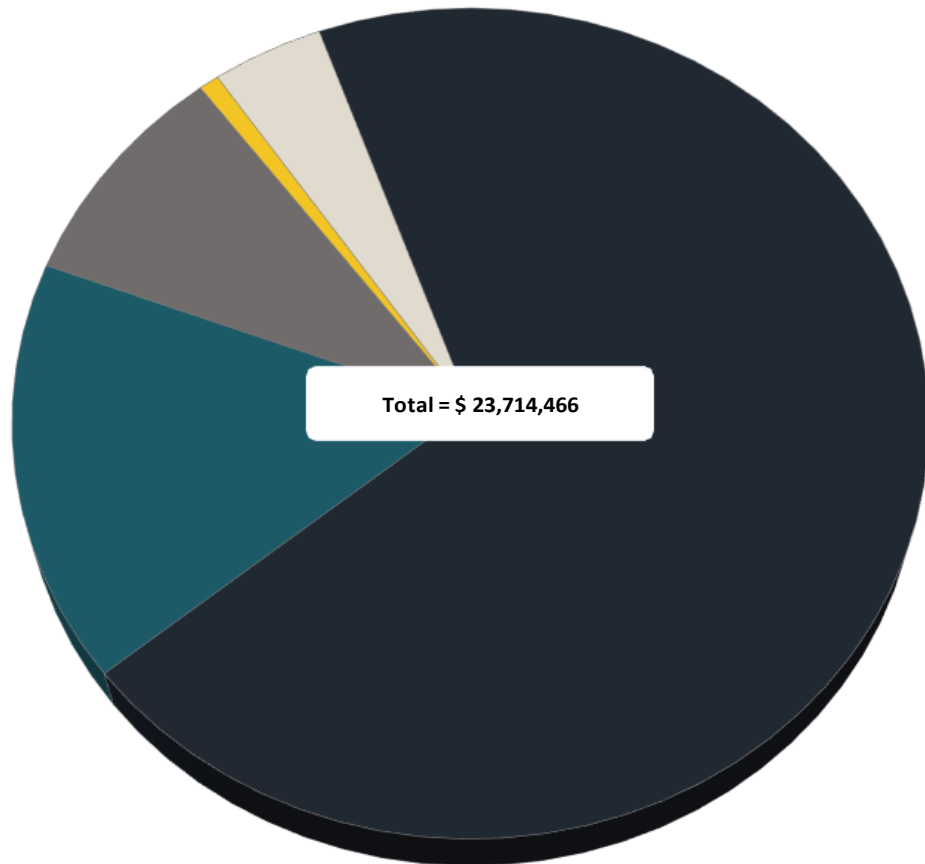
CITY OF TEMPLE, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For three months ended December 31, 2018

Table II

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 Financial Assistance:					
<u>U.S. Department of H.U.D.</u>					
CDBG 2014	14.218	B-14-MC-48-0021	\$ 390,268	\$ -	\$ 6,496
CDBG 2015	14.218	B-15-MC-48-0021	357,357	-	11,398
CDBG 2016	14.218	B-16-MC-48-0021	410,971	-	5,722
CDBG 2017	14.218	B-17-MC-48-0021	431,615	-	206
CDBG 2018	14.218	B-18-MC-48-0021	536,232	-	-
					<u>23,822</u>
<u>U.S. Department of Homeland Security</u>					
Texas Department of Public Safety:					
Civil Defense	97.042	19TX-EMPG-1142	36,713	-	9,178
					<u>9,178</u>
<u>U.S. Department of Justice</u>					
2018 Bullet Proof Vests Grant	16.607	2018-BU-BX-13069168	13,039	-	-
Killeen Police Department:					
2017 Edward Byrne Memorial Justice Assistance Grant	16.738	2017-DJ-BX-0809	17,167	-	-
2018 Edward Byrne Memorial Justice Assistance Grant	16.738	2018-DJ-BX-0877	18,534	-	-
					<u>-</u>
<u>U.S. Department of Transportation</u>					
Texas Department of Transportation:					
Surface Transportation Program (through KTMOPO)	20.205	0909-36-155	3,888,000	-	234,077
Pass-Through Agreement	20.205	0320-06-001	16,555,000	-	-
					<u>234,077</u>
<u>U.S. Environmental Protection Agency</u>					
Special Appropriation Act Projects	66.202	01F18601	970,000	-	84,976
					<u>84,976</u>
<u>Institute of Museum and Library Services</u>					
Texas State Library and Archives Commission					
Interlibrary Loan Program	45.310	LS-00-17-0044-17	5,220	-	5,220
					<u>5,220</u>
Total Federal Financial Assistance			23,630,116	-	357,273
State Financial Assistance:					
<u>Office of the Governor - Criminal Justice Division</u>					
Crisis Assistance Program	-	2820003	34,350	-	563
					<u>563</u>
<u>Texas Department of Transportation</u>					
2019 Routine Airport Maintenance Program (RAMP)	-	M1909TEMP	50,000	-	-
					<u>-</u>
Total State Financial Assistance			84,350	-	563
Total Federal, State and State Administered Financial Assistance			\$ 23,714,466	\$ -	\$ 357,836

(Continued)

Schedule of Federal and State Awards by *Funding Source*



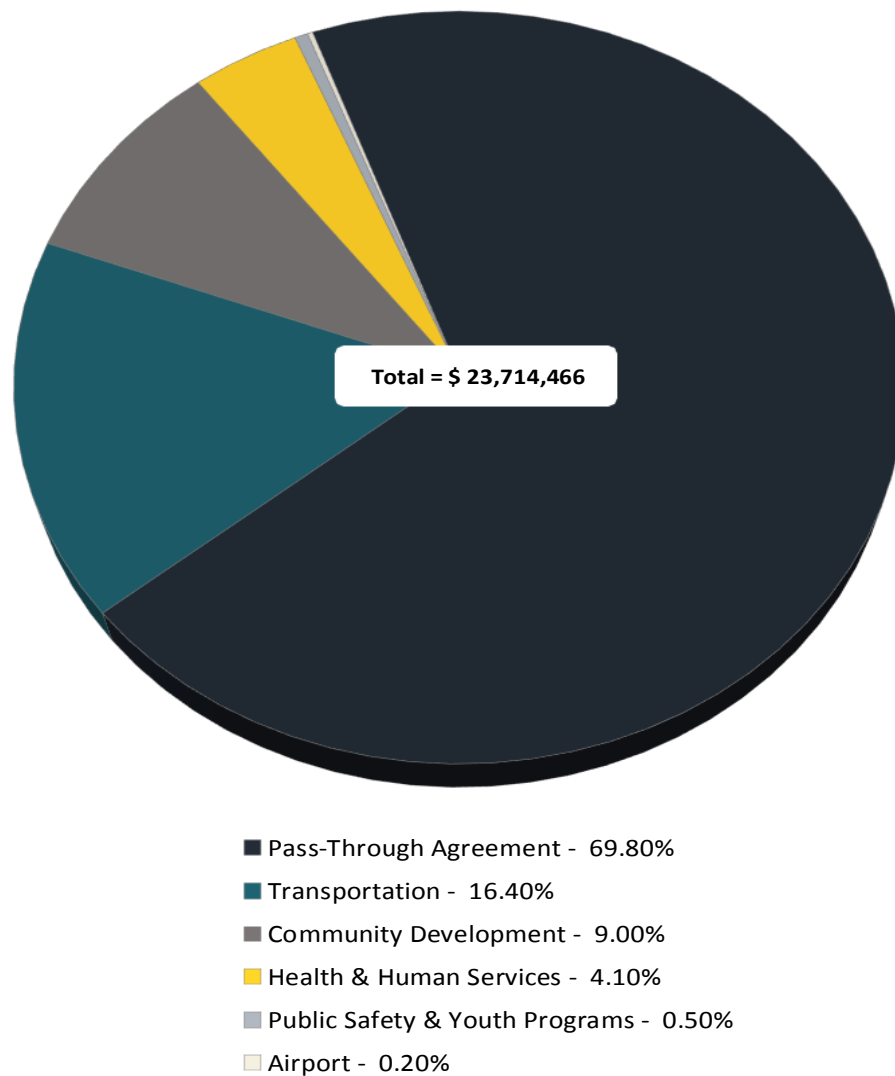
- Pass-Through Agreement - 69.80%
- US Department of Transportation - 16.40%
- US Department of HUD - 9.00%
- Other - 0.70%
- U.S. Environmental Protection Agency - 4.10%

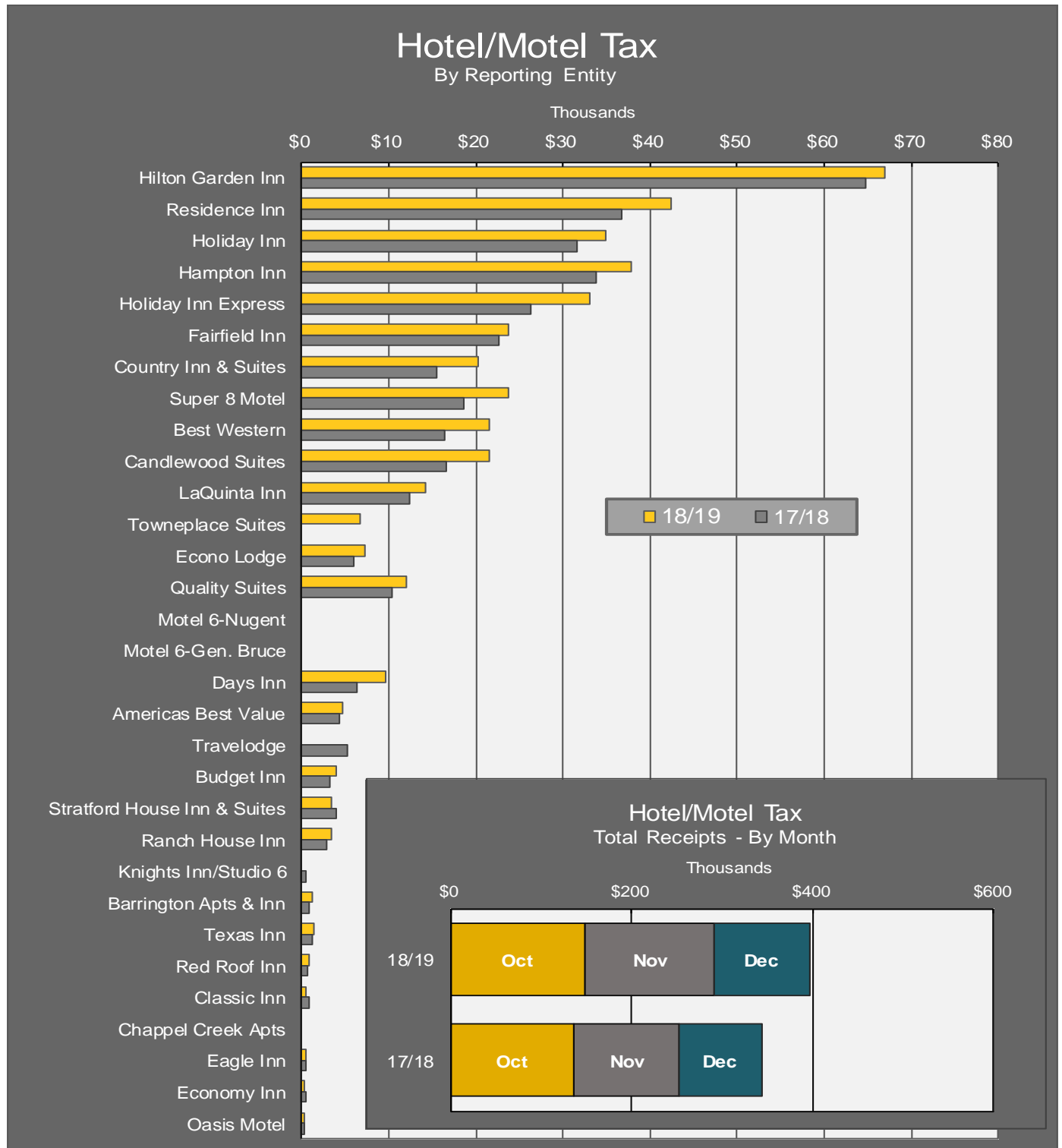
CITY OF TEMPLE, TEXAS
SCHEDULE OF AWARDS OF FEDERAL AND STATE GRANTS - BY PROJECT TYPE
For three months ended December 31, 2018

Table III

Pass-Through Agreement	\$16,555,000
Transportation	3,888,000
Community Development	2,126,443
Health & Human Services	970,000
Public Safety & Youth Programs	125,023
Airport	50,000
	<u>\$23,714,466</u>

**Schedule of Federal and State Awards
by Project Type**





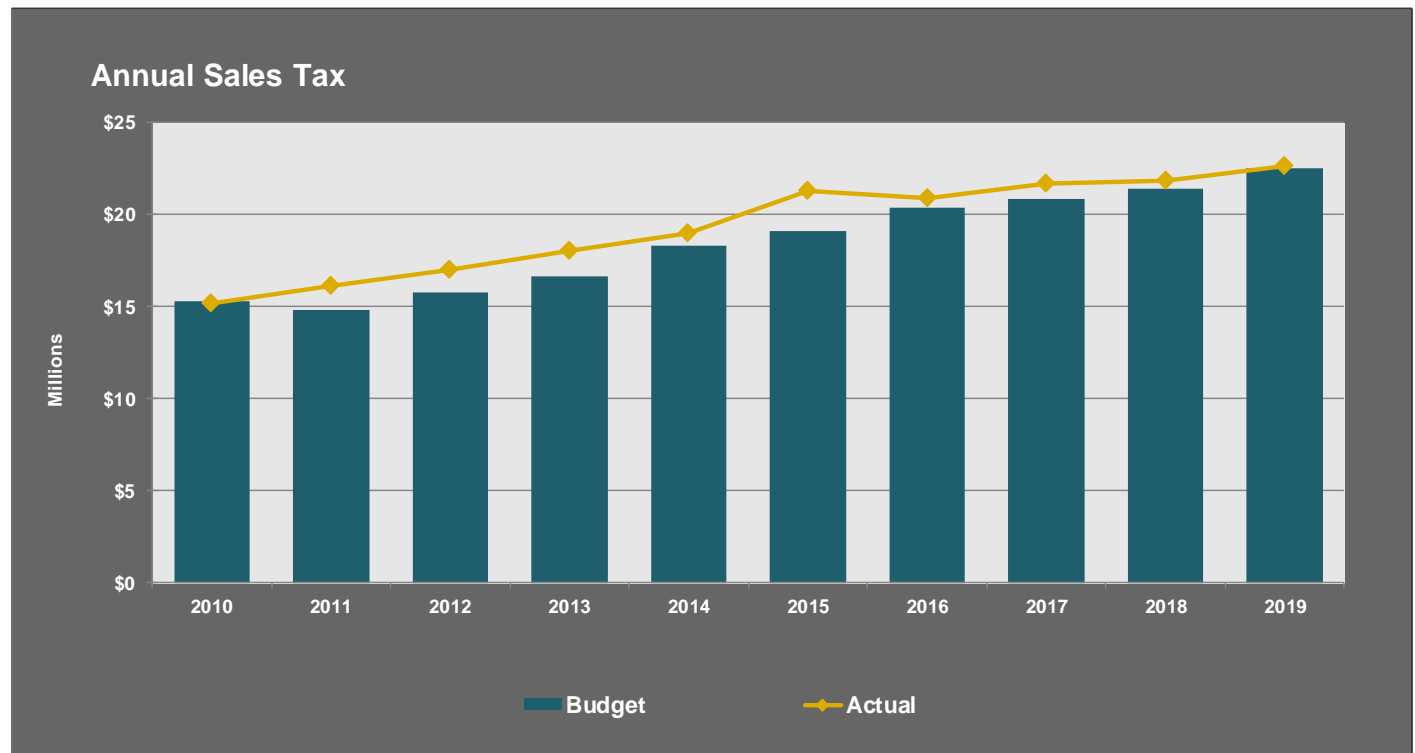
Hotel/Motel Tax				
	# Reporting			
Fiscal Year	at 12/31	Actual YTD	Budget	% of Budget
18/19	31	\$396,592	\$1,472,500	26.93%
17/18	30	\$343,706	\$1,462,500	23.50%

Historical Sales Tax Revenue - By Month

Month	FY 12	FY 13	FY 14	FY 15 *	FY 16	FY 17 **	FY 18	FY 19^	% Increase (Decrease) 19 Vs. 18
Oct	\$ 1,519,727	\$ 1,534,807	\$ 1,675,339	\$ 3,489,994	\$ 1,857,540	\$ 1,782,147	\$ 1,889,493	\$ 1,917,501	1.48%
Nov	1,167,140	1,392,450	1,479,695	1,566,784	1,524,999	1,562,275	1,698,713	1,876,187	10.45%
Dec	1,214,504	1,462,327	1,419,763	1,430,286	1,514,737	1,642,007	1,721,105	1,786,879	3.82%
Jan	1,861,602	1,838,329	1,960,221	2,213,612	2,260,144	2,214,514	2,215,777	2,233,215	0.79%
Feb	1,157,552	1,258,123	1,433,592	1,457,610	1,418,289	1,558,862	1,563,720	1,623,767	3.84%
Mar	1,299,150	1,414,245	1,400,219	1,421,812	1,792,732	1,663,682	1,603,658	1,665,239	3.84%
Apr	1,645,580	1,687,794	1,835,107	1,826,749	1,997,512	2,013,932	2,115,654	2,196,895	3.84%
May	1,271,981	1,317,625	1,489,931	1,486,686	1,536,106	1,599,119	1,663,248	1,727,116	3.84%
Jun	1,476,697	1,478,838	1,493,886	1,461,142	1,583,839	2,081,701	1,670,814	1,734,973	3.84%
Jul	1,623,468	1,693,502	1,709,959	1,880,703	2,076,129	2,080,101	2,116,191	2,197,453	3.84%
Aug	1,342,609	1,459,520	1,593,968	1,567,111	1,611,072	1,736,904	1,748,973	1,816,134	3.84%
Sept	1,387,390	1,480,015	1,489,789	1,509,256	1,685,981	1,717,281	1,824,277	1,894,330	3.84%
	\$ 16,967,401	\$ 18,017,575	\$ 18,981,471	\$ 21,311,743	\$ 20,859,081	\$ 21,652,524	\$ 21,831,623	\$ 22,669,689	3.84%
Annual:									
\$ Increase	\$ 841,539	\$ 1,050,174	\$ 963,895	\$ 2,330,272	\$ (452,662)	\$ 793,443	\$ 179,099	\$ 838,066	
% Increase	5.22%	6.19%	5.35%	12.28%	-2.12%	3.80%	0.83%	3.84%	

* - Includes audit adjustment in the amount \$1,798,088.19.

** - Includes single audit adjustment in the amount \$355,927.23.



^ Forecasted as of 09/30/19

City of Temple, Texas
Parks Escrow Deposits - By Addition Name
December 31, 2018

Table VI

Addition Name	Date of Deposit	Amount of Deposit	Total Expenditures/ Refunds	Balance 12/31/2018
Bell Addition	08/13/97	\$ 450.00	\$ -	\$ 450.00
Colwell	03/31/99	2,250.00	-	2,250.00
Alford	11/06/03	450.00	-	450.00
Chesser-Pitrucha	02/05/04	450.00	-	450.00
Simpson	03/05/04	225.00	-	225.00
Ditzler	07/09/04	225.00	-	225.00
Avanti	11/22/04	450.00	-	450.00
Meadow Bend I & II	07/08/05	26,662.50	-	26,662.50 ³
Willow Grove	10/12/05	225.00	-	225.00
Berry Creek	03/17/06	450.00	-	450.00
Krasivi	04/13/06	900.00	-	900.00
Bluebonnet Meadows	08/21/06	2,025.00	-	2,025.00
Lantana II	10/03/07	1,350.00	1,325.47	24.53
Meadow Oaks	11/05/07	225.00	-	225.00
Eagle Oaks at the Lake III	02/14/08	4,725.00	-	4,725.00
Clark	02/14/08	225.00	-	225.00
Downs First I	07/30/08	1,125.00	-	1,125.00
Country Lane III	05/07/09	7,200.00	-	7,200.00 ³
Scallions	08/18/09	900.00	-	900.00
Overlook Ridge Estates	11/13/09	3,375.00	-	3,375.00
Hamby	06/11/10	225.00	-	225.00
Villa Andrea	02/07/11	450.00	-	450.00
West Ridge Village	07/27/12	5,850.00	-	5,850.00 ⁶
Nathans	10/18/12	225.00	-	225.00
Lago Terra	11/06/12	17,550.00	-	17,550.00
Wildflower Meadows I	11/14/12	16,200.00	-	16,200.00 ⁷
Creeks at Deerfield	02/25/13	7,875.00	306.99	7,568.01
Porter	05/07/13	450.00	-	450.00
King's Cove	07/10/13	1,125.00	-	1,125.00
Residences at D'Antoni's V	10/22/13	1,125.00	-	1,125.00
Brazos Bend	02/27/14	8,550.00	2,690.11	5,859.89 ⁵
Oaks at Lakewood	02/27/14	8,325.00	-	8,325.00
Alta Vista II	03/06/14	55,125.00	-	55,125.00 ⁸
Ranch at Woodland Trails	04/22/14	4,500.00	-	4,500.00
Ranch at Woodland Trails #2	04/22/14	4,950.00	-	4,950.00
Villas at Friars Creek	12/31/14	15,300.00	5,400.00	9,900.00 ²
Salisbury VII	01/26/15	1,350.00	1,044.00	306.00
Westfield X	09/09/15	12,600.00	7,037.25	5,562.75
Villas at Friars Creek	09/28/15	14,850.00	-	14,850.00 ²
Phillips	10/13/15	225.00	-	225.00
Hartrick Valley Estates	12/02/15	5,400.00	-	5,400.00 ²
Plains at Riverside I	06/17/16	10,350.00	-	10,350.00
Spurlock's Arbour	07/11/16	450.00	-	450.00
Long View Estates	07/27/16	2,925.00	-	2,925.00
Bluebonnet Ridge Estates II	09/29/16	225.00	-	225.00 ²
Barnhardt	10/31/16	225.00	-	225.00
Goates	02/21/17	675.00	-	675.00
Portico at Fryers Creek	03/28/17	29,475.00	-	29,475.00 ²

(Continued)

City of Temple, Texas
Parks Escrow Deposits - By Addition Name
December 31, 2018

Table VI
(Continued)

Addition Name	Date of Deposit	Amount of Deposit	Total Expenditures/ Refunds	Balance 12/31/2018
Hills of Westwood IX	03/31/17	\$ 14,400.00	\$ -	\$ 14,400.00 ⁴
Moore's Mill	04/13/17	225.00	-	225.00
Hidden Creek	05/11/17	1,350.00	-	1,350.00 ²
Park Ridge	06/30/17	2,700.00	2,122.40	577.60
Wells Place	08/15/17	225.00	-	225.00
Highline	09/22/17	22,387.50	-	22,387.50
Alta Vista III	09/26/17	53,325.00	-	53,325.00 ^{2, 8}
Lago Terra III	10/31/17	3,375.00	-	3,375.00
MKC	12/01/17	900.00	-	900.00
Amata Terra	03/09/18	11,475.00	-	11,475.00
Tennessee Valley	05/01/18	6,075.00	-	6,075.00
Hills of Westwood IX	05/25/18	7,200.00	-	7,200.00
JS Clark	07/02/18	225.00	-	225.00
Horsehugger Acres	08/09/18	450.00	-	450.00
Quill Estates	08/10/18	225.00	-	225.00
Legacy Ranch II	08/31/18	21,825.00	-	21,825.00 ²
Riverside Trail	09/17/18	900.00	-	900.00
Portico at Fryers Creek	09/19/18	450.00	-	450.00
Oliver	09/25/18	450.00	-	450.00
Kurek	10/17/18	225.00	-	225.00
Hilldell Estates III	10/25/18	225.00	-	225.00
Evans	11/07/18	675.00	-	675.00
Accumulated Interest ¹		103,931.62	91,679.01	12,252.61
Total		\$ 533,681.62	\$ 111,605.23	\$ 422,076.39

Notes:

1. In response to an opinion from the City Attorney's Office, the interest earnings will no longer be added to each individual deposit.
2. Funds appropriated to construct restrooms at South Temple Park.
3. Funds appropriated for a playground at Meadow Bend Park
4. Funds appropriated for a shade structure and Ten Spin play feature at Von Rosenberg Park.
5. Funds appropriated for a sculpture, doggie pots, a pollinator wildflower area and benches at Conner Park.
6. Funds appropriated for a picnic shelter at Westridge Park.
7. Funds appropriated for a shade structure at West Temple Park.
8. Fund appropriated for development of Alta Vista Park.

Park escrow funds may be used only for land acquisition or development of a neighborhood park located within the same area as the development or in close proximity to the development. Land acquisition or development costs include but are not limited to land purchases; design and construction of landscaping, utilities, structures, sidewalks and trails; and purchase and installation of new equipment such as playscapes, outdoor furniture and lighting fixtures. Park escrow funds may not be used for costs of operation, maintenance, repair or replacement. Funds designated for development of an existing neighborhood park must be spent within two years from receipt. Funds designated for land acquisition and development of a new neighborhood park must be spent within five years from receipt.

STRATEGIC INVESTMENT ZONES

The City's Strategic Investment Zone (SIZ) is designed to encourage redevelopment of strategically important neighborhoods and corridors that might otherwise not occur in the absence of incentives. The incentives would include the availability of a matching grant where the City participates with dollars or in-kind services to encourage redevelopment. The grant matrix includes funds or services related to façade replacement or upgrading, sign improvements, landscaping improvements, asbestos abatements, demolitions and sidewalk replacement.

City of Temple, Texas
Redevelopment Grants and Incentive Programs within Strategic Investment Zones (SIZ)
As of December 31, 2018

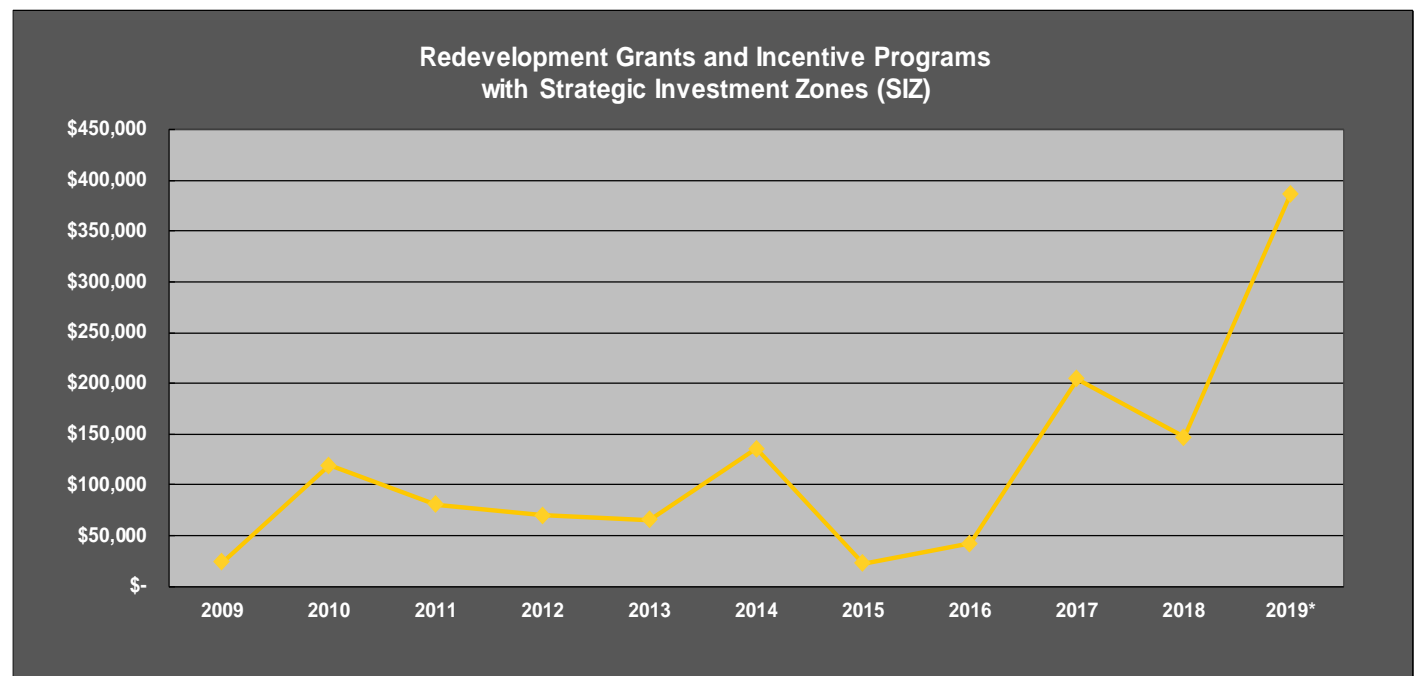
Table VII

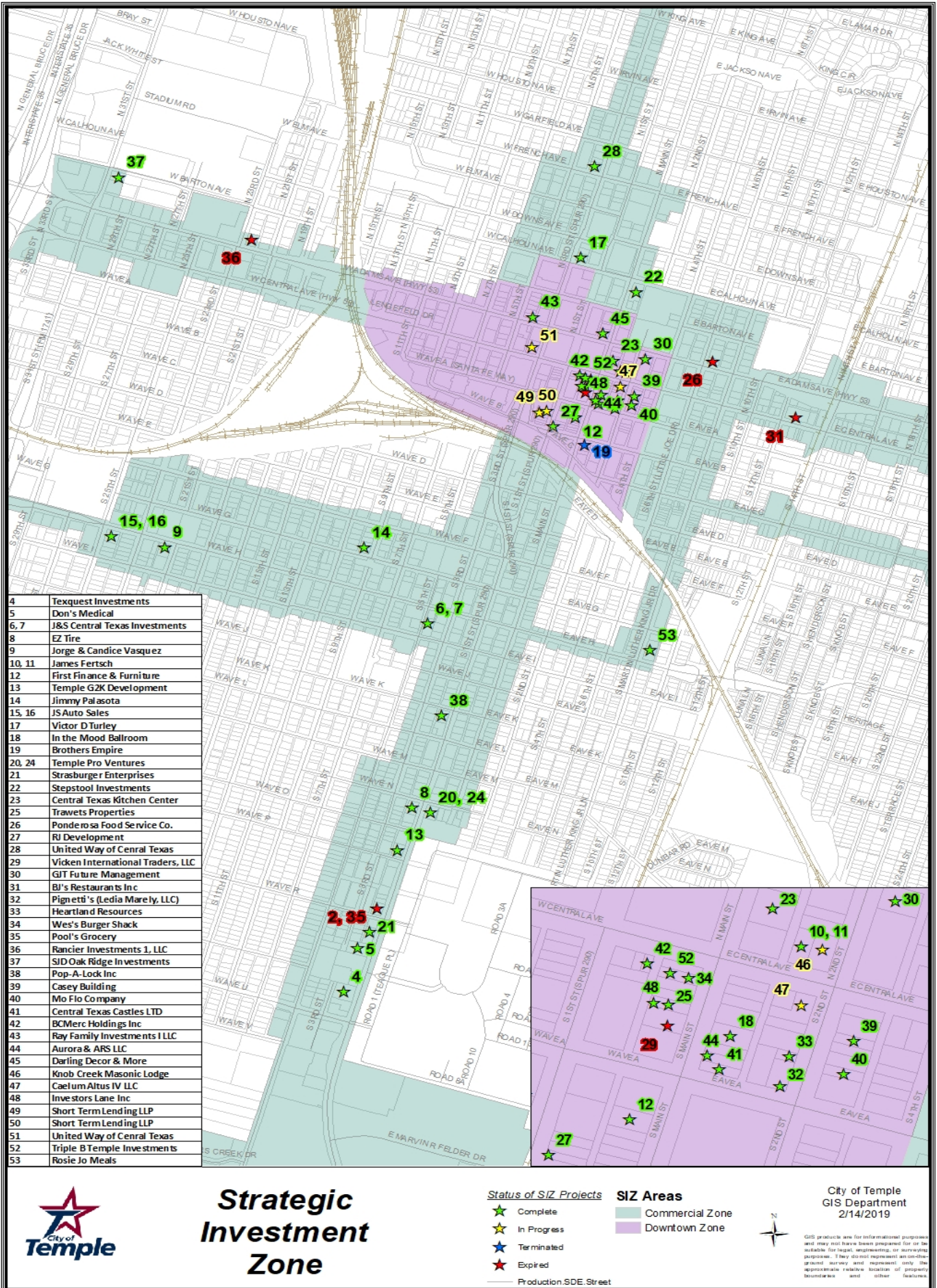
SIZ Map #	Contract/ Council Award	Grantee	Original Match Amount	Actual City Match	Expiration Date	Payment Date	Improvement Status	Improvement Description
46	11/15/2017	Knob Creek Masonic Lodge	\$ 14,429	\$ 14,429	11/15/2018	In Process	In Progress	Façade, Sign, Landscaping and Demolition
47	12/7/2017	Caelum Altus IV, LLC	115,000	115,000	12/7/2018	In Process	In Progress	Façade, Sign, Sidewalks, and Landscaping
48	2/15/2018	Investors Lane, Inc	26,000	26,000	2/15/2019	12/28/2018	Complete	Façade and Sprinkler System
49	6/28/2018	Short Term Lending, LLP	90,530	90,530	6/28/2019	In Process	In Progress	Façade, Sign, Landscaping and Demolition
50	6/28/2018	Short Term Lending, LLP	70,000	70,000	6/28/2019	In Process	In Progress	Façade, Sign, Sidewalks, and Landscaping
51	6/28/2018	United Way of Central Texas	70,000	70,000	6/28/2019	In Process	In Progress	Façade and Sprinkler System

*Committed/Encumbered/Pending FY 2019 **\$ 385,959**

SIZ Program Summary			
	Budget - Reinvestment Zone #1	Budget - General Fund	Expenditures
FY 2008	\$ -	\$ 85,000	\$ -
FY 2009	-	85,000	24,198
FY 2010	-	95,714	119,004
FY 2011	-	142,437	80,712
FY 2012	-	100,000	69,994
FY 2013	-	100,000	65,785
FY 2014	-	100,000	135,528
FY 2015	-	100,000	22,508
FY 2016	-	-	42,132
FY 2017	-	100,000	204,158
FY 2018	250,000	162,000	146,887
*FY 2019	275,000	100,000	385,959
Total	\$ 525,000	\$ 1,170,151	\$ 1,296,865

Total Allocated to Date	\$ 1,695,151
Expenditures to Date	(1,296,865)
Remaining Available Funds	\$ 398,286









2 North Main Street
Temple, Texas 76501
254-298-5631
www.templetx.gov

RESOLUTION NO. 2019-9570-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE,
TEXAS, APPROVING THE FIRST QUARTER FINANCIAL RESULTS FOR
FISCAL YEAR 2019; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the Director of Finance has prepared the first quarter 2019 fiscal year financial results which details the first quarter ending December 31, 2018, for the General Fund, Water & Sewer Fund, Hotel/Motel Tax Fund and Drainage Funds;

Whereas, included with these first quarter results are various schedules detailing grants, sales tax, capital projects, investments, and an update on redevelopment grants and incentive programs within the Strategic Investment Zones; and

Whereas, the City Council deems it in the public interest to approve the first quarter financial results for fiscal year 2019.

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 approves the first quarter financial results for fiscal year 2019, more fully described in Exhibit 'A,' attached hereto and made a part hereof for all purposes.

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 **21st** day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #5(L)
Consent Agenda
Page 1 of 1

DEPT./DIVISION SUBMISSION & REVIEW:

Traci Barnard, Director of Finance

ITEM DESCRIPTION: Consider adopting a resolution authorizing budget amendments for fiscal year 2018-2019.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: This item is to recommend various budget amendments, based on the adopted FY 2018-2019 budget. The amendments will involve transfers of funds between contingency accounts, department and fund levels.

FISCAL IMPACT: The total amount of budget amendments is \$291,032.

ATTACHMENTS:

[Budget Amendments](#)
[Resolution](#)

CITY OF TEMPLE
BUDGET AMENDMENTS FOR FY 2019 BUDGET
February 21, 2019

ACCOUNT #	PROJECT #	DESCRIPTION	APPROPRIATIONS	
			Debit	Credit
520-5000-535-2616		Contracted Services / Professional	\$ 11,033	
520-5000-535-6532		Capital Projects - Contingency		\$ 11,033
To reallocate funding for contract amendment with Perkins Engineering for the Technically Based Local Limits (TBLL) for Doshier Farm Wastewater Treatment Plant. The additional scope of work would include the submission of the IPP modifications to TCEQ.				
240-4600-551-2616		Contracted Services / Professional	\$ 6,000	
240-4600-551-2623		Contracted Services / Other Contract Services	\$ 16,823	
240-0000-358-1110		Undesignated Fund Balance		\$ 22,823
To appropriate funding for contract amendment with KPA related to the Bend of the River Master Plan, as well as a professional services agreement with Daniel B. Stephens & Associates for site cleanup and final reporting for Bend of the River.				
110-0000-352-1345		Unallocated Fund Balance	\$ 250,000	
110-0000-461-0865		Other / Miscellaneous Reimbursement		\$ 250,000
To appropriate reimbursement from TEDC for Artco-Bell economic development agreement that termed on 02/01/19.				
110-2032-521-2516		Other Services / Judgments & Damages	\$ 1,199	
110-0000-461-0554		Insurance Claims / Insurance Claims		\$ 1,199
To appropriate insurance proceeds from TML for damages to asset 14605 that occurred on 01/16/19.				
110-2011-521-6213	102013	Capital Equipment / Automotive - Replacement of Asset 13719	\$ 5,977	
110-0000-461-0554		Insurance Claims / Insurance Claims		\$ 5,977
To appropriate insurance proceeds from TML for asset 13719 that was totaled on 11/20/18. Asset 13719 will be replaced this fiscal year.				
TOTAL AMENDMENTS			\$ 291,032	\$ 291,032
GENERAL FUND				
Beginning Contingency Balance			\$	100,000
Added to Contingency Sweep Account				-
Carry forward from Prior Year				-
Taken From Contingency				-
Net Balance of Contingency Account			\$	100,000
Beginning Judgments & Damages Contingency			\$	279,725
Added to Contingency Judgments & Damages from Council Contingency				-
Taken From Judgments & Damages				(6,801)
Net Balance of Judgments & Damages Contingency Account			\$	272,924
Beginning Compensation Contingency			\$	285,000
Added to Compensation Contingency				-
Taken From Compensation Contingency				(285,000)
Net Balance of Compensation Contingency Account			\$	-
Net Balance Council Contingency			\$	372,924
Beginning Balance Budget Sweep Contingency			\$	-
Added to Budget Sweep Contingency				-
Taken From Budget Sweep				-
Net Balance of Budget Sweep Contingency Account			\$	-

CITY OF TEMPLE
BUDGET AMENDMENTS FOR FY 2019 BUDGET
February 21, 2019

ACCOUNT #	PROJECT #	DESCRIPTION	APPROPRIATIONS	
			Debit	Credit
		WATER & WASTEWATER FUND		
		Beginning Contingency Balance	\$	219,446
		Added to Contingency Sweep Account		-
		Taken From Contingency		(3,076)
		Net Balance of Contingency Account	\$	216,370
		Beginning Compensation Contingency	\$	54,000
		Added to Compensation Contingency		-
		Taken From Compensation Contingency		(54,000)
		Net Balance of Compensation Contingency Account	\$	-
		Net Balance Water & Wastewater Fund Contingency	\$	216,370
		HOTEL/MOTEL TAX FUND		
		Beginning Contingency Balance	\$	-
		Added to Contingency Sweep Account		-
		Carry forward from Prior Year		-
		Taken From Contingency		-
		Net Balance of Contingency Account	\$	-
		Beginning Compensation Contingency	\$	16,500
		Added to Compensation Contingency		-
		Taken From Compensation Contingency		(13,279)
		Net Balance of Compensation Contingency Account	\$	3,221
		Net Balance Hotel/Motel Tax Fund Contingency	\$	3,221
		DRAINAGE FUND		
		Beginning Contingency Balance	\$	336,406
		Added to Contingency Sweep Account		-
		Carry forward from Prior Year		-
		Taken From Contingency		-
		Net Balance of Contingency Account	\$	336,406
		Beginning Compensation Contingency	\$	10,500
		Added to Compensation Contingency		-
		Taken From Compensation Contingency		(9,520)
		Net Balance of Compensation Contingency Account	\$	980
		Net Balance Drainage Fund Contingency	\$	337,386
		FED/STATE GRANT FUND		
		Beginning Contingency Balance	\$	-
		Carry forward from Prior Year		34,641
		Added to Contingency Sweep Account		9,024
		Taken From Contingency		(43,665)
		Net Balance Fed/State Grant Fund Contingency	\$	-

RESOLUTION NO. 2019-9571-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, APPROVING BUDGET AMENDMENTS TO THE 2018-2019 CITY BUDGET; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, on the 24th day of August, 2018, the City Council approved a budget for the 2018-2019 fiscal year; and

Whereas, the City Council deems it in the public interest to make certain amendments to the 2018-2019 City Budget.

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 approves amending the 2018-2019 City Budget by adopting the budget amendments which are more fully described in Exhibit 'A,' attached hereto and made a part hereof for all purposes.

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 **21st** day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #6
Regular Agenda
Page 1 of 2

DEPT./DIVISION SUBMISSION & REVIEW:

Kayla Landeros, City Attorney
Amanda Rice, Deputy City Attorney

ITEM DESCRIPTION: FIRST READING – PUBLIC HEARING – Consider adopting the following ordinances amending:

- (A) The Code of Ordinances, Chapter 4, “Alcoholic Beverages,” to include a general update of the Chapter, additional clarification of terms used in Chapter, a better alignment of City’s regulations with state law, and an addition of an enforcement provision.
- (B) Temple Unified Development Code Section 5.3.15, “Alcoholic Beverage Sales for On-Premise Consumption,” by clarifying Subsection 5.3.15(A)(2) with additional language and removing the reference to City Code, Chapter 4, “Alcoholic Beverages,” Subsection 5.3.15(B)(2) to better conform with state law.

STAFF RECOMMENDATION: Adopt ordinances on first reading as presented in item descriptions and conduct a public hearing. Second reading will be scheduled for the March 7, 2019.

ITEM SUMMARY: In a continuing effort to review and update the City’s Code of Ordinances, Staff is proposing amendments to Chapter 4, “Alcoholic Beverages.” The amendments include general clean-up of the language and changes to formatting. For example, Staff suggests changing the formatting of section titles to conform with that of other City Code chapters and capitalizing “City Manager” and “City Council.”

Other proposed amendments to Chapter 4 include:

- The addition of a definitions section at the top of the Chapter to clarify terms used throughout the Chapter and to consolidate definitions.
- Clarification of the term “extended hours.” Chapter 4 currently provides that the City is an “extended hours areas” as defined by V.T.C.A., Alcoholic Beverage Code § 105.06 but does not provide additional details. The proposed amendments articulate specifically the “extended hours” the City has adopted, i.e. holders of specified Texas Alcoholic Beverage Commission (TABC) licenses or permits may offer for sale mixed drinks or beer between midnight and 2 a.m. on any day.

- Incorporating a “grandfathering” provision required by V.T.C.A., Alcoholic Beverage Code § 109.33(d) for a business that held a TABC permit or license on September 1, 1983 for the alternative method in which to measure distance between a business and a public or private school.
- Renaming the fees charged by the City to “municipal fees” and “City license” to City “certificate of registration” to avoid confusion with references to licenses and permits issued by the TABC and adding a subsection that requires a person to register with the City by paying municipal fees and providing a copy their TABC license or permit, which codifies current City practice. In addition, Staff proposes adding a subsection that would make it an offense if a person sells an alcoholic beverage without receiving a City certificate of registration.
- Adding an enforcement section that makes it a Class C misdemeanor for a person to violate any provision of this Chapter. Each offense would be punishable by a fine not to exceed \$500.

In addition to the amendments to Chapter 4, Staff proposes making two changes to the Temple Unified Development Code (UDC), Section 5.3.15, “Alcoholic Beverage Sales for On-Premise Consumption:”

- UDC Subsection 5.3.15(A)(2) requires the holder of a City conditional use permit (CUP) to obtain an applicable license or permit from TABC within six months of receiving their CUP. Staff recommends adding a sentence to Subsection 5.3.15(A)(2) that clarifies that the issuance of a CUP to a permittee does not grant authority for the sale of alcoholic beverages prior to the issuance of a license or permit from TABC.
- UDC Subsection 5.3.15(B)(2) references Chapter 4 in relation to how distance must be measured between businesses that sell alcoholic beverages and the protected uses in Chapter 4 (churches, public hospitals, and schools). Staff recommends removing this reference to Chapter 4 in this Subsection to conform with the measuring requirements of V.T.C.A., Alcoholic Beverage Code § 109.33.

The UDC amendments will be reviewed by the Planning & Zoning Commission at its February 19, 2019 meeting.

Staff recommends approval of the proposed amendments to Chapter 4 and the UDC.

FISCAL IMPACT: Not Applicable

ATTACHMENTS:

[Current Chapter 4 and Sec. 5.3.15, Unified Development Code](#)

[Clean copy and redline copy of amendments to Chapter 4](#)

[Clean copy and redline copy of amendments to Unified Development Code](#)

[Ordinance](#)

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. ALCOHOLIC BEVERAGE SALES NEAR SCHOOL, CHURCH, OR HOSPITAL

Sec. 4-2. Sales Prohibited

(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 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 and Private 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)

1. Commission means the City of Temple.
2. Executive Director and Chief Clerk means the Director of Public Works.
3. Permit, when referring to City's administration of Registration requirements, means Conditional Use Permit.

5.3.14 Recycling Collection Location or Operation

A recycling operation inside a building, recycling operation outside a building and recycling collection location may be permitted in accordance with the use table in Sec. 5.1 subject to the following standards.

- A. The buying and receiving area must be set back a minimum of 50 feet from the public street right-of-way.
- B. A minimum separation of 75 feet is required between any processing operation and the property line of any adjacent property zoned for residential purposes.
- C. The internal circulation area within a tract used for a recycling collection location must consist of a non-permeable surface of either asphalt or concrete.

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.
 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 sale of alcoholic beverages for on-premise consumption is 75% or more of the total gross revenue of the establishment.
1. The establishment must not be within 300 feet of a 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 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.

[Ord. 2017-4830 Chapter 4 & Ord. 2017-4829]

5.3.16 Outdoor Shooting Range

An outdoor shooting range may be permitted in accordance with the use table in Sec. 5.1 subject to the following standards.

- A.** Only handguns (pistols and revolvers) are permitted to be used at the outdoor shooting range. No shotguns, rifles or automatic weapons are permitted at the range.
- B.** No armor piercing or incendiary ammunition is allowed.
- C.** Ammunition larger than 0.460 caliber is not allowed.
- D.** No minimum lot area is required. The range, range site and uninhabited downrange safety area must be under uniform control and ownership, so as to maintain its permanency.

Chapter 4

ALCOHOLIC BEVERAGES

State law reference -- Alcoholic Beverage Code § 1.01 et seq.

ARTICLE I. IN GENERAL

Sec. 4-1. Definitions.

“City” means the City of Temple, Texas, the City Council of Temple, Texas, or its representatives, employees, agents, or designees.

“City Council” means the City’s elected governing body.

“City Manager” means the City’s city manager or their designee.

“License or permit” means a license or permit granted by the Texas Alcoholic Beverage Commission.

“Licensee or permittee” means a person holding a license or permit granted by the Texas Alcoholic Beverage Commission.

“Private school” means a private school, including a parochial school, that:

- (a) offers a course of instruction for students in one or more grades from kindergarten through grade 12; and
- (b) has more than 100 students enrolled and attending courses at a single location.

ARTICLE II. EXTENDED HOURS

Sec. 4-2. Extended hours.

- (a) Pursuant to Sections 105.03(d) and 105.05(d) of the V.C.T.A., Alcoholic Beverage Code, as amended, the City adopts extended hours sales of alcoholic beverages in any part of the City as follows:

- (1) A holder of a mixed beverage late hours permit may sell and offer for sale mixed beverages between midnight and 2 a.m. on any day.
- (2) A holder of a retail dealer's on-premise late hours license may sell, offer for sale, and deliver beer between midnight and 2 a.m. on any day.

State law reference -- V.T.C.A., Alcoholic Beverage Code § § 105.03, 105.05, and 105.06.

ARTICLE III. ALCOHOLIC BEVERAGE SALES NEAR SCHOOL, CHURCH, OR HOSPITAL

Sec. 4-3. Sales near school, church, or hospital.

- (a) The sale of alcoholic beverages is prohibited at a place of business that is located within:
 - (1) 300 feet of a church, public or private school, or public hospital;
 - (2) 1,000 feet of a private school if City Council receives a request from the governing body of the private school.
- (b) Subsection (a)(1) does not apply to the holder of:
 - (1) a license or permit 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 covering a premise where minors are prohibited from entering under V.T.C.A., Alcoholic Beverage Code § 109.53, as amended, (i.e. a package store) 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 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 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 V.T.C.A., Alcoholic Beverage Code Chapter 102, as amended;
- (4) a license or permit issued under V.T.C.A., Alcoholic Beverage Code Chapters 27 (Temporary and Special Wine and Beer Retailer's Permit), 31 (Caterer's Permit), or 72 (Temporary Licenses), all as amended, 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 V.T.C.A., Alcoholic Beverage Code § 109.53, as amended, (i.e. a package store) and that is located within 1,000 feet of a private school.

(Prior Code, § 4-2; Ord. No. 2017-4830)

State law reference -- V.T.C.A., Alcoholic Beverage Code § 109.33.

Sec. 4-4. Measurement 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 will be along the property lines of the street fronts and from front door to front door, and in direct line across intersections.

(Prior Code, § 4-3; Ord. No. 2009-4323)

State law reference -- Similar provisions, V.T.C.A., Alcoholic Beverage Code § 109.33(b).

Sec. 4-5. Measurement for public and private school.

The measurement of the distance between the place of business where alcoholic beverages are sold and the public or private school will 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.
- (c) As to any business who held a license or permit on September 1, 1983, the measurement of the

distance between the place of business of the dealer and a public or private school will be along the property lines of the street fronts and from front door to front door, and in direct line across intersections.

(Prior Code, § 4-4; Ord. No. 2017-4830)

State law reference -- Similar provisions, V.T.C.A., Alcoholic Beverage Code § 109.33(b), (d).

Sections 4-6--4-10. Reserved.

ARTICLE IV. MUNICIPAL FEES AND REGISTRATION

State law reference -- Authority to require licenses and permits and fees, V.T.C.A., Alcoholic Beverage Code § § 11.38; 61.36.

Sec. 4-11. Municipal fees and City registration.

- (a) A municipal fee is levied in the amount of one-half the state fee for each license or permit issued for premises located within the City, except as otherwise provided by state law. The municipal fees must be paid to the City when the license or permit fees are paid to the state.
- (b) The City will issue a certificate of registration under this Section to a licensee or permittee authorizing the sale of alcoholic beverages under this Chapter and a license or permit, if the licensee or permittee:
 - (1) pays the fees established by Subsection (a); and
 - (2) provides the City with a copy of the license or permit.
- (c) A person who sells an alcoholic beverage at a business location before the person receives a certificate of registration from the City as provided by this Section commits a Class C misdemeanor.
- (d) The City's certificate of registration must be displayed in a conspicuous place at all times on the licensed or permitted premises. It is unlawful for a person in charge of such premises to fail to display this certificate of registration.

(Prior Code, § 4-11; Ord. No. 2009-4323)

State law reference -- Authority for license and permit fees, V.T.C.A. Alcoholic Beverage Code § 11.38; § 61.36.

Sections 4-12--4-20. Reserved.

ARTICLE V. 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 is 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 or permitted by the state, 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 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 may from time to time by resolution establish criteria for special event permit applications and approvals under this Section.

(Prior Code, § 4-21; Ordinance No. 2009-4323)

ARTICLE VI. ENFORCEMENT

Sec. 4-22. Criminal offense.

- (a) A person violating a provision of this Chapter commits a Class C misdemeanor for each separate violation for each day, or part of a day, during which the violation is committed, continued, or permitted. Each offense is punishable by a fine not to exceed five hundred dollars (\$500.00).
- (b) A culpable mental state is hereby not required to prove an offense under this Chapter.

Chapter 4

ALCOHOLIC BEVERAGES

State law reference -- Alcoholic Beverage Code § 1.01 et seq.

ARTICLE I. IN GENERAL EXTENDED HOURS

Sec. 4-1. Definitions.

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)~~

“City” means the City of Temple, Texas, the City Council of Temple, Texas, or its representatives, employees, agents, or designees.

“City Council” means the City’s elected governing body.

“City Manager” means the City’s city manager or their designee.

“License or permit” means a license or permit granted by the Texas Alcoholic Beverage Commission.

“Licensee or permittee” means a person holding a license or permit granted by the Texas Alcoholic Beverage Commission.

“Private school” means a private school, including a parochial school, that:

–

(a) offers a course of instruction for students in one or more grades from kindergarten through grade 12; and

–

(b) has more than 100 students enrolled and attending courses at a single location.

–

ARTICLE II. ~~ALCOHOLIC BEVERAGE SALES NEAR SCHOOL, CHURCH, OR HOSPITAL~~ EXTENDED HOURS

–

Sec. 4-2. Extended hours.~~Sales Prohibited~~

(a) Pursuant to Sections 105.03(d) and 105.05(d) of the V.C.T.A., Alcoholic Beverage Code, as amended, the City adopts extended hours sales of alcoholic beverages in any part of the City as follows:

(1) A holder of a mixed beverage late hours permit may sell and offer for sale mixed beverages between midnight and 2 a.m. on any day.

(2) A holder of a retail dealer's on-premise late hours license may sell, offer for sale, and deliver beer between midnight and 2 a.m. on any day.

State law reference -- V.T.C.A., Alcoholic Beverage Code § § 105.03, 105.05, and 105.06.

ARTICLE III. ALCOHOLIC BEVERAGE SALES NEAR SCHOOL, CHURCH, OR HOSPITAL

Sec. 4-3. Sales near school, church, or hospital.

~~(a) The City of Temple~~The sale of alcoholic beverages is prohibited~~the sale of alcoholic beverages at a by a dealer whose place of business is within~~that is located 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 V.T.C.A., Texas Alcoholic Beverage Code §Section 109.53, as amended, (i.e. a package store) ~~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 V.T.C.A., Texas Alcoholic Beverage Code Chapter 102, as amended;
- (4) a license or permit issued under V.T.C.A., Texas Alcoholic Beverage Code Chapters 27 (Temporary and Special Wine and Beer Retailer's Permit), 31 (Caterer's Permit), or 72 (Temporary Licenses), all as amended, 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 V.T.C.A., Texas Alcoholic Beverage Code §Section 109.53, as amended, (i.e. a package store) —and that is located within 1,000 feet of a private school.

(Prior Code, § 4-2; Ord. No. 2017-4830)

State law reference -- V.T.C.A., Alcoholic Beverage Code § 109.33.

~~(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-~~43~~. Measurement of ~~d~~Distances for ~~c~~Church and ~~p~~Public ~~h~~Hospital.

The measurement of the distance between the place of business where alcoholic beverages are sold and the church or public hospital ~~will~~shall be along the property lines of the street fronts and from front door to front door, and in ~~a~~ direct line across intersections.

(Prior Code, § 4-3; Ord. No. 2009-4323)

State law reference -- Similar provisions, V.T.C.A., Alcoholic Beverage Code § 109.33(b).

–

Sec. 4-~~54~~. Measurement for ~~p~~Public and ~~p~~Private ~~s~~School.

The measurement of the distance between the place of business where alcoholic beverages are sold and the public or private school ~~shall~~will 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.

(c) As to any business who held a license or permit on September 1, 1983, the measurement of the distance between the place of business of the dealer and a public or private school will be along the property lines of the street fronts and from front door to front door, and in direct line across intersections.

(Prior Code, § 4-4; Ord. No. 2017-4830)

State law reference -- Similar provisions, V.T.C.A., Alcoholic Beverage Code § 109.33(b), (d).

Sections ~~4-6--4-10.~~ ~~4-5 through 4-10~~ ~~Reserved.~~reserved.

ARTICLE ~~IV~~H. ~~LICENSE AND PERMIT~~MUNICIPAL FEES ~~AND REGISTRATION~~

State law reference -- Authority to require licenses and permits and fees, V.T.C.A., Alcoholic Beverage Code § 11.38; 61.36.

Sec. 4-11. – Municipal fees and City registration~~Alcoholic beverage license and permit fees.~~

(a) A municipal license fee and permit fee is levied in the amount of one-half of the state fee for each license and or permit fees for each permit issued for premises located within the City, except as otherwise provided by state law. for permits that are exempted from municipal fees. The municipal city license and permit fees shall must be paid to the City when the at the same time that the state license and or permit fees are paid to the state.

(b) The City will issue a certificate of registration under this Section to a licensee or permittee authorizing the sale of alcoholic beverages under this Chapter and a license or permit, if the licensee or permittee:

(1) pays the fees established by Subsection (a); and

(2) provides the City with a copy of the license or permit.

(c) A person who sells an alcoholic beverage at a business location before the person receives a certificate of registration from the City as provided by this Section commits a Class C misdemeanor.

(d) The City's certificate of registration must be displayed in a conspicuous place at all times on the licensed or permitted premises. It is unlawful for a person in charge of such premises to fail to display this certificate of registration.

(Prior Code, § 4-11; Ord. No. 2009-4323)

State law reference -- Authority for license and permit fees, V.T.C.A. Alcoholic Beverage Code § 11.38; § 61.36.

(Ref. V.T.C.A. Alcoholic Beverage Code § 11.38, § 61.36. —

Sections 4-12--4-20. Reserved.

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 Ceity 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 Ceity, or on or in other publicly owned property, save and except that the Ceity and concessionaires or caterers having a contract with the Ceity to sell alcoholic beverages at the Frank W. Mayborn Civic and Convention Center, Santa Fe Depot, and at Sammons Park, if properly licensed or permitted by the state, 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 Ceity Mmanager ~~or his designee~~ may authorize a special event permit for the sale of alcoholic beverages on Ceity property other than a Ceity park.
- (b) Criteria for Permits. The City Council ~~shall~~ may from time to time by resolution establish criteria for special event permit applications and approvals under this Ssection.

(Prior Code, § 4-21; Ordinance No. 2009-4323)

~~(Ordinance No. 2009-4323, 11-05-09)~~

ARTICLE VI. ENFORCEMENT

Sec. 4-22. Criminal offense.

- (a) A person violating a provision of this Chapter commits a Class C misdemeanor for each separate violation for each day, or part of a day, during which the violation is committed, continued, or permitted. Each offense is punishable by a fine not to exceed five hundred dollars (\$500.00).
- (b) A culpable mental state is hereby not required to prove an offense under this Chapter.

1. Commission means the City of Temple.
2. Executive Director and Chief Clerk means the Director of Public Works.
3. Permit, when referring to City's administration of Registration requirements, means Conditional Use Permit.

5.3.14 Recycling Collection Location or Operation

A recycling operation inside a building, recycling operation outside a building and recycling collection location may be permitted in accordance with the use table in Sec. 5.1 subject to the following standards.

- A. The buying and receiving area must be set back a minimum of 50 feet from the public street right-of-way.
- B. A minimum separation of 75 feet is required between any processing operation and the property line of any adjacent property zoned for residential purposes.
- C. The internal circulation area within a tract used for a recycling collection location must consist of a non-permeable surface of either asphalt or concrete.

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. Nothing in this Section herein permits the sale of

alcoholic beverages prior to the issuance of an applicable permit or license issued by the Texas Alcoholic Beverage Commission.

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.
 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 sale of alcoholic beverages for on-premise consumption is 75% or more of the total gross revenue of the establishment.
1. The establishment must not be within 300 feet of a 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) must be measured in a straight, direct line from the property line of the establishment to the nearest property line of a 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.

[Ord. 2017-4830 Chapter 4 & Ord. 2017-4829]

5.3.16 Outdoor Shooting Range

An outdoor shooting range may be permitted in accordance with the use table in Sec. 5.1 subject to the following standards.

- A.** Only handguns (pistols and revolvers) are permitted to be used at the outdoor shooting range. No shotguns, rifles or automatic weapons are permitted at the range.
- B.** No armor piercing or incendiary ammunition is allowed.
- C.** Ammunition larger than 0.460 caliber is not allowed.

1. Commission means the City of Temple.
2. Executive Director and Chief Clerk means the Director of Public Works.
3. Permit, when referring to City's administration of Registration requirements, means Conditional Use Permit.

5.3.14 Recycling Collection Location or Operation

A recycling operation inside a building, recycling operation outside a building and recycling collection location may be permitted in accordance with the use table in Sec. 5.1 subject to the following standards.

- A. The buying and receiving area must be set back a minimum of 50 feet from the public street right-of-way.
- B. A minimum separation of 75 feet is required between any processing operation and the property line of any adjacent property zoned for residential purposes.
- C. The internal circulation area within a tract used for a recycling collection location must consist of a non-permeable surface of either asphalt or concrete.

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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. Nothing in this Section herein permits the sale of

alcoholic beverages prior to the issuance of an applicable permit or license issued by the Texas Alcoholic Beverage Commission.

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.
 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 sale of alcoholic beverages for on-premise consumption is 75% or more of the total gross revenue of the establishment.
1. The establishment must not be within 300 feet of a 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 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.

[Ord. 2017-4830 Chapter 4 & Ord. 2017-4829]

5.3.16 Outdoor Shooting Range

An outdoor shooting range may be permitted in accordance with the use table in Sec. 5.1 subject to the following standards.

- A.** Only handguns (pistols and revolvers) are permitted to be used at the outdoor shooting range. No shotguns, rifles or automatic weapons are permitted at the range.
- B.** No armor piercing or incendiary ammunition is allowed.
- C.** Ammunition larger than 0.460 caliber is not allowed.

Chapter 41

CREDIT ACCESS BUSINESSES

ARTICLE 1. CREDIT ACCESS BUSINESSES

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State law reference—Credit Organizations, V.T.C.A., Finance Code § 393.001 et seq.; credit access businesses, V.T.C.A., Finance Code § 393.601 et seq.

41-1. Short Title and Purpose.

- (a) This Article may be known and cited as “Credit Access Businesses Regulation.”
- (b) The purpose of this Article is to protect the welfare of the citizens of the City of Temple by monitoring credit access businesses in an effort to reduce abusive and predatory lending practices. To this end, this Article establishes a registration program for credit access businesses, imposes restrictions on extensions of consumer credit made by credit access businesses, and imposes recordkeeping requirements on credit access businesses.

(Prior Code, § 41-1)

41-2. Definitions.

As used in this ~~chapter~~Article:

- (1) ~~CERTIFICATE OF REGISTRATION~~ means a certificate of registration issued by the ~~Director~~director under this Article to the owner or operator of a credit access business.
- (2) CITY means the City of Temple, Texas, the City Council of Temple, Texas, or its representatives, employees, agents, or designees.
- (3) ~~CONSUMER~~ means an individual who is solicited to purchase or who purchases the services of a credit access business.
- (4) ~~CONSUMER’S LANGUAGE OF PREFERENCE~~ is the language the consumer understands best.
- (5) ~~CREDIT ACCESS BUSINESS~~ has the meaning given that term in Section 393.601 of the Texas Finance Code, as amended.

(65) DEFERRED PRESENTMENT TRANSACTION has the meaning given that term in Section 393.601 of the Texas Finance Code, as amended.

(7) ~~(6)~~ DIRECTOR means the ~~General Services Manager~~ director of the department designated by the City of Temple's City Council, City Manager, or their designee, to enforce and administer this Chapter.

(87) EXTENSION OF CONSUMER CREDIT has the meaning given that term in Section 393.001 of the Texas Finance Code, as amended.

(98) MOTOR VEHICLE TITLE LOAN has the meaning given that term in Section 393.601 of the Texas Finance Code, as amended.

(109) PERSON means any individual, corporation, organization, partnership, association, financial institution, or any other legal entity.

(110) REGISTRANT means a person issued a certificate of registration for a credit access business under this ~~Articlechapter~~ and includes all owners and operators of the credit access business identified in the registration application filed under this ~~Articlechapter~~.

(124) STATE LICENSE means a license to operate a credit access business issued by the Texas Consumer Credit Commissioner under Chapter 393, Subchapter G of the Texas Finance Code, as amended.

(Prior Code, § 41-2)

41-3.- Violations; ~~p~~Penalty.

(a) A person who violates a provision of this ~~Articlechapter~~, or who fails to perform an act required of the person by this ~~Articlechapter~~, commits an offense. A person commits a separate offense for each ~~and every~~ violation ~~of this Article~~ relating to an extension of consumer credit, and for each day or portion of a day during which a violation is committed, permitted, or continued.

(b) An offense under this ~~Articlechapter~~ is a ~~C~~ class C misdemeanor, punishable by a fine of not more than five hundred dollars (\$500.00) ~~\$500~~.

(c) A culpable mental state is not required for the commission of an offense under this ~~Articlearticle~~ and need not be proved.

(d) The penalties provided for in Subsection (b) are in addition to any other remedies that the ~~C~~ city may have under city ordinances and state law.

(Prior Code, § 41-3)

41-4.- Defenses.

It is a defense to prosecution under this ~~article~~Article that at the time of the alleged offense the person was not required to be licensed by the state as a credit access business under Chapter 393, Subchapter G, of the Texas Finance Code, as amended.

(Prior Code, § 41-4)

41-5.- Registration ~~r~~Required.

A person commits an offense if the person acts, operates, or conducts business as a credit access business without a valid certificate of registration. A certificate of registration is required for each physically separate credit access business.

(Prior Code, § 41-5)

41-6.- Registration ~~a~~Application.

(a) To obtain a certificate of registration for a credit access business, a person must submit an application on a form provided for that purpose to the ~~Director~~director. The application must contain the following:

- (1) ~~t~~The name, street address, mailing address, facsimile number, and telephone number of the applicant;
- (2) ~~t~~The business or trade name, street address, mailing address, facsimile number, and telephone number of the credit access business;
- (3) ~~t~~The names, street addresses, mailing addresses, and telephone numbers of all owners of the credit access business and other persons with a financial interest in the credit access business, and the nature and extent of each person's interest in the credit access business;

(A) A credit access business with a current City certificate of registration as of February 21, 2019 must provide to the director the names, street addresses, mailing addresses, and telephone numbers of persons with a financial interest in the credit access business upon renewal of their certificate of registration;

- (4) ~~A~~a copy of a current, valid state license held by the credit access business pursuant to Chapter 393, Subchapter G of the Texas Finance Code, as amended;
- (5) ~~A~~a copy of a current, valid certificate of occupancy showing that the credit access business is in compliance with the City of Temple Code of Ordinances; and;
- (6) a fifty dollar (A-\$50.00) non-refundable application fee.

(b) An applicant or registrant ~~shall~~must notify the ~~Director~~director within forty-five (45) days after any material change in the information contained in the application for a certificate of registration, including, but not

limited to, any change of address and any change in the status of the state license held by the applicant or registrant.

(Prior Code, § 41-6)

41-7.- Issuance and ~~d~~Display of ~~c~~Certificate of ~~r~~Registration; ~~p~~Presentment upon ~~r~~Request.

- (a) The ~~Director~~director ~~shall will~~ issue to the applicant a certificate of registration upon receiving a completed application under Sec~~tion~~ 41-6.
- (b) A certificate of registration issued under this ~~S~~section must be conspicuously displayed to the public in the credit access business. The certificate of registration must be presented upon request to the ~~Director~~director or any peace officer for examination.

(Prior Code, § 41-7)

41-8.- Expiration and ~~r~~Renewal of ~~c~~Certificate of ~~r~~Registration.

- (a) A certificate of registration expires on the earlier~~st~~ of:
 - (1) ~~o~~One year after the date of issuance; or
 - (2) ~~t~~The date of revocation, suspension, surrender, expiration without renewal, or other termination of the registrant's state license.
- (b) A certificate of registration may be renewed by making application in accordance with Sec~~tion~~ 41-6. ~~A~~ registrant ~~shall must~~ apply for renewal at least ~~thirty~~ (30) days before the expiration of the registration.

(Prior Code, § 41-8)

41-9.- Non-transferability.

A certificate of registration for a credit access business is not transferable.

(Prior Code, § 41-9)

41-10.- Maintenance of ~~r~~Records.

- (a) A credit access business ~~shall must~~ maintain a complete set of records of all extensions of consumer credit arranged ~~arranged~~ or obtained by the credit access business, which must include the following information:
 - (1) ~~t~~The name and address of the consumer~~;~~
 - (2) ~~t~~The principal amount of cash actually advanced~~;~~

(3) ~~The~~ length of the extension of consumer credit, including the number of installments and renewals;

(4) ~~The~~ fees charged by the credit access business to ~~arrange~~ arrange or obtain an extension of consumer credit; and

(5) ~~The~~ documentation used to establish a consumer's income under ~~Section~~ 41-12 of this ordinance.

(b) A credit access business ~~shall~~must maintain a copy of each written agreement between the credit access business and a consumer evidencing an extension of a consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer).

(c) A credit access business ~~shall~~must maintain copies of all quarterly reports filed with the Texas Consumer Credit Commissioner under Section 393.627 of the Texas Finance Code, as amended.

(d) The records required to be maintained by a credit access business under this ~~Section~~ must be retained for at least three years ~~from the date of the extension of consumer credit~~ and made available for inspection by the City upon request during the usual and customary business hours of the credit access business.

(Prior Code, § 41-10)

41-11.- Reserved.

41-12.- Restrictions ~~on~~ ~~an~~ ~~extension of~~ ~~consumer~~ ~~credit~~.

(a) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining in the form of a deferred presentment transaction may not exceed twenty percent (20%) ~~20 percent~~ of the consumer's gross monthly income.

(b) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining in the form of a motor vehicle title loan may not exceed the lesser of:

(1) ~~Three~~ percent (3%) of the consumer's gross annual income; or

(2) ~~70-seventy~~ percent (70%) of the retail value of the motor vehicle.

(c) A credit access business ~~shall~~must use a paycheck or other documentation establishing income to determine a consumer's income.

(d) An extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining and that provides for repayment in installments may not be payable in more than four installments. Proceeds from each installment must be used to repay at least ~~25-twenty-five~~ percent (25%) of the principal

amount of the extension of consumer credit. An extension of consumer credit that provides for repayment in installments may not be refinanced or renewed.

- (e) An extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining and that provides for a single lump sum repayment may not be refinanced or renewed more than three times. Proceeds from each refinancing or renewal must be used to repay at least ~~25~~twenty-five percent ~~(25%)~~ of the principal amount of the original extension of consumer credit.
- (f) For purposes of this ~~S~~section, an extension of consumer credit that is made to a consumer within seven ~~(7)~~ days after a previous extension of consumer credit has been paid by the consumer will constitute a refinancing or renewal.

(Prior Code, § 41-12)

41-13.- Requirements of ~~c~~Consumer ~~u~~Understanding of ~~a~~Agreement.

- (a) Every agreement between the credit access business and a consumer evidencing an extension of consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer), must be written in the consumer's language of preference. ~~Every credit access business location must maintain on its premises, to be available for use by consumers, agreements in the English and Spanish languages.~~

(b) Every disclosure and notice required by law must be written and provided to the consumer in the consumer's language of preference. Every credit access business location must maintain on its premises, to be available for use by consumer, required disclosures and notices in the English and Spanish languages.

(1) A credit access business with a current City certificate of registration as of February 21, 2019 must comply with Subsection (b) upon renewal of their certificate of registration.

- ~~(cb)~~ For every consumer who cannot read, every agreement between the credit access business and a consumer evidencing an extension of consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer) must be read to the consumer in its entirety in the consumer's language of preference, prior to the consumer's signature.
- ~~(de)~~ For every consumer who cannot read, every disclosure and notice required by law must be read to the consumer in its entirety in the consumer's language of preference, prior to the consumer's signature.

(Prior Code, § 41-13)

41-14.-Referral to ~~c~~Consumer ~~c~~Credit ~~c~~Counseling.

A credit access business ~~must~~shall provide a form, to be prescribed by the ~~Director~~director, to each consumer seeking assistance in obtaining an extension of consumer credit which references non-profit agencies that provide financial education and training programs and agencies with cash assistance programs. The form ~~must will~~ also contain information regarding extensions of consumer ~~credit, and~~credit and must include the information required by 41-10(a)(1)-(5) of this ordinance specific to the loan agreement with the consumer. If the

~~Director~~director has prescribed a form in the consumer's language of preference, the form must be provided in the consumer's language of preference.

(Prior Code, § 41-14)

~~(REVISED: Ordinance No. 2016-4774, June 16, 2016)~~

DRAFT

ORDINANCE NO. 2019-4955

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, (1) AMENDING THE CODE OF ORDINANCES CHAPTER 4, "ALCOHOLIC BEVERAGES" TO INCLUDE A GENERAL UPDATE OF THE CHAPTER, ADDITIONAL CLARIFICATION OF TERMS USED IN THE CHAPTER, BETTER ALIGNMENT OF THE CITY'S REGULATIONS WITH STATE LAW, AND AN ADDITION OF AN ENFORCEMENT PROVISION; AND (2) AMENDING TEMPLE UNIFIED DEVELOPMENT CODE SECTION 5.3.15, "ALCOHOLIC BEVERAGE SALES FOR ON-PREMISE CONSUMPTION," BY CLARIFYING SUBSECTION 5.3.15(A)(2) WITH ADDITIONAL LANGUAGE AND REMOVING THE REFERENCE TO CITY CODE, CHAPTER 4, "ALCOHOLIC BEVERAGES" SUBSECTION 5.3.15(B)(2) TO BETTER CONFORM 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, in a continuing effort to review and update the City's Code of Ordinances, Staff recommends amendments to Chapter 4, "Alcoholic Beverages" that include general language clean-up and changes to formatting;

Whereas, other proposed amendments to Chapter 4 include:

- The addition of a definitions section at the top of the Chapter to clarify terms used throughout the Chapter and to consolidate definitions;
- Clarification of the term "extended hours" as Chapter 4 currently provides that the City is an "extended hours area" as defined by V.T.C.A., Alcoholic Beverage Code § 105.06, but does not provide additional details - the proposed amendments articulate specifically the "extended hours" the City has adopted, i.e. holders of specified Texas Alcoholic Beverage Commission (TABC) licenses or permits may offer for sale mixed drinks or beer between midnight and 2 a.m. on any day;
- Incorporating a "grandfathering" provision required by V.T.C.A., Alcoholic Beverage Code § 109.33(d) for a business that held a TABC permit or license on September 1, 1983 for the alternative method in which to measure distance between a business and a public or private school;
- Renaming the fees charged by the City from "municipal fees" and "City license" to City "certificate of registration" to avoid confusion with references to licenses and permits issued by the TABC and adding a subsection that requires a person to register with the City by paying municipal fees and providing a copy of their TABC license or permit, which codifies current City practice - in addition, Staff proposes adding a subsection that would make it an offense if a person sells an alcoholic beverage without receiving a City certificate of registration;
- Adding an enforcement section that makes it a Class C misdemeanor for a person to violate any provision of this Chapter making each offense punishable by a fine not to exceed \$500.00;

Whereas, in addition to the amendments to Chapter 4, Staff proposes making two changes to the Temple Unified Development Code (UDC), Section 5.3.15, “Alcoholic Beverage Sales for On-Premise Consumption:”

- UDC Subsection 5.3.15(A)(2) requires the holder of a City conditional use permit (CUP) to obtain an applicable license or permit from TABC within six months of receiving their CUP - Staff recommends adding a sentence to Subsection 5.3.15(A)(2) that clarifies that the issuance of a CUP to a permittee does not grant authority for the sale of alcoholic beverages prior to the issuance of a license or permit from TABC;

- UDC Subsection 5.3.15(B)(2) references Chapter 4 in relation to how distance must be measured between businesses that sell alcoholic beverages and the protected uses in Chapter 4 (churches, public hospitals, and schools) - Staff recommends removing this reference to Chapter 4 in this Subsection to conform with the measuring requirements of V.T.C.A., Alcoholic Beverage Code § 109.33;

Whereas, Staff recommends Council amend the Code of Ordinances Chapter 4, “Alcoholic Beverages” and Temple Unified Development Code (UDC), Section 5.3.15, “Alcoholic Beverage Sales for On-Premise Consumption;” and

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 Ordinance as if copied in their entirety.

Part 2: The City Council amends the Code of Ordinances Chapter 4 “Alcoholic Beverages” as set forth in Exhibit A, attached hereto and incorporated herein for all purposes, and Temple Unified Development Code (UDC), Section 5.3.15, “Alcoholic Beverage Sales for On-Premise Consumption” as set forth in Exhibit B, 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 **21st** day of **February**, 2019.

PASSED AND APPROVED on Second Reading on the **7th** day of **March**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #7
Regular Agenda
Page 1 of 3

DEPT. / DIVISION SUBMISSION REVIEW:

Mark Baker, Principal Planner

ITEM DESCRIPTION: FIRST READING – PUBLIC HEARING – FY-19-5-ZC: Consider adopting an ordinance authorizing a rezoning from Agricultural zoning district to Neighborhood Service zoning district on 1.28 +/- acres, situated in the J.J. Simmons, Survey Abstract No. 737, Bell County, Texas, addressed as 4940 State Highway 317.

STAFF RECOMMENDATION: Staff recommends approval for a rezoning from AG to NS district for the following reasons:

1. The proposed NS zoning is compatible with surrounding zoning, existing and anticipated uses as well as future growth trends in the area;
2. The proposal is in compliance with the Thoroughfare Plan; and
3. Public facilities are available to serve the subject property.

PLANNING & ZONING COMMISSION RECOMMENDATION: At their January 22, 2019 meeting, The Planning & Zoning Commission voted 9 to 0 to recommend approval per staff's recommendation.

ITEM SUMMARY: The applicant, Central Realty Partners (on behalf of Gary and Charles Cox) request rezoning of 1.28 +/- acres from Agricultural (AG) zoning district to Neighborhood Service (NS) zoning district. The subject property is currently unplatted and occupied by an existing unoccupied structure that has been used as a single family residence.

While no end-user has been identified, the property is proposed to be developed with non-residential uses. There are a number of residential and non-residential uses that are permitted by-right or with a conditional use permit (CUP). A comparison between the existing and proposed zoning districts, is shown in the attached table.

TRAFFIC IMPACTS: While the property fronts along State Highway 317 (SH 317), the presence of median breaks at Poison Oak Road and Oak Hills Drive may be problematic for some northbound traffic. Turning movements into the property will be limited to right-in and right-out. This may generate some additional traffic concerns and limit certain uses. A table showing some of the higher trip-generating uses allowed in NS has been attached.

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 within the Suburban Commercial Future Land Use Map (FLUM) designation. The Suburban Commercial designation is appropriate for office and retail service uses. The FLUM designation supports Office 1 (O-1), Office 2 (O-2) and Neighborhood Service (NS) zoning designations. The zoning is appropriate for office and retail service uses adjacent to residential neighborhoods as well as high profile corridors.

Thoroughfare Plan (CP Map 5.2)

The subject property takes access from State Highway 317 (SH 317), a major arterial street. TxDOT improvements are substantially complete with direct property access driveways in place. The state was notified of the proposed rezoning and no comments have been received. TxDOT improvements include a 10-foot sidewalk on the east side of SH 317.

Availability of Public Facilities (CP Goal 4.1)

Waste water will be provided by on-site septic, however an eight-inch sewer line is available approximately 1500 feet to the north in SH 317. Water is available from a 12-inch water line in SH 317.

Temple Trails Master Plan Map and Sidewalks Ordinance

A proposed local connector trail is shown on the Trails Master Plan. SH 317, as an arterial requires a 6-foot sidewalk. Compliance with the Trails Master Plan and sidewalks has been addressed by the upsized sidewalk from six-feet to 10-feet, which was put into place by TxDOT widening improvements along east side of SH 317.

SUBDIVISION PLAT: A subdivision plat will be required for this property prior to any new construction, accessory or otherwise. The plat will address connection to public facilities but since the property frontage has been recently improved by a state highway improvement project, any needed right-of-way is not anticipated. The change of use, however will trigger compliance to parking requirements.

DEVELOPMENT REGULATIONS: The attached tables compare and contrast, the current development standards for AG with the proposed NS standards as provided for in UDC Sections 4.2, 4.5 and 4.5.1

PUBLIC NOTICE: Six notices, were sent to property owners within 200-feet of the subject property containing notice of the public hearing as required by State law and City Ordinance. As of Tuesday February 12, 2019 at 9:00 AM, one notice has been received in disagreement but was later retracted per the attached email. Both are being included for the public record.

The newspaper printed notice of the public hearing on January 9, 2019, in accordance with state law and local ordinance.

FISCAL IMPACT: Not Applicable

ATTACHMENTS:

Boundary Map (Exhibit A)

Photos

Tables

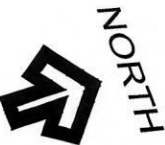
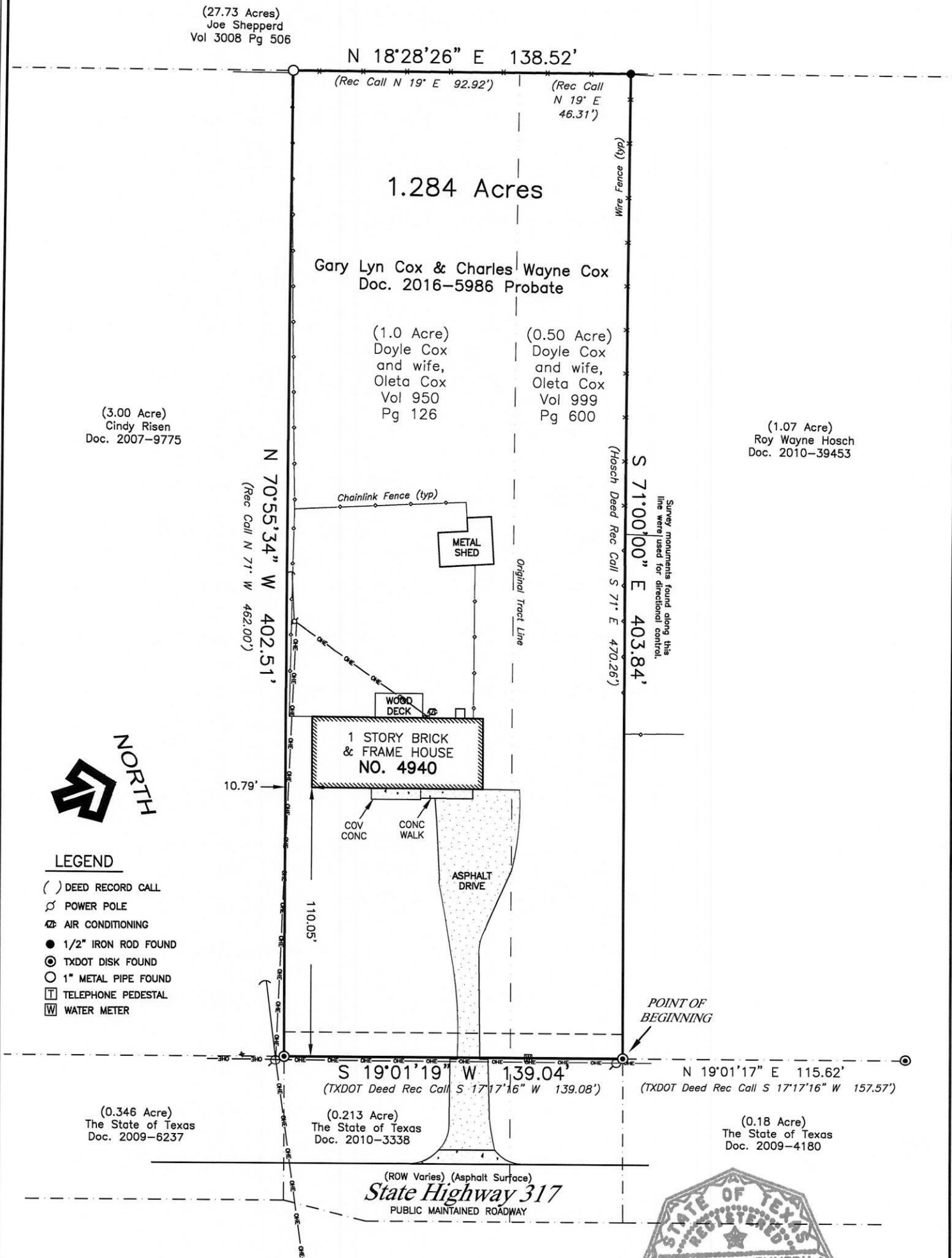
Maps

Returned Property Notice

PZ Excerpts (January 22, 2019)

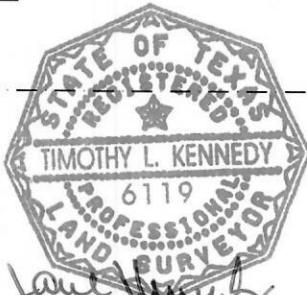
Ordinance

Surveyor's Sketch showing 1.284 acre tract, being part of the J. J. SIMMONS SURVEY, ABSTRACT NO. 737, in Bell County, Texas, and embracing that called 1.0 acre tract conveyed to Doyle Cox and wife, Oleta Cox in Volume 950 Page 126, Official Public Records of Bell County, Texas (OPRBCT) along with that called 0.50 acre tract conveyed to Doyle Cox and wife, Oleta Cox in Volume 999 Page 600, OPRBCT, Save and Except that called 0.213 acre tract conveyed to The State of Texas in Document No. 2010-3338, OPRBCT.



LEGEND

- () DEED RECORD CALL
- ⊗ POWER POLE
- ⊗ AIR CONDITIONING
- 1/2" IRON ROD FOUND
- ⊙ TXDOT DISK FOUND
- 1" METAL PIPE FOUND
- ⊞ TELEPHONE PEDESTAL
- ⊞ WATER METER



Survey completed in coordination with that title commitment provided by Monteith Abstract & Title Company, GF#18-6132, Effective date: Dec. 10, 2018

Advanced Surveying & Mapping, LLC

1610 South 31st St., Ste. 102-299
Temple, Texas 76504
254-760-1894 254-760-4633
www.asm-tx.com Firm Reg. #10193722
Copyright 2019 Advanced Surveying & Mapping, LLC

NOTE: The following documents may affect the subject property, but cannot be shown based on the description given: (Vol/Pg) * 955/5

I, Timothy Lane Kennedy, Registered Professional Land Surveyor No. 6119 in the State of Texas, do hereby certify to the title agency, underwriter, lender, mortgage company and/or purchaser that this drawing represents a survey performed on the ground. To the best of my knowledge the drawing correctly represents the facts found at the time of the survey.

Survey completed 12-28-18
Scale: 1" = 20'
Job No. 180295
Surveyor TLK #6119
Plot Date: 01-14-19

Site & Surrounding Property Photos



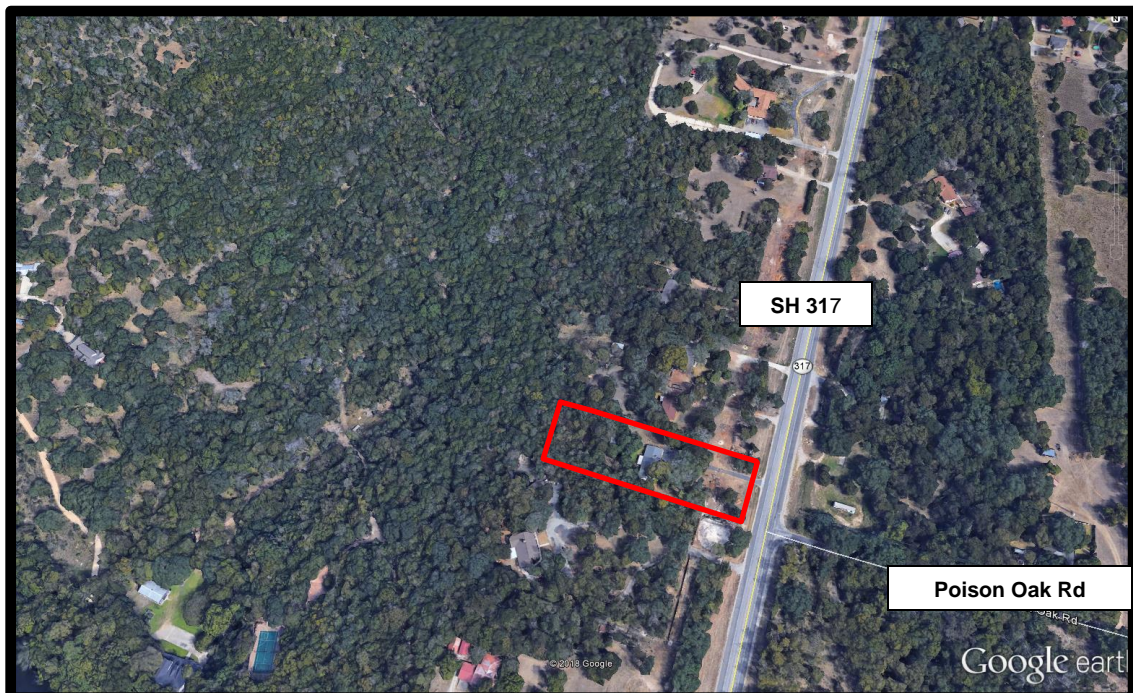
Site (Front): Unoccupied Single-Family Residential Uses on Acreage (AG)



Site (Rear): Unoccupied Single-Family Residential Uses on Acreage (AG)



South – Single-Family Residential Uses on Acreage (AG)



West – Aerial Image (Google Maps) (AG)
Property Boundary in RED is approximate
Primarily Undeveloped with Scattered Single-Family Residential Uses on Acreage



East – Undeveloped & Scattered Single-Family Residential Uses on Acreage (AG)



North – Single-Family Residential Uses on Acreage (AG)

Tables

**Permitted & Conditional Uses Table
Comparison between AG & NS**

Use Type	Agricultural (AG)	Neighborhood Service (NS)
Agricultural Uses	Farm, Ranch or Orchard	Same as AG
Residential Uses	Single Family Residence (Detached & Attached) Industrialized Housing Family or Group Home Home for the Aged (CUP)	Single Family Detached & Attached Only Industrialized Housing Townhouse (1) No Apartment No Triplex No Duplex (2) Family /Group Home (CUP)
Retail & Service Uses	None	Most Retail & Service Uses Beer & Wine Sales, off-premise consumption (CUP)
Office Uses	None	Offices
Commercial Uses	None	None
Industrial Uses	Temporary Asphalt & Concrete Batching Plat (CUP)	Same as AG
Recreational Uses	None	Alcoholic Beverage Sales, beer & wine only $\leq 75\%$ (CUP) All Alcoholic sales - $\geq 50\%$ - $\leq 75\%$
Educational & Institutional Uses	Cemetery (CUP) Place of Worship Social Svc. Shelter (CUP) Child Care (CUP)	Art Gallery or Museum Cemetery (CUP) Child Care Place of Worship
Vehicle Service Uses	None	Fuel Sales
Restaurant Uses	None	Restaurant - No Drive-In
Overnight Accommodations	RV Park (CUP)	None
Transportation Uses	Emergency Vehicle Service (CUP) Helistop (CUP)	Helistop (CUP)

- (1) A Townhouse is a structure on an individual lot, that is one of a series of three or more dwelling units designed for single-family occupancy structurally connected or immediately adjacent to and abutting each other between individual dwelling units
- (2) A Duplex is a detached building designed and constructed within two separate living units under a single roof for occupancy of two families.

Surrounding Property Uses

	<u>Surrounding Property & Uses</u>		
<u>Direction</u>	<u>FLUP</u>	<u>Zoning</u>	<u>Current Land Use</u>
Site	Suburban Commercial	AG	Scattered SF Residential Uses
North	Suburban Commercial	GR	Scattered SF Residential Uses
South	Suburban Commercial	AG	Scattered SF Residential Uses
East	Suburban Commercial	AG	Scattered SF Residential Uses
West	Suburban Commercial	AG	Undeveloped

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		

Dimensional Standards

	<u>Current (AG) Residential</u>	<u>Proposed (NS) Non-Res</u>
Minimum Lot Size	1 Acre	N/A
Minimum Lot Width	100 Feet	N/A
Minimum Lot Depth	150 Feet	N/A
Front Setback	50 Feet	15 Feet
Side Setback	15 Feet	10 Feet
Side Setback (corner)	15 Feet	10 Feet
Rear Setback	10 Feet	❖ 10 Feet
Max Building Height	3 Stories	2 ½ Stories

- ❖ 10' rear setback (Non-residential use abuts a residential zoning district or use - UDC Section 4.4.4.F3)

General provisions for buffering and screening for non-residential uses adjacent to residential uses are found in UDC Section 7.7, highlighted provisions include but not limited to:

- * Landscaping or solid fencing from 6 to 8 feet in height (UDC Section 7.7.4),
- * Refuse containers located in the side or rear of the property (UDC Section 7.7.6), and
- * Screened outdoor storage (UDC Section 7.7.8.B1)

Traffic Count Information Select - NS Permitted & Conditional Uses

Peak Hour Trip Rates Table (9th Ed. ITE Manual)	
Use	Peak Hour Trip Rate
Single Family (Detached) Residence	1.00 (per Dwelling Unit)
Townhouse	0.52 (per Dwelling Unit)
Assisted Living Facility	0.22 (per Bed)
General Office Building	1.49 (per 1,000 S.F.)
Hair Salon	1.93 (per 1,000 S.F.)
Gasoline Service Station / with Convenience Store & Fuel Pumps	13.51 (per Fueling Station)
Arts & Crafts Store	6.21 (per 1,000 S.F.)
Fast Food Restaurant (No Drive-Thru)	26.15 (per 1,000 S.F.)
Restaurant (Sit Down)	11.15 (per 1,000 S.F.)
Bank	12.13 (per 1,000 S.F.)
Variety Store	6.82 (per 1,000 S.F.)
Free Standing Discount Store	4.98 (per 1,000 S.F.)

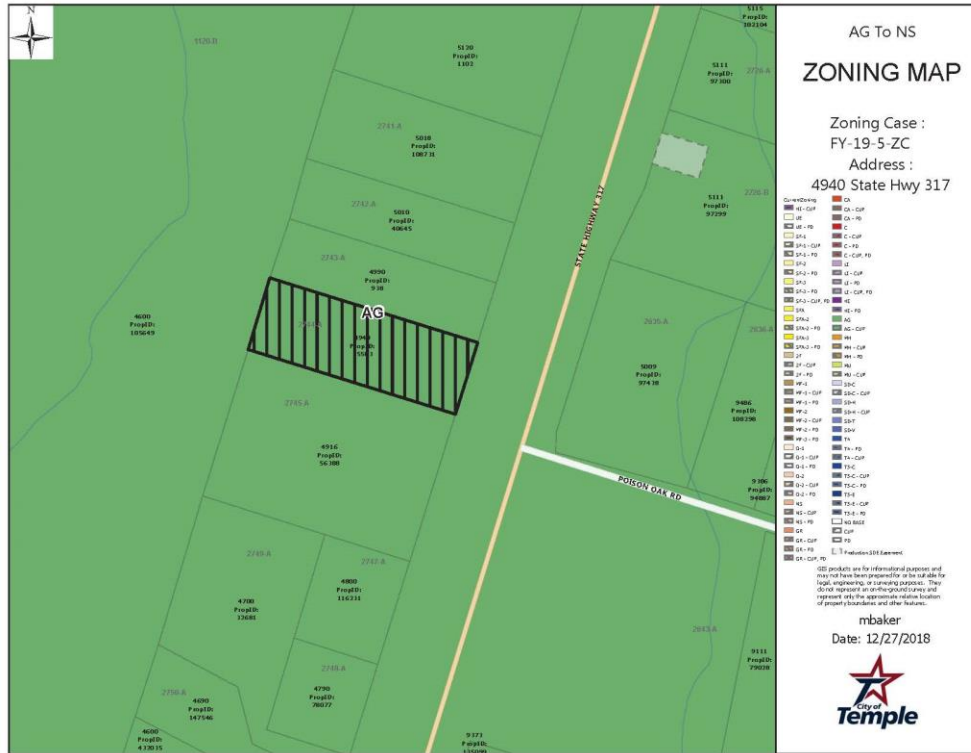
Maps



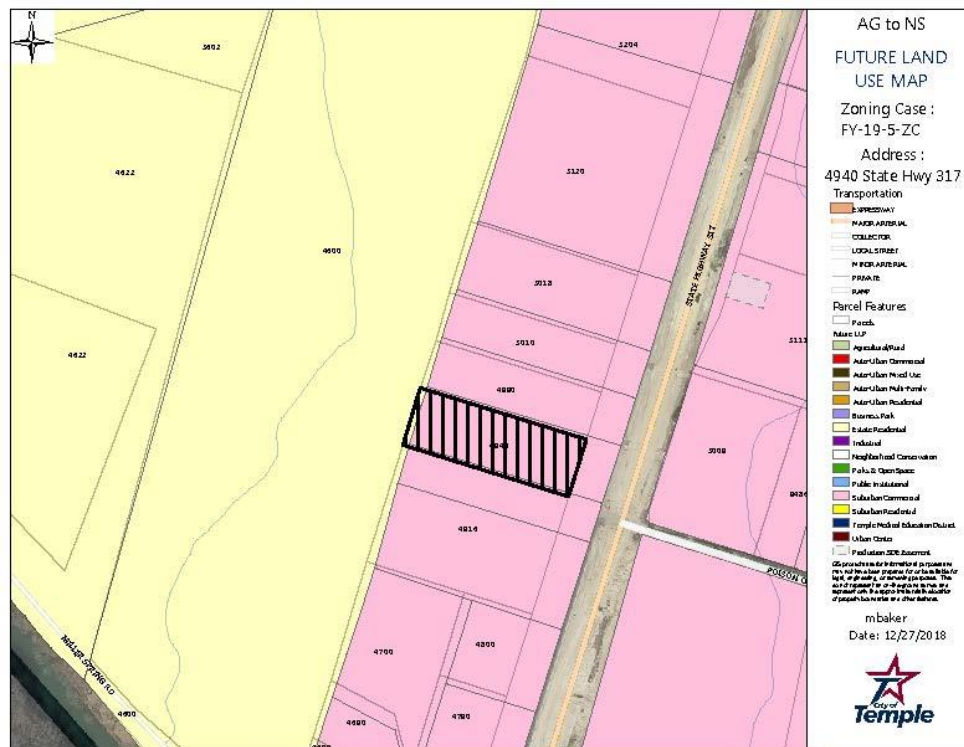
Location Map



Aerial Map



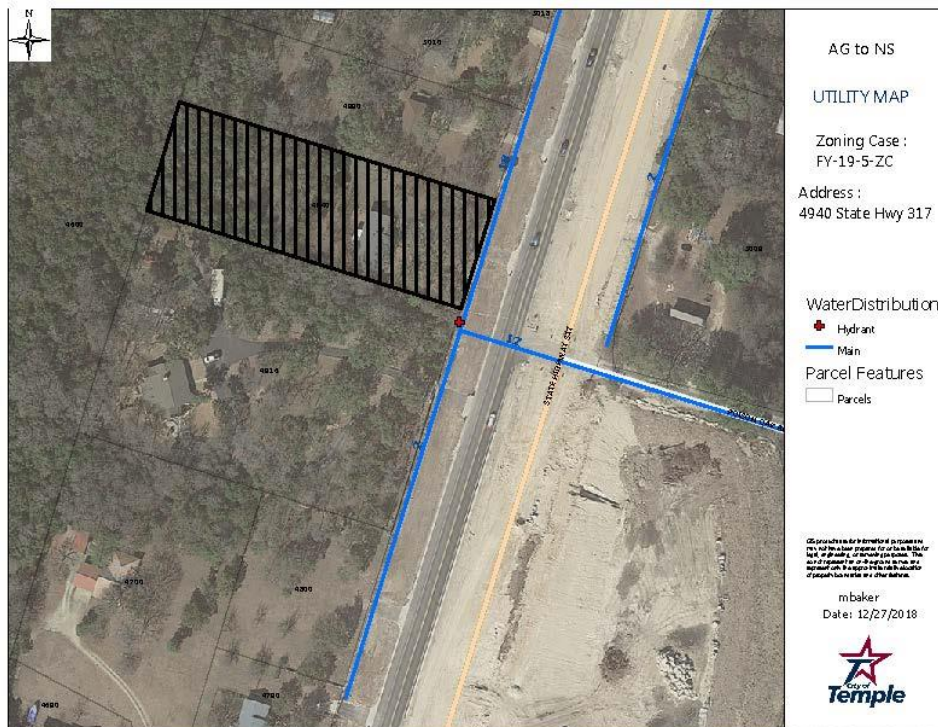
Zoning Map



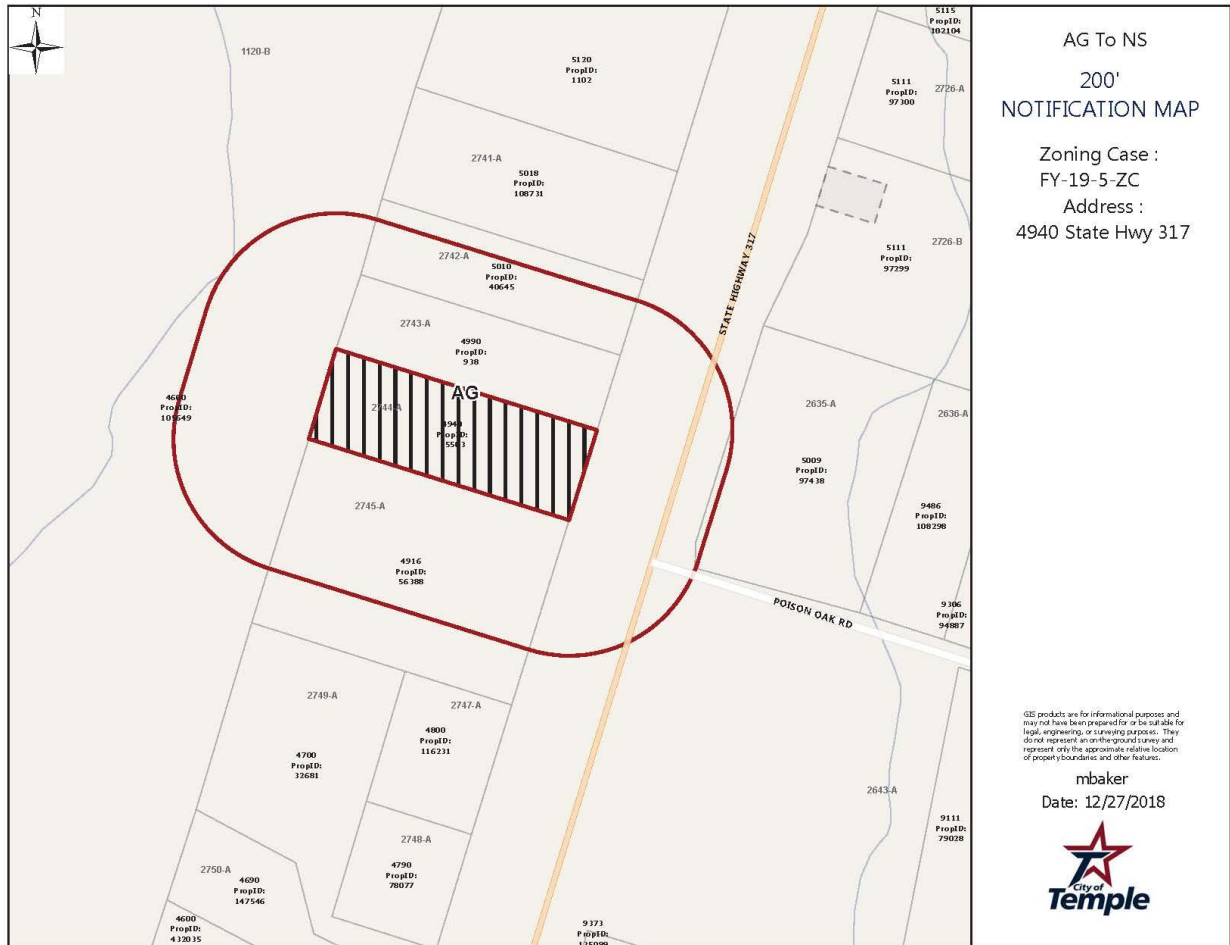
Future Land Use Map



Thoroughfare & Trails Map



Utility Map



Notification Map



RESPONSE TO PROPOSED
REZONING REQUEST
CITY OF TEMPLE

105649
SHEPPERD, JOE
4622 STATE HWY 317
BELTON, TX 76513

Zoning Application Number: FY-19-5-ZC

Case Manager: Mark Baker

Location: 4940 State Highway 317

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 disagree only because I would like more
info on this request. Also I would like a
better understanding of the neighborhood services
zoning

Signature

joeshep@hri-tor.com

Joe Sheperd

Print Name

Provide email and/or phone number if you want Staff to contact you (Optional)

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 22, 2019**.

City of Temple
Planning Department
2 North Main Street, Suite 102
Temple, Texas 76501

RECEIVED

JAN 14 2019

CITY OF TEMPLE
PLANNING & DEVELOPMENT

Number of Notices Mailed: 6

Date Mailed: January 9, 2019

OPTIONAL: Please feel free to email questions or comments directly to the Case Manager or call us at 254.298.5668.

Mark Baker

From: Joe Shepperd <joeshep@hri-tor.com>
Sent: Monday, January 14, 2019 4:00 PM
To: Mark Baker
Subject: RE: Neighborhood Service District

Mark

After our conversation I am withdrawing my objection to this rezoning request.

Thank You

Joe Shepperd

Joe Shepperd
Heartland Resources, Inc.
TOR Energy, LLC
6 South 1st Street
Temple, TX 76501
office: 254.774.9992
cell: 254.718.1032
fax: 254.774.9999

-----Original Message-----

From: Mark Baker <mbaker@templetx.gov>
Sent: Monday, January 14, 2019 1:03 PM
To: Joe Shepperd <joeshep@hri-tor.com>
Subject: Neighborhood Service District

Good afternoon Joe:

Thank you again for your email in response to the public notification-portion for the rezoning of the property along SH 317. Your returned notice will become part of the public record for this case and will be forwarded to the Planning & Zoning Commission for consideration. As I mentioned in my phone message, I am forwarding a listing of uses from UDC Section 5.1, permitted and conditional uses as well as a district description of what the Neighborhood Service district is.

When reading the table, be sure find the NS column and those uses listed as "P" are permitted by-right, "C" require a Conditional Use Permit (a separate application process) and blank are not allowed at all.

I hope you find this information helpful, however should you require additional information or wish to discuss, please do not hesitate to contact me directly.

Thank you again for your participation in the process

Mark Baker, Principal Planner

City of Temple – Planning Department
2 North Main Street – Suite 102
Temple, Texas 76501

Phone: 254-298-5274
Fax: 254-298-5624

Email: mbaker@templetx.gov

Please feel free to visit the following link to our helpful interactive Development Review Guide:

<https://na01.safelinks.protection.outlook.com/?url=http%3A%2F%2Ftempletx.gov%2FDocumentCenter%2FView%2F13924&data=02%7C01%7C%7Ca690ff62532a43bf7afd08d67a6ba788%7Cee3d9e9828544904b232c48ef91c48cc%7C0%7C1%7C636831000139917826&sdata=ywsrlHVA5VBCrhtJR%2BNVQg1HUt%2BEU3UUFxFRNSJ%2BmHc%3D&reserved=0>

Integrity. Excellence. Dedication.

Please login often to the MyGovernmentOnline website to see status of your project(s)

<https://na01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.mypermitnow.org%2Flogin.aspx&data=02%7C01%7C%7Ca690ff62532a43bf7afd08d67a6ba788%7Cee3d9e9828544904b232c48ef91c48cc%7C0%7C1%7C636831000139927831&sdata=ycW70PN5JeWylrdzPxEn3vviiUQLeW1pBkMYaN6f4s%3D&reserved=0>

<https://na01.safelinks.protection.outlook.com/?url=www.templetx.gov%2Fplanning&data=02%7C01%7C%7Ca690ff62532a43bf7afd08d67a6ba788%7Cee3d9e9828544904b232c48ef91c48cc%7C0%7C1%7C636831000139927831&sdata=NwyURM3mU9ZNO9TDAp8Y7IYxLiu2ORZuDaq5D0AngWc%3D&reserved=0>

-----Original Message-----

From: Joe Shepperd [mailto:joeshep@hri-tor.com]

Sent: Monday, January 14, 2019 10:33 AM

To: Mark Baker <mbaker@templetx.gov>

Subject: FW:

Mark

I would like a description of what the neighborhood services zoning encompasses.

Thanks

Joe

Joe Shepperd
Heartland Resources, Inc.
TOR Energy, LLC
6 South 1st Street
Temple, TX 76501
office: 254.774.9992
cell: 254.718.1032
fax: 254.774.9999

EXCERPTS FROM THE
PLANNING & ZONING COMMISSION MEETING
TUESDAY, JAN 22, 2019

ACTION ITEMS

Item 2: **FY-19-5-ZC** - Hold a public hearing to discuss and recommend action for a rezoning from Agricultural (AG) zoning district to Neighborhood Service (NS) zoning district on 1.28 +/- acres, situated in the J.J. Simmons, Survey Abstract No. 737, Bell County, Texas, addressed as 4940 State Highway 317.

Mr. Mark Baker, Principal Planner, stated this rezoning is scheduled to go forward to City Council for first reading on February 21, 2019 and second reading on March 7, 2019.

Subject property aerial map shown.

No use has been identified by the developer and a subdivision plat is required for any new construction on subject property. A change of use does trigger compliance to parking requirements, consequently, a remodel permit.

Zoning map is shown. The subject property is found in compliance and compatible with the surrounding Neighborhood Services (NS) and retail along this section of State Highway (SH) 317. NS is supported by existing residential uses along this corridor.

The Future Land Use Map is shown. The subject property is found in compliance with the Suburban Commercial zoning district and supports NS zoning and uses at subject location.

The existing water and sewer map is shown and found in compliance with 12-inch water lines along SH 317 and eight-inch sewer lines available approximately 1500 feet north of subject property. Any water or sewer service extension requirements will be addressed at the time of platting.

The Thoroughfare and Trails Plan is shown and is found in compliance. Texas Department of Transportation (TxDOT) improvements along major arterial, SH 317, are complete and include a ten-foot sidewalk on the east side of SH 317. Existing local connector trail was addressed by TxDOT improvements.

On-site and surrounding property photos are shown.

Aerial property boundary map shown exhibiting primarily undeveloped and scattered Single-Family Residential uses on acreage.

On-site property access photo shown.

Agricultural (AG) and NS comparison development standards and use tables are shown outlining buffering and screening standards that apply and retail and office use differences.

Per Unified Development Code (UDC), Section 7.7.4:

- Buffering 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 number of allowed materials per UDC Section 7.7.5. such as: wood, masonry, stone or pre-cast concrete.
- Along the common boundary continuous buffer and screening is required between non-residential and an agricultural or residential zoning district or use.

Six notices were mailed in accordance with all state and local regulations with one notice returned in agreement (originally disagree received then retracted per email) and zero notices returned in disagreement.

Compliance Summary chart is shown, and all criteria are found to be in compliance.

Staff recommends approval of the request for a rezoning from Agricultural District (AG) to Neighborhood Service (NS) District.

Chair Langley opened the public hearing.

There being no speakers, the public hearing was closed.

Commissioner Fettig made a motion to approve Item 2, **FY-19-5-ZC**, per staff recommendation, and Vice-Chair Ward made a second.

Motion passed: (9:0)

All commissioners present.

ORDINANCE NO. 2019-4956
(FY-19-5-ZC)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A REZONING FROM AGRICULTURAL ZONING DISTRICT TO NEIGHBORHOOD SERVICE ZONING DISTRICT ON APPROXIMATELY 1.28 ACRES, SITUATED IN THE J.J. SIMMONS SURVEY, ABSTRACT NO. 737, BELL COUNTY, TEXAS, ADDRESSED AS 4940 STATE HIGHWAY 317; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, the applicants, Central Realty Partners, on behalf of Gary and Charles Cox, request rezoning of approximately 1.28 acres from Agricultural (AG) zoning district to Neighborhood Service (NS) zoning district - the subject property is currently unplatted and occupied by an existing unoccupied structure that has been used as a single-family residence;

Whereas, while no end-user has been identified, the property is proposed to be developed with non-residential uses;

Whereas, the Planning and Zoning Commission of the City of Temple, Texas, after due consideration of the conditions, recommends approval of the rezoning from Agricultural zoning district to Neighborhood Service zoning district, located at 4940 State Highway 317; and

Whereas, the City Council of the City of Temple, Texas, after public notice as required by law, has at a public hearing, carefully considered all the evidence submitted by the applicant concerning the proposed plans for this tract of land and has heard the comments and evidence presented by all persons supporting or opposing this application at said public hearing, and after examining the conditions, operation and the location of said property, finds that the proposed use of the property substantially complies with the comprehensive plan and the area plan adopted by the City Council.

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 approves a rezoning from Agricultural zoning district to Neighborhood Service zoning district at 4940 State Highway 317, as more thoroughly described and depicted in Exhibit 'A,' and made a part hereof for all purposes.

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 **21st** day of **February, 2019**.

PASSED AND APPROVED on Second Reading on the **7th** day of **March, 2019**.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #8
Regular Agenda
Page 1 of 1

DEPT. /DIVISION SUBMISSION & REVIEW:

Brian Chandler, Director of Planning

ITEM DESCRIPTION: Consider adopting a resolution authorizing a Chapter 380 Development Agreement with Guillen Partners Ltd. for an amount not to exceed \$100,000 for Tier III category improvements with up to an additional \$30,000 for the Downtown Residential Component grant funding for 108 North Main Street within the Downtown Strategic Investment Zone corridor.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: The proposed resolution would allow the City Manager to enter into a Chapter 380 Development Agreement with Guillen Partners Ltd. that would provide a SIZ 1:1 matching grant for a maximum amount of \$130,000 of an estimated total project cost of \$700,000 for a proposed food hall/court (ground floor) with four apartments above. This Tier III project scope consists of interior renovation, including fire suppression, façade improvements, and an elevator installation. Fee reimbursements up to \$2,000 are also requested.

FISCAL IMPACT: The total maximum grant match by the City is \$130,000. Payment of the grant matching funds will not be made until work and inspections are completed, and receipts are received by the City. Funding is available for Strategic Investment Zone grants as follows:

	795-9500-531-2695	110-1500-515-2695	Total
Available Funding	\$ 525,000	\$ 259,335	\$ 784,335
Encumbered/Committed to Date	(300,000)	(155,519)	(455,519)
Guillen Partners Ltd	(100,000)	(30,000)	(130,000)
Remaining Funds Available	\$ 125,000	\$ 73,816	\$ 198,816

ATTACHMENTS:

[Cost Estimates](#)
[Architectural Renderings](#)
[Resolution](#)



October 16, 2018

Patrick Guillen
108 North Main
Temple, Texas 76501

PROPOSED COST WITHIN SCOPE OF RENOVATIONS

\$75,000.00 – Elevator
\$55,000.00 – Facade
\$80,000.00 – Sprinkler System with Alarm
\$220,000.00 – Apartment buildout

Respectfully,

Tommy Gage

Guillen Partners Ltd.
SIZ additional expenses
2019

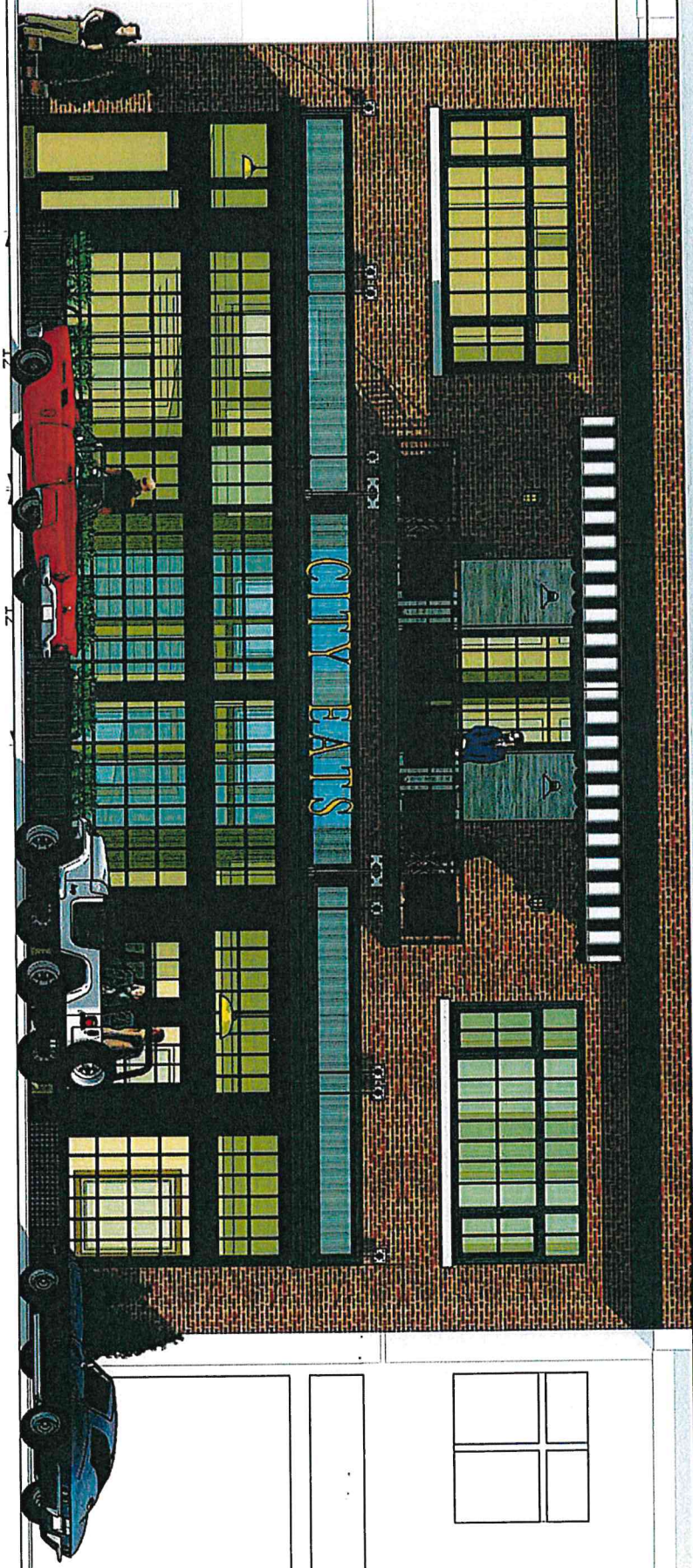
Demolition expenses = \$50,000.00

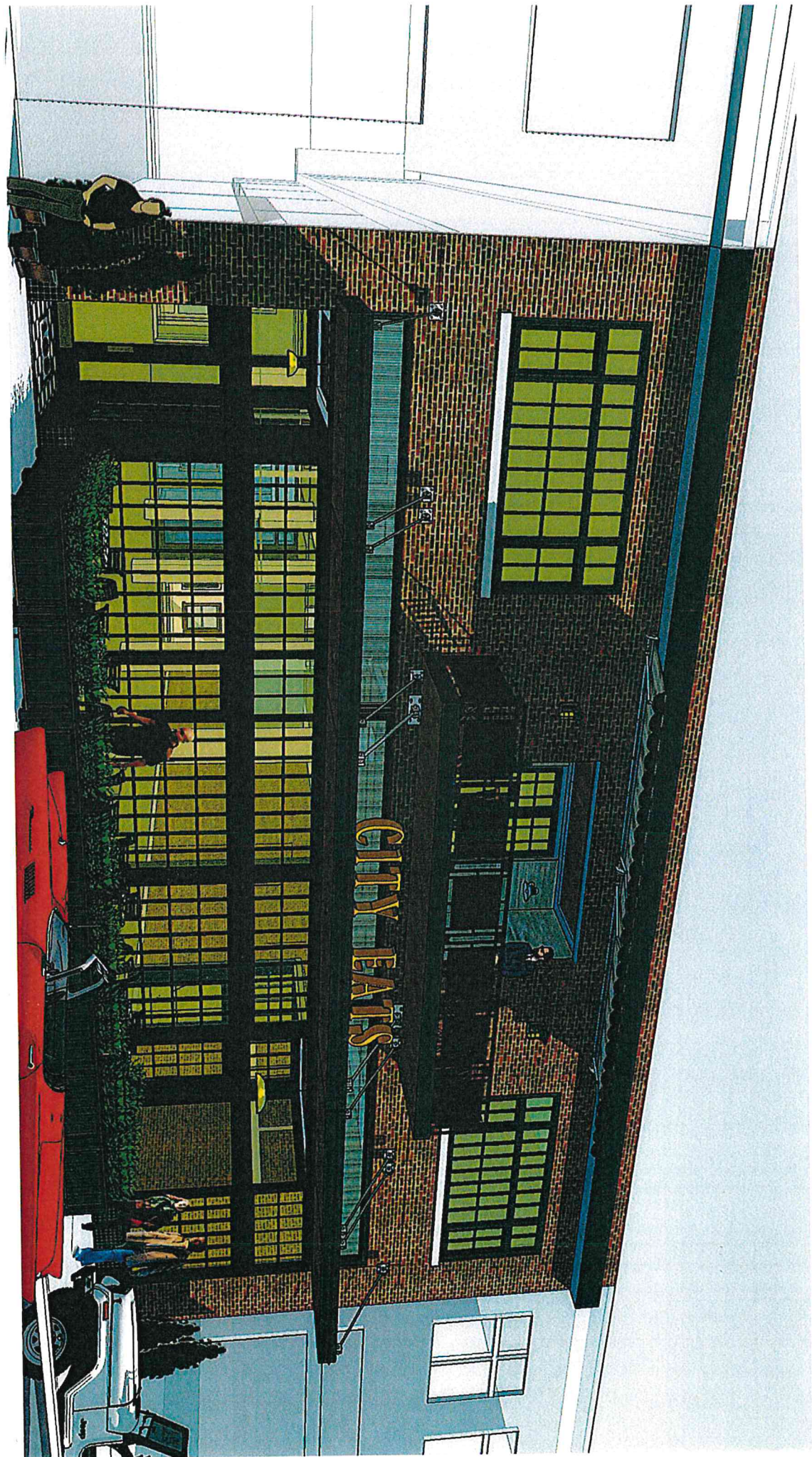
Landscape and sidewalk remodel = \$12,000.00

Architect and design fees = \$11,500.00

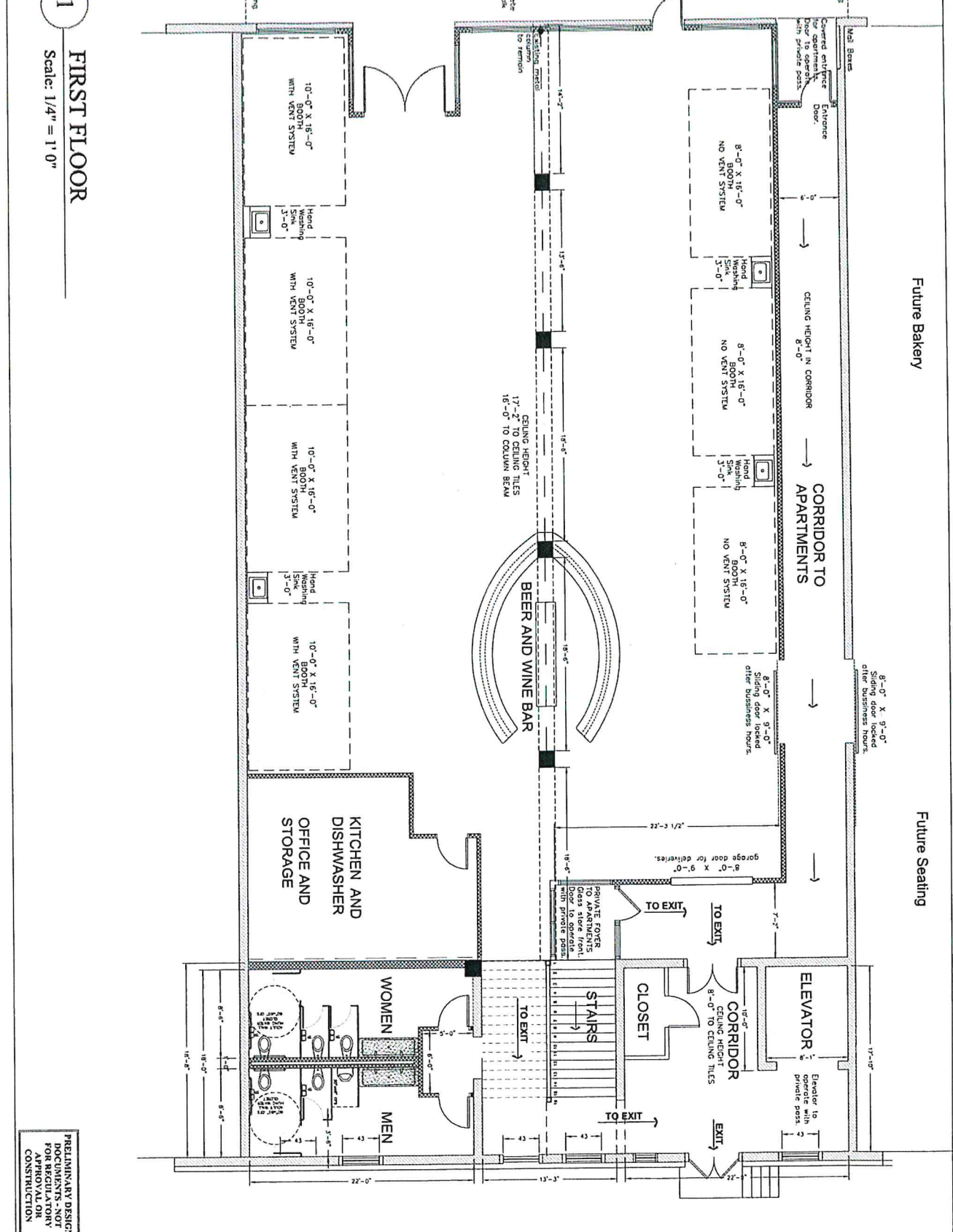
Signs = \$4,000.00

Additional total = \$77,500.00







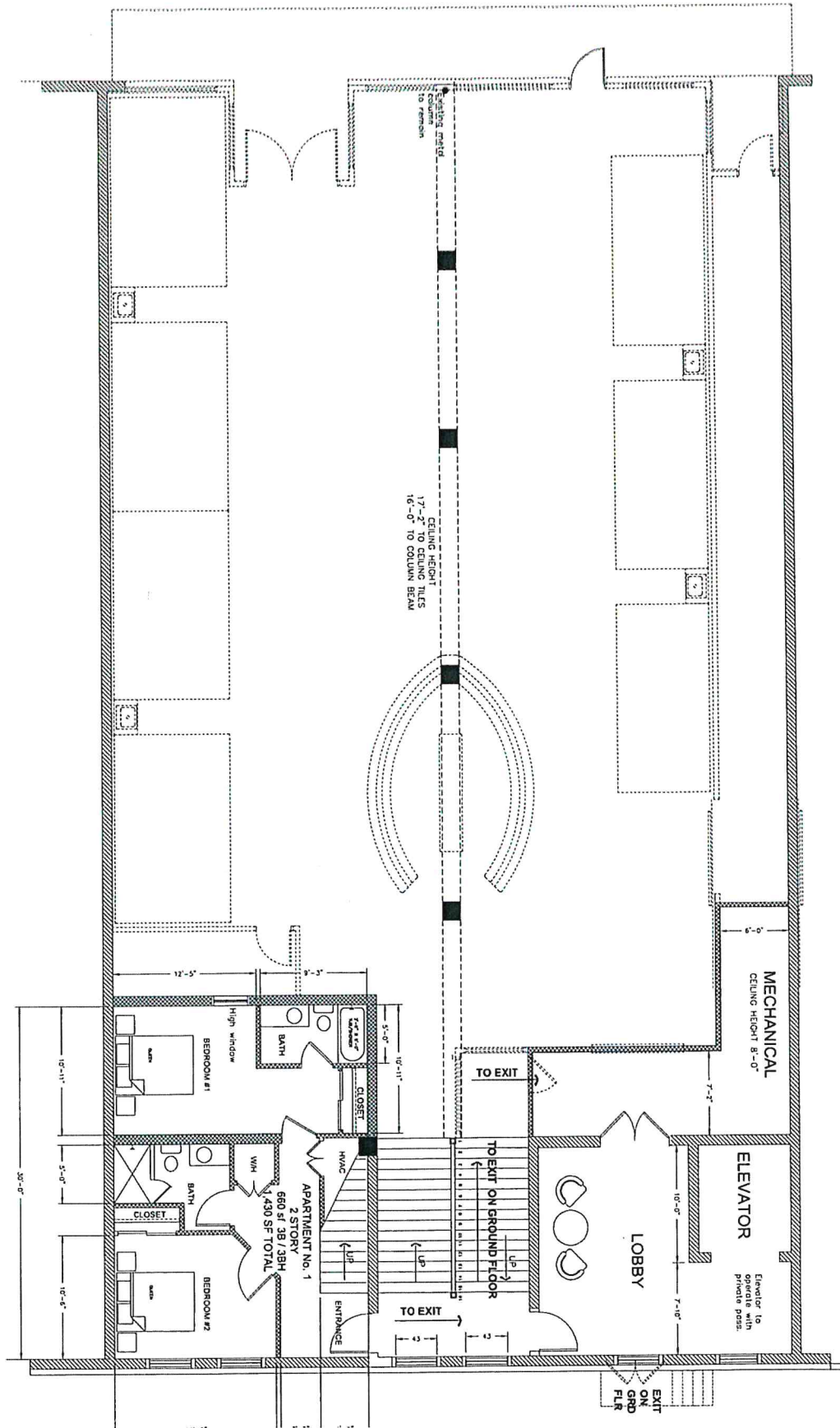


1
FIRST FLOOR
Scale: 1/4" = 1' 0"

PRELIMINARY DESIGN
NOT FOR CONSTRUCTION
FOR REGULATORY
APPROVAL OR
CONSTRUCTION

<p>LDG LIVING DESIGN GROUP 2023 Avenue P Dallas, Texas 75201 Phone: (214) 760-7711 www.livingdesigngroup.com</p>	<p>FULL NAME: DRAWN BY: DATE: REVISIONS:</p>	<p>108 NORTH MAIN STREET TEMPLE, TX</p>
	<p>SHEET NO. A1.1</p>	<p>DATE: JANUARY 20, 2018</p>

1 SECOND FLOOR
Scale: 1/4" = 1' 0"



PRELIMINARY DESIGN
DOCUMENTS - NOT
FOR REGULATORY
SUBMISSION
CONSTRUCTION

A1.2

SHEET NO.

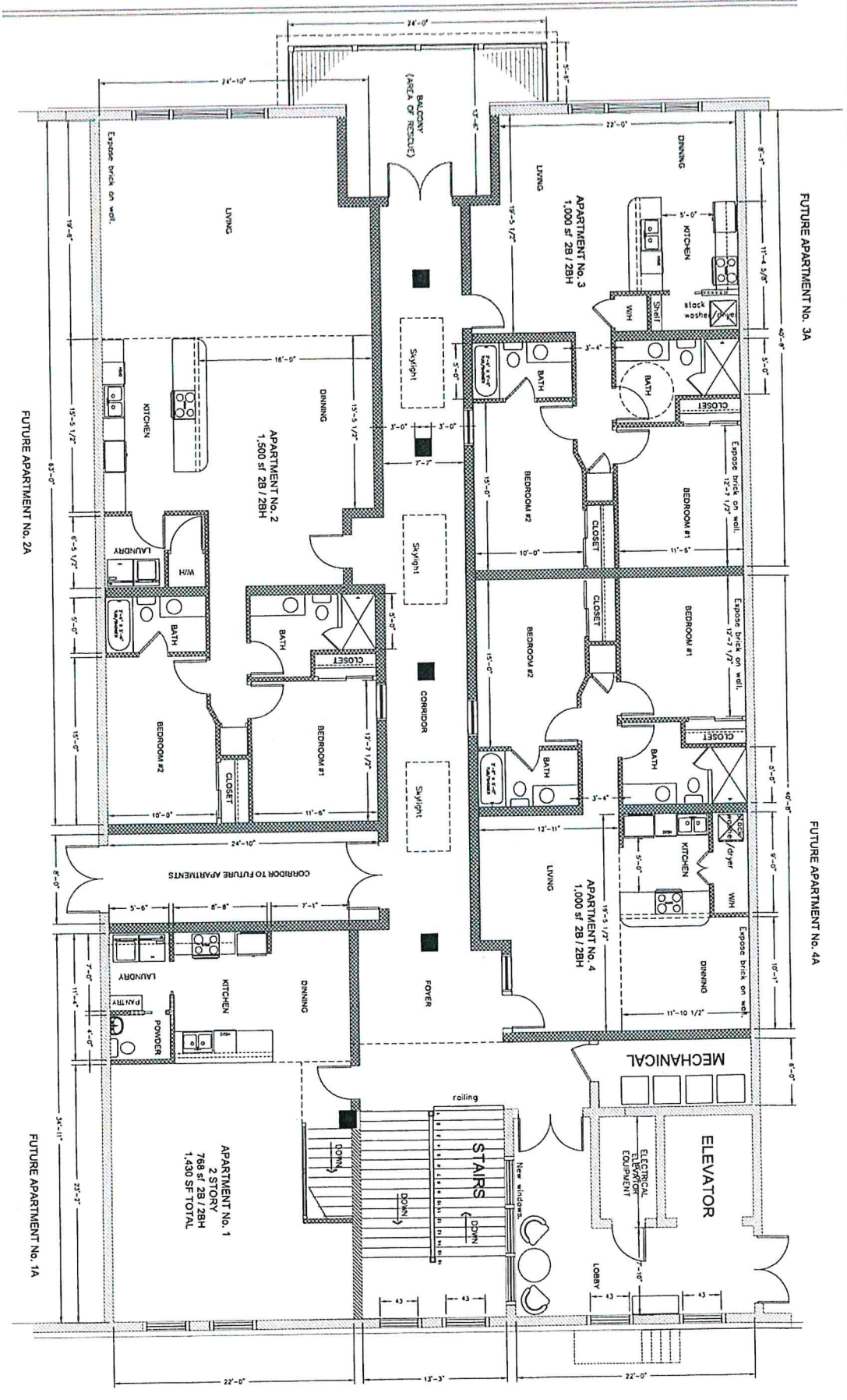
DATE: JANUARY 30, 2019
REVISIONS: 11/17/2017

DRAWN BY: GFL, SNC
FILE NAME:

LDG
LANS DESIGN GROUP
Architectural & Interior Design
10000 17th Street, Suite 100
Dallas, TX 75244
Tel: 214.750.1700
Fax: 214.750.1701
www.lansdesigngroup.com

108 NORTH MAIN STREET
TEMPLE, TX

1
THIRD FLOOR
Scale: 1/4" = 1' 0"



PRELIMINARY DESIGN
NOT FOR CONSTRUCTION
FOR REGULATORY
APPROVAL OR
CONSTRUCTION

<p>LDG LEWIS DESIGN GROUP 2018 Avenue P Cedarburg, Texas 77630 Phone: (281) 363-1111 www.lewisdesigngroup.com</p>	<p>FILE NAME: 108 NORTH MAIN STREET</p>	<p>DATE: JANUARY 30, 2019</p>	<p>REVISIONS: 1/1/13-2017</p>	<p>SHEET NO. A1.3</p>	<p>108 NORTH MAIN STREET TEMPLE, TX</p>
	<p>DATE: JANUARY 30, 2019</p>	<p>REVISIONS: 1/1/13-2017</p>	<p>SHEET NO. A1.3</p>		
	<p>DATE: JANUARY 30, 2019</p>	<p>REVISIONS: 1/1/13-2017</p>	<p>SHEET NO. A1.3</p>		
	<p>DATE: JANUARY 30, 2019</p>	<p>REVISIONS: 1/1/13-2017</p>	<p>SHEET NO. A1.3</p>		

RESOLUTION NO. 2019-9572-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A CHAPTER 380 DEVELOPMENT AGREEMENT WITH GUILLEN PARTNERS LTD. IN AN AMOUNT NOT TO EXCEED \$100,000 FOR TIER III CATEGORY IMPROVEMENTS WITH UP TO AN ADDITIONAL \$30,000 FOR THE DOWNTOWN RESIDENTIAL COMPONENT GRANT FUNDING OF \$10,000 PER UNIT FOR UP TO 3 UNITS FOR 108 NORTH MAIN STREET WITHIN THE DOWNTOWN STRATEGIC INVESTMENT ZONE CORRIDOR; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, Guillen Partners Ltd. has approached the City to request a Chapter 380 Development Agreement through which the City would provide a Strategic Investment Zone (“SIZ”) 1:1 matching grant for a maximum amount of \$130,000 of an estimated total project cost of \$700,000 for a proposed food hall on the ground floor with four apartments above;

Whereas, this Tier III (single façade) project scope consists of interior renovation, including fire suppression, façade improvements and an elevator installation - fee reimbursements up to \$2,000 are also requested;

Whereas, in order to receive grant funding, the applicant must enter into a development agreement with the City prior to commencing work and receiving any grant funds, which will ensure that the applicant:

- Completes the work and total capital investment described in the agreement in a timely fashion;
- Gives the City the right to inspect the work and financial records associated with the project;
- Performs all of the work described in the agreement in accordance with all applicable City codes and regulations;
- Maintains those improvements in the future;

Whereas, Staff recommends Council authorize a Chapter 380 Development Agreement with Guillen Partners Ltd. in an amount not to exceed \$100,000 with up to an additional \$30,000 for the Downtown Residential Component for 108 North Main Street within the Downtown Strategic Investment Zone corridor;

Whereas, payment of the grant matching funds will not be made until work and inspections are complete, and receipts are received by the City - funding for this Strategic Investment Zone grant is available in Account No. 795-9500-531-2695, and Account No. 110-1500-515-2695;

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 her designee, after approval as to form by the City Attorney, to execute a Chapter 380 Development Agreement with Guillen Partners Ltd. in an amount not to exceed \$100,000 with up to an additional \$30,000 for the Downtown Residential Component grant funding for 108 North Main Street within the Downtown Strategic Investment Zone corridor.

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 **21st** day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Kayla Landeros
City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #9
Regular Agenda
Page 1 of 2

DEPT. /DIVISION SUBMISSION & REVIEW:

Charla Thomas, Assistant City Attorney
Christina Demirs, Deputy City Attorney
Lynn Barrett, Assistant Planning Director

ITEM DESCRIPTION: Consider adopting a resolution granting a petition to institute voluntary annexation proceedings of 185.277 acres of land, which includes a 160.047 acre tract and a 12.541 acre tract out of the Maximo Moreno Survey, Abstract No. 14, and 12.689 acres of right-of-way of Hartrick Bluff Road, directing Staff to develop a municipal services plan, and calling public hearings to consider the petition.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: On February 7, 2019, Turley Associates, Inc., on behalf of the property owner, Short Term Lending GP, Inc., filed a petition seeking voluntary annexation of two tracts of land out of the Maximo Moreno Survey, Abstract No. 14, consisting of 160.047 acres and 12.541 acres (the "Tracts," and being more particularly described in the attached surveys. Part of the annexation would include 12.689 acres of Hartrick Bluff Road.

Voluntary annexation is governed by Chapter 43 of the Local Government Code. Under Section 43.028(a) a property owner may petition the City for voluntary annexation if the property to be annexed is: (1) one-half mile or less in width; (2) contiguous to the annexing city; and (3) is vacant and without residents or on which fewer than three qualified voters reside. Subsection (g) of Section 43.028 states that property may be annexed even if the contiguity requirement is not met, as long as a public right-of-way of a road or highway designated by the municipality exists that (1) is located entirely in the extraterritorial jurisdiction of the municipality; and (2) when added to the area would cause the area to be contiguous to the municipality.

The Tracts proposed for annexation are not contiguous to the city limits. However, with the addition of 12.689 acres of right-of-way known as Hartrick Bluff Road, being more particularly described in the attached survey, the petition satisfies the requirements of Section 43.028(g). The petition and the Tracts therefore meet the statutory requirements for voluntary annexation.

Pursuant to Chapter 43 of the Local Government Code, the City must adopt a municipal services plan for the annexed area and conduct two public hearings. The proposed resolution would direct Staff to develop the municipal services plan and set the dates for the public hearings.

The proposed dates for the public hearings are April 4, 2019 (regular meeting) and April 5, 2019, (special meeting). Planning staff will present a municipal services plan at the hearing on April 4, 2019, as required by state law, showing how the City will serve the area proposed to be annexed. The proposed schedule anticipates completion of annexation proceedings through a Second Reading at City Council on May 16, 2019.

FISCAL IMPACT: If the property is annexed, the City's ad valorem tax base will increase and result in future property tax revenue for the City. There has been a request for a developer participation agreement for sewer extension to this property.

ATTACHMENTS:

[Petition for Voluntary Annexation](#)
[Survey and Drawing of 160.047 acre tract](#)
[Survey and Drawing of 12.541 acre tract](#)
[Survey and Drawing of 12.689 acres of Hartrick Bluff Road](#)
[Resolution](#)

VOLUNTARY PETITION FOR ANNEXATION

DATE: February 7, 2019

To the City Council of the City of Temple:

Short Term Lending G.P., Inc., a Texas corporation, is the sole owner of the tracts of land containing approximately 160.047 acres and 12.541 acres ("the Tracts"). The Tracts are more particularly described by metes and bounds in Exhibit A to this petition.

The Tracts are one-half mile or less in width and have less than three qualified voters as residents. Although the Tracts are not contiguous to the City of Temple, the addition of a 12.689-acre portion of public right-of-way of Hartrick Bluff Road, being more particularly described by metes and bounds in Exhibit B, which is located entirely in the extraterritorial jurisdiction of the City of Temple, causes the Tracts to be contiguous with the City limits of Temple, Texas. Such addition and annexation of public-right-of way to establish contiguity is authorized in Section 43.028(g) of the Texas Local Government Code.

The owner is petitioning the City Council to take the appropriate actions to annex the 12.689-acre public right-of-way along with the Tracts pursuant to Section 43.028 of the Texas Local Government Code.

Short Term Lending GP, Inc.
a Texas corporation

By: C. Rene Murray
C. Rene Murray, Vice President

STATE OF TEXAS §

COUNTY OF BELL §

BEFORE ME, the undersigned authority, on this day personally appeared C. Rene Murray, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same as the act of Short Term Lending GP., Inc., a Texas corporation, as Vice President, for the purposes and consideration therein expressed.

Given under my hand and seal of office this 7th day of February, 2019.

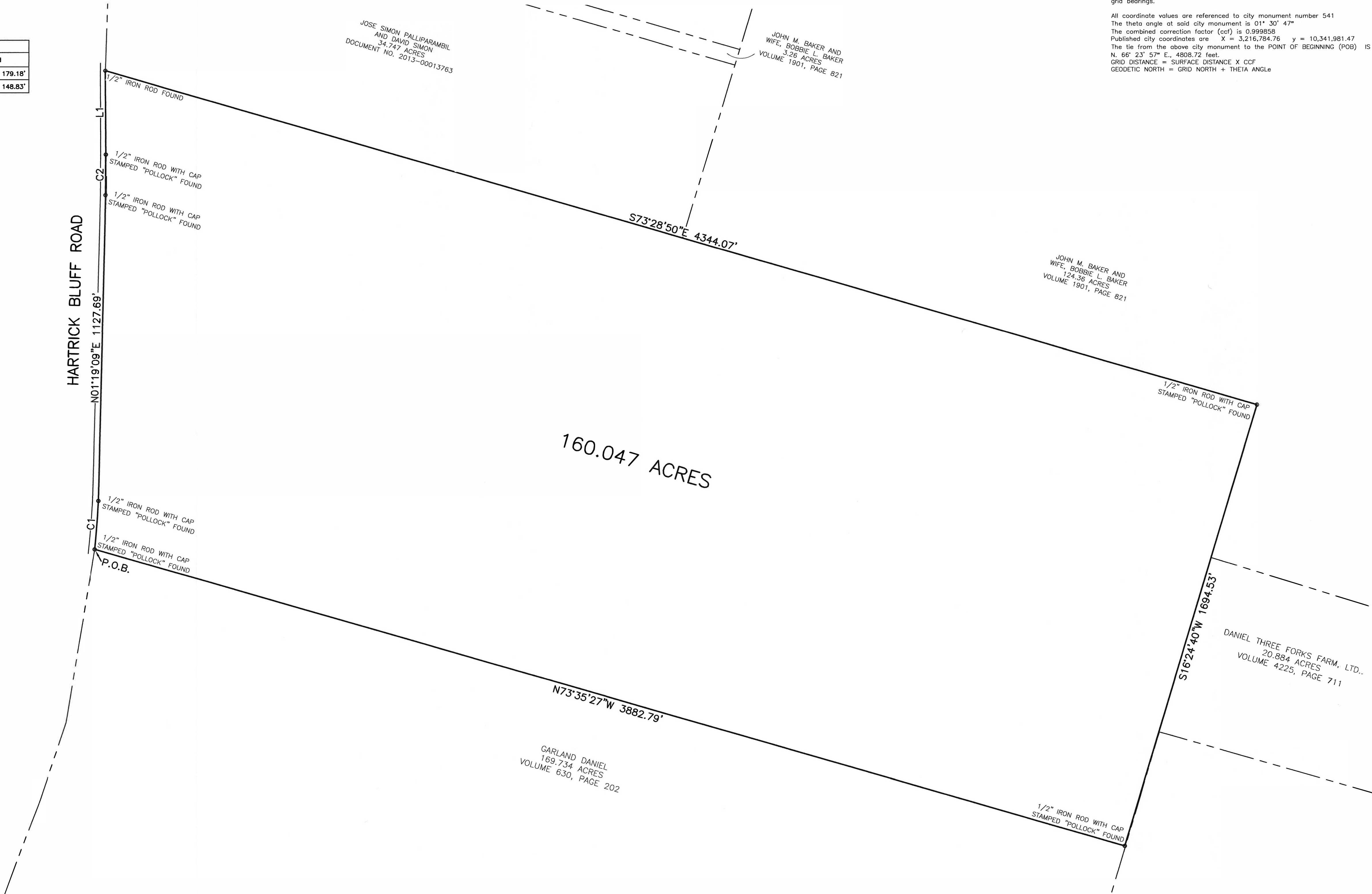
Johnye J. Harriman
Notary Public, State of Texas



EXHIBIT A

Curve Table			
Curve #	Length	Radius	Chord
C1	179.20'	3378.16'	N04°12'08"E 179.18'
C2	148.83'	8533.06'	N00°20'47"E 148.83'

Line Table		
Line #	Direction	Length
L1	N00°15'08"W	308.89'



This project is referenced in nad 1983, central texas state plane. All distances are horizontal surface distances unless noted and all bearings are grid bearings.

All coordinate values are referenced to city monument number 541. The theta angle at said city monument is 01° 30' 47\"/>

BEING a 160.047 acre tract of land more particularly described by separate field notes.

THIS SURVEY WAS COMPLETED WITHOUT THE BENEFIT OF A TITLE INSURANCE POLICY AND NO FURTHER EASEMENT RESEARCH WAS PERFORMED BY THIS COMPANY.

BEING a 160.047 acre tract situated in the MAXIMO MORENO SURVEY, ABSTRACT No. 14, Bell County, Texas and being all of the that certain called 160.050 acre tract of land described in a Warranty Deed dated March 15, 2018 from Mary Lavelle Hartrick Amato to Short-Term Lending Gp, Inc and being of record in Document No. 2018-00010557, Official Public Records of Bell County, Texas.



STATE OF TEXAS: 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.

IN WITNESS THEREOF, my hand and seal, this the 30th day of January 2019.

Michael E. Alvis, R.P.L.S., No. 5402



TURLEY ASSOCIATES, INC.
ENGINEERING • PLANNING • SURVEYING
301 N. 3rd St.
TEMPLE, TEXAS 76501
254.773.2400
www.turley-inc.com

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THIS DRAWING IS THE PROPERTY OF TURLEY ASSOCIATES INC. AND MUST BE SURRENDERED UPON REQUEST. THE INFORMATION THEREON MAY NOT BE REPRODUCED WITHOUT THE WRITTEN PERMISSION OF TURLEY ASSOCIATES INC.

SURVEY OF:
160.047 ACRES
MAXIMO MORENO SURVEY
ABSTRACT No. 14
BELL COUNTY, TEXAS

PREPARED FOR:
KIELLA DEVELOPERS

REVISIONS		
DATE	DESCRIPTION	DFTR

DRAFTSMAN:
MGM
DATE:
1/30/2019
COMPUTER FILE NAME:
18-666 Boundary.dwg
REFERENCE DRAWING NUMBERS:
-

BEING a 160.047 acre tract situated in the MAXIMO MORENO SURVEY, ABSTRACT No. 14, Bell County, Texas and being all of the that certain called 160.050 acre tract of land described in a Warranty Deed dated March 15, 2018 from Mary Lavelle Hartrick Amato to Short-Term Lending Gp, Inc and being of record in Document No. 2018-00010557, Official Public Records of Bell County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod with cap stamped "POLLOK" found being the southwest corner of the said 160.050 acre tract and being the northwest corner of that certain 169.734 acre tract of land standing in the name of Garland Daniel and being of record in Volume 630, Page 202, Deed Records of Bell County, Texas and being in the east right-of-way line of Hartrick Bluff Road and being at the beginning of a curve to the left having a radius equals 3378.16 feet, chord bearing equals N. 04° 12' 08" E., 179.18 feet for corner;

THENCE departing the said 169.734 acre tract and with the west boundary line of the said 160.050 acre tract and with the said east right-of-way line the following four (4) calls:

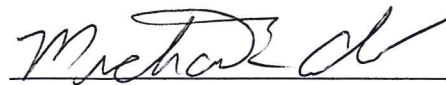
- 1) 179.20 feet along the arc of said curve to the left to a 1/2" iron rod with cap stamped "POLLOK" found for corner;
- 2) N. 01° 19' 09" E., 1127.69 feet to a 1/2" iron rod with cap stamped "POLLOK" found being at the beginning of a curve to the left having a radius equals 8533.06 feet, chord bearing equals N. 00° 20' 47" E., 148.83 feet for corner;
- 3) 148.83 feet along the arc of said curve to the left to a 1/2" iron rod with cap stamped "POLLOK" found for corner;
- 4) N. 00° 15' 08" W., 308.89 feet to a 1/2" iron rod found being the northwest corner of the said 160.050 acre tract and being the southwest corner of that certain 34.747 acre tract of land described in a Warranty Deed dated April 3, 2013 from H. Wayne Chupik and Barbara Chupik to FR Jose Simon Palliparabil and David Simon and being of record in Document No. 2013-00013763, Official Public Records of Bell County, Texas for corner;

THENCE S. 73° 28' 50" E., 4344.07 feet departing the said east right-of-way line and with the north boundary line of the said 160.050 acre tract and with the south boundary line of the said 34.747 acre tract and continuing with the south boundary line of that certain 124.36 acre tract of land standing in the name of John M. Baker and wife, Bobbie L. Baker and being of record in Volume 1901, Page 821, Deed Records of Bell County, Texas to a 1/2" iron rod with cap stamped "POLLOK" found being the northeast corner of the said 160.050 acre tract and being an ell corner of the said 124.36 acre tract for corner;

THENCE S. 16° 24' 40" W., 1694.53 feet with the east boundary line of the said 160.505 acre tract and with the west boundary line of the said 124.36 acre tract and continuing with the west boundary line of that certain called 20.884 acre tract of land described in a Warranty Deed dated July 7, 2000 from E. J. Daniel and wife, Martha K. Daniel to Daniel Three Forks Farm and being of record in Volume 4225, Page 711, Official Public Records of Bell County, Texas and continuing with the west boundary line of that certain 98.242 acre tract of land described in a Warranty Deed dated December 16, 1994 to Garland Daniel and being of record in Volume 3251, Page 401, Official Public Records of Bell County, Texas to a 1/2" iron rod with cap stamped "POLLOK" found being the southeast corner of the said 160.050 acre tract and being the northeast corner of the aforementioned 169.734 acre tract for corner;

THENCE N. 73° 35' 27" W., 3882.79 feet departing the said 98.242 acre tract and with the south boundary line of the said 160.050 acre tract and with the north boundary line of the said 169.734 acre tract to the Point of BEGINNING and containing 160.047 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
January 23, 2019



THIS PROJECT IS REFERENCED IN NAD 1983, CENTRAL TEXAS STATE PLANE. ALL DISTANCES ARE HORIZONTAL SURFACE DISTANCES UNLESS NOTED AND ALL BEARINGS ARE GRID BEARINGS.

ALL COORDINATE VALUES ARE REFERENCED TO CITY MONUMENT NUMBER 541
THE THETA ANGLE AT SAID CITY MONUMENT IS 01° 30' 47"
THE COMBINED CORRECTION FACTOR (CCF) IS 0.999858
PUBLISHED CITY COORDINATES ARE X = 3,216,784.76 Y = 10,341,981.47
THE TIE FROM THE ABOVE CITY MONUMENT TO THE POINT OF BEGINNING (POB) IS
N. 66° 23' 57" E., 4808.72 FEET.
GRID DISTANCE = SURFACE DISTANCE X CCF
GEODETIC NORTH = GRID NORTH + THETA ANGLE

BEING a 12.541 acre tract situated in the MAXIMO MORENO SURVEY, ABSTRACT No. 14, Bell County, Texas and being all of the that certain called 12.54 acre tract of land described in a Warranty Deed dated March 15, 2018 from Mary Lavelle Hartrick Amato to Short-Term Lending Gp, Inc and being of record in Document No. 2018-00010557, Official Public Records of Bell County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod found being the southeast corner of the said 12.54 acre tract and being the northeast corner of that certain 6.47 acre tract of land described in a Special warranty Deed dated March 1, 2018 from Ed L. Laughlin and Sharon L. Laughlin to Laughlin Real Estate Management, LLC Series Residential, a Texas series limited liability company and being of record in Document No. 2018-00008552, Official Public Records of Bell County, Texas and being in the west right-of-way line of Hartrick Bluff Road for corner;

THENCE N. 73° 37' 34" W., 279.54 feet departing the said west right-of-way line and with the south boundary line of the said 12.54 acre tract (calls N. 73° 35' 35" W., 279.73 feet) and with the north boundary line of the said 6.47 acre tract to a point being on the east bank of the Leon River being the southwest corner of the said 12.54 acre tract and being the northwest corner of the said 6.47 acre tract for corner;

THENCE departing the said 6.47 acre tract and with the west boundary line of the said 12.54 acre tract and with the said east bank of the Leon River with all of its meanders the following eleven (11) calls:

- 1) N. 01° 17' 11" W., 61.64 feet to a point for corner;
- 2) N. 04° 43' 46" E., 285.92 feet to a point for corner;
- 3) N. 03° 15' 43" E., 122.24 feet to a point for corner;
- 4) N. 00° 04' 36" E., 180.84 feet to a point for corner;
- 5) N. 00° 26' 57" W., 184.39 feet to a point for corner;
- 6) N. 02° 02' 26" W., 98.60 feet to a point for corner;
- 7) N. 10° 08' 42" W., 143.88 feet to a point for corner;
- 8) N. 03° 49' 45" W., 112.17 feet to a point for corner;
- 9) N. 12° 15' 31" W., 145.51 feet to a point for corner;
- 10) N. 06° 16' 49" W., 203.17 feet to a point for corner;
- 11) N. 01° 24' 14" W., 266.10 feet to a point being the northwest corner of the said 12.54 acre tract for corner;

THENCE S. 73° 29' 00" E., 394.95 feet departing the said east bank and with the north boundary line of the said 12.54 acre tract (calls S. 73° 28' 46" E., 394.96 feet) and part way with the south boundary line of that certain 6.149 acre tract of land described in a Warranty Deed with Vendor's Lien dated June 5, 2000 from Daniel Joseph Ladd and wife, Cecilia Ann Ladd to Barry T. Dixon and

wife, Suzanne R. Dixon and being of record in Volume 4210, Page 1, Official Public Records of Bell County, Texas to a 5/8" iron rod found being the northeast corner of the said 12.54 acre tract and being the southeast corner of the said 6.149 acre tract and being in the aforementioned west right-of-way line of Hartrick Bluff Road for corner;

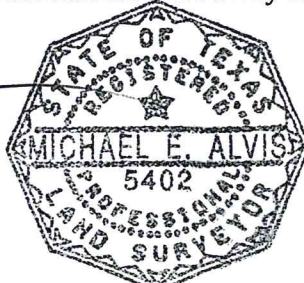
THENCE departing the said 6.149 acre tract and with the east boundary line of the said 12.54 acre tract and with the said west right-of-way line the following two (2) calls:

- 1) S. 00° 27' 25" W., 1601.49 feet (calls S. 00° 27' 39" W., 1601.68 feet) to a 1/2" iron rod with cap stamped "POLLOK" found for corner;
- 2) S. 10° 25' 14" W., 163.87 feet (calls S. 10° 21' 51" W., 164.04 feet) to the Point of BEGINNING and containing 12.541 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
January 23, 2019



THIS PROJECT IS REFERENCED IN NAD 1983, CENTRAL TEXAS STATE PLANE. ALL DISTANCES ARE HORIZONTAL SURFACE DISTANCES UNLESS NOTED AND ALL BEARINGS ARE GRID BEARINGS.

ALL COORDINATE VALUES ARE REFERENCED TO CITY MONUMENT NUMBER 541
THE THETA ANGLE AT SAID CITY MONUMENT IS 01° 30' 47"
THE COMBINED CORRECTION FACTOR (CCF) IS 0.999858
PUBLISHED CITY COORDINATES ARE X = 3,216,784.76 Y = 10,341,981.47
THE TIE FROM THE ABOVE CITY MONUMENT TO THE POINT OF BEGINNING (POB) IS
N. 65° 49' 38" E., 4752.70 FEET.
GRID DISTANCE = SURFACE DISTANCE X CCF
GEODETIC NORTH = GRID NORTH + THETA ANGLE

This project is referenced in nad 1983, central texas stae plane. All distances are horizontal surface distances unless noted and all bearings are grid bearings.

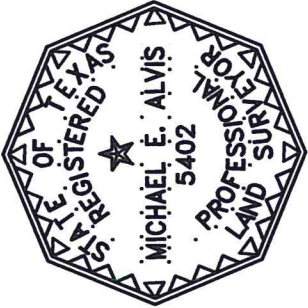
All coordinate values are referenced to city monument number 541
The theta angle at said city monument is 01° 30' 47"
The combined correction factor (ccf) is 0.999858
Published city coordinates are X = 3,216,784.76 Y = 10,341,981.47
The tie from the above city monument to the POINT OF BEGINNING (POB) IS
N. 65° 49' 38" E., 4752.70 feet.
GRID DISTANCE = SURFACE DISTANCE X CCF
GEODETIC NORTH = GRID NORTH + THETA ANGLE

Line Table		
Line #	Direction	Length
L1	N73°37'34"W	279.54'
CALLS	N73°35'35"W	279.73'
L2	N01°17'11"W	61.64'
L3	N04°43'46"E	285.92'
L4	N03°15'43"E	122.24'
L5	N00°04'36"E	180.84'
L6	N00°26'57"W	184.39'
L7	N02°02'26"W	98.60'
L8	N10°08'42"W	143.88'
L9	N03°49'45"W	112.17'
L10	N12°15'31"W	145.51'
L11	N06°16'49"W	203.17'
L12	N01°24'14"W	266.10'
L13	S10°25'14"W	163.87'
CALLS	S10°21'51"W	164.04'

BEING a 12.541 acre tract of land more particularly described by separate field notes.

THIS SURVEY WAS COMPLETED WITHOUT THE BENEFIT OF A TITLE INSURANCE POLICY AND NO FURTHER EASEMENT RESEARCH WAS PERFORMED BY THIS COMPANY.

BEING a 12.541 acre tract situated in the MAXIMO MORENO SURVEY, ABSTRACT No. 14, Bell County, Texas and being all of the that certain called 12.54 acre tract of land described in a Warranty Deed dated March 15, 2018 from Mary Lavelle Hartrick Amato to Short-Term Lending Gp, Inc and being of record in Document No. 2018-00010557, Official Public Records of Bell County, Texas.



STATE OF TEXAS & KNOW ALL MEN BY THESE PRESENTS, that I Michael E. Alvis, a Registered Professional Land Surveyor in the State of Texas, COUNTY OF BELL & do hereby certify that this survey was this day made on the ground of the property described herein and is correct.

IN WITNESS THEREOF, my hand and seal, this the 30th day of January 2019.

Michael E. Alvis

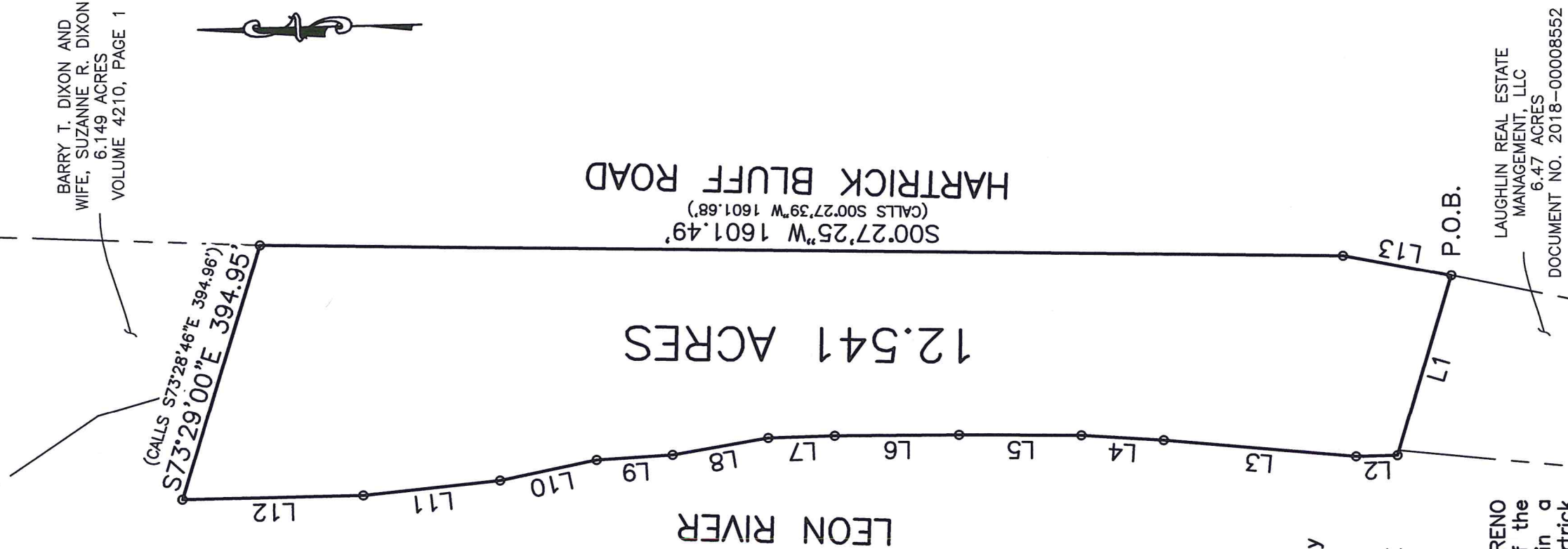
Michael E. Alvis, R.P.L.S., No. 5402

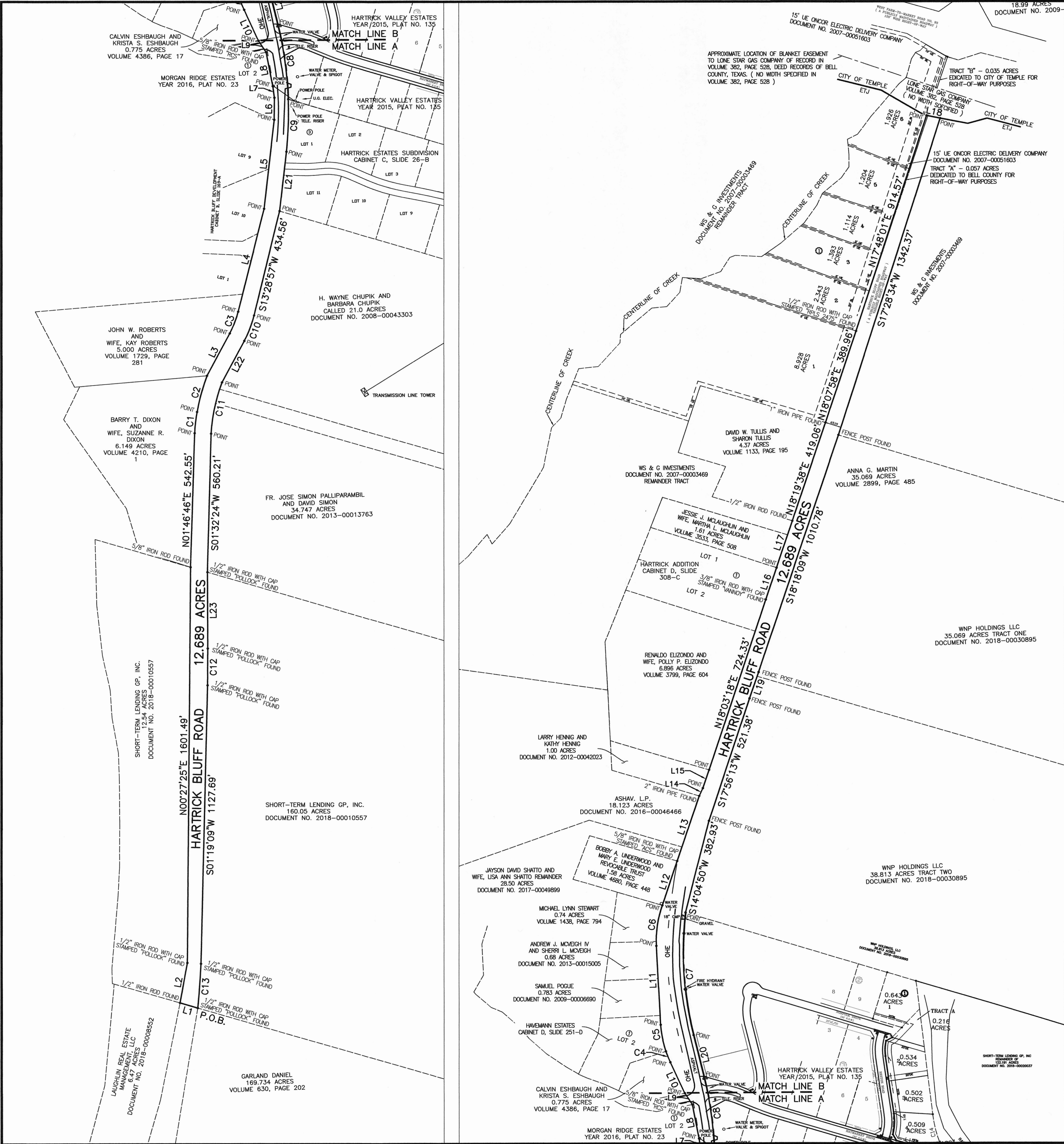


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254.773.2400
www.turley-inc.com
TBPB No. F-1658 • TBPBLS No. 10056000

12.541 ACRES
MAXIMO MORENO SURVEY
ABSTRACT No. 14
BELL COUNTY, TEXAS

DATE:	1/30/2019	SCALE:	1:200	DWN. BY:	MGM
REFERENCE:	-	F.B. & L.B.:		SKETCH	
FILE NO:	18-666	SHEET:		3	





This project is referenced in nad 1983, central texas state plane. All distances are horizontal surface distances unless noted and all bearings are grid bearings.

All coordinate values are referenced to city monument number 541
The theta angle at said city monument is 01° 30' 47"
The combined correction factor (ccf) is 0.999858
Published city coordinates are $X = 3,216,784.76$ $y = 10,341,981.47$
The tie from the above city monument to the POINT OF BEGINNING (POB) IS
N. 66° 23' 57" E., 4808.72 feet.
GRID DISTANCE = SURFACE DISTANCE X CCF
GEODETIC NORTH = GRID NORTH + THETA ANGLE

Line Table		
Line #	Direction	Length
L1	N73°27'59"W	73.58'
L2	N10°25'14"E	163.87'
L3	N27°49'20"E	194.10'
L4	N13°54'54"E	428.87'
L5	N06°21'39"E	362.15'
L6	N00°26'15"E	89.11'
L7	N07°35'11"W	47.09'
L8	N10°52'08"W	140.07'
L9	N33°15'09"W	54.95'
L10	N24°24'49"W	137.80'
L11	N02°56'24"W	281.95'
L12	N18°10'57"E	189.01'
L13	N18°18'58"E	277.54'
L14	N24°46'46"E	34.39'
L15	N18°41'17"E	78.26'
L16	N18°16'44"E	136.23'
L17	N18°17'18"E	199.69'
L18	S78°26'17"E	55.01'
L19	S18°47'20"W	112.15'
L20	S13°52'17"E	173.78'
L21	S06°23'05"W	241.61'
L22	S27°49'20"W	189.83'
L23	S00°15'08"E	308.89'

Curve Table			
Curve #	Length	Radius	Chord
C1	85.85'	542.28'	N06°18'53"E 85.76'
C2	152.25'	793.94'	N14°58'23"E 152.02'
C3	93.60'	374.23'	N20°39'24"E 93.36'
C4	47.46'	445.05'	N22°06'14"W 47.44'
C5	147.62'	504.49'	N08°57'22"W 147.09'
C6	166.90'	428.00'	N08°08'55"E 165.85'
C7	499.37'	1402.39'	S03°40'13"E 496.74'
C8	305.20'	1462.39'	S07°41'26"E 304.65'
C9	213.17'	1396.80'	S01°56'19"W 212.96'
C10	109.61'	439.23'	S20°40'23"W 109.33'
C11	212.77'	726.21'	S11°45'45"W 212.01'
C12	148.83'	8533.06'	S00°20'47"W 148.83'
C13	179.20'	3378.16'	S04°12'08"W 179.18'

EXHIBIT B

BEING a 12.689 acre tract situated in the MAXIMO MORENO SURVEY, ABSTRACT No. 14, Bell County, Texas and being a portion of the existing right-of-way of Hartrick Bluff Road (a publicly maintained roadway) as occupied and evidenced on the ground.

THIS SURVEY WAS COMPLETED WITHOUT THE BENEFIT OF A TITLE INSURANCE POLICY AND NO FURTHER EASEMENT RESEARCH WAS PERFORMED BY THIS COMPANY.

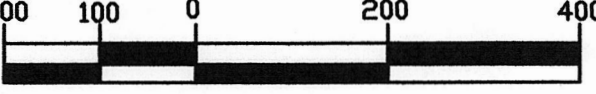
BEING a 118.560 acre tract situated in the MAXIMO MORENO SURVEY, ABSTRACT No. 14, Bell County, Texas and being a part or portion of the remainder of that certain 122.191 acre tract of land described in a Correction Affidavit dated April 23, 2018 from JDJS Investments, Inc. to Short-Term Lending Gp, Inc and being of record in Document No. 2018-00020037, Official Public Records of Bell County, Texas.



STATE OF TEXAS : 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.

IN WITNESS THEREOF, my hand and seal, this the 30th day of January 2019.

Michael E. Alvis
Michael E. Alvis, R.P.L.S., No. 5402





TURLEY ASSOCIATES, INC.
ENGINEERING • PLANNING • SURVEYING
301 N. 3rd St.
TEMPLE, TEXAS 76501
254.773.2400
www.turley-inc.com

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SURVEY OF:
12.689 ACRES
MAXIMO MORENO SURVEY
ABSTRACT No. 14
BELL COUNTY, TEXAS

PREPARED FOR:
KIELLA DEVELOPERS

REVISIONS		
DATE	DESCRIPTION	DFTR

DRAFTSMAN:
MGM
DATE:
1/30/2018
COMPUTER FILE NAME:
18-666, Hartrick Bluff ROW.dwg
REFERENCE DRAWING NUMBERS:
-

BEING a 12.689 acre tract situated in the MAXIMO MORENO SURVEY, ABSTRACT No. 14, Bell County, Texas and being a portion of the existing right-of-way of Hartrick Bluff Road (a publicly maintained roadway) as occupied and evidenced on the ground and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod with cap stamped "POLLOK" found being the southwest corner of that certain called 160.050 acre tract of land described in a Warranty Deed dated March 15, 2018 from Mary Lavelle Hartrick Amato to Short-Term Lending Gp, Inc and being of record in Document No. 2018-00010557, Official Public Records of Bell County, Texas and being the northwest corner of that certain 169.734 acre tract of land standing in the name of Garland Daniel and being of record in Volume 630, Page 202, Deed Records of Bell County, Texas and being in the east right-of-way line of Hartrick Bluff Road for corner;

THENCE N. 73° 27' 59" W., 73.58 feet departing the said 160.050 acre tract and the said 169.734 acre tract and the said east right-of-way line and over and across the said right-of-way to a 1/2" iron rod found being in the west right-of-way line of said Hartrick Bluff Road and being the southeast corner of that certain called 12.54 acre tract of land described in a Warranty Deed dated March 15, 2018 from Mary Lavelle Hartrick Amato to Short-Term Lending Gp, Inc and being of record in Document No. 2018-00010557, Official Public Records of Bell County, Texas and being the northeast corner of that certain 6.47 acre tract of land described in a Special Warranty Deed dated March 1, 2018 from Ed L. Laughlin and Sharon L. Laughlin to Laughlin Real Estate Management, LLC Series Residential, a Texas series limited liability company and being of record in Document No. 2018-00008552, Official Public Records of Bell County, Texas for corner;

THENCE departing the said 6.47 acre tract and with the west right-of-way line of Hartrick Bluff Road as occupied and evidenced on the ground the following twenty-eight (28) calls:

- 1) N. 10° 25' 14" E., 163.87 feet with the east boundary line of the said 12.54 acre tract to a 1/2" iron rod with cap stamped "POLLOK" found for corner;
- 2) N. 00° 27' 25" E., 1601.49 feet to a 5/8" iron rod found being the northeast corner of the said 12.54 acre tract and being the southeast corner of that certain 6.149 acre tract of land described in a Warranty Deed with Vendor's Lien dated June 5, 2000 from Daniel Joseph Ladd and wife, Cecilia Ann Ladd to Barry T. Dixon and wife, Suzanne R. Dixon and being of record in Volume 4210, Page 1, Official Public Records of Bell County, Texas for corner;
- 3) N. 01° 46' 46" E., 542.55 feet departing the said 12.54 acre tract and with the east boundary line of the said 6.149 acre tract to a point being at the beginning of a curve to the right having a radius equals 542.28 feet, chord bearing equals N. 06° 18' 53" E., 85.76 feet for corner;
- 4) 85.85 feet along the arc of said curve to the right to a point being at the beginning of a curve to the right having a radius equals 793.94 feet, chord bearing equals N. 14° 58' 23" E., 152.02 feet for corner;
- 5) 152.25 feet along the arc of said curve to the right to a point being the northeast corner of the said 6.149 acre tract and being the southeast corner of that certain 5.000 acre tract of land described in a Warranty Deed dated May 18, 1981 from Henry Wayne Chupik and wife, Barbara Chupik to John W. Roberts and wife, Kay Roberts and being of record in Volume 1729, Page 281, Deed Records of Bell County, Texas for corner;
- 6) N. 27° 49' 20" E., 194.10 feet departing the said 6.149 acre tract and with the east boundary line of the said 5.000 acre tract to a point being at the beginning of a curve to the left having a radius equals 374.23 feet, chord bearing equals N. 20° 39' 24" E., 93.36 feet for corner;

- 7) 93.60 feet along the arc of said curve to the left continuing with the east boundary line of the said 5.000 acre tract to a point for corner;
- 8) N. 13° 54' 54" E., 428.87 feet continuing with the east boundary line of the said 5.000 acre tract and continuing with the east boundary line of that certain Hartick Bluff Development according to the map or plat of record in Cabinet B, Slide 169-A to a point being an angle point on the east boundary line of Lot 10, said Hartrick Bluff Development for corner;
- 9) N. 06° 21' 39" E., 362.15 feet continuing with the east boundary line of the said Hartrick Bluff Development to a point being the apparent northeast corner of the said Hartrick Bluff Development and being the southeast corner of that certain Lot 2, Block 1, Morgan Ridge Estates according to the map or plat of record in Year 2016, Plat No. 23, Plat Records of Bell County, Texas for corner;
- 10) N. 00° 26' 15" E., 89.11 feet departing the said Hartrick Bluff Development and with the east boundary line of the said Morgan Ridge Estates to a point for corner;
- 11) N. 07° 35' 11" W., 47.09 feet continuing with the east boundary line of the said Morgan Ridge Estates to a point for corner;
- 12) N. 10° 52' 08" W., 140.07 feet continuing with the east boundary line of the said Morgan Ridge Estates to a 5/8" iron rod with cap stamped "RCS" found being the northeast corner of the said Morgan Ridge Estates and being in the south right-of-way line of Morgan Drive (a privately maintained roadway) for corner;
- 13) N. 33° 15' 09" W., 54.95 feet departing the said Morgan Ridge Estates and the said south right-of-way line and over and across the right-of-way of Morgan Drive to a point being in the north right-of-way line of the said Morgan Drive and being the southeast corner of that certain 0.775 acre tract of land described in a Warranty Deed with Vendor's Lien dated April 30, 2001 from Vernon Brown and Rebecca Brown to Calvin Eshbaugh and Krista Eshbaugh and being of record in Volume 4386, Page 17, Official Public Records of Bell County, Texas for corner;
- 14) N. 24° 24' 49" W., 137.80 feet departing the said Morgan Drive and with the east boundary line of the said 0.775 acre tract to a point being at the beginning of a curve to the right having a radius equals 445.05, chord bearing equals N. 22° 06' 14" W., 47.44 feet for corner;
- 15) 47.46 feet along the arc of said curve to the right continuing with the east boundary line of the said 0.775 acre tract to a point being the northeast corner of the said 0.775 acre tract and being the southeast corner of that certain Lot 2, Block 1, Havemann Estates according to the map or plat of record in Cabinet D, Slide 251-D, Plat Records of Bell County, Texas and being at the beginning of a curve to the right having a radius equals 504.49 feet, chord bearing equals N. 08° 57' 22" W., 147.09 feet for corner;
- 16) 147.62 feet along the arc of said curve to the right departing the said 0.775 acre tract and with the east boundary line of the said Lot 2, Block 1, Havemann Estates to a point being the northeast corner of the said Lot 2, Block 1, Havemann Estates and being the southeast corner of that certain 0.783 acre tract of land described in a General Warranty Deed with Vendor's Lien dated February 19, 2009 from Joseph Holmstrom and Jennifer Holmstrom to Samuel Pogue and being of record in Document No. 2009-00006690, Official Public Records of Bell County, Texas for corner;

- 17) N. 02° 56' 24" W., 281.95 feet departing the said Lot 2, Block 1, Havemann Estates and with the east boundary line of the said 0.783 acre tract and continuing with the east boundary line of that certain 0.68 acre tract of land described in a Special Warranty Deed dated April 1, 2013 to Andrew J. McVeigh IV and Sherri L. McVeigh and being of record in Document No. 2013-00015005, Official Public Records of Bell County, Texas to a point being at the beginning of a curve to the right having a radius equals 428.00 feet, chord bearing equals N. 08° 08' 55" E., 165.85 feet for corner;
- 18) 166.90 feet along the arc of said curve to the right continuing with the east boundary line of the said 0.68 acre tract and continuing with the east boundary line of that certain 0.74 acre tract of land described in a Warranty Deed dated February 25, 1977 from J. D. Blevins and wife, Mary Blevins to Michael Lynn Stewart and being of record in Volume 1438, Page 794, Deed Records of Bell County, Texas to a point being the northeast corner of the said 0.74 acre tract and being the southeast corner of that certain 1.58 acre tract of land described in a Special Warranty Deed dated May 13, 2002 from Bobby A. Underwood and Mary E. Underwood to Bobby A. Underwood and Mary E. Underwood, as Trustees for the Bobby A. Underwood and Mary E. Underwood Revocable Living Trust and being of record in Volume 4680, Page 448, Official Public Records of Bell County, Texas for corner;
- 19) N. 18° 10' 57" E., 189.01 feet departing the said 0.74 acre tract and with the east boundary line of the said 1.58 acre tract to a 5/8 iron rod with cap stamped "ACS" found being the northeast corner of the said 1.58 acre tract and being a southeast corner of that certain remainder 28.50 acre tract of land described in a General Warranty Deed dated November 21, 2017 from LAM Estates, Ltd., a Texas Limited partnership to Jayson David Shatto and wife, Lisa Ann Shatto and being of record in Document No. 2017-00049899, Official Public Records of Bell County, Texas for corner;
- 20) N. 18° 18' 58" E., 277.54 feet departing the said 1.58 acre tract and with the east boundary line of the said remainder 28.50 acre tract and continuing with the east boundary line of that certain 18.123 acre tract of land described in a Special Warranty Deed dated November 10, 2016 from LAM Estates, LTD., a Texas limited partnership to ASHAV, LP, a Texas limited partnership and being of record in Document No. 2016-00046466, Official Public Records of Bell County, Texas to a 2" iron pipe found being the northeast corner of the said 18.123 acre tract and being the southeast corner of that certain 1.00 acre tract of land described in a General Warranty Deed dated October 5, 2012 from Ronald L. Carroll and Barbara C. Carroll to Larry Hennig and Kathy Hennig and being of record in Document No. 2012-00042023, Official Public Records of Bell County, Texas for corner;
- 21) N. 24° 46' 46" E., 34.39 feet departing the said 18.123 acre tract and with the east boundary line of the said 1.00 acre tract to a point for corner;
- 22) N. 18° 41' 17" E., 78.26 feet continuing with the east boundary line of the said 1.00 acre tract to a point being the northeast corner of the said 1.00 acre tract and being the southeast corner of that certain 6.896 acre tract of land described in a Warranty Deed with Vendor's Lien dated May 26, 1998 from Nelta Jo Vanderveer to Ronald R. Elizondo and wife, Polly P. Elizondo and being of record in Volume 3799, Page 604, Official Public Records of Bell County, Texas for corner;
- 23) N. 18° 03' 18" E., 724.33 feet departing the said 1.00 acre tract and with the east boundary line of the said 6.896 acre tract and continuing with the east boundary line of that certain Hartrick Addition according to the map or plat of record in Cabinet D, Slide 308-C, Plat Records of Bell County, Texas to a 3/8" iron rod with cap stamped "VANNOY" found being the northeast corner

of Lot 2, Block 1, said Hartrick Addition and being the southeast corner of Lot 1, said Block 1 for corner;

- 24) N. 18° 16' 44" E., 136.23 feet departing the said Lot 2, Block 1 and with the east boundary line of the said Lot 1, Block 1 to a point being the northeast corner of the said Lot 1, Block 1, Hartrick Addition and being the southeast corner of that certain 1.61 acre tract of land described in a General Warranty Deed with Vendor's Lien in Favor of a Third Party dated October 7, 1996 from Roy E. Vanderveer and Dorothy Vanderveer to Jessie J. McLaughlin and Martha L. McLaughlin, husband and wife and being of record in Volume 3533, Page 508, Official Public Records of Bell County, Texas for corner;
- 25) N. 18° 17' 18" E., 199.69 feet departing the said Hartrick Addition and with the east boundary line of the said 1.61 acre tract and continuing with the east boundary line of the remainder of those certain lands described in a Special Warranty Deed with Vendor's Lien dated December 29, 2006 from Melange Corporation, a Texas corporation to WS & G Investments, LP, a Texas limited Partnership and being of record in Document No. 2007-00003469, Official Public Records of Bell County, Texas to a 1/2" iron rod found being the northeast corner of the said remainder WS & G Investments, LP lands and being the southeast corner of that certain 4.37 acre tract of land described in a Deed to David W. Tullis and Sharon Tullis and being of record in Volume 1133, Page 195, Deed Records of Bell County, Texas for corner;
- 26) N. 18° 19' 38" E., 419.06 feet departing the said WS & G Investments lands and with the east boundary line of the said 4.37 acre tract to a 1" iron pipe found being the northeast corner of the said 4.37 acre tract and being the southeast corner of Lot 1, Block 1, Hidden Creek according to the map or plat of record in Year 2017, Plat No. 2, Plat Records of Bell County, Texas for corner;
- 27) N. 18° 07' 58" E., 389.96 feet departing the said 4.37 acre tract and with the east boundary line of the said Block 1, Hidden Creek to a 1/2" iron rod with cap stamped "RPLS 2475" found being the northeast corner of said Lot 1, Block 1, Hidden creek and being the southeast corner of Lot 2, said Block 1 for corner;
- 28) N. 17° 48' 01" E., 914.57 feet continuing with the east boundary line of Block 1, said Hidden Creek to a point being in the east boundary line of Lot 6, said Block 1 and being in the City of Temple City Limit line as shown on said Plat No. 2 for corner;

THENCE S. 78° 26' 17" E., 55.01 feet departing the said Lot 6, Block 1, Hidden Creek and the said west right-of-way line of Hartrick Bluff Road and over and across the said right-of-way of Hartrick Bluff Road and with the said City Limits line to a point being in the east right -of-way line of said Hartrick Bluff Road and being in the west boundary line of those certain WS & G Investments, LP, a Texas limited Partnership and being of record in Document No. 2007-00003469, Official Public Records of Bell County, Texas, LP lands described in the aforementioned Document No. 2007-00003469, Official Public Records of Bell County, Texas for corner;

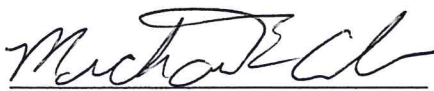
THENCE departing the said City of Temple City Limits line and with the east right-of-way line of Hartrick Bluff Road as occupied and evidenced on the ground the following nineteen (19) calls:

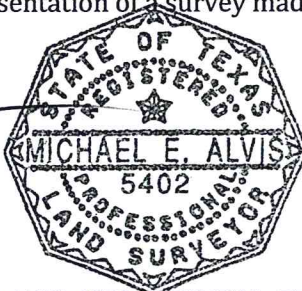
- 1) S. 17° 28' 34" W., 1342.37 feet to a fence corner post found being the southwest corner of the said WS & G Investments lands and being the northwest corner of that certain 35.069 acre tract of land described as TRACT ONE in a Special Warranty Deed dated May 10, 2018 from Anna Porter Martin to WNP Holdings LLC and being of record in Document No. 2018-00030895, Official Public Records of Bell County, Texas for corner;

- 2) S. 18° 18' 09" W., 1010.78 feet departing the said WS & G Investments lands and with the west boundary line of the said 35.069 acre tract to a fence corner post found for corner;
- 3) S. 18° 47' 20" W., 112.15 feet continuing with the said west boundary line and continuing with the west boundary line of that certain 38.813 acre tract of land described as TRACT TWO in said Document No. 2018-00030895, Official Public Records of Bell County, Texas to a fence post found for corner;
- 4) S. 17° 56' 13" W., 521.38 feet continuing with the west boundary line of the said 38.813 acre tract to a fence post found for corner;
- 5) S. 14° 04' 50" W., 382.93 feet continuing with the west boundary line of the said 38.813 acre tract to a point being the southwest corner of the said 38.813 acre tract and being the northwest corner of that certain tract of land described as Hartrick Valley Estates according to the map or plat of record in Year 2015, Plat No. 135, Plat Records of Bell County, Texas and being at the beginning of a curve to the left having a radius equals 1402.39 feet, chord bearing equals S. 03° 40' 13" E., 496.74 feet for corner;
- 6) 499.37 feet along the arc of said curve to the left departing the said 38.813 acre tract and with the west boundary line of the said Hartrick Valley Estates to a point being in the west boundary line of Lot 2, Block 2, said Hartrick Valley Estates for corner;
- 7) S. 13° 52' 17" E., 173.78 feet continuing with the west boundary line of the said Hartrick Valley Estates to a point being at the beginning of a curve to the right having a radius equals 1462.39 feet, chord bearing equals S. 07° 41' 26" E., 304.65 feet for corner;
- 8) 305.20 feet along the arc of said curve to the right continuing with the west boundary line of the said Hartrick Valley Estates to a point being the southwest corner of the said Hartrick Valley Estates and being the northwest corner of that certain Lot 1, Block 3, Hartrick Estates Subdivision, Phase I according to the map or plat of record in Cabinet C, Slide 26-B, Plat Records of Bell County, Texas and being at the beginning of a curve to the right having a radius equals 1396.80 feet, chord bearing equals S. 01° 56' 19" W., 212.96 feet for corner;
- 9) 213.17 feet along the arc of said curve to the right departing the said Hartrick Valley Estates and with the west boundary line of the said Lot 1, Block 3, Hartrick Estates Subdivision, Phase I to a point for corner;
- 10) S. 06° 23' 05" W., 241.61 feet continuing with the west boundary line of the said Hartrick Estates Subdivision, Phase I to a point being the southwest corner of the said Hartrick Estates Subdivision, Phase I and being the northwest corner of that certain called 21.0 acre tract of land described in a General Warranty Deed dated October 21, 2008 from H. Wayne Chupik to H. Wayne Chupik and Barbara Chupik and being of record in Document No. 2008-00043303, Official Public Records of Bell County, Texas for corner;
- 11) S. 13° 28' 57" W., 434.56 feet departing the said Hartrick Estates Subdivision, Phase I and with the west boundary line of the said called 21.0 acre tract to a point being at the beginning of a curve to the right having a radius equals 439.23 feet, chord bearing equals S. 20° 40' 23" W., 109.33 feet for corner;
- 12) 109.61 feet along the arc of said curve to the right continuing with the west boundary line of the said called 21.0 acre tract to a point for corner;

- 13) S. 27° 49' 20" W., 189.83 feet continuing with the west boundary line of the said called 21.0 acre tract to a point being at the beginning of a curve to the left having a radius equals 726.21 feet, chord bearing equals S. 11° 45' 45" W., 212.01 feet for corner;
- 14) 212.77 feet along the arc of said curve to the left continuing with the west boundary line of the said called 21.0 acre tract and continuing with the west boundary line of that certain 3.26 acre tract of land described in a Deed dated October 17, 1983 from Henry Wayne Chupik and wife, Barbara Chupik to John M. Baker and wife, Bobbie L. Baker and being of record in Volume 1901, Page 821, Deed Records of Bell County, Texas and continuing with the west boundary line of that certain 34.747 acre tract of land described in a Warranty Deed dated March 28, 2013 from H. Wayne Chupik and Barbara Chupik to Fr. Jose Simon Palliparambil and David Simon and being of record in Document No. 2013-00013763, Official OPublic Records of Bell County, Texas to a point for corner;
- 15) S. 01° 32' 24" W., 560.21 feet continuing with the west boundary line of the said 34.747 acre tract to a 1/2" iron rod with cap stamped "POLLOK" found being the southwest corner of the said 34.747 acre tract and being the northwest corner of the aforementioned 160.05 acre tract for corner;
- 16) S. 00° 15' 08" E., 308.89 feet departing the said 34.747 acre tract and with the west boundary line of the said 160.05 acre tract to a 1/2" iron rod with cap stamped "POLLOK" found being at the beginning of a curve to the right having a radius equals 8533.06 feet, chord bearing equals S. 00° 20' 47" W., 148.83 feet for corner;
- 17) 148.83 feet along the arc of said curve to the right continuing with the west boundary line of the said 160.05 acre tract to a 1/2" iron rod with cap stamped "POLLOK" found for corner;
- 18) S. 01° 19' 09" W., 1127.69 feet continuing with the west boundary line of said 160.05 acre tract to a 1/2" iron rod with cap stamped "POLLOK" found being at the beginning of a curve to the right having a radius equals 3378.16 feet, chord bearing equals s. 04° 12' 08" W., 179.18 feet for corner;
- 19) 179.20 feet along the arc of said curve to the right continuing with the west boundary line of the said 160.05 acre tract to the Point of BEGINNING and containing 12.689 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
 January 24, 2019



THIS PROJECT IS REFERENCED IN NAD 1983, CENTRAL TEXAS STATE PLANE. ALL DISTANCES ARE HORIZONTAL SURFACE DISTANCES UNLESS NOTED AND ALL BEARINGS ARE GRID BEARINGS.

ALL COORDINATE VALUES ARE REFERENCED TO CITY MONUMENT NUMBER 541

THE THETA ANGLE AT SAID CITY MONUMENT IS 01° 30' 47"

THE COMBINED CORRECTION FACTOR (CCF) IS 0.999858

PUBLISHED CITY COORDINATES ARE X = 3,216,784.76 Y = 10,341,981.47

THE TIE FROM THE ABOVE CITY MONUMENT TO THE POINT OF BEGINNING (POB) IS
N. 66° 23' 57" E., 4808.72 FEET.

GRID DISTANCE = SURFACE DISTANCE X CCF

GEODETIC NORTH = GRID NORTH + THETA ANGLE

RESOLUTION NO. 2019-9573-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, GRANTING A PETITION TO INSTITUTE VOLUNTARY ANNEXATION OF APPROXIMATELY 185.277 ACRES OF LAND, WHICH INCLUDES A 160.047 ACRE TRACT AND A 12.541 ACRE TRACT OUT OF THE MAXIMO MORENO SURVEY, ABSTRACT NO. 14, AND 12.689 ACRES OF RIGHT-OF-WAY OF HARTRICK BLUFF ROAD, DIRECTING STAFF TO DEVELOP A MUNICIPAL SERVICES PLAN, AND CALLING PUBLIC HEARINGS TO CONSIDER THE VOLUNTARY ANNEXATION; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, on February 7, 2019, Turley Associates, Inc., on behalf of the property owner, Short Term Lending GP, Inc., filed a petition seeking voluntary annexation of two tracts of land out of the Maximo Moreno Survey, Abstract No. 14, consisting of 160.047 acres, being more particularly described in the survey attached hereto as Exhibit 'A' and 12.541 acres, being more particularly described in the survey attached hereto as Exhibit 'B,' and 12.689 acres of Hartrick Bluff Road, being more particularly described in the survey attached hereto as Exhibit 'C;'

Whereas, voluntary annexation is governed by Chapter 43 of the Local Government Code and applies 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, the tracts proposed for annexation are not contiguous to the city limits, however, with the addition of 12.689 acres of right-of-way known as Hartrick Bluff Road the petition satisfies the requirements of Section 43.028(g) - the petition and the tracts therefore meet the statutory requirements for voluntary annexation;

Whereas, pursuant to Chapter 43 of the Local Government Code, the City must adopt a municipal services plan for the annexed area and conduct two public hearings - the proposed dates for the public hearings are April 4, 2019 (regular meeting) and April 5, 2019, (special meeting);

Whereas, Planning staff will present a municipal services plan at the hearing on April 4, 2019 as required by state law, showing how the City will serve the area proposed to be annexed - the proposed schedule anticipates completion of annexation proceedings through a Second Reading at City Council on May 16, 2019;

Whereas, if the property is annexed, the City's ad valorem tax base will increase and result in future property tax revenue for the City; 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 grants the petition to institute voluntary annexation proceedings, directs Staff to develop a Municipal Services Plan, and calls public hearings for the voluntary annexation of approximately 185.277 acres of land, which includes a 160.047 acre tract, being more particularly described in the survey attached hereto as Exhibit 'A' and incorporated herein for all purposes and a 12.541 acre tract out of the Maximo Moreno Survey, Abstract No. 14, being more particularly described in the survey attached hereto as Exhibit 'B' and incorporated herein for all purposes, and 12.689 acres of right-of-way of Hartrick Bluff Road, being more particularly described in the survey attached hereto as Exhibit 'C' and incorporated herein for all purposes.

Part 3: The City Council hereby calls two public hearings to gather comments concerning the proposed annexation described above, with the first public hearing scheduled for the Regular Council Meeting on April 4, 2019, at 5:00 PM, and the second public hearing at a Special Called City Council Meeting on April 5, 2019, at 8:30 AM - both public hearings will be held in the City Council Chambers on the 2nd floor of the Municipal Building located at Main and Central in Temple, Bell County, Texas.

Part 4: The City Staff is hereby authorized in the event of protest to relocate the second public hearing to a suitable location within the area to be annexed.

Part 5: 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 **21st** day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Christina Demirs
Deputy City Attorney



COUNCIL AGENDA ITEM MEMORANDUM

02/21/19
Item #10
Regular Agenda
Page 1 of 2

DEPT. /DIVISION SUBMISSION & REVIEW:

Charla Thomas, Assistant City Attorney
Christina Demirs, Deputy City Attorney
Lynn Barrett, Assistant Planning Director

ITEM DESCRIPTION: Consider adopting a resolution granting a petition to institute voluntary annexation proceedings of 119.827 acres of land, which includes a 118.560 acre tract out of the Maximo Moreno Survey, Abstract No. 14, and 1.267 acres of right-of-way of Haymarket Drive, directing Staff to develop a municipal services plan, and calling public hearings to consider the petition.

STAFF RECOMMENDATION: Adopt resolution as presented in item description.

ITEM SUMMARY: On February 7, 2019, Turley Associates, Inc., on behalf of the property owner, Short Term Lending GP, Inc., filed a petition seeking voluntary annexation of a 118.560 tract of land out of the Maximo Moreno Survey, Abstract No. 14, (the "Tract,") and being more particularly described in the attached survey. Part of the annexation would include 1.267 acres of Haymarket Drive.

Voluntary annexation is governed by Chapter 43 of the Local Government Code. Under Section 43.028(a) a property owner may petition the City for voluntary annexation if the property to be annexed is: (1) one-half mile or less in width; (2) contiguous to the annexing city; and (3) is vacant and without residents or on which fewer than three qualified voters reside. Subsection (g) of Section 43.028 states that property may be annexed even if the contiguity requirement is not met, as long as a public right-of-way of a road or highway designated by the municipality exists that (1) is located entirely in the extraterritorial jurisdiction of the municipality; and (2) when added to the area would cause the area to be contiguous to the municipality.

The Tract proposed for annexation is not contiguous to the city limits. However, with the addition of 1.267 acres of right-of-way known as Haymarket Drive, being more particularly described in the attached survey, the petition satisfies the requirements of Section 43.028(g). The petition and the Tract therefore meet the statutory requirements for voluntary annexation.

The proposed dates for the public hearings are April 4, 2019 (regular meeting) and April 5, 2019, (special meeting). Planning staff will present a municipal services plan at the hearing on April 4, 2019, as required by state law, showing how the City will serve the area proposed to be annexed. The proposed schedule anticipates completion of annexation proceedings through a Second Reading at City Council on May 16, 2019.

FISCAL IMPACT: If the property is annexed, the City's ad valorem tax base will increase and result in future property tax revenue for the City. There has been a request for a developer participation agreement for sewer extension to this property.

ATTACHMENTS:

[Petition for Voluntary Annexation](#)

[Survey and Drawing of 118.560 acre tract](#)

[Survey and Drawing of 1.267 acres of Haymarket Drive](#)

[Resolution](#)

VOLUNTARY PETITION FOR ANNEXATION

DATE: February 6, 2019

To the City Council of the City of Temple:

Short Term Lending G.P., Inc., a Texas Corporation, is the sole owner of a tract of land containing approximately 118.560 acres ("the Tract"). The Tract is more particularly described by metes and bounds in Exhibit A to this petition.

The Tract is one-half mile or less in width and has less than three qualified voters as residents. Although the Tract is not contiguous to the City of Temple, the addition of a 1.267-acre portion of public right-of-way of Haymarket Drive, being more particularly described by metes and bounds in Exhibit B, which is located entirely in the extraterritorial jurisdiction of the City of Temple, causes the Tract to be contiguous with the City limits of Temple, Texas. Such addition and annexation of public-right-of-way to establish contiguity is authorized in Section 43.028(g) of the Texas Local Government Code.

The owner is petitioning the City Council to take the appropriate actions to annex the 1.267-acre public right-of-way along with the Tract pursuant to Section 43.028 of the Texas Local Government Code.

Short Term Lending GP, Inc.
a Texas Corporation

By: C. Rene Murray
C. Rene Murray, Vice President

STATE OF TEXAS §

COUNTY OF BELL §

BEFORE ME, the undersigned authority, on this day personally appeared C. Rene Murray, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same as the act of Short Term Lending GP., Inc., a Texas Corporation, as Vice President, for the purposes and consideration therein expressed.

Given under my hand and seal of office this 6th day of February, 2019.

Johnye J. Harriman
Notary Public State of Texas

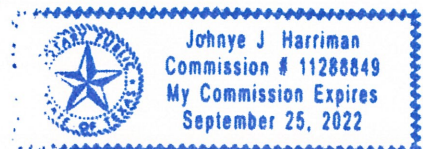
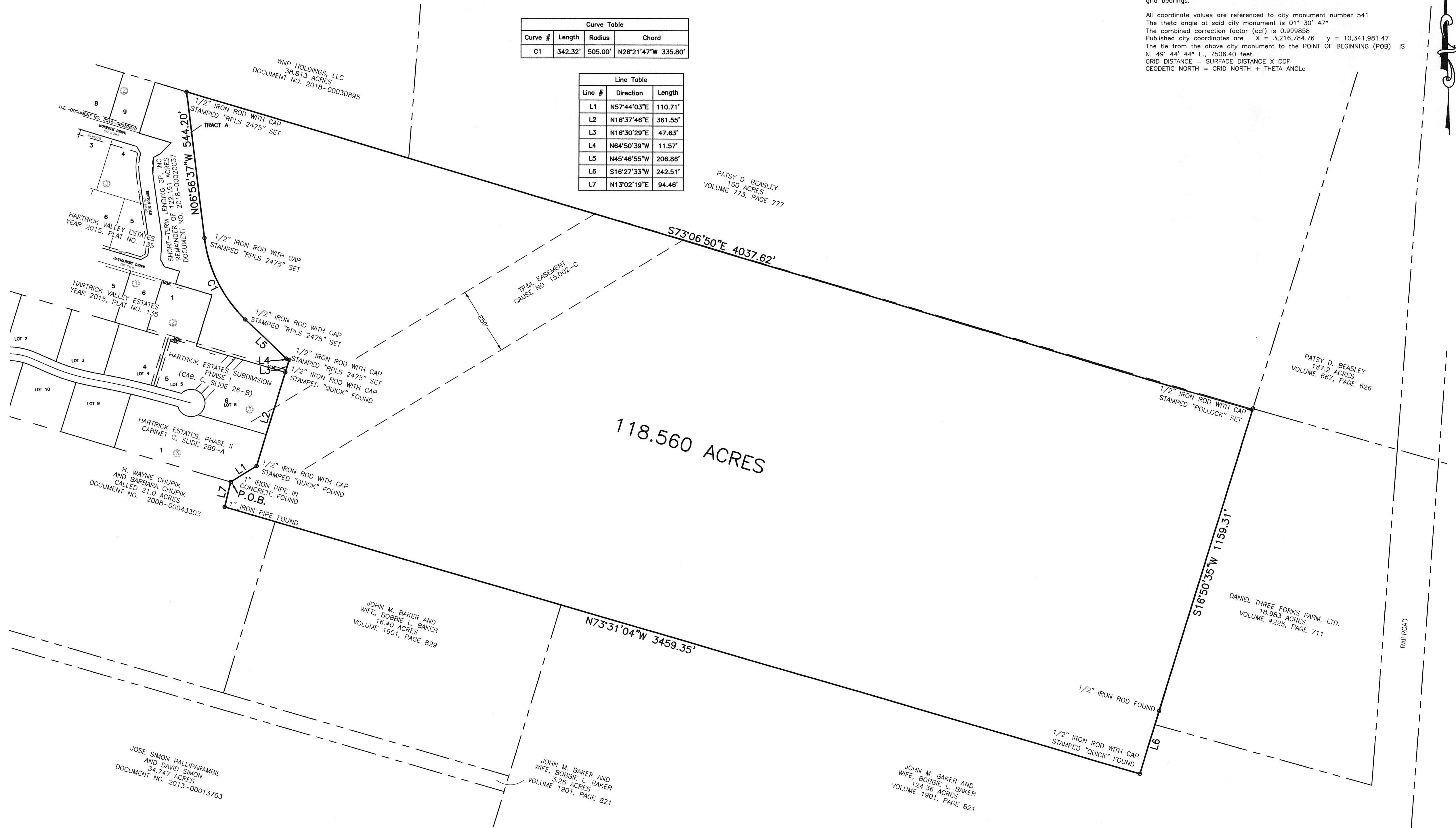


EXHIBIT A



Curve Table			
Curve #	Length	Radius	Chord
C1	342.32'	505.00'	N26°21'47"W 335.80'

Line Table		
Line #	Direction	Length
L1	N57°44'03"E	110.71'
L2	N16°37'46"E	361.55'
L3	N16°30'29"E	47.63'
L4	N64°50'39"W	11.57'
L5	N45°46'55"W	206.88'
L6	S16°27'33"W	242.51'
L7	N13°02'19"E	94.46'

This project is referenced in nad 1983, central texas state plane. All distances are horizontal surface distances unless noted and all bearings are grid bearings.

All coordinate values are referenced to city monument number 541. The theta angle at said city monument is 01° 30' 47". The combined correction factor (ccf) is 0.999858. Published city coordinates are X = 3,216,784.76 Y = 10,341,981.47. The tie from the above city monument to the POINT OF BEGINNING (POB) IS N. 49° 44' 44" E., 7506.40 feet. GRID DISTANCE = SURFACE DISTANCE X CCF. GEODETIC NORTH = GRID NORTH + THETA ANGLE.

BEING a 118.560 acre tract of land more particularly described by separate field notes.

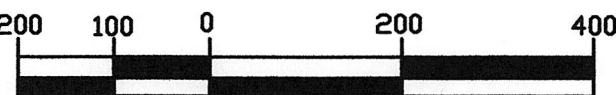
THIS SURVEY WAS COMPLETED WITHOUT THE BENEFIT OF A TITLE INSURANCE POLICY AND NO FURTHER EASEMENT RESEARCH WAS PERFORMED BY THIS COMPANY.



STATE OF TEXAS: 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.

COUNTY OF BELL: IN WITNESS THEREOF, my hand and seal, this the 30th day of January 2019.

Michael E. Alvis, R.P.L.S., No. 5402



TURLEY ASSOCIATES, INC.
ENGINEERING • PLANNING • SURVEYING

301 N. 3rd St.
TEMPLE, TEXAS 76501

254.773.2400
www.turley-inc.com

TYPE No. F-1658 • TBPLS No. 10056000

© TURLEY ASSOCIATES, INC.

THIS DRAWING IS THE PROPERTY OF TURLEY ASSOCIATES INC. AND MUST BE SURRENDERED UPON REQUEST. THE INFORMATION THEREON MAY NOT BE REPRODUCED WITHOUT THE WRITTEN PERMISSION OF TURLEY ASSOCIATES INC.

SURVEY OF:
118.560 ACRES
MAXIMO MORENO SURVEY
ABSTRACT No. 14
BELL COUNTY, TEXAS

PREPARED FOR:
KIELLA DEVELOPERS

REVISIONS		
DATE	DESCRIPTION	DFTR

DRAFTSMAN:
MGM

DATE:
1/30/2019

COMPUTER FILE NAME:
18-666 Boundary.dwg

REFERENCE DRAWING NUMBERS:
-

BEING a 118.560 acre tract situated in the MAXIMO MORENO SURVEY, ABSTRACT No. 14, Bell County, Texas and being a part or portion of the remainder of that certain 122.191 acre tract of land described in a Correction Affidavit dated April 23, 2018 from JDJS Investments, Inc. to Short-Term Lending Gp, Inc and being of record in Document No. 2018-00020037, Official Public Records of Bell County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 1" iron pipe in concrete found being in the west boundary line of the said remainder 122.191 acre tract and being the most southerly southeast corner of Lot 1, Block 3, Hartrick Estates Subdivision, Phase II according to the map or plat of record in Cabinet C, Slide 289-A, Plat Records of Bell County, Texas and being the most northerly northeast corner of that certain called 21.0 acre tract of land described in a Warranty Deed dated October 21, 2008 from H. Wayne Chupik to H. Wayne Chupik and Barbara Chupik and being of record in Document No. 2008-00043303, Official Public Records of Bell County, Texas for corner;

THENCE N. 57° 44' 03" E., 110.71 feet departing the said 21.0 acre tract and with the east boundary line of the said Lot 1, Block 3 and with the said west boundary line to a 1/2" iron rod with cap stamped "QUICK" found being the most easterly southeast corner of the said Lot 1, Block 3 and being an angle point on the said west boundary line for corner;

THENCE N. 16° 37' 46" E., 361.55 feet with the east boundary line of the said Lot 1, Block 3 and continuing with the east boundary line of that certain Lot 6, Block 3, Hartrick Estates Subdivision, Phase I according to the map or plat of record in Cabinet C, Slide 26-B, Plat Records of Bell County, Texas and continuing with the said west boundary line to a 1/2" iron rod with cap stamped "QUICK" found being the northeast corner of the said Lot 6, Block 3, Hartrick estates Subdivision, Phase I and being an ell corner in the said west boundary line for corner;

THENCE departing the said Lot 6, Block 3, Hartrick Estates Subdivision, Phase I and the said west boundary line and over and across the said remainder 122.191 acre tract the following five (5) calls:

- 1) N. 16° 30' 29" E., 47.63 feet to a 1/2" iron rod with cap stamped "RPLS 2475" set for corner;
- 2) N. 64° 50' 39" W., 11.57 feet to a 1/2" iron rod with cap stamped "RPLS 2475" set for corner;
- 3) N. 45° 46' 55" W., 206.86 feet to a 1/2" iron rod with cap stamped "RPLS 2475" set being at the beginning of a curve to the right having a radius equals 505.00 feet, chord bearing equals N. 26° 21' 47" W., 335.80 feet for corner;
- 4) 342.32 feet along the arc of said curve to the right to a 1/2" iron rod with cap stamped "RPLS 2475" set for corner;
- 5) N. 06° 56' 37" W., 544.20 feet to a 1/2" iron rod with cap stamped "RPLS 2475" set being in the north boundary line of the said remainder 122.191 acre tract and being in the south boundary line of that certain 38.813 acre tract of land described in a Gift Deed dated May 10, 2018 from Anna G. Martin to WNP Holdings, LLC and being of record in Document No. 2018-00030895, Official Public Records of Bell County, Texas for corner;

THENCE S. 73° 06' 50" E., 4037.62 feet with the north boundary line of the said remainder 122.191 acre tract and with the south boundary line of the said 38.813 acre tract and continuing with the south boundary line of that certain 160 acre tract of land standing in the name of Patsy Beasley and being of record in Volume 773, Page 277, Deed Records of Bell County, Texas to a 1/2" iron rod with cap stamped "POLLOK" found being the northeast corner of the said remainder 122.191 acre tract and being the southeast corner of the said 160 acre tract and being the southwest corner of that certain 187.2 acre tract of land standing in the name of Patsy Beasley and being of record in Volume 667, Page 626, Deed

Records of Bell County, Texas and being the northwest corner of that certain 18.983 acre tract of land standing in the name of Daniel Three Forks Farm, Ltd. and being of record in Volume 4225, Page 711, Official Public Records of Bell County, Texas for corner;

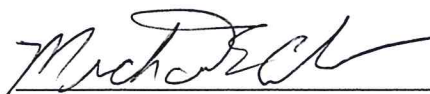
THENCE S. 16° 50' 35" W., 1159.31 feet departing the said 160 acre tract and the said 187.2 acre tract and with the east boundary line of the said remainder 122.191 acre tract and with the west boundary line of the said 18.983 acre tract to a 1/2" iron rod found being the southwest corner of the said 18.983 acre tract and being an ell corner of that certain 124.36 acre tract of land standing in the name of John M. Baker and being of record in Volume 1901, Page 821, Deed Records of Bell County, Texas for corner;

THENCE S. 16° 27' 33" W., 242.51 feet departing the said 18.983 acre tract and with the west boundary line of the said 124.36 acre tract and continuing with the said east boundary line and continuing with a west boundary line of that certain 124.36 acre tract of land standing in the name of John M. Baker and being of record in Volume 1901, Page 821, Deed Records of Bell County, Texas to a 1/2" iron rod with cap stamped "QUICK" found being the southeast corner of the said remainder 122.191 acre tract and being an ell corner of the said 124.36 acre tract for corner;

THENCE N. 73° 31' 04" W., 3459.35 feet with the south boundary line of the said remainder 122.191 acre tract and with the north boundary line of the said 124.36 acre tract and continuing with the north boundary line of that certain 16.40 acre tract of land standing in the name of John M. Baker and wife, Bobbie L. Baker and being of record in Volume 1901, Page 829, Deed Records of Bell County, Texas and continuing with the north boundary line of the aforementioned 21.0 acre tract to a 1" iron pipe found being the southwest corner of the said remainder 122.191 acre tract and being an ell corner of the said 21.0 acre tract for corner;

THENCE N. 13° 02' 19" E., 94.46 feet with the west boundary line of the said remainder 122.191 acre tract and with the east boundary line of the said 21.0 acre tract to the Point of BEGINNING and containing 118.560 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
January 23, 2019



THIS PROJECT IS REFERENCED IN NAD 1983, CENTRAL TEXAS STATE PLANE. ALL DISTANCES ARE HORIZONTAL SURFACE DISTANCES UNLESS NOTED AND ALL BEARINGS ARE GRID BEARINGS.

ALL COORDINATE VALUES ARE REFERENCED TO CITY MONUMENT NUMBER 541
THE THETA ANGLE AT SAID CITY MONUMENT IS 01° 30' 47"
THE COMBINED CORRECTION FACTOR (CCF) IS 0.999858
PUBLISHED CITY COORDINATES ARE X = 3,216,784.76 Y = 10,341,981.47
THE TIE FROM THE ABOVE CITY MONUMENT TO THE POINT OF BEGINNING (POB) IS
N. 49° 44' 44" E., 7506.40 FEET.
GRID DISTANCE = SURFACE DISTANCE X CCF
GEODETIC NORTH = GRID NORTH + THETA ANGLE

BEING a 1.267 acre tract situated in the MAXIMO MORENO SURVEY, ABSTRACT No. 14, Bell County, Texas and being all of the existing right-of-way of Haymarket Drive (a publicly maintained roadway) as described on the map or plat of Hartrick Valley Estates being of record in Year 2015, Plat No. 135, Plat Records of Bell County, Texas and being a part or portion of that certain remainder 122.191 acre tract of land described in a Warranty Deed to Short-Term Lending Gp, Inc. and being of record in Document No. 2018-00020037, Official Public Records of Bell County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod with cap stamped "ACS" found being the southwest corner of the right-of-way line of said Haymarket Drive and being in the east right-of-way line of Hartrick Bluff Road (a publicly maintained roadway) and being the northwest corner of Tract B as described in said Plat No. 135 and being at the beginning of a curve to the left having a radius equals 1462.39 feet, chord bearing equals N. 11° 08' 43" W., 128.81 feet for corner;

THENCE departing the said Tract B and with the west boundary line of the said Hartrick Valley Estates and with the said east right-of-way line the following two (2) calls:

- 1) 128.85 feet along the arc of said curve to the left to a 1/2" iron rod with cap stamped "ACS":
found for corner;
- 2) N. 13° 52' 17" W., 1.91 feet to a 1/2" iron rod with cap stamped "ACS" found being the northwest corner of the right-of-way of said Haymarket Drive and being the southwest corner of Tract A as described in said Plat No. 135 for corner;

THENCE departing the said east right-of-way line and with the north right-of-way line of the said Haymarket Drive and continuing over and across the said remainder 122.191 acre tract the following nine (9) calls:

- 1) S. 73° 47' 02" E., 98.58 feet to a 1/2" iron rod with cap stamped "ACS" found being in the south boundary line of Lot 1, Block 2, said Hartrick Valley Estates and being at the beginning of a curve to the right having a radius equals 245.00 feet, chord bearing equals S. 74° 23' 21" E., 57.32 feet for corner;
- 2) 57.45 feet along the arc of said curve to the right continuing with the said south boundary line to a 1/2" iron rod with cap stamped "ACS" found for corner;
- 3) S. 67° 40' 16" E., 24.64 feet to a 1/2" iron rod with cap stamped "ACS" found being the most southerly southeast corner of the said Lot 1, Block 2 for corner;
- 4) S. 55° 28' 04" E., 91.96 feet to a 1/2" iron rod with cap stamped "ACS" found being the most southerly southwest corner of Lot 8, Block 3, said Hartrick Valley Estates and being at the beginning of a curve to the left having a radius equals 975.00 feet, chord bearing equals S. 71° 28' 03" E., 63.01 feet for corner;
- 5) 63.02 feet along the arc of said curve to the left to a 1/2" iron rod with cap stamped "ACS" found being in the south boundary line of the said Lot 8, Block 3 for corner;
- 6) S. 73° 19' 09" E., 569.38 feet to a point being at the beginning of a curve to the left having a radius equals 175.00 feet, chord bearing equals S. 88° 05' 59" E., 89.29 feet for corner;
- 7) 90.29 feet along the arc of said curve to the left to a point being at the beginning of a curve to the left having a radius equals 505.00 feet, chord bearing equals S. 25° 57' 15" E., 51.03 feet for corner;



- 8) 51.05 feet along the arc of said curve to the left to a point being at the beginning of a curve to the right having a radius equals 225.00 feet, chord bearing equals N. 89° 34' 12" W., 125.93 feet for corner;
- 9) 127.63 feet along the arc of said curve to the right to a point being in the north boundary line of Lot 7, Block 1, said Hartrick Valley Estates for corner;

THENCE with the south right-of-way line of said Haymarket Drive the following five (5) calls:

- 1) N. 73° 19' 09" W., 569.38 feet to a ½"] iron rod with cap stamped "ACS" found being in the north boundary line of Lot 2, Block 1, said Hartrick Valley Estates and being at the beginning of a curve to the right having a radius equals 1025.00 feet, chord bearing equals N. 70° 29' 43" W., 101.00 feet for corner;
- 2) 101.04 feet along the arc of said curve to the right to a 1/2" iron rod with cap stamped "ACS" found being in the north boundary line of said Lot 2, Block 1 for corner;
- 3) N. 67° 40' 16" W., 81.43 feet to a 1/2" iron rod with cap stamped "ACS" found being in the north boundary line of Lot 1, said Block 1 and being at the beginning of a curve to the left having a radius equals 175.00 feet, chord bearing equals N. 74° 23' 22" W., 40.94 feet for corner;
- 4) 41.04 feet along the arc of said curve to the left to a 1/2" iron rod with cap stamped "ACS" found being the most northerly northwest corner of the said Lot 1, Block 1 for corner;
- 5) S. 61° 39' 16" W., 66.44 feet to the Point of BEGINNING and containing 1.267 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
 Michael E. Alvis, R.P.L.S. #5402
 February 5, 2019

THIS PROJECT IS REFERENCED IN NAD 1983 CENTRAL TEXAS STAAE PLANE. ALL DISTANCES ARE HORIZONTAL SURFACE DISTANCES UNLESS NOTED AND ALL BEARINGS ARE GRID BEARINGS.

ALL COORDINATE VALUES ARE REFERENCED TO CITY MONUMENT NUMBER 541
 THE THETA ANGLE AT SAID CITY MONUMENT IS 01° 30' 47"
 THE COMBINED CORRECTION FACTOR (CCF) IS 0.999858
 PUBLISHED CITY COORDINATES ARE X = 3,216,784.76 Y = 10,341,981.47
 THE TIE FROM THE ABOVE CITY MONUMENT TO THE POINT OF BEGINNING (POB) IS
 N. 39° 25' 28" E., 7479.79 FEET.
 GRID DISTANCE = SURFACE DISTANCE X CCF
 GEODETIC NORTH = GRID NORTH + THETA ANGLE



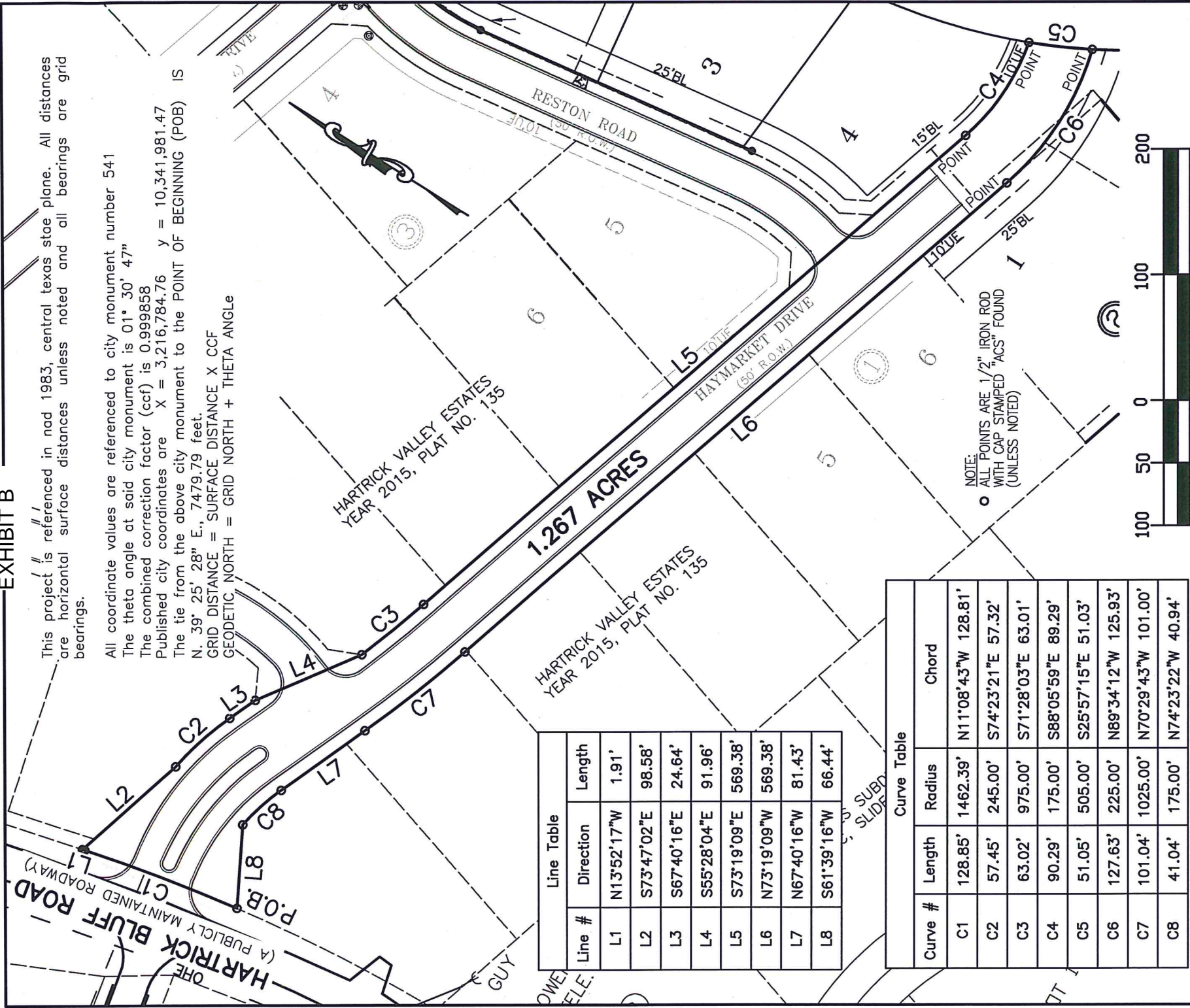
TURLEY ASSOCIATES, INC.

ENGINEERING • SURVEYING • PLANNING

301 NORTH 3RD STREET • TEMPLE, TEXAS 76501 • (254) 773-2400

This project is referenced in nad 1983, central texas stae plane. All distances are horizontal surface distances unless noted and all bearings are grid bearings.

All coordinate values are referenced to city monument number 541
The theta angle at said city monument is 01° 30' 47"
The combined correction factor (ccf) is 0.999858
Published city coordinates are X = 3,216,784.76 Y = 10,341,981.47
The tie from the above city monument to the POINT OF BEGINNING (POB) IS
N. 39° 25' 28" E., 7479.79 feet.
GRID DISTANCE = SURFACE DISTANCE X CCF
GEODETIC NORTH = GRID NORTH + THETA ANGLE



Line Table		
Line #	Direction	Length
L1	N13°52'17"W	1.91'
L2	S73°47'02"E	98.58'
L3	S67°40'16"E	24.64'
L4	S55°28'04"E	91.96'
L5	S73°19'09"E	569.38'
L6	N73°19'09"W	569.38'
L7	N67°40'16"W	81.43'
L8	S61°39'16"W	66.44'

Curve Table			
Curve #	Length	Radius	Chord
C1	128.85'	1462.39'	N11°08'43"W 128.81'
C2	57.45'	245.00'	S74°23'21"E 57.32'
C3	63.02'	975.00'	S71°28'03"E 63.01'
C4	90.29'	175.00'	S88°05'59"E 89.29'
C5	51.05'	505.00'	S25°57'15"E 51.03'
C6	127.63'	225.00'	N89°34'12"W 125.93'
C7	101.04'	1025.00'	N70°29'43"W 101.00'
C8	41.04'	175.00'	N74°23'22"W 40.94'

BEING a 1.267 acre tract of land more particularly described by separate field notes.

THIS SURVEY WAS COMPLETED WITHOUT THE BENEFIT OF A TITLE INSURANCE POLICY AND NO FURTHER EASEMENT RESEARCH WAS PERFORMED BY THIS COMPANY.

BEING a 1.267 acre tract situated in the MAXIMO MORENO SURVEY, ABSTRACT No. 14, Bell County, Texas and being all of the existing right-of-way of Haymarket Drive (a publicly maintained roadway) as described on the map or plat of Hartrick Valley Estates being of record in Year 2015,Plat No. 135, Plat Records of Bell County, Texas.



STATE OF TEXAS 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.

COUNTY OF BELL

IN WITNESS THEREOF, my hand and seal, this the 6th day of February 2019.

Michael E. Alvis

Michael E. Alvis, R.P.L.S., No. 5402



301 N. 3rd St.
Temple, Texas 76501
ENGINEERING • PLANNING • SURVEYING
TPE No. F-1658 • TBPLS No. 10056000

254.773.2400
www.turley-inc.com

RESOLUTION NO. 2019-9574-R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, GRANTING A PETITION TO INSTITUTE VOLUNTARY ANNEXATION OF APPROXIMATELY 119.827 ACRES OF LAND, WHICH INCLUDES A 118.560 ACRE TRACT OUT OF THE MAXIMO MORENO SURVEY, ABSTRACT NO. 14 AND 1.267 ACRES OF RIGHT-OF-WAY OF HAYMARKET DRIVE, DIRECTING STAFF TO DEVELOP A MUNICIPAL SERVICES PLAN, AND CALLING PUBLIC HEARINGS TO CONSIDER THE VOLUNTARY ANNEXATION; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Whereas, on February 7, 2019, Turley Associates, Inc., on behalf of the property owner, Short Term Lending GP, Inc., filed a petition seeking voluntary annexation of 119.827 acres of land, which includes a 118.560 acre tract out of the Maximo Moreno Survey, Abstract No. 14, being more particularly described in the survey attached hereto as Exhibit 'A;' and 1.267 acres of right-of-way of Haymarket Drive, being more particularly described in the survey attached hereto as Exhibit 'B;'

Whereas, voluntary annexation is governed by Chapter 43 of the Local Government Code and applies 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, the tract proposed for annexation is not contiguous to the city limits, however, with the addition of 1.267 acres of right-of-way known as Haymarket Drive, the petition satisfies the requirements of Section 43.028(g) - the petition and the tract therefore meet the statutory requirements for voluntary annexation;

Whereas, pursuant to Chapter 43 of the Local Government Code, the City must adopt a municipal services plan for the annexed area and conduct two public hearings - the proposed dates for the public hearings are April 4, 2019 (regular meeting) and April 5, 2019, (special meeting);

Whereas, Planning Staff will present a municipal services plan at the hearing on April 4, 2019 as required by state law, showing how the City will serve the area proposed to be annexed - the proposed schedule anticipates completion of annexation proceedings through a Second Reading at City Council on May 16, 2019;

Whereas, if the property is annexed, the City's ad valorem tax base will increase and result in future property tax revenue for the City; 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 grants the petition to institute voluntary annexation proceedings, directs Staff to develop a Municipal Services Plan, and calls public hearings for the voluntary annexation of approximately of 119.827 acres of land, which includes a 118.560 acre tract out of the Maximo Moreno Survey, Abstract No. 14, being more particularly described in the survey attached hereto as Exhibit 'A' and incorporated herein for all purposes, and 1.267 acres of right-of-way of Haymarket Drive, being more particularly described in the survey attached hereto as Exhibit 'B' and incorporated herein for all purposes.

Part 3: The City Council hereby calls two public hearings to gather comments concerning the proposed annexation described above, with the first public hearing scheduled for the Regular Council Meeting on April 4, 2019, at 5:00 PM, and the second public hearing at a Special Called City Council Meeting on April 5, 2019, at 8:30 AM - both public hearings will be held in the City Council Chambers on the 2nd floor of the Municipal Building located at Main and Central in Temple, Bell County, Texas.

Part 4: The City Staff is hereby authorized in the event of protest to relocate the second public hearing to a suitable location within the area to be annexed.

Part 5: 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 **21st** day of **February**, 2019.

THE CITY OF TEMPLE, TEXAS

TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

Lacy Borgeson
City Secretary

Christina Demirs
Deputy City Attorney