



AGENDA
CITY COUNCIL REGULAR MEETING
FEBRUARY 20, 2024 @ 6:00 PM

Notice is hereby given that the City Council for the City of Parker will meet on Tuesday, February 20, 2024, at 6:00 P.M. at the Parker City Hall, 5700 E. Parker Road, Parker, Texas 75002. The City Council meeting will be open to the public and live streamed.

Pursuant to Texas Government Code § 551.127, notice is given that it is the intent of the City Council that a quorum of the Council will be physically present for the above-referenced meeting at Parker City Hall, 5700 E. Parker Road, Parker, Texas. Some council members or City employees may participate in this meeting remotely by means of video conference call in compliance with state law.

CALL TO ORDER – Roll Call and Determination of a Quorum

EXECUTIVE SESSION START TO FINISH – Pursuant to the provisions of Chapter 551, Texas Government Code the City Council may hold a closed meeting.

RECESS TO CLOSED EXECUTIVE SESSION IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN:

Government Code Section 551.074 Personnel—To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

Government Code Section 551.071(1)—Consultation with City Attorney concerning Pending or Contemplated Litigation.

Government Code Section 551.071(2) – Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter (Open Meetings Act).

RECONVENE REGULAR MEETING.

ANY APPROPRIATE DELIBERATION AND/OR ACTION ON ANY OF THE EXECUTIVE SESSION SUBJECTS LISTED ABOVE.

PLEDGE OF ALLEGIANCE

AMERICAN PLEDGE: I pledge allegiance to the flag of the United States of America; and to the republic for which it stands, one nation under God, indivisible with liberty and justice for all.

TEXAS PLEDGE: Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

PUBLIC COMMENTS The City Council invites any person with business before the Council to speak to the Council. No formal action may be taken on these items at this meeting. Please keep comments to 3 minutes.

ITEMS OF COMMUNITY INTEREST

i. MARCH 5, 2024 PRIMARY ELECTION – PARKER CITY HALL

| Sunday (Domingo) | Monday (Lunes) | Tuesday (Martes) | Wednesday (Miércoles) | Thursday (Jueves) | Friday (Viernes) | Saturday (Sábado) |
|---|--|--|--|--|--|--|
| February 18 No Voting (18 de febrero) (Sin votar) | February 19 No Voting Holiday (18 de febrero) (Sin votar) (Día festive) | February 20 Early Voting (20 de febrero) (Votación adelantada) 8 am – 5 pm | February 21 Early Voting (21 de febrero) (Votación adelantada) 8 am – 5 pm | February 22 Early Voting (22 de febrero) (Votación adelantada) 8 am – 5 pm | February 23 Early Voting (23 de febrero) (Votación adelantada) 8 am – 5 pm | February 24 Early Voting (24 de febrero) (Votación adelantada) 7 am – 7 pm |
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March 5, 2024 Democratic & Republican Primary Elections – Election Day – 7 am - 7 pm*

(Elecciones primarias demócratas y republicanas del 5 de marzo de 2024 – Lugares el día de las elecciones - 7 am – 7pm*)

THURSDAY, APRIL 4, 2024 - LAST DAY TO REGISTER TO VOTE FOR THE MAY 4, 2024, GENERAL ELECTION

NATIONAL PRESCRIPTION DRUG TAKE BACK - SATURDAY, APRIL 27, 2024, 10AM-2PM

MAY 4, 2024 – GENERAL ELECTION (EV AND ED INFO)

| Sunday (Domingo) | Monday (Lunes) | Tuesday (Martes) | Wednesday (Miércoles) | Thursday (Jueves) | Friday (Viernes) | Saturday (Sábado) |
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CONSENT AGENDA Routine Council business. Consent Agenda is approved by a single majority vote. Items may be removed for open discussion by a request from a Councilmember or member of staff.

1. APPROVAL OF MEETING MINUTES FOR FEBRUARY 6, 2024.[REGULAR MEETING]
2. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2024-780 AUTHORIZING CONTINUED PARTICIPATION WITH THE STEERING

COMMITTEE OF CITIES SERVED BY ONCOR; AND AUTHORIZING THE PAYMENT OF TEN CENTS PER CAPITA TO THE STEERING COMMITTEE TO FUND REGULATORY AND LEGAL PROCEEDINGS AND ACTIVITIES RELATED TO ONCOR ELECTRIC DELIVERY COMPANY, LLC.

3. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2024-781 AUTHORIZING AN INTERLOCAL COOPERATION AGREEMENT BETWEEN THE CITY OF PARKER AND THE TOWN OF FAIRVIEW, TEXAS FOR TEMPORARY USE OF FIRE APPARATUS (LOANING AND BORROWING OF FIRE APPARATUS).

INDIVIDUAL CONSIDERATION ITEMS

4. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON THE ANNUAL AUDIT REPORT.
5. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ORDINANCE NO. 865 AUTHORIZING EXPENDITURES AND APPROVING AMENDMENT(S) TO THE FY 2023-2024 OPERATING BUDGET. [2 new employees]
6. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2024-782 AUTHORIZING THE PURCHASE AND/OR SERVICE OF TASERS, IN-CAR AND BODY WORN CAMERAS, AND RELATED PARTS AND ACCESSORIES FROM AXON ENTERPRISE, INC., UNDER ITS SOURCEWELL COOPERATIVE PURCHASING PRICING, AND THE EXECUTION OF NECESSARY DOCUMENTS.

ROUTINE ITEMS

7. UPDATE(S):

FM2551

ENTERPRISE UPDATE BY CITY ADMINISTRATOR OLSON
WEBSITE

COMP PLAN w/Council and Planning and Zoning (P&Z) Commission
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ)

ANY ADDITIONAL UPDATES

MONTHLY/QUARTERLY REPORT(S)

[January 2024 - Building Permit/Code Report](#)

[January 2024 – Court Report](#)

[January 2024 – Finance \(monthly financials\) Report](#)

[January 2024 – Police Report](#)

[January 2024 – Republic Services Inc., dba Allied Waste Services of Plano](#)

*Have not received November/December 2023 Republic Report

DONATION(S)

8. ACCEPTANCE OF DONATION(S) FOR POLICE, FIRE, AND CITY STAFF FOR THE RECORD (Each valued at between \$0 - \$500)

Maria Orozco donated candy valued at \$10 to the Police Department.

Priti and Mohit Mohindru donated Taco Cabana Lunch valued at \$40 to the Police Department.

The Leamy's donated a tray of cookies for City Staff valued at \$19.98.

The Leamy's donated a tray of cookies valued at \$20 to the Police Department.

FUTURE AGENDA ITEMS

9. FUTURE AGENDA ITEMS

ADJOURN

In addition to any specifically identified Executive Sessions, Council may convene into Executive Session at any point during the open meeting to discuss any item posted on this Agenda. The Open Meetings Act provides specific exceptions to the requirement that a meeting be open. Should Council elect to convene into Executive Session, those exceptions will be specifically identified and announced. Any subsequent action, as a result of this Executive Session, will be taken and recorded in open session.

I certify that this Notice of Meeting was posted on or before February 16, 2024, by 5:00 p.m. at the Parker City Hall, and required by Texas Open Meetings Act (TOMA) is also posted to the City of Parker Website at www.parkertexas.us.

Date Notice Removed

Patti Scott Grey
City Secretary

The Parker City Hall is Wheelchair accessible. Sign interpretations or other special assistance for disabled attendees must be requested 48 hours in advance by contacting the City Secretary's Office at 972 442 6811.



Council Agenda Item

| | | |
|----------------------------------|------------------------|-------------------|
| Budget Account Code: | Meeting Date: | See above. |
| Budgeted Amount: | Department/ Requestor: | Council |
| Fund Balance-before expenditure: | Prepared by: | ACA/CS Scott Grey |
| Estimated Cost: | Date Prepared: | February 12, 2024 |
| Exhibits: | None | |

AGENDA SUBJECT

MARCH 5, 2024 PRIMARY ELECTION – PARKER CITY HALL

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March 5, 2024 Democratic & Republican Primary Elections – Election Day – 7 am - 7 pm*

(Elecciones primarias demócratas y republicanas del 5 de marzo de 2024 – Lugares el día de las elecciones - 7 am – 7pm*)

THURSDAY, APRIL 4, 2024 - LAST DAY TO REGISTER TO VOTE FOR THE MAY 4, 2024, GENERAL ELECTION

NATIONAL PRESCRIPTION DRUG TAKE BACK - SATURDAY, APRIL 27, 2024, 10AM-2PM

MAY 4, 2024 – GENERAL ELECTION (EV AND ED INFO)

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SUMMARY

Please review information provided.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

| Inter – Office Use | | | |
|-----------------------------|-------------------------|-------|-------------------------|
| Approved by: | Enter Text Here | | |
| Department Head/ Requestor: | <i>Patti Scott Grey</i> | Date: | 02/15/2024 |
| City Attorney: | <i>Amy J. Stanphill</i> | Date: | 02/xx/2024 via Municode |
| City Administrator | <i>Luke B. Olson</i> | Date: | 02/xx/2024 |



Council Agenda Item

| | |
|----------------------------------|---------------------------------------|
| Budget Account Code: | Meeting Date: See above. |
| Budgeted Amount: | Department/ Requestor: City Secretary |
| Fund Balance-before expenditure: | Prepared by: ACA/CS Scott Grey |
| Estimated Cost: | Date Prepared: February 12, 2024 |
| Exhibits: | Proposed Minutes |

AGENDA SUBJECT

APPROVAL OF MEETING MINUTES FOR FEBRUARY 6, 2024. [REGULAR MEETING]

SUMMARY

Please review the attached minutes. If you have any questions, comments, and/or corrections, please contact the City Secretary at PGrey@parkertexas.us prior to the City Council meeting.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

| Inter – Office Use | | | |
|--------------------------------|-------------------------|-------|-------------------------|
| Approved by: | Enter Text Here | | |
| Department Head/ Requestor: | <i>Patti Scott Grey</i> | Date: | 02/15/2024 |
| City Attorney: | <i>Amy J. Stanphill</i> | Date: | 02/xx/2024 via Municode |
| City Administrator: | <i>Luke B. Olson</i> | Date: | 02/xx/2024 |



MINUTES
CITY COUNCIL MEETING
FEBRUARY 6, 2024

CALL TO ORDER – Roll Call and Determination of a Quorum

The Parker City Council met in a regular meeting on the above date at Parker City Hall, 5700 E. Parker Road, Parker, Texas, 75002.

Mayor Lee Pettie called the meeting to order at 6:01 p.m. Mayor Pro Tem Jim Reed and Councilmembers Randy Kercho, Terry Lynch, and Amanda Noe were present. Councilmember Todd Fecht was absent.

Staff Present: City Administrator Luke Olson, Asst. City Administrator/City Secretary Patti Scott Grey, Finance/Human Resources Director Grant Savage (arrived at 7:29 p.m.), City Attorney Amy J. Stanphill, Public Works Director Gary Machado, Assistant Fire Chief Justin Miller (arrived at 7:30 p.m. & left at 8:50 p.m.), Fire Division Chief (Admin) Jeff Kendrick (arrived at 7:29 p.m. & left at 8:50 p.m.), Police Chief Kenneth Price, and Police Sergeant Courtnye Dixon

EXECUTIVE SESSION - Pursuant to the provisions of Chapter 551, Texas Government Code, Vernon's Texas Codes Annotated the City Council may hold a closed meeting.

RECESS TO CLOSED EXECUTIVE SESSION IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN:

Government Code Section 551.074 Personnel—To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

Government Code Section 551.071(1)—Consultation with City Attorney concerning Pending or Contemplated Litigation to wit: SOAH Docket No. 582-23-01498.

Government Code Section 551.071(2) – Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter (Open Meetings Act).

Mayor Lee Pettie recessed the regular meeting to Executive Session at 6:03 p.m.

RECONVENE REGULAR MEETING.

Mayor Lee Pettie reconvened the meeting at 7:32 p.m.

ANY APPROPRIATE DELIBERATION AND/OR ACTION ON ANY OF THE EXECUTIVE SESSION SUBJECTS LISTED ABOVE.

No action was taken.

PLEDGE OF ALLEGIANCE

AMERICAN PLEDGE: Police Sergeant Courtnye Dixon led the pledge.

TEXAS PLEDGE: Assistant Fire Chief Justin Miller led the pledge.

PUBLIC COMMENTS The City Council invites any person with business before the Council to speak. No formal action may be taken on these items at this meeting. Please keep comments to 3 minutes.

No comments

ITEMS OF COMMUNITY INTEREST

Mayor Pettle reviewed the upcoming Community Interest items below:

CANCELED/RESCHEDULED PARKS AND RECREATION COMMISSION (P&R) – CANCELED - WEDNESDAY, FEBRUARY 14, 2024, 5 PM AND RESCHEDULED TO THURSDAY, FEBRUARY 15, 2024, 5 PM

CITY FILING DEADLINE – FRIDAY, FEBRUARY 16, 2024, 5:00 PM

MARCH 5, 2024 PRIMARY ELECTION – PARKER CITY HALL

| Sunday (Domingo) | Monday (Lunes) | Tuesday (Martes) | Wednesday (Miércoles) | Thursday (Jueves) | Friday (Viernes) | Saturday (Sábado) |
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March 5, 2024 Democratic & Republican Primary Elections – Election Day – 7 am - 7 pm*

(Elecciones primarias demócratas y republicanas del 5 de marzo de 2024 – Lugares el día de las elecciones - 7 am – 7pm*)

THURSDAY, APRIL 4, 2024 - LAST DAY TO REGISTER TO VOTE FOR THE MAY 4, 2024, GENERAL ELECTION

NATIONAL PRESCRIPTION DRUG TAKE BACK - SATURDAY, APRIL 27, 2024, 10AM-2PM

REMINDER – MAY 4, 2024 – GENERAL ELECTION (EV AND ED INFO)

EARLY VOTING DATES AND TIMES

MONDAY, APRIL 22, 2024 – FRIDAY, APRIL 26, 2024 8 A.M. – 5 P.M.

SATURDAY, APRIL 27, 2024 8 A.M. – 5 P.M.

MONDAY, APRIL 29, 2024 – TUESDAY, APRIL 30, 2024 7 A.M. – 7 P.M.

CONSENT AGENDA Routine Council business. Consent Agenda is approved by a single majority vote. Items may be removed for open discussion by a request from a Councilmember or member of staff.

1. APPROVAL OF MEETING MINUTES FOR JANUARY 16, 2024. [REGULAR MEETING]

2. APPROVAL OF MEETING MINUTES FOR JANUARY 30, 2024. [SPECIAL MEETING]
3. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2024-778 AUTHORIZING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF PARKER AND REGION VIII EDUCATION SERVICE CENTER TO PARTICIPATE IN THE INTERLOCAL PURCHASING SYSTEM (TIPS), A NATIONAL COOPERATIVE PURCHASING PROGRAM.

Mayor Pettle requested item #3, Resolution No. 2024-778 authorizing an Interlocal Agreement (ILA) between the City of Parker and Region VIII Education Service Center to participate in the Interlocal Purchasing System (TIPS), a National Cooperative Purchasing Program, be removed from the consent agenda for further discussion.

MOTION: Councilmember Terry Lynch moved to approve consent agenda item 1, approving the January 16, 2024 regular meeting minutes, as amended [See *Exhibit 1 – January 16, 2024 regular meeting minutes, dated February 6, 2024.*], and item 2, approving the January 30, 2024 special meeting minutes, as presented. Mayor Pro Tem Reed seconded with Councilmembers Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 4-0.

INDIVIDUAL CONSIDERATION ITEMS

3. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2024-778 AUTHORIZING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF PARKER AND REGION VIII EDUCATION SERVICE CENTER TO PARTICIPATE IN THE INTERLOCAL PURCHASING SYSTEM (TIPS), A NATIONAL COOPERATIVE PURCHASING PROGRAM.

MOTION: Councilmember Noe moved to approve Resolution No. 2024-778 authorizing an Interlocal Agreement (ILA) between the City of Parker and Region VIII Education Service Center to participate in the Interlocal Purchasing System (TIPS), a National Cooperative Purchasing Program. Councilmember Lynch seconded with Councilmembers Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 4-0.

4. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ORDINANCE NO.863, CALLING AN ELECTION TO BE HELD ON SATURDAY, MAY 4, 2024 TO ELECT A MAYOR AND TWO (2) CITY COUNCILMEMBERS AT-LARGE; PROVIDING FOR EARLY VOTING; AUTHORIZING THE MAYOR TO EXECUTE A JOINT GENERAL AND SPECIAL ELECTION SERVICES CONTRACT WITH COLLIN COUNTY; PROVIDING FOR THE ORDER AND NOTICE OF THE ELECTION; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

MOTION: Mayor Pro Tem Reed moved to approve Ordinance No.863, calling an election to be held on Saturday, May 4, 2024 to elect a Mayor and two (2) City Councilmembers At-Large; providing for early voting; authorizing the Mayor to execute a Joint General And Special Election services contract with Collin County; providing

for the Order and Notice of the election; finding and determining that the meeting at which this ordinance is passed was noticed and is open to the public as required by law. Councilmember Noe seconded with Councilmembers Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 4-0.

5. CONSIDERATION AND/OR ANY APPROPRIATE ACTION, ACCEPTING THE 2023 RACIAL PROFILING REPORT AND THE 2023 PARKER PD (POLICE DEPARTMENT) ANNUAL REPORT.

At the request of City Council, Police Chief Price gave an update on police vehicles prior to reviewing the item.

MOTION: Councilmember Lynch moved to accept the 2023 Racial Profiling Report. Mayor Pro Tem Reed seconded with Councilmembers Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 4-0.

MOTION: Councilmember Noe moved to accept the 2023 Parker PD Annual Report. Mayor Pro Tem Reed seconded with Councilmembers Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 4-0.

The Parker PD officers, and civilian staff were commended and thanked for their reports, noting there were no 2023 complaints.

6. DISCUSSION, CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON EITHER (1) RESOLUTION NO. 2024-(775) REGARDING THE EXTENSION AND RATE INCREASE ADDENDUM TO THE LEASE AGREEMENT WITH MOBILE MODULAR MANAGEMENT CORP FOR THE MODULAR BUILDINGS PRESENTLY USED BY THE POLICE DEPARTMENT, OR (2) RESOLUTION NO. 2024-(775) AUTHORIZING THE PURCHASE OF THE PREVIOUSLY LEASED MODULAR BUILDINGS FROM MOBILE MODULAR MANAGEMENT CORP AND EXECUTION OF RELATED AND NECESSARY DOCUMENTS. [POSTPONED 2023 1219; REQUEST TO RESTATE UPDATE/POSSIBLE PURCHASE 2024 0116]

Mayor Pettie said Council would take this in two (2) parts:

DISCUSSION, CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON EITHER

PART 1 (LEASE):

(1) RESOLUTION NO. 2024-(775) REGARDING THE EXTENSION AND RATE INCREASE ADDENDUM TO THE LEASE AGREEMENT WITH MOBILE MODULAR MANAGEMENT CORP FOR THE MODULAR BUILDINGS PRESENTLY USED BY THE POLICE DEPARTMENT,

Council showed no interest in discussing and/or approving the extension and rate increase addendum to the lease agreement.

OR

PART 2 (PURCHASE):

(2) RESOLUTION NO. 2024-(775) AUTHORIZING THE PURCHASE OF THE PREVIOUSLY LEASED MODULAR BUILDINGS FROM MOBILE MODULAR MANAGEMENT CORP AND EXECUTION OF RELATED AND NECESSARY DOCUMENTS.

MOTION: Councilmember Kercho moved to approve Resolution No. 2024-775 authorizing the purchase of the previously leased modular buildings from Mobile Modular Management Corp and execution of related and necessary documents. Councilmember Lynch seconded with Councilmembers Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 4-0.

7. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ORDINANCE NO. 864 AUTHORIZING EXPENDITURES AND APPROVING AMENDMENT(S) TO THE FY 2023-2024 OPERATING BUDGET. [MODULAR BUILDING]

Finance/Human Resources Director Grant Savage reviewed the information from tonight's packet, stating the purpose of this agenda item is to amend the City's FY 2023-2024 budget by the following amount to purchase the Police Department building that had previously been leased:

| Fund | Account | Description | Budget | Budget Amendment | Revised Budget | Reason |
|---------|-------------|------------------------|--------|------------------|----------------|-------------|
| General | 01-900-8930 | Buildings & Structures | - | 100,000 | 100,000 | PD Building |

MOTION: Mayor Pro Tem Reed moved to approve Ordinance No. 864 authorizing expenditures and approving amendment(s) to the FY 2023-2024 Operating Budget. [Modular Building]. Councilmember Noe seconded with Councilmembers Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 4-0.

8. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ACCEPTING 15 GIFT BAGS DONATED BY JIMMY AND LIZ PARKER VALUED AT \$40 EACH TO POLICE DEPARTMENT. (OVER \$500).

MOTION: Councilmember Lynch moved to accept the donation by Jimmy and Liz Parker of 15 gift bags valued at \$40 each to Police Department (OVER \$500). Mayor Pro Tem Reed seconded with Councilmembers Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 4-0.

Mayor Pettie, on behalf of herself, City Council, and City Staff, thanked the donors for their kind and generous donation.

9. CONSIDERATION AND/OR ANY APPROPRIATE ACTION REGARDING ADVERTISING REQUEST FOR QUALIFICATIONS (RFQS) FOR ENGINEERING SERVICES.

MOTION: Mayor Pro Tem Reed moved to approve advertising Request for Qualifications (RFQS) for Engineering Services and further directing staff to determine or set certain RFQ dates and bring results back to Mayor and Council. Councilmember Kercho seconded with Councilmembers Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 4-0.

10. DISCUSSION, CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON STREET MAINTENANCE AND ADOPTION OF RESOLUTION NO. 2024-779 AUTHORIZING AWARD OF CONTRACT AND EXECUTION OF NECESSARY AND RELATED DOCUMENTS WITH ANDERSON ASPHALT & CONCRETE PAVING, LLC TO PERFORM THE WORK DESCRIBED IN ITS PROPOSAL CONSISTENT WITH ITS COMPETITIVELY PROCURED TIPS AGREEMENT.

Mayor Pettle requested item #10, street maintenance and adoption of Resolution No. 2024-779 authorizing award of contract and execution of necessary and related documents with Anderson Asphalt & Concrete Paving, LLC to perform the work described in its proposal consistent with its competitively procured tips agreement, be removed from tonight's "Individual Consideration Items" portion of the agenda, due to material deficiencies and further the item be postponed, placing it on the February 20, 2024 City Council meeting agenda. The Mayor said she felt staff would have all the materials needed at that time.

Mayor Pettle moved to the next item.

11. CONSIDERATION AND/OR ANY APPROPRIATE ACTION AUTHORIZING STAFF TO OBTAIN A SCOPE OF SERVICES AND ESTIMATE OF PROBABLE COSTS FOR ENGINEERING SERVICES PERFORMED BY THE CITY'S ENGINEER, BIRKHOFF, HENDRICKS & CARTER, LLP, RELATED TO THE WATER LINE RELOCATION AND IMPROVEMENTS ON DUBLIN ROAD.

Mayor and Council agreed to direct staff to obtain a scope of services and estimate of probable costs for engineering services performed by the City's Engineer, Birkhoff, Hendricks & Carter, LLP, related to the water line relocation and improvements on Dublin Road.

12. CONSIDERATION AND/OR ANY APPROPRIATE ACTION FOR APPROVAL OF THE TRADE-IN SALE OF TWO FIRE ENGINES. (1994 PIERCE PUMPER ENGINE 812 AND 2001 SPARTAN PUMPER ENGINE 811).

Assistant Fire Chief Miller and Fire Division Chief Kendrick reviewed the information provided in tonight's packet.

MOTION: Councilmember Lynch moved to approve the trade-in sale of two fire engines, 1994 Pierce Pumper Engine 812 and 2001 Spartan Pumper Engine 811. Councilmember Noe seconded with Councilmembers Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 4-0.

Mayor Pettle asked that Council discuss and take appropriate action on item #14 and return to item #13.

14. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2024-777 MAKING AN APPOINTMENT TO THE PARKS AND RECREATION (P&R) COMMISSION ALTERNATE TWO POSITION EXPIRING NOVEMBER 30, 2024.

MOTION: Mayor Pro Tem Reed moved to approve Resolution No. 2024-777 making an appointment to the Parks and Recreation (P&R) Commission Alternate Two

position expiring November 30, 2024, namely Wendy Clark. Councilmember Lynch seconded with Councilmembers Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 4-0.

13. DISCUSSION OF RECORDS MANAGEMENT PROGRAM

City Administrator Olson reviewed the information in tonight's packet, stating the program and/or policy was established in 1991 and the City has been following the Texas State Library and Archives Commission's Schedules, but would need to officially adopt those schedules as the City's, and "Report annually to the City Council on the implementation of the records management program." [§ 32.08 DUTIES OF RECORDS MANAGEMENT OFFICER. (L)]

Mayor and City Council discussed City documents/records, electronic versus paper documents; Texas State retention schedules and requirements; the City's requirements (preservation vs. destruction); and better general access to documents.

ROUTINE ITEMS

15. UPDATE(S):

FM2551

Public Works Director Machado stated the water lines at Dillehay and Parker Roads will need to be relocated. Mr. Machado indicated a temporary water line bypass will be needed during the relocation of those lines.

ENTERPRISE UPDATE BY CITY ADMINISTRATOR OLSON

No update at this time.

POLICE VEHICLES

Police Chief Price said the City should receive two of the three police vehicles in February and the remaining vehicle in June of 2024.

WEBSITE DEVELOPMENT COMMITTEE

City Administrator Olson said a meeting was in the process of being scheduled and once the date and time is determined that information will be distributed in advance of the meeting.

COMP PLAN w/Council and Planning and Zoning (P&Z) Commission

Councilmember Kercho indicated the Comprehensive Plan Committee consisting of himself, Cindy Meyer, and two Planning and Zoning (P & Z) Commissioners met today, Tuesday, February 6th, and he reviewed Comp Plan updates and what needs to be completed to move forward. Mr. Kercho said he will keep the Council updated on any future progress and stated the next meeting was scheduled for Thursday, February 15, 2024, 1:00 PM.

CAPITAL IMPROVEMENT PLAN (CIP)

Councilmember Noe said once some remaining items in the plan are completed, a meeting will be set for another CIP workshop with Council.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ)

City Attorney Stanphill told everyone that our Motion to Dismiss was denied but we were granted a continuance so the Hearing set for February 13-15

has been canceled. “*Restore the Grasslands*” (RTG) is to re-notice. There is a prehearing conference scheduled for this Friday, February 9th at 1 PM via Zoom and we should learn the length of our continuance at that time.

ANY ADDITIONAL UPDATES

No additional updates were noted.

QUARTERLY REPORT

City Council accepted the reports hyperlinked below:

[Investment 4th Qtr. Report 2023](#)

Finance/Human Resources Director Savage advised the Mayor and City Council the City’s investments are doing better than expected due to the higher interest rates. It is anticipated that this trend will continue and bring in additional revenue for the City.

DONATION(S)

16. ACCEPTANCE OF DONATION(S) FOR POLICE, FIRE, AND CITY STAFF FOR THE RECORD (Each valued at between \$0 - \$500).

Mary Ellen Cavanaugh donated chips/fruit snacks/granola bars valued at \$40 to the Police Department.

Frances B. and Hugh L. Lewis donated \$25 in Memorial of former Parker City Administrator Betty McMenamy to the Fire Department.

Jerry Dorough donated \$100 cash to the Fire Department.

Michael D. and Lynnette Hawkins donated \$75 to the Memorial of former Parker Fire Chief Larry J. McMenamy to the Fire Department.

Linda Caballero (Craft) donated \$100 to the Memorial of former Parker Fire Chief Larry J. McMenamy to the Fire Department.

Mayor Pettie, on behalf of herself, City Council, and City Staff, thanked the donors for their kind and generous donations.

FUTURE AGENDA ITEMS

17. FUTURE AGENDA ITEMS

Mayor Pettie asked if there were any items to be added to the future agenda and noted, the following:

Item #10 – Street Maintenance (Dublin, Lewis, & Curtis) and adoption of Resolution No. 2024-779 authorizing award of contract and execution of necessary and related documents with Anderson Asphalt & Concrete Paving, LLC to perform the work described in its proposal consistent with its competitively procured tips agreement;

Item #13 - Discussion of Records Management Program – Follow up on officially adopting the Texas State Library and Archives Commission’s Schedules and reporting annually to the City Council on the implementation of the records management program.” [§ 32.08 DUTIES OF RECORDS MANAGEMENT OFFICER. (L)]

Item #14 - Mayor and Council agreed to direct staff to obtain a scope of services and estimate of probable costs for engineering services performed by the City's Engineer, Birkhoff, Hendricks & Carter, LLP, related to the water line relocation and improvements on Dublin Road.

Councilmember Lynch noted the Personnel Manual was not on the Future Agenda Items. Mayor Pettie said there would be Council Workshop, reviewing the manual prior to it being placed on an agenda.

Hearing no additional requests, Mayor Pettie encouraged everyone to email her any requests. She noted the next regularly scheduled meeting would be Tuesday, February 20, 2024.

ADJOURN

Mayor Lee Pettie adjourned the meeting at 9:06 p.m.

APPROVED:

Mayor Lee Pettie

ATTESTED:

Approved on the 20th day
of February, 2024.

Patti Scott Grey, City Secretary



**MINUTES
CITY COUNCIL MEETING
JANUARY 16, 2024**

CALL TO ORDER – Roll Call and Determination of a Quorum

The Parker City Council met in a regular meeting on the above date at Parker City Hall, 5700 E. Parker Road, Parker, Texas, 75002.

Mayor Lee Pettie called the meeting to order at 6:00 p.m. Mayor Pro Tem Jim Reed and Councilmembers Todd Fecht, Randy Kercho, Terry Lynch, and Amanda Noe were present.

Staff Present: City Administrator Luke Olson, Deputy City Secretary/Municipal Court Clerk Lori Newton, Finance/Human Resources Director Grant Savage, Public Works Director Gary Machado, Fire Chief Mike Sheff (arrived at 6:32 p.m.), and Police Chief Kenneth Price

EXECUTIVE SESSION - Pursuant to the provisions of Chapter 551, Texas Government Code, Vernon's Texas Codes Annotated the City Council may hold a closed meeting.

Executive Session was canceled.

PLEDGE OF ALLEGIANCE

AMERICAN PLEDGE: Councilmember Todd Fecht led the pledge.

TEXAS PLEDGE: Councilmember Randy Kercho led the pledge.

PUBLIC COMMENTS The City Council invites any person with business before the Council to speak. No formal action may be taken on these items at this meeting. Please keep comments to 3 minutes.

No comments

ITEMS OF COMMUNITY INTEREST

Mayor Pettie reviewed the upcoming Community Interest items below:

CANCELED/RESCHEDULED PARKS AND RECREATION COMMISSION (P&R) – CANCELED
- WEDNESDAY, FEBRUARY 14, 2024, 5 PM AND RESCHEDULED TO THURSDAY,
FEBRUARY 15, 2024, 5 PM

CITY FILING DEADLINE – FRIDAY, FEBRUARY 16, 2024, 5:00 PM

MARCH 5, 2024 PRIMARY ELECTION – PARKER CITY HALL

| Sunday (Domingo) | Monday (Lunes) | Tuesday (Martes) | Wednesday (Miércoles) | Thursday (Jueves) | Friday (Viernes) | Saturday (Sábado) |
|---|--|--|--|--|--|--|
| February 18 No Voting (18 de febrero) (Sin votar) | February 19 No Voting Holiday (18 de febrero) (Sin votar) (Día festive) | February 20 Early Voting (20 de febrero) (Votación adelantada) 8 am – 5 pm | February 21 Early Voting (21 de febrero) (Votación adelantada) 8 am – 5 pm | February 22 Early Voting (22 de febrero) (Votación adelantada) 8 am – 5 pm | February 23 Early Voting (23 de febrero) (Votación adelantada) 8 am – 5 pm | February 24 Early Voting (24 de febrero) (Votación adelantada) 7 am – 7 pm |
| February 25 Early Voting (25 de febrero) (Votación adelantada) 11 am – 5 pm | February 26 Early Voting (26 de febrero) (Votación adelantada) 7am - 7pm | February 27 Early Voting (27 de febrero) (Votación adelantada) 7am - 7pm | February 28 Early Voting (28 de febrero) (Votación adelantada) 7am - 7pm | February 29 Early Voting (29 de febrero) (Votación adelantada) 7am - 7pm | March 1 Early Voting (1 de marzo) (Votación adelantada) 7am - 7pm | March 2 No Voting (2 de marzo) (Sin votar) |

THURSDAY, APRIL 4, 2024 - LAST DAY TO REGISTER TO VOTE FOR THE MAY 4, 2024, GENERAL ELECTION

INDIVIDUAL CONSIDERATION ITEMS

1. APPROVAL OF MEETING MINUTES FOR DECEMBER 19, 2023.

MOTION: Mayor Pro Tem Reed moved to approve the December 19, 2023. Councilmember Fecht seconded with Councilmembers Fecht, Kercho, Lynch, Noe, Reed voting for the motion. Motion carried 5-0.

2. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON 2023 PARKERFEST DONATIONS.

MOTION: Councilmember Noe moved to accept the 2023 Parkerfest Donations, as presented. Mayor Pro Tem Reed seconded with Councilmembers Fecht, Kercho, Lynch, Noe, Reed voting for the motion. Motion carried 5-0.

Mayor Pettie, on behalf of herself, City Council, and City Staff, thanked the donors and sponsors for their kind and generous donations.

3. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2024-775 REGARDING THE EXTENSION AND RATE INCREASE ADDENDUM TO THE LEASE AGREEMENT WITH MOBILE MODULAR. [POSTPONED 2023 1219]

~~MOTION: Councilmember Kercho moved to purchase the Mobile Modular building, rather than extending the lease. After discussion, the motion and second were retracted due to fact that it was an improper motion and not the intended subject matter of the item posted. Motion died/failed 5-0.~~

MOTION: Councilmember Kercho moved to “basically remove this item from the agenda and place it on the next agenda with an opportunity to discuss purchase thereof.” Councilmember Fecht seconded. Mayor Pettie and City Administrator Olson advised Council this item did not reflect the intended subject matter of the item posted. If there was not a motion in regard to the *extension and rate increase addendum to the lease agreement with mobile modular*, there would be no motion and the item would die for lack of a motion.

City Council decided to remove the item from tonight’s agenda and put the item on ***Future Agenda Items*** for additional details, review and further consideration.

4. DISCUSSION/REVIEW OF UTILITIES BUILDING.

City Council discussed the Utilities Building (also, known as “pump station building,” and the “water building”). City Council directed City Administrator Olson to obtain more information on metal or modular buildings, develop cost estimates for the project, and bring the information back to City Council discussion, review and consideration.

ROUTINE ITEMS

5. UPDATE(S):

ENTERPRISE UPDATE BY CITY ADMINISTRATOR OLSON

POLICE VEHICLES

City Administrator Olson said the vehicle on order in Belton, Texas, has been canceled, as it would be next year before it could be ready. City Council agreed to the cancelation. The other two vehicles are in the process of being equipped with police apparatus and transported to the City of Parker from Pennsylvania.

Mr. Olson said Enterprise is in the process of providing a new car chart as requested.

FM2551

City Administrator Olson and Public Works Director Machado noted work has started on FM2551 (Dillehay), but that work has been delayed due to winter weather conditions.

WEBSITE

City Administrator Olson and Deputy City Secretary/Municipal Court Clerk Newton related progress was being made on the City’s website and “CivicPlus is currently working on navigation based on site results of analytics.”

COMP PLAN w/Council and Planning and Zoning (P&Z) Commission

~~It was decided that two (2) subcommittees, one with two (2) City Councilmembers and another with two (2) Planning and Zoning (P&Z) Commissioners, will move the plan forward. The City Councilmembers will bring information back to City Council for input, while the P&Z Commissioners will do the same with P&Z.~~

Mayor Pettie updated everyone, stating preparation was in progress and Council decided to move forward with two (2) subcommittees, consisting of a Council subcommittee and a Planning and Zoning (P&Z) subcommittee.

CAPITAL IMPROVEMENT PLAN (CIP)

It was indicated CIP work was in progress, pending additional information from City Staff.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ)

As previously reported, “Merits for MUD #7” was continued from November 28-30, 2023 to February 13-15, 2024.

REQUEST FOR QUALIFICATIONS (RFQ) FOR ENGINEERING

City Administrator Olson said the RFQ is in progress and should be ready to present to City Council at the February 6, 2024 City Council meeting.

ANY ADDITIONAL UPDATES

No additional updates were noted.

MONTHLY/QUARTERLY REPORTS

City Council accepted the reports hyperlinked below:

[December 2023 - Building Permit/Code Report](#)

[November/December 2023 – Court Report](#)

[November 2023 – Court Report](#)

[December 2023 – Court Report](#)

[December 2023 – Finance \(monthly financials\) Report](#)

[December 2023 – Police Report](#)

DONATION(S)

6. ACCEPTANCE OF DONATION(S) FOR POLICE, FIRE, AND CITY STAFF FOR THE RECORD (Each valued at between \$0 - \$500).

Maryam Boroujerdi & Mohammad Massoudi donated 1 Dozen Bundtins from Nothing Bundt Cakes value of \$28 to City of Parker Staff

Lisa Callan donated chocolates valued at \$15 to the Police Department.

Linda Ryan and Jean deLeon donated cookies valued at \$17 to the Police Department.

Pam and Allen Terrell donated an electric kettle valued at \$10 to the Police Department.

The Turrentine's donated homemade cookies valued at \$10 to the Police Department.

The Floyd Family donated cookies and donuts valued at \$15 to the Police Department.

Chip and Linda Justice donated Tiff's Treats valued at \$100 to the Police Department..

The Levy's donated chocolates valued at \$30 to the Police Department.

Mayor Pettie, on behalf of herself, City Council, and City Staff, thanked the donors for their kind and generous donations.

FUTURE AGENDA ITEMS

7. FUTURE AGENDA ITEMS

Mayor Pettie asked if there were any items to be added to the future agenda.

Councilmember Kercho asked that Item #3, regarding Mobile Modular building, be added with the request for additional information regarding possible purchase of

the building; and he also requested Dublin Road waterline be added as soon as possible.

Hearing no additional requests, the Mayor encouraged everyone to email her any additional requests. She noted the next regularly scheduled meeting would be Tuesday, February 6, 2024.

ADJOURN

Mayor Lee Pettie adjourned the meeting at 7:03 p.m.

APPROVED:

Mayor Lee Pettie

ATTESTED:

Approved on the 6th day
of February, 2024.

Patti Scott Grey, City Secretary



Council Agenda Item

| | | |
|----------------------------------|---|--|
| Budget Account Code: | Meeting Date: | See above. |
| Budgeted Amount: | Department/ Requestor: | City Council |
| Fund Balance-before expenditure: | Prepared by: | ACA/CS Scott Grey for City Attorney Stanphill |
| Estimated Cost: | Date Prepared: | February 12, 2024 |
| Exhibits: | <ol style="list-style-type: none"> 1. Proposed Resolution 2. Model Staff Report | |

AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2024-780 AUTHORIZING CONTINUED PARTICIPATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR; AND AUTHORIZING THE PAYMENT OF TEN CENTS PER CAPITA TO THE STEERING COMMITTEE TO FUND REGULATORY AND LEGAL PROCEEDINGS AND ACTIVITIES RELATED TO ONCOR ELECTRIC DELIVERY COMPANY, LLC..

SUMMARY

The City of Parker is a member of a 169-member city coalition known as the Steering Committee of Cities Served by Oncor (Steering Committee). The resolution approves the assessment of a ten cent (\$0.10) per capita fee to fund the activities of the Steering Committee.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

| Inter – Office Use | | | |
|-----------------------------|-------------------------|-------|-------------------------|
| Approved by: | Enter Text Here | | |
| Department Head/ Requestor: | <i>Patti Scott Grey</i> | Date: | 02/15/2024 |
| City Attorney: | <i>Amy J. Stanphill</i> | Date: | 02/xx/2024 via Municode |
| City Administrator | <i>Luke B. Olson</i> | Date: | 02/xx/2024 |

RESOLUTION NO.2024-780
(Oncor Steering Committee)

A RESOLUTION AUTHORIZING CONTINUED PARTICIPATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR; AND AUTHORIZING THE PAYMENT OF TEN CENTS PER CAPITA TO THE STEERING COMMITTEE TO FUND REGULATORY AND LEGAL PROCEEDINGS AND ACTIVITIES RELATED TO ONCOR ELECTRIC DELIVERY COMPANY, LLC.

WHEREAS, the City of Parker, Texas is a regulatory authority under the Public Utility Regulatory Act (PURA) and has exclusive original jurisdiction over the rates and services of Oncor Electric Delivery Company, LLC (Oncor) within the municipal boundaries of the city; and

WHEREAS, the Steering Committee of Cities Served By Oncor (Steering Committee) has historically intervened in Oncor rate proceedings and electric utility related rulemakings to protect the interests of municipalities and electric customers residing within municipal boundaries; and

WHEREAS, the Steering Committee is participating in Public Utility Commission dockets and projects, as well as court proceedings, and legislative activity, affecting transmission and distribution utility rates; and

WHEREAS, the City is a member of the Steering Committee; and

WHEREAS, the Steering Committee functions under the direction of an Executive Committee which sets an annual budget and directs interventions before state and federal agencies, courts and legislatures, subject to the right of any member to request and cause its party status to be withdrawn from such activities; and

WHEREAS, the Steering Committee at its December 2023 meeting set a budget for 2024 that compels an assessment of ten cents (\$0.10) per capita; and

WHEREAS, in order for the Steering Committee to continue its participation in these activities which affects the provision of electric utility service and the rates to be charged, it must assess its members for such costs.

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

I.

That the City is authorized to continue its membership with the Steering Committee of Cities Served by Oncor to protect the interests of the City of Parker, Texas, and protect the interests of the customers of Oncor Electric Delivery Company, LLC residing and conducting business within the City limits.

II.

The City is further authorized to pay its assessment to the Steering Committee of ten cents (\$0.10) per capita based on the population figures for the City shown in the latest TML Directory of City Officials.

III.

A copy of this Resolution and the assessment payment check made payable to "*Steering Committee of Cities Served by Oncor*" shall be sent to Brandi Stigler, Steering Committee of Cities Served by Oncor, c/o City Attorney's Office, Mail Stop 63-0300, 101 S. Mesquite St., Suite 300, Arlington, Texas 76010.

PRESENTED AND PASSED on this the 20th day of February, 2024, by a vote of _____ ayes and _____ nays at a regular meeting of the City Council of the City of Parker, Texas.

Lee Pettie , Mayor

ATTEST:

Patti Scott Grey, City Secretary

APPROVED AS TO FORM:

Amy J. Stanphill, City Attorney

STAFF REPORT ON ASSESSMENT RESOLUTION FOR STEERING COMMITTEE OF CITIES SERVED BY ONCOR

Purpose of the Resolution

The City of Parker is a member of a 169-member city coalition known as the Steering Committee of Cities Served by Oncor (Steering Committee). The resolution approves the assessment of a ten cent (\$0.10) per capita fee to fund the activities of the Steering Committee.

Why this Resolution is Necessary

The Steering Committee undertakes activities on behalf of municipalities for which it needs funding support from its members. Municipalities have original jurisdiction over the electric distribution rates and services within the city. The Steering Committee has been in existence since the late 1980s. It took on a formal structure in the early 1990s. Empowered by city resolutions and funded by per capita assessments, the Steering Committee has been the primary public interest advocate before the Public Utility Commission, ERCOT, the courts, and the Legislature on electric utility regulation matters for over three decades.

The Steering Committee is actively involved in rate cases, appeals, rulemakings, and legislative efforts impacting the rates charged by Oncor Electric Delivery Company, LLC within the City. Steering Committee representation is also strong at ERCOT. It is possible that additional efforts will be necessary on new issues that arise during the year, and it is important that the Steering Committee be able to fund its participation on behalf of its member cities. A per capita assessment has historically been used, and is a fair method for the members to bear the burdens associated with the benefits received from that membership.

Explanation of “Be It Resolved” Paragraphs

I. The City is currently a member of the Steering Committee; this paragraph authorizes the continuation of the City’s membership.

II. This paragraph authorizes payment of the City’s assessment to the Steering Committee in the amount of ten cents (\$0.10) per capita, based on the population figure for the City as shown in the latest TML Directory of City Officials.

III. This paragraph requires payment of the 2024 assessment be made and a copy of the resolution be sent to the Steering Committee.

Payment of Assessment

A copy of the resolution should be mailed with payment of the fee to Brandi Stigler, Steering Committee of Cities Served by Oncor, c/o City Attorney’s Office, Mail Stop 63-0300, 101 S. Mesquite St., Suite 300, Arlington, Texas 76010. Checks should be made payable to: *Steering Committee of Cities Served by Oncor.*



Council Agenda Item

| | | |
|----------------------------------|--|--|
| Budget Account Code: | Meeting Date: | See above. |
| Budgeted Amount: | Department/ Requestor: | City Council |
| Fund Balance-before expenditure: | Prepared by: | ACA/CS Scott Grey for City Attorney Stanphill |
| Estimated Cost: | Date Prepared: | February 12, 2024 |
| Exhibits: | <ol style="list-style-type: none"> 1. Proposed Resolution 2. Attachment A - ILA. | |

AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2024-781 AUTHORIZING AN INTERLOCAL COOPERATION AGREEMENT BETWEEN THE CITY OF PARKER AND THE TOWN OF FAIRVIEW, TEXAS FOR TEMPORARY USE OF FIRE APPARATUS (LOANING AND BORROWING OF FIRE APPARATUS).

SUMMARY

This Interlocal Agreement with the Town of Fairview is to enable the loaning of fire apparatus by either city and is in addition to the current Mutual Aid Agreement.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

Inter – Office Use

| | | | |
|-----------------------------|-------------------------|-------|-------------------------|
| Approved by: | Enter Text Here | | |
| Department Head/ Requestor: | <i>Patti Scott Grey</i> | Date: | 02/15/2024 |
| City Attorney: | <i>Amy J. Stanphill</i> | Date: | 02/xx/2024 via Municode |
| City Administrator | <i>Luke B. Olson</i> | Date: | 02/xx/2024 |

CITY OF PARKER
RESOLUTION NO. 2024-781
(Fire Apparatus ILA Fairview)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARKER,
COLLIN COUNTY, TEXAS, APPROVING AN INTERLOCAL
AGREEMENT BETWEEN THE TOWN OF FAIRVIEW AND THE CITY
OF PARKER FOR LOANING OF FIRE APPARATUS; PROVIDING
REPLEAER.**

WHEREAS, Chapter 791 of the Texas Government Code provides that local governments may contract in order to increase the efficiency and effectiveness of the delivery of services to the public; and

WHEREAS, The City of Parker and the Town of Fairview have previously contracted for Mutual Aid services; and

WHEREAS, the City of Parker and the Town of Fairview recognize that they have in the past desired to loan and/or borrow fire apparatus owned by the other party on a temporary basis due to temporary shortages in available apparatus to prevent and fight fires and render other emergency services; and

WHEREAS, this Agreement is not intended to replace or modify any current interlocal cooperation agreement for mutual aid between the Parties; and

WHEREAS, each Party, in performing governmental functions, or in paying for the performance of governmental functions herein, shall make that performance or those payments from current revenues legally available to such Party.

NOW THEREFORE, be it resolved by the City Council of the City of Parker, Collin County, Texas, as follows:

SECTION 1. The recitals contained in the preamble of this Resolution are incorporated into the body of this Resolution as if set out fully herein.

SECTION 2. The terms and conditions of the above described Interlocal Agreement are set forth in Attachment "A" are approved.

SECTION 3. The Mayor is hereby authorized to execute the Interlocal Agreement, attached hereto as Attachment "A", and all other necessary and related documents in connection therewith.

SECTION 4. That all provisions of any and all resolutions of the City of Parker found to be in conflict with the provisions of this Resolution be, and the same are hereby, repealed to the extent of the conflict, and all other provisions of the resolutions of the City of Parker not in conflict with the provisions of this Resolution shall remain in full force and effect.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF PARKER,
COLLIN COUNTY, TEXAS, THIS 20TH DAY OF FEBRUARY 2024.**

PARKER:

Lee Pettle, Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

Patti Scott Grey, City Secretary

Amy J. Stanphill, City Attorney

ATTACHMENT

A

INTERLOCAL AGREEMENT FOR LOANING OF FIRE APPARATUS

Proposed

Interlocal Cooperation Agreement for Temporary Use of Fire Apparatus

This Interlocal Cooperation Agreement for Temporary Use of Fire Apparatus (“Agreement”) is entered into by and between the City of Parker, Texas (“Parker”) and the Town of Fairview, Texas (“Fairview”) (collectively the “Parties” and singularly a “Party”), acting by and through their authorized representatives.

RECITALS:

WHEREAS, the Parties recognize that the Parties have in the past desired to loan and/or borrow Fire Apparatus owned by the other Party on a temporary basis due to temporary shortages in available apparatus to prevent and fight fires and render other emergency services; and

WHEREAS, this Agreement is not intended to replace or modify any current interlocal cooperation agreement for mutual aid between the Parties; and

WHEREAS, this Agreement is authorized by Chapter 791 of the Texas Government Code; and

WHEREAS, each Party, in performing governmental functions, or in paying for the performance of governmental functions herein, shall make that performance or those payments from current revenues legally available to such Party;

NOW, THEREFORE, in exchange for the mutual covenants set forth herein and other valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Parties agree as follows:

Article I Recitals Incorporated

The recitals to this Agreement are found to be true and incorporated herein.

Article II Purpose

The purpose of this Agreement is to outline the requirements and procedures for the Parties to temporarily borrow Fire Apparatus from each other. This Agreement is not intended to replace or amend any other existing Agreements that the Parties have entered except as expressly provided for herein.

Article III Definitions

Unless the context clearly means otherwise the following words or phrases shall have the following meanings:

“Fire Apparatus” shall mean any fire prevention automobile owned by either Party that is used by a fire prevention agency to transport firefighters, extinguishing equipment and agents, and other firefighting materials to the scene of a fire or other emergency; also commonly known as fire engine or fire truck.

“Fire Chief” shall mean the Fire Chief of the respective Party, or designee.

“Requesting Party” shall mean the Party requesting to temporarily borrow Fire Apparatus under this Agreement.

“Responding Party” means the Party temporarily loaning Fire Apparatus under this Agreement to the Requesting Party.

Article IV Term

4.1 The term of this Agreement shall be for a period of one (1) year commencing on the last date of execution by the Parties (the “Effective Date”). Thereafter, this Agreement shall automatically renew for successive terms of one (1) year each under the terms and conditions stated herein, unless sooner terminated as provided herein.

4.2 Either Party may terminate this Agreement by providing ninety (90) days prior written notice to terminate to the other Party.

Article V Limitations

5.1 This Agreement is for the temporary borrowing of Fire Apparatus by the Requesting Party to be used solely for fire prevention services within the jurisdiction of the Requesting Party.

5.2 If the Responding Party is not able to temporarily loan any requested Fire Apparatus based on the needs or requirements of the Responding Party as determined solely by the Responding Party’s Fire Chief, the Responding Party department will advise the Requesting Party’s fire department and the Responding Party shall not be required to loan the Fire Apparatus.

Article VI Liability; Immunity

6.1 Damages and Costs. A Requesting Party shall be required to reimburse a Responding Party for damages and costs incurred during its possession of any Fire Apparatus loaned by the Responding Party. For the purposes of this paragraph those costs include, but are not limited to, the cost to re-fuel the Fire Apparatus to the same level of fuel it contained at the time that the Requesting Party took possession of the Fire Apparatus.

6.2 Workers' Compensation Coverage. Each Party shall be responsible for its own actions and those of its employees and is responsible for complying with the Texas Workers' Compensation Act.

6.3 General Liability Coverage; Automobile Liability Coverage. Each Party shall be responsible for its own actions and is responsible for complying with the Texas motor vehicle financial responsibility laws. A Requesting Party shall acquire and maintain, during the entire period of time that it has possession of any Fire Apparatus that it borrows under this Agreement (and until the Fire Apparatus is returned to the sole possession of the Responding Party): (a) commercial general liability insurance including personal injury liability, premises operations liability, and contractual liability, covering, but not limited to, the liability assumed under any indemnification provisions of this Agreement, with limits of liability for bodily injury, death and property damage of not less than \$2,000,000.00; and (b) automobile liability coverage that covers any liability related to a Requesting Party's possession, use, or misuse of any Fire Apparatus borrowed under this Agreement, with limits of liability for bodily injury, death and property damage of not less than \$1,000,000.00. Coverage in said policies must be on a "per-occurrence" basis. All such insurance shall: (i) be issued by the Texas Municipal League Intergovernmental Risk Pool or a carrier which is rated "A-1" or better by A.M. Best's Key Rating Guide and licensed to do business in the State of Texas; and (ii) name the Responding Party as an additional insured and include a waiver of subrogation endorsement in favor of the Responding Party. Before taking possession of any Fire Apparatus, the Requesting Party shall provide the Responding Party with certificates of insurance evidencing such insurance coverage together with the declaration of such policies, along with the endorsement naming the Responding Party as an additional insured. Each such policy shall provide that, at least 30 days prior to the cancellation, non-renewal or modification of the same, the Responding Party shall receive written notice of such cancellation, non-renewal or modification.

6.4 Liability; Indemnification. To the extent permitted by law and without waiving sovereign immunity, each Party shall be responsible for any and all claims, demands, suits, actions, damages, and causes of action related to or arising out of or in any way connected with its own actions, and the actions of its personnel in its use or misuse of any Fire Apparatus that it borrows under this Agreement. **A REQUESTING PARTY HEREBY COVENANTS AND AGREES TO RELEASE, DEFEND, HOLD HARMLESS, AND INDEMNIFY A RESPONDING PARTY AND ITS OFFICIALS, OFFICERS, AGENTS, REPRESENTATIVES, SERVANTS AND EMPLOYEES (COLLECTIVELY, THE "RELEASED PARTIES"), FROM AND AGAINST ALL THIRD- PARTY CLAIMS, SUITS, JUDGMENTS, DAMAGES, AND DEMANDS AGAINST THE RESPONDING PARTY OR ANY OF THE RELEASED PARTIES, INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEY'S FEES AND RELATED EXPENSES, EXPERT WITNESS FEES, CONSULTANT FEES, AND OTHER COSTS ARISING OUT OF THE NEGLIGENCE OR OTHER WRONGFUL CONDUCT OF A REQUESTING PARTY, INCLUDING WITHOUT LIMITATION THE NEGLIGENCE OR OTHER WRONGFUL CONDUCT OF ITS RESPECTIVE EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, MATERIALMEN, AND/OR AGENTS RELATED TO THE REQUESTING PARTY'S POSSESSION, USE, OR MISUSE OF ANY FIRE APPARATUS BORROWED UNDER THIS AGREEMENT.**

6.5 Other Coverage: The Responding Party shall provide and maintain its standard packages of medical and death benefit insurance coverage while its personnel are in the possession of and Fire Apparatus it has borrowed under this Agreement.

6.6 No Waiver of Immunity. Except as required by applicable law, no Party waives or relinquishes any immunity or defense on behalf of itself, its officers, employees, and agents as a result of its execution of this Agreement and the performance of the covenants contained herein.

Article VII Miscellaneous

7.1 Binding Agreement; Assignment. The terms and conditions of this Agreement are binding upon the successors and assigns of all Parties hereto. This Agreement may not be assigned by a Party without the prior written consent of the other Party.

7.2 Notices. Any notice required or permitted to be delivered hereunder shall be deemed received three days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or on the day actually received if sent by courier or otherwise hand delivered to the following addresses:

If intended for Parker, to:
5700 E. Parker Road
Parker, TX 75002
Attn: Lee Pettie, Mayor

With a copy to:

Attn: Fire Chief

With a copy to:

Attn: City Attorney

If intended for Fairview, to:

Attn: Town Manager
Town of Fairview, Texas
372 Town Place
Fairview, Texas 75069

With a copy to:

Attn: Fire Chief
Fairview Fire Department
372 Town Place
Fairview, Texas 75069

With a copy to:

Attn: Town Attorney
Wolfe, Tidwell & McCoy, LLP

2591 Dallas Parkway, Suite 300
Frisco, Texas 75034

7.4 Governing Law. This Agreement will be governed by the laws of the State of Texas, and venue for any action concerning this Agreement will be in a State District Court of Collin County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of such court.

7.5 Legal Construction. In the event any one or more of the provisions contained in this Agreement are for any reason held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

7.6 Recitals. The recitals to this Agreement are incorporated herein.

7.7 Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

7.8 Exhibits. Any exhibits to this Agreement are incorporated herein by reference for all purposes.

7.9 Amendment. This Agreement may be amended by the mutual written agreement of the Parties.

7.10 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

7.11 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination. Section 6.4 and all other provisions related to indemnity shall survive the termination of this Agreement.

7.12 Entire Agreement. This Agreement is the entire Agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral, oral or written agreement between the Parties that in any manner relates to the subject matter of this Agreement, except as provided in any Exhibits attached hereto.

EXECUTED this the _____ day of _____, 2024.

City of Parker, Texas

By: _____
Lee Pettie, Mayor

Town of Fairview, Texas

By: _____
Julie Couch, Fairview Town Manager



Council Agenda Item

| | |
|----------------------------------|--|
| Budget Account Code: | Meeting Date: See above. |
| Budgeted Amount: | Department/ Requestor: Finance |
| Fund Balance-before expenditure: | Prepared by: ACA/CS Scott Grey for Finance/HR Manager Grant Savage |
| Estimated Cost: | Date Prepared: February 12, 2024 |
| Exhibits: | <ol style="list-style-type: none"> 1. Annual Financial Report – Year Ended September 30, 2023 2. Management Recommendations Letter 3. Required Governance Communication |

AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ANNUAL AUDIT REPORT.

SUMMARY

Please review the attached Annual Financial Report – Year Ended September 30, 2023. If you have any questions, comments, and/or concerns, please contact the Finance Manager, Grant Savage, at gsavage@parkertexas.us prior to the City Council meeting.

Vail & Park, P.C. will present the final audit results to Council.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

| Inter – Office Use | | | |
|-----------------------------|-------------------------|-------|----------------------------------|
| Approved by: | Enter Text Here | | |
| Department Head/ Requestor: | <i>Grant Savage</i> | Date: | 02/15/2024 |
| City Attorney: | <i>Amy J. Stanphill</i> | Date: | 02/xx/2024 via Municode Software |
| City Administrator: | <i>Luke B. Olson</i> | Date: | 02/xx/2024 |

ANNUAL FINANCIAL REPORT

of the

City of Parker, Texas

For the Year Ended September 30, 2023

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City of Parker, Texas

ANNUAL FINANCIAL REPORT

September 30, 2023

Meeting Date: 02/20/2024 Item 4.

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor & City Council
City of Parker, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Parker, Texas (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Parker, Texas's basic financial statements as listed in the table of contents.

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, each major fund, and the aggregate remaining fund information of the City of Parker, Texas, as of September 30, 2023, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed on the table of contents on pages 7-15 and 63-70, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Parker, Texas's basic financial statements. The nonmajor governmental funds combining statements on pages 71-79 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 nonmajor governmental funds combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 20, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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'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's internal control over financial reporting and compliance.

Vail & Park, P.C.

Vail & Park, P.C.
Tom Bean, Texas
February 20, 2024

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***MANAGEMENT'S DISCUSSION
AND ANALYSIS***

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City of Parker, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2023

Meeting Date: 02/20/2024 Item 4.

As management of the City of Parker, Texas (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023.

Financial Highlights

- The City's total combined net position is \$67,501,157 at September 30, 2023. Of this, \$15,239,823 (unrestricted net position) may be used to meet the City's ongoing obligations to its citizens and creditors.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$10,716,930, an increase of \$2,245,800.
- As of the end of the year, the unassigned fund balance of the General fund was \$6,871,839 or 187% of total General fund expenditures.
- The City had an overall increase in net position of \$4,806,902, which is primarily due to capital contributions related to developments in the total amount of \$3,127,717.
- The City budgeted for a net change in fund balance of \$0 for the General Fund. The actual activity resulted in an increase in the fund balance for the General fund of \$1,341,163. This resulted in a positive overall variance between budget to actual of \$1,312,418.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government- wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, liabilities, and deferred inflows/outflows with the difference 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 is improving or deteriorating. Other non-financial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, and culture and recreation. The business-type activities of the City include water, sewer and sanitation operations.

September 30, 2023

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the legally separate Parker Volunteer Fire Department for which the City is financially accountable. Although legally separate, the Fire Department functions for all practical purposes as a department of the City and therefore has been included as an integral part of the primary government.

FUND FINANCIAL STATEMENTS

Funds may be considered as operating companies of the parent corporation, which is the City of Parker. They are usually segregated for specific activities or objectives. The City of Parker uses fund accounting to ensure and demonstrate compliance with finance-related legal reporting requirements. The two categories of City funds are governmental and proprietary.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as *on balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Parker maintains fourteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general and debt service funds, which are considered major funds.

The City of Parker adopts an annual appropriated budget for its general, debt service, capital projects, and utility funds. A budgetary comparison schedule has been provided to demonstrate compliance with the general fund budget.

Proprietary Funds

The City maintains one type of proprietary fund which is considered an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water distribution, wastewater collection/treatment, water construction operations and sanitation services. The proprietary fund financial statements provide separate information for the water distribution, wastewater collection/treatment fund, and sanitation funds. The basic proprietary fund financial statements can be found in the basic financial statements of this report.

September 30, 2023

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

Other Information

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI that GASB Statement No. 34 requires includes a budgetary comparison schedule for the general fund and schedule of changes in net pension and total OPEB liability, and related ratios for Texas Municipal Retirement System. The RSI can be found after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of the City's financial position. For the City of Parker, assets and deferred outflows exceeded liabilities and deferred inflow by \$67,501,157 as of September 30, 2023, in the primary government.

The largest portion of the City's net position, \$48,483,741, reflects its investments in capital assets (e.g., land, city hall, police station, streets, and drainage systems, as well as the public works facilities), less any 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 assets themselves cannot be used to liquidate these liabilities.

Current and other assets of Governmental Activities as of September 30, 2023, and September 30, 2022, were \$12,250,401 and \$10,117,700, respectively. The increase of \$2,132,701 was primarily due to greater cash on hand resulting from greater than anticipated property tax revenue and interest income. Capital and right to use assets of Governmental Activities as of September 30, 2023 and September 30, 2022 were \$31,484,641 and \$32,207,815, respectively. The decrease of \$723,174, was primarily attributable to current year depreciation exceeding new capital investments and asset disposals. Long-term liabilities of Governmental Activities as of September 30, 2023 and September 30, 2022 were \$1,705,409 and \$1,574,641, respectively. The increase of \$130,768 is primarily due to additions of right to use lease liability.

Current and other assets of Business-Type Activities as of September 30, 2023 and September 30, 2022 were \$9,909,868 and \$8,386,431, respectively. The increase of \$1,523,437 was due to increased utility billing revenue collected in fiscal year 2023. Other liabilities of Business-Type Activities as of September 30, 2023 and September 30, 2022 were \$769,946 and \$854,168, respectively. The decrease of \$84,222 was a result of timing of payments to third party vendors in the subsequent fiscal year. Long-term liabilities of Business-Type Activities as of September 30, 2023 and September 30, 2022 were \$6,746,231 and \$6,902,940, respectively. The decrease of \$156,709 is primarily due to principal payments made during the current year, as required.

City of Parker, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
September 30, 2023

Meeting Date: 02/20/2024 Item 4.

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

| | 2023 | | | 2022 | | |
|---------------------------------------|-----------------------|--------------------------|---------------|-----------------------|--------------------------|---------------|
| | Government Activities | Business-type Activities | Total | Government Activities | Business-type Activities | Total |
| Assets | | | | | | |
| Current and other assets | \$ 12,250,401 | \$ 9,909,868 | \$ 22,160,269 | \$ 10,117,700 | \$ 8,386,431 | \$ 18,504,131 |
| Capital and right to use assets, net | 31,484,641 | 24,431,008 | 55,915,649 | 32,207,815 | 23,387,167 | 55,594,982 |
| Total Assets | 43,735,042 | 34,340,876 | 78,075,918 | 42,325,515 | 31,773,598 | 74,099,113 |
| Deferred Outflows of Resources | 425,210 | 161,385 | 586,595 | 221,730 | 75,526 | 297,256 |
| Liabilities | | | | | | |
| Other liabilities | 1,910,755 | 769,946 | 2,680,701 | 2,112,149 | 854,168 | 2,966,317 |
| Long-term liabilities | 1,705,409 | 6,746,231 | 8,451,640 | 1,574,641 | 6,902,940 | 8,477,581 |
| Total Liabilities | 3,616,164 | 7,516,177 | 11,132,341 | 3,686,790 | 7,757,108 | 11,443,898 |
| Deferred Inflows of Resources | 21,147 | 7,868 | 29,015 | 195,446 | 62,770 | 258,216 |
| Net Position | | | | | | |
| Net investment in capital assets | 30,441,568 | 18,042,173 | 48,483,741 | 30,806,001 | 17,098,171 | 47,904,172 |
| Restricted | 1,752,972 | 2,024,621 | 3,777,593 | 1,321,312 | 1,871,001 | 3,192,313 |
| Unrestricted | 8,328,401 | 6,911,422 | 15,239,823 | 6,537,696 | 5,060,074 | 11,597,770 |
| Total Net Position | \$ 40,522,941 | \$ 26,978,216 | \$ 67,501,157 | \$ 38,665,009 | \$ 24,029,246 | \$ 62,694,255 |

City of Parker, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
September 30, 2023

Meeting Date: 02/20/2024 Item 4.

Statement of Activities:

The following table provides a summary of the City's changes in net position:

| | 2023 | | | 2022 | | |
|--|----------------------------|-----------------------------|---------------|----------------------------|-----------------------------|---------------|
| | Governmental Activities | Business-type Activities | Total | Governmental Activities | Business-type Activities | Total |
| Revenue | | | | | | |
| Program Revenue | | | | | | |
| Charges for services | \$ 576,550 | \$ 6,350,140 | \$ 6,926,690 | \$ 551,538 | \$ 5,665,189 | \$ 6,216,727 |
| Grants and contributions | 1,608,819 | 1,530,027 | 3,138,846 | 1,010,335 | 885,480 | 1,895,815 |
| General Revenue | | | | | | |
| Property taxes | 4,870,872 | - | 4,870,872 | 4,502,968 | - | 4,502,968 |
| Sales taxes | 380,799 | - | 380,799 | 410,537 | - | 410,537 |
| Franchise and local taxes | 343,117 | - | 343,117 | 338,312 | - | 338,312 |
| Investment income | 360,628 | 234,988 | 595,616 | 36,374 | 48,186 | 84,560 |
| Other revenues | 5,209 | - | 5,209 | 57,737 | 739 | 58,476 |
| Total Revenue | 8,145,994 | 8,115,155 | 16,261,149 | 6,907,801 | 6,599,594 | 13,507,395 |
| Expenses | | | | | | |
| General government | 735,412 | - | 735,412 | 699,102 | - | 699,102 |
| Public safety | 2,450,956 | - | 2,450,956 | 2,521,512 | - | 2,521,512 |
| Public works | 3,065,803 | - | 3,065,803 | 3,052,147 | - | 3,052,147 |
| Culture and recreation | 96,025 | - | 96,025 | 16,253 | - | 16,253 |
| Interest and fiscal charges | 19,866 | 213,839 | 233,705 | 33,784 | 228,927 | 262,711 |
| Water, sewer, & sanitation | - | 4,872,346 | 4,872,346 | - | 4,095,097 | 4,095,097 |
| Total Expenses | 6,368,062 | 5,086,185 | 11,454,247 | 6,322,798 | 4,324,024 | 10,646,822 |
| Change in Net Position Before Transfers | 1,777,932 | 3,028,970 | 4,806,902 | 585,003 | 2,275,570 | 2,860,573 |
| Transfers | 80,000 | (80,000) | - | 80,000 | (80,000) | - |
| Total | 80,000 | (80,000) | - | 80,000 | (80,000) | - |
| Change in Net Position | 1,857,932 | 2,948,970 | 4,806,902 | 665,003 | 2,195,570 | 2,860,573 |
| Beginning Net Position | 38,665,009 | 24,029,246 | 62,694,255 | 38,000,006 | 21,833,676 | 59,833,682 |
| Ending Net Position | \$ 40,522,941 | \$ 26,978,216 | \$ 67,501,157 | \$ 38,665,009 | \$ 24,029,246 | \$ 62,694,255 |

City of Parker, Texas

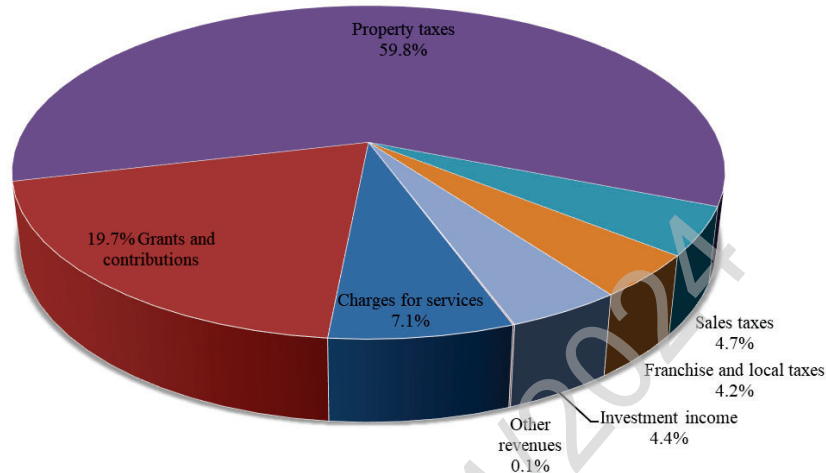
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

September 30, 2023

Meeting Date: 02/20/2024 Item 4.

Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the City's activities.

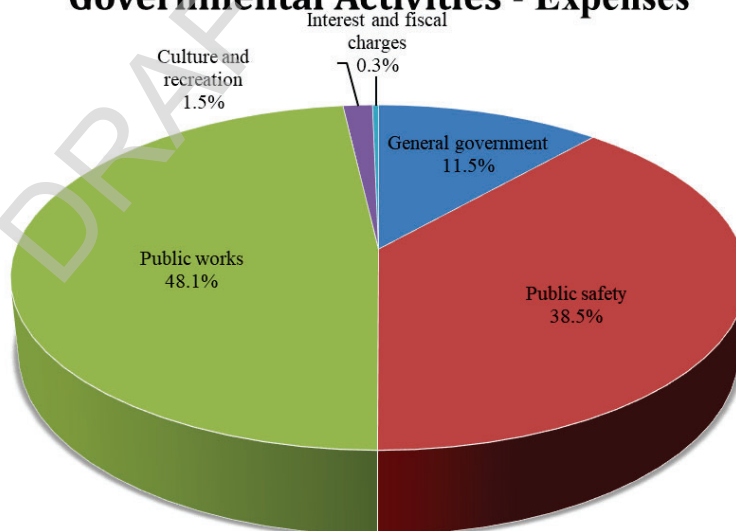
Governmental Activities - Revenues



For the year ended September 30, 2023, revenues from governmental activities totaled \$8,145,994. Property tax, charges for services, and grants and contributions are the City's largest revenue sources. Property tax increased \$367,904 or 8% due to an increase in the taxable appraisal value of properties. Grants and contributions increased \$598,484 due to nonrecurring capital contributions from a developer in the current year. Investment income increased by \$324,454 or 891% primarily due to an increase in interest bearing accounts. All other revenues remained relatively stable over the course of the fiscal year.

This graph shows the governmental function expenses of the City:

Governmental Activities - Expenses



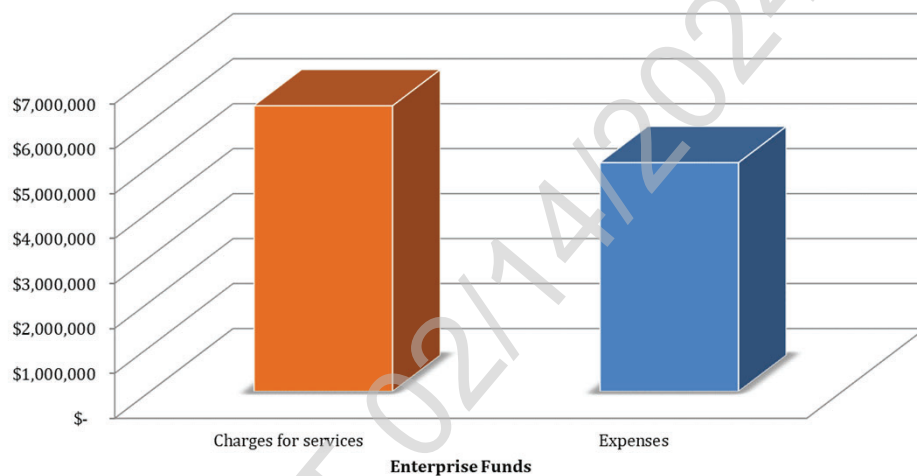
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

September 30, 2023

For the year ended September 30, 2023, expenses for governmental activities totaled \$6,368,062. This represents an increase of \$45,264 or 1% from the prior year. The City's largest functional expense is public works for \$3,065,803. Public works expenses increased by \$13,656 or 0.4% primarily due to street maintenance expenses and professional service costs in the current year. Public safety expenses decreased by \$70,556 or 3% from the prior year. The decrease was primarily a result of greater personnel costs and communication service expenses in the prior year. General government expenses increased by \$36,310 or 5% primarily due to pay increases for employees allocated to this function. Interest and fiscal charges decreased by \$13,918 or 41% primarily due to nonrecurring bond costs recognized in the prior year. All other expenses remained relatively stable over the course of the fiscal year.

Business-type activities are shown comparing operating costs to revenues generated by related services.

Business-Type Activities - Revenues and Expenses



For the year ended September 30, 2023, charges for services by business-type activities totaled \$6,350,140. This is an increase of \$684,951, or 12% from the previous year. This increase directly relates to an increase in refuse billing rates and growth in the City's customer base compared to the prior year.

Total expenses for business-type activities increased \$762,161 or 18%, due to increased personnel and supply costs.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

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

As of the end of the year the general fund reflected a total fund balance of \$6,892,083. Of this, \$20,244 is considered nonspendable. The unassigned fund balance totaled \$6,871,839 as of yearend. The general fund balance increased \$1,341,163 primarily as a result of greater than anticipated revenues and less than anticipated expenditures.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

September 30, 2023

As of September 30, 2023, the debt service fund reflected a fund balance of \$258,753, a slight decrease of \$1,827 from the prior year. Fund balance remained relatively stable due to property tax revenues covering debt service payments.

As of September 30, 2023, the nonmajor governmental funds reflected a total fund balance of \$3,566,094, an increase of \$906,464. The increase was primarily a result of transfers received from other funds for the different purposes of the special revenue funds.

There was an increase in governmental fund balance of \$2,245,800 from the prior year. The increase was primarily a result of current year revenue increases in property, sales, and franchise tax; as expenditures remaining stable (only increasing by 1%).

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

GENERAL FUND BUDGETARY HIGHLIGHTS

There was a total positive budget variance of \$1,341,163 in the general fund. This was primarily the result of positive revenue and expenditure variance totaling \$488,860 and \$823,558, respectively. All expenditures were less than final budgeted appropriations, with the exception of principal retirement, interest and fiscal charges, and capital outlay.

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested \$31,484,641 in a variety of capital and right to use assets and infrastructure, net of accumulated depreciation and amortization. Depreciation is included with the governmental capital assets as required by GASB Statement No. 34. The City's business-type activities funds had invested \$24,431,008 in a variety of capital assets and infrastructure, net of accumulated depreciation.

Major capital asset events during the current year include the following:

- Developer contributions received totaling \$1,537,749 for streets improvements.
- Developer contributions received totaling \$1,530,027 for water system improvements.
- Trailer purchase in the amount of \$113,185.

More detailed information about the City's capital assets is presented in note IV. D. to the financial statements.

LONG-TERM DEBT

At the end of the current year, the City had total bonds and certificates of obligation outstanding, in the amount of \$7,200,086. During the year, principal payments totaling \$690,000 were made, as required. More detailed information about the City's long-term liabilities is presented in note IV. E. to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Mayor and City Council are committed to maintaining and improving the overall wellbeing of the City of Parker and improving services provided to their public citizens. The City is budgeting for growth in the upcoming year.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

September 30, 2023

The following known factors were considered in preparing the City's operating budget for FY 2023-2024:

- This budget will raise more total property taxes than last year's budget by \$644,992 or 13.33 %, and of that amount, \$264,155 is tax revenue to be raised from new property added to the tax roll.
- The approved budget for all funds for FY 2023-2024 reflects total anticipated revenues of \$16,028,184 and total anticipated expenditures of \$17,049,663.
- The City's tax rate is set each fall and is enacted via ordinance. The rate for fiscal year 2023-2024 was enacted by Ordinance #849 and is set to \$0.322680 cents per \$100 of valuation.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City of Parker's finances for all those with an interest in the City's finances. Questions concerning this report or requests for additional financial information should be directed to the City Administrator, 5700 East Parker Road, Parker, Texas 75002.

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FINANCIAL STATEMENTS

DRAFT 02/14/2024

City of Parker, Texas
STATEMENT OF NET POSITION (Page 1 of 2)
September 30, 2023

Meeting Date: 02/20/2024 Item 4.

| | Primary Government | | |
|--|------------------------------------|-------------------------------------|-------------------|
| | Governmental Activities | Business-Type Activities | Total |
| Assets | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 8,296,734 | \$ 5,039,371 | \$ 13,336,105 |
| Investments | 3,700,059 | - | 3,700,059 |
| Receivables, (net) | 214,447 | 1,384,022 | 1,598,469 |
| Prepaid expenses | 39,161 | 7,198 | 46,359 |
| Restricted assets: | | | |
| Cash and cash equivalents | - | 3,479,277 | 3,479,277 |
| Total Current Assets | 12,250,401 | 9,909,868 | 22,160,269 |
| Capital and right to use assets: | | | |
| Non depreciable capital assets | 920,660 | 6,523,933 | 7,444,593 |
| Net depreciable capital assets | 30,448,871 | 17,907,075 | 48,355,946 |
| Net right to use assets | 115,110 | - | 115,110 |
| Total Capital and Right to Use Assets | 31,484,641 | 24,431,008 | 55,915,649 |
| Total Assets | 43,735,042 | 34,340,876 | 78,075,918 |
| Deferred Outflows of Resources | | | |
| Deferred outflows - pension | 418,405 | 155,672 | 574,077 |
| Deferred outflows - OPEB | 788 | 293 | 1,081 |
| Deferred charges on refunding | 6,017 | 5,420 | 11,437 |
| Total Deferred Outflows of Resources | \$ 425,210 | \$ 161,385 | \$ 586,595 |

City of Parker, Texas
STATEMENT OF NET POSITION (Page 2 of 2)
As of September 30, 2023

Meeting Date: 02/20/2024 Item 4.

| | Primary Government | | |
|--|------------------------------------|-------------------------------------|----------------------|
| | Governmental Activities | Business-Type Activities | Total |
| Liabilities | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 77,884 | \$ 114,638 | \$ 192,522 |
| Accrued liabilities and other payables | 34,879 | - | 34,879 |
| Unearned revenue | 1,281,688 | - | 1,281,688 |
| Customer deposits | 47,000 | 48,968 | 95,968 |
| Accrued interest payable | 3,018 | 30,600 | 33,618 |
| Payable to Collin County | - | 238,856 | 238,856 |
| Due within one year: | | | |
| Leases payable | 45,897 | - | 45,897 |
| Bonds and notes payable | 315,130 | 314,870 | 630,000 |
| Accrued compensated absences | 105,259 | 22,014 | 127,273 |
| Total Current Liabilities | 1,910,755 | 769,946 | 2,680,701 |
| Noncurrent liabilities: | | | |
| Due in more than one year: | | | |
| Leases payable | 67,720 | - | 67,720 |
| Bonds and notes payable | 620,343 | 6,367,718 | 6,988,061 |
| Net pension liability | 968,546 | 360,357 | 1,328,903 |
| Total OPEB liability | 48,800 | 18,156 | 66,956 |
| Total Noncurrent Liabilities | 1,705,409 | 6,746,231 | 8,451,640 |
| Total Liabilities | 3,616,164 | 7,516,177 | 11,132,341 |
| Deferred Inflows of Resources | | | |
| Deferred inflows - OPEB | 21,147 | 7,868 | 29,015 |
| Total Deferred Inflows of Resources | 21,147 | 7,868 | 29,015 |
| Net Position | | | |
| Net investment in capital assets | 30,441,568 | 18,042,173 | 48,483,741 |
| Restricted for: | | | |
| Parks and recreation | 16,691 | - | 16,691 |
| Debt service | 258,753 | - | 258,753 |
| Capital projects | 1,290,937 | 2,024,621 | 3,315,558 |
| Public safety | 186,591 | - | 186,591 |
| Unrestricted | 8,328,401 | 6,911,422 | 15,239,823 |
| Total Net Position | \$ 40,522,941 | \$ 26,978,216 | \$ 67,501,157 |

City of Parker, Texas
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023

Meeting Date: 02/20/2024 Item 4.

| | | Program Revenues | | |
|--------------------------------|---------------|----------------------|------------------------------------|----------------------------------|
| Functions/Programs | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary Government: | | | | |
| Governmental Activities: | | | | |
| General government | \$ 735,412 | \$ 442,048 | \$ 11,129 | \$ - |
| Public safety | 2,450,956 | 134,502 | - | - |
| Public works | 3,065,803 | - | - | 1,597,690 |
| Culture and recreation | 96,025 | - | - | - |
| Interest and fiscal charges | 19,866 | - | - | - |
| Total Governmental Activities | 6,368,062 | 576,550 | 11,129 | 1,597,690 |
| Business-Type Activities: | | | | |
| Water, sewer, & sanitation | 5,086,185 | 6,350,140 | - | 1,530,027 |
| Total Business-Type Activities | 5,086,185 | 6,350,140 | - | 1,530,027 |
| Total Primary Government | \$ 11,454,247 | \$ 6,926,690 | \$ 11,129 | \$ 3,127,717 |

General Revenues:

Property taxes

Sales and use taxes

Franchise and local taxes

Investment income

Other revenues

Transfers in (out)

**Total General Revenues, Transfers,
and Extraordinary Items
Change in Net Position**

Net Position - Beginning

Net Position - Ending

| Net (Expense) Revenue and Changes in Net Position | | |
|--|-------------------------------------|---------------|
| Primary Government | | |
| Governmental Activities | Business-Type Activities | Total |
| \$ (282,235) | | \$ (282,235) |
| (2,316,454) | | (2,316,454) |
| (1,468,113) | | (1,468,113) |
| (96,025) | | (96,025) |
| (19,866) | | (19,866) |
| (4,182,693) | | (4,182,693) |
| - | \$ 2,793,982 | 2,793,982 |
| - | 2,793,982 | 2,793,982 |
| (4,182,693) | 2,793,982 | (1,388,711) |
| 4,870,872 | - | 4,870,872 |
| 380,799 | - | 380,799 |
| 343,117 | - | 343,117 |
| 360,628 | 234,988 | 595,616 |
| 5,209 | - | 5,209 |
| 80,000 | (80,000) | - |
| 6,040,625 | 154,988 | 6,195,613 |
| 1,857,932 | 2,948,970 | 4,806,902 |
| 38,665,009 | 24,029,246 | 62,694,255 |
| \$ 40,522,941 | \$ 26,978,216 | \$ 67,501,157 |

City of Parker, Texas

Meeting Date: 02/20/2024 Item 4.

BALANCE SHEET - GOVERNMENTAL FUNDS

As of September 30, 2023

| | General Fund | Nonmajor Debt Service Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|--|---------------------|-------------------------------------|-----------------------------------|--------------------------------|
| Assets | | | | |
| Cash and cash equivalents | \$ 4,433,133 | \$ 258,753 | \$ 3,604,848 | \$ 8,296,734 |
| Investments | 3,631,215 | - | 68,844 | 3,700,059 |
| Receivables, net: | | | | |
| Property taxes | 21,259 | 3,109 | - | 24,368 |
| Sales taxes | 58,177 | - | - | 58,177 |
| Court | 67,652 | - | - | 67,652 |
| Other | 64,250 | - | - | 64,250 |
| Prepaid items | 20,244 | - | 18,917 | 39,161 |
| Total Assets | <u>8,295,930</u> | <u>261,862</u> | <u>3,692,609</u> | <u>12,250,401</u> |
| Liabilities | | | | |
| Accounts payable | 68,459 | - | 9,425 | 77,884 |
| Accrued liabilities and other payables | 34,879 | - | - | 34,879 |
| Customer deposits | 47,000 | - | - | 47,000 |
| Unearned revenue | 1,164,598 | - | 117,090 | 1,281,688 |
| Total Liabilities | <u>1,314,936</u> | <u>-</u> | <u>126,515</u> | <u>1,441,451</u> |
| Deferred Inflows of Resources | | | | |
| Unavailable revenue - property taxes | 21,259 | 3,109 | - | 24,368 |
| Unavailable revenue - fines | 67,652 | - | - | 67,652 |
| Total Deferred Inflows of Resources | <u>88,911</u> | <u>3,109</u> | <u>-</u> | <u>92,020</u> |
| Fund Balances | | | | |
| Nonspendable | 20,244 | - | 18,917 | 39,161 |
| Restricted for: | | | | |
| Parks and recreation | - | - | 16,691 | 16,691 |
| Debt service | - | 258,753 | - | 258,753 |
| Capital projects | - | - | 1,290,937 | 1,290,937 |
| Public safety | - | - | 186,591 | 186,591 |
| Committed for: | | | | |
| Capital improvements | - | - | 2,052,958 | 2,052,958 |
| Unassigned | 6,871,839 | - | - | 6,871,839 |
| Total Fund Balances | <u>6,892,083</u> | <u>258,753</u> | <u>3,566,094</u> | <u>10,716,930</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 8,295,930</u> | <u>\$ 261,862</u> | <u>\$ 3,692,609</u> | <u>\$ 12,250,401</u> |

City of Parker, Texas

Meeting Date: 02/20/2024 Item 4.

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION September 30, 2023

Fund Balances - Total Governmental Funds \$ 10,716,930

Amounts reported for governmental activities in the Statement of Net Position ("SNP") are different because:

Capital and right to use assets used in governmental activities are not current financial resources, and therefore, are not reported in the governmental funds. 31,484,641

Other long-term assets are not available to pay for current-period expenditures and, therefore, are considered unavailable in the governmental funds

Property taxes receivables 24,368
Fines receivable 67,652

Deferred outflows (inflows) of resources represent a consumption (source) of net position that applies to a future period(s) and are not recognized as an outflow (inflow) of resources (expense/expenditure) until then.

Pension amounts 418,405
OPEB amounts (20,359)
Deferred charges on bond refunding 6,017

Some liabilities, including interest, bonds payable, leases payable, and net pension and total OPEB liabilities, are not reported as liabilities in the governmental funds.

Accrued interest (3,018)
Accrued compensated absences (105,259)
Non-current debt/leases payable due in one year (361,027)
Non-current debt/leases payable due in more than one year (688,063)
Net pension and total OPEB liability (1,017,346)

Net Position of Governmental Activities - Statement of Net Position \$ 40,522,941

City of Parker, Texas

Meeting Date: 02/20/2024 Item 4.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended September 30, 2023

| | General Fund | Nonmajor Debt Service Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|--|---------------------|-------------------------------------|-----------------------------------|--------------------------------|
| Revenues | | | | |
| Taxes: | | | | |
| Property | \$ 4,451,552 | \$ 417,737 | \$ - | \$ 4,869,289 |
| Sales and mixed beverage taxes | 380,799 | - | - | 380,799 |
| Franchise and local taxes | 343,117 | - | - | 343,117 |
| Licenses and permits | 442,048 | - | - | 442,048 |
| Contributions and donations | - | - | 11,129 | 11,129 |
| Grants | 59,941 | - | - | 59,941 |
| Fines and forfeitures | 95,859 | - | 12,016 | 107,875 |
| Investment income | 360,156 | - | 472 | 360,628 |
| Other revenue | 5,212 | - | 420 | 5,632 |
| Total Revenues | 6,138,684 | 417,737 | 24,037 | 6,580,458 |
| Expenditures | | | | |
| Current operating: | | | | |
| General government | 636,286 | - | 18,076 | 654,362 |
| Police department | 995,214 | - | - | 995,214 |
| Municipal court | 101,642 | - | 6,860 | 108,502 |
| Fire department | 880,391 | - | - | 880,391 |
| Building and code enforcement | 205,677 | - | - | 205,677 |
| Public works | 291,531 | - | - | 291,531 |
| City property | 483,380 | - | - | 483,380 |
| Culture and recreation | - | - | 85,407 | 85,407 |
| Debt Service: | | | | |
| Principal retirement | 27,582 | 390,235 | 19,437 | 437,254 |
| Interest and fiscal charges | 318 | 29,329 | 1,365 | 31,012 |
| Capital outlay | 56,745 | - | 271,074 | 327,819 |
| Total Expenditures | 3,678,766 | 419,564 | 402,219 | 4,500,549 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 2,459,918 | (1,827) | (378,182) | 2,079,909 |
| Other Financing Sources (Uses) | | | | |
| Transfers in | 50,000 | - | 1,227,500 | 1,277,500 |
| Transfers out | (1,197,500) | - | - | (1,197,500) |
| Proceeds from leased assets | 28,745 | - | 57,146 | 85,891 |
| Total Other Financing Sources (Uses) | (1,118,755) | - | 1,284,646 | 165,891 |
| Net Change in Fund Balances | 1,341,163 | (1,827) | 906,464 | 2,245,800 |
| Fund Balances - Beginning | 5,550,920 | 260,580 | 2,659,630 | 8,471,130 |
| Fund Balances - Ending | \$ 6,892,083 | \$ 258,753 | \$ 3,566,094 | \$ 10,716,930 |

The Notes to the Financial Statements are an integral part of this statement.

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, 2023

| | |
|---|--------------|
| Net Change in Fund Balances - Total Governmental Funds | \$ 2,245,800 |
|---|--------------|

Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.

| | |
|---------------------------------------|-------------|
| Capital outlays | 327,819 |
| Depreciation and amortization expense | (2,537,574) |
| Capital contributions | 1,537,749 |

| | |
|---|--------|
| Revenues in the SOA that do not provide current financial resources are not reported as revenues in the governmental funds. | 28,210 |
|---|--------|

The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when they are first issued; whereas, the amounts are deferred and amortized in the Statement of Activities. The following amounts are the net effect of these differences in the treatment of long-term debt and related items:

| | |
|--|---------|
| Net changes in bonds and leases | 300,987 |
| Net changes in debt premium/discount | 8,016 |
| Net changes in deferred charges on refunding | (1,430) |

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

| | |
|--------------------------|----------|
| Compensated absences | (5,347) |
| Pension and OPEB expense | (48,833) |

| | |
|--|--------------|
| Net Position of Governmental Activities - Statement of Activities | \$ 1,857,932 |
|--|--------------|

See Notes to Financial Statements.

City of Parker, Texas

Meeting Date: 02/20/2024 Item 4.

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

September 30, 2023

| | Water & Sewer Fund | Nonmajor Sanitation Fund | Total |
|--|-----------------------|--------------------------------|----------------------|
| Assets | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 4,949,539 | \$ 89,832 | \$ 5,039,371 |
| Receivables, net | 1,333,801 | 50,221 | 1,384,022 |
| Prepaid expenses | 7,198 | - | 7,198 |
| Restricted assets: | | | |
| Cash and cash equivalents | 3,479,277 | - | 3,479,277 |
| Total Current Assets | 9,769,815 | 140,053 | 9,909,868 |
| Noncurrent assets: | | | |
| Capital Assets | | | |
| Land | 323,666 | - | 323,666 |
| Construction in progress | 6,200,267 | - | 6,200,267 |
| Water system | 25,164,743 | - | 25,164,743 |
| Sewer system | 216,655 | - | 216,655 |
| Vehicles and equipment | 162,131 | - | 162,131 |
| Accumulated depreciation | (7,636,454) | - | (7,636,454) |
| Total Noncurrent Assets | 24,431,008 | - | 24,431,008 |
| Total Assets | 34,200,823 | 140,053 | 34,340,876 |
| Deferred Outflows of Resources | | | |
| Deferred charges on bond refunding | 5,420 | - | 5,420 |
| Deferred outflows - pension | 155,672 | - | 155,672 |
| Deferred outflows - OPEB | 293 | - | 293 |
| Total Deferred Outflows of Resources | \$ 161,385 | \$ - | \$ 161,385 |
| Liabilities | | | |
| Current liabilities: | | | |
| Accounts payable and other current liabilities | \$ 73,365 | \$ 41,273 | \$ 114,638 |
| Accrued interest payable | 30,600 | - | 30,600 |
| Utility customer deposits | 48,968 | - | 48,968 |
| Payable to Collin County | 238,856 | - | 238,856 |
| General obligation bonds payable - current | 314,870 | - | 314,870 |
| Compensated absences payable | 22,014 | - | 22,014 |
| Total Current Liabilities | 728,673 | 41,273 | 769,946 |
| Noncurrent Liabilities | | | |
| General obligation bonds payable | 6,367,718 | - | 6,367,718 |
| Net pension liability | 360,357 | - | 360,357 |
| Total OPEB liability | 18,156 | - | 18,156 |
| Total Noncurrent Liabilities | 6,746,231 | - | 6,746,231 |
| Total Liabilities | 7,474,904 | 41,273 | 7,516,177 |
| Deferred Inflows of Resources | | | |
| Deferred inflows - OPEB | 7,868 | - | 7,868 |
| Total Deferred Inflows of Resources | 7,868 | - | 7,868 |
| Net Position | | | |
| Net investment in capital assets | 18,042,173 | - | 18,042,173 |
| Restriction for capital projects | 2,024,621 | - | 2,024,621 |
| Unrestricted | 6,812,642 | 98,780 | 6,911,422 |
| Total Net Position | \$ 26,879,436 | \$ 98,780 | \$ 26,978,216 |

The Notes to the Financial Statements are an integral part of this statement.

City of Parker, Texas

Meeting Date: 02/20/2024 Item 4.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS For the Year Ended September 30, 2023

| | Water & Sewer Fund | Nonmajor Sanitation Fund | Total |
|--|-----------------------|--------------------------------|----------------------|
| Operating Revenues | | | |
| Charges for sales and services: | | | |
| Water sales | \$ 5,293,622 | \$ - | \$ 5,293,622 |
| Sewer charges | 446,176 | - | 446,176 |
| Garbage collection | - | 502,315 | 502,315 |
| Meter installations | 88,000 | - | 88,000 |
| Other revenue | 20,027 | - | 20,027 |
| Total Operating Revenues | 5,847,825 | 502,315 | 6,350,140 |
| Operating Expenses | | | |
| Personnel services | 699,009 | - | 699,009 |
| Purchased water | 2,225,015 | - | 2,225,015 |
| Cost of sanitation | - | 479,358 | 479,358 |
| Wastewater treatment | 475,934 | - | 475,934 |
| Other purchased services | 211,672 | - | 211,672 |
| Supplies and maintenance | 136,446 | - | 136,446 |
| Depreciation | 644,912 | - | 644,912 |
| Total Operating Expenses | 4,392,988 | 479,358 | 4,872,346 |
| Operating Income (Loss) | 1,454,837 | 22,957 | 1,477,794 |
| Non-Operating Revenues (Expenses) | | | |
| Interest revenue | 234,988 | - | 234,988 |
| Interest and fiscal charges | (213,839) | - | (213,839) |
| Total Non-Operating Revenues (Expenses) | 21,149 | - | 21,149 |
| Income (Loss) Before Transfers | 1,475,986 | 22,957 | 1,498,943 |
| Capital contributions | 1,530,027 | - | 1,530,027 |
| Transfers out | (55,000) | (25,000) | (80,000) |
| Changes in Net Position | 2,951,013 | (2,043) | 2,948,970 |
| Net Position - Beginning | 23,928,423 | 100,823 | 24,029,246 |
| Net Position - Ending | \$ 26,879,436 | \$ 98,780 | \$ 26,978,216 |

City of Parker, Texas

Meeting Date: 02/20/2024 Item 4.

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended September 30, 2023

| | Water & Sewer Fund | Nonmajor Sanitation Fund | Totals |
|--|-----------------------|--------------------------------|---------------------|
| Cash Flows from Operating Activities | | | |
| Cash received from customers | \$ 5,562,331 | \$ 495,104 | \$ 6,057,435 |
| Cash payments to other suppliers and employees | (3,809,221) | (471,336) | (4,280,557) |
| Net Cash Provided (Used) by Operating Activities | <u>1,753,110</u> | <u>23,768</u> | <u>1,776,878</u> |
| Cash Flows from Non-capital Financing Activities | | | |
| Transfers out to other funds | (55,000) | (25,000) | (80,000) |
| Net Cash Provided (Used) by Non-Capital Financing Activities | <u>(55,000)</u> | <u>(25,000)</u> | <u>(80,000)</u> |
| Cash Flows from Capital and Related Financing Activities | | | |
| Purchase of capital assets | (158,728) | - | (158,728) |
| Principal paid on debt | (299,765) | - | (299,765) |
| Interest paid on debt | (249,052) | - | (249,052) |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(707,545)</u> | <u>-</u> | <u>(707,545)</u> |
| Cash Flows from Investing Activities | | | |
| Interest and dividends on investments | 234,988 | - | 234,988 |
| Net Cash Provided (Used) by Investing Activities | <u>234,988</u> | <u>-</u> | <u>234,988</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 1,225,553 | (1,232) | 1,224,321 |
| Cash and Cash Equivalents at Beginning of Year | 7,203,263 | 91,064 | 7,294,327 |
| Cash and Cash Equivalents at End of Year | <u>\$ 8,428,816</u> | <u>\$ 89,832</u> | <u>\$ 8,518,648</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | | | |
| Operating income (loss) | \$ 1,454,837 | \$ 22,957 | \$ 1,477,794 |
| Provided (used) by operating activities: | | | |
| Depreciation | 644,912 | - | 644,912 |
| Change in Assets and Liabilities: | | | |
| Decrease (increase) in receivables | (290,660) | (7,211) | (297,871) |
| Decrease (increase) in pension and OPEB related deferred outflows | (87,145) | - | (87,145) |
| Decrease (increase) in prepaid expenses | (6,899) | - | (6,899) |
| Increase (decrease) in accounts payable | (106,822) | 8,022 | (98,800) |
| Increase (decrease) in utility customer deposits | 12,065 | - | 12,065 |
| Increase (decrease) in compensated absences | (1,528) | - | (1,528) |
| Increase (decrease) in total OPEB obligation | (3,893) | - | (3,893) |
| Increase (decrease) in net pension obligation | 193,145 | - | 193,145 |
| Increase (decrease) in pension and OPEB related deferred inflows | (54,902) | - | (54,902) |
| Net Cash Provided (Used) by Operating Activities | <u>\$ 1,753,110</u> | <u>\$ 23,768</u> | <u>\$ 1,776,878</u> |
| Noncash Capital and Related Financing Activities: | | | |
| Contributions of capital assets | \$ 1,530,027 | \$ - | \$ 1,530,027 |
| Premium amortization | 1,286 | - | 1,286 |

The Notes to the Financial Statements are an integral part of this statement.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. Reporting Entity

The City of Parker, Texas (the “City”) was incorporated on March 22, 1969, and operates under a Type A General Law form of government. The City provides: police; fire; code enforcement; public works; street repair and maintenance; parks; general administrative services; water; wastewater; and sanitation.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. The Parker Volunteer Fire Department, although legally separate, is considered part of the reporting entity. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2023

Blended Component Unit

Parker Volunteer Fire Department

The Parker Volunteer Fire Department (the “VFD”) was created by City ordinance on February 22, 1983. The purpose of the VFD is to provide fire protection to the citizens of the City. The Fire Chief is the executive officer of the department and is appointed by the Mayor of the City.

C. Upcoming and Newly Implemented Accounting Pronouncements

The GASB has issued the following statements:

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, improves financial reporting by addressing these relationships and availability payment arrangements. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The City is currently evaluating the impact of this Statement. GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA), provides guidance on the accounting and financial reporting of contractual arrangements. It defines SBITA; establishes that a SBITA results in a right-to-use subscription asset; provides capitalization criteria; and requires note disclosures. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The adoption of Statement No. 94 has no impact on the City’s financial statements.

GASB Statement No. 96, “Subscription-Based Information Technology Arrangements, provides guidance on accounting and financial reporting for subscription-based information technology arrangements (“SBITA”) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The City has evaluated all subscription based IT arrangements and determined that there is no material impact on the City.

GASB Statement No. 99, “Omnibus 2022” enhances comparability in accounting and financial reporting and aims to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Certain provisions of Statement No. 99 are effective upon issuance, while other provisions of Statement No. 99 are effective for fiscal years beginning after June 15, 2022, or 2023. The City has determined that the provisions applicable to the City have no impact on the City’s financial statements. The City is evaluating the effect of other provisions that are not yet effective.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2023

GASB issued Statement No. 100, “Accounting Changes and Error Corrections-Amendment of GASB Statement No. 62,” which prescribes the accounting and financial reporting for each type of accounting change and error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating the prior period, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this statement are effective for reporting periods beginning after June 15, 2023. The City is evaluating the impact the implementation of this Statement on its financial statements.

GASB issued Statement No. 101, “Compensated Absences,” that clarifies the recognition and measurement guidance for compensated absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The requirements of this Statement are effective for financial statements for reporting periods beginning after December 15, 2023. The City is evaluating the impact that adoption of this Statement on its financial statements.

D. Basis of Presentation Government-Wide and Fund Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the government’s enterprise funds. Separate financial statements are provided for governmental funds and the proprietary funds.

As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government’s water and transit 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.

The fund financial statements provide information about the government’s funds, including its blended component units. Separate statements for each fund category—governmental and proprietary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following governmental funds:

Governmental Funds

Governmental funds are those funds through which most governmental functions are typically financed.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2023

General Fund

The General Fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, police and fire departments, public works, building and code enforcement, and city property. The General Fund is considered a major fund for reporting purposes.

Debt Service Fund

The Debt Service Fund is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of governmental funds. The primary source of revenue for debt service is local property taxes. The Debt Service Fund is considered a nonmajor fund for reporting purposes.

Capital Street Construction Fund

The Capital Street Construction Fund is used to account for the construction or maintenance of street projects being financed from bond proceeds, grants or transfers from other funds. This fund is considered nonmajor for reporting purposes.

Capital Drainage Fund

The Capital Drainage Fund is used to account for the construction or maintenance of drainage related improvements being financed from bond proceeds, grants, or transfers from other funds. This fund is considered nonmajor for reporting purposes.

Capital Facilities Fund

The Capital Facilities Fund is used to account for land acquisition, construction, renovation and equipping of government facilities being financed from bond proceeds, grants, or transfers from other funds. This fund is considered nonmajor for reporting purposes.

Volunteer Fire Department Fund

The Volunteer Fire Department Fund (the "VFD") is used to account for contributions and grants that are contributed to the VFD for fire protection. The VFD is considered a nonmajor fund for reporting purposes. The VFD is reported as a blended component unit because it has no separate board from the City Council, and it is financially accountable to the City.

Special Revenue Funds

The City accounts for resources restricted to, or designated for, specific purposes in a special revenue fund. These funds consist of law enforcement, court security, court technology, police donations, child safety, equipment replacement, parks program, and technology replacement.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2023

Proprietary Fund Types

Proprietary funds are used to account for activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government's business activities are accounted for through proprietary funds. The measurement focus is on determination of net income, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues include charges for services. Operating expenses include costs of materials, contracts, personnel, and depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Proprietary fund types follow GAAP prescribed by the Governmental Accounting Standards Board (GASB) and all financial Accounting Standards Board's standards issued prior to November 30, 1989. Subsequent to this date, the City accounts for its enterprise funds as presented by GASB. The proprietary fund types used by the City include enterprise funds.

The government reports the following major and non-major enterprise funds:

Water & Sewer Fund

This fund is used to account for the provision of water & sewer services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water production and distribution system, and water collection and treatment systems. The fund also accounts for the accumulation of resources for and the payment of long-term debt. All costs are financed through charges to utility customers.

Sanitation Fund (Non-Major)

This fund is used to account for the provision of garbage services to the residents of the City. Activities of the fund include administration, operations, maintenance, and contract garbage services.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2023

Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and 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 government 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2023

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

1. Deposits and Investments

The City'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. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexSTAR, are reported using the pools' share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, of the Texas Governmental Code. In summary, the City is authorized to invest in the following:

- Direct obligations of the U.S. Government
- Fully collateralized certificates of deposit and money market accounts
- Statewide investment pools

2. Fair Value

The City has applied Governmental Accounting Standards Board ("GASB") Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

3. Receivables and Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds" in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as "due to/from component unit/primary government." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2023

Advances between funds are offset by a fund balance reserve account in the applicable governmental fund to indicate they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of any allowance for uncollectible amounts.

4. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Penalties are calculated after February 1 up to the date collected by the government at the rate of 6% for the first month and increased 1% per month up to a total of 12%. Interest is calculated after February 1 at the rate of 1% per month up to the date collected by the government. Under state law, property taxes levied on real property constitute a lien on the real property which cannot be forgiven without specific approval of the State Legislature. The lien expires at the end of twenty years. Taxes levied on personal property can be deemed uncollectible by the City.

5. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred, (i.e., the purchase method). The inventories are valued at the lower of cost or market using the first-in/first-out method. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) and are recognized as expenditures when utilized.

6. 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 one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

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.

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2023

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful years.

| Asset Description | Estimated Useful Life |
|----------------------------|------------------------------|
| Vehicles | 5 to 20 years |
| Furniture and equipment | 5 to 10 years |
| Infrastructure | 20 - 40 years |
| Water and sewer system | 40 years |
| Buildings and improvements | 40 years |

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position 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. An example is a deferred charge on refunding reported in the government-wide statement of net position. 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.

In addition to liabilities, the statement of financial position 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. An example which arises only under a modified accrual basis of accounting, relates to the accounting for uncollected property taxes. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources can also occur at the government wide level due to differences between investment gains and losses realized on pension investments compared to assumptions used within the pension actuarial valuation model.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2023

8. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

9. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

10. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed.

The governing body (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2023

11. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consist of unpaid, accumulated vacation balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Vested or accumulated vacation leave and compensated leave of government-wide and proprietary funds are recognized as an expense and liability of those funds as the benefits accrue to employees.

It is the City's policy to liquidate compensated absences with future revenues rather than with currently available expendable resources. Accordingly, the City's governmental funds recognize accrued compensated absences when it is paid.

12. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. The long-term debt consists primarily of bonds payable, net pension liability, and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payments of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

Long-term debt and other obligations, financed by proprietary funds, are reported as liabilities in the appropriate funds. For proprietary fund types, bond premiums, and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are expensed as incurred in accordance with GASB statement no. 65.

The net pension liability is included within long term debt. This liability is valued using an actuarial model and represents the difference between the plan fiduciary net position and the net pension liability consistent with GASB statement no. 68. The portion of this liability presented as a current liability is based on actuarially calculations for estimated future payments of benefits and refunds over the twelve months following year-end.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2023

13. Leases – Lessee

The City is a lessee for noncancellable leases of property and equipment. The City recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (lease asset), reported with other capital assets, in the government-wide and proprietary fund financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the City is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

14. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS'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.

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
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15. Other Postemployment Benefits (“OPEB”)

The City has implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement applies to the individual employers (TMRS cities) in the TMRS Supplemental Death Benefits plan (SDBP), with retiree coverage. The TMRS SDBP covers both active and retiree benefits with no segregation of assets, and therefore doesn’t meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBP is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBP is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan.

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 on which TMRS deposits are made, for the 12-month period preceding the month of death. The death benefit amount for retirees is \$7,500. GASB No. 75 requires the liability of employers and non-employer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees’ past periods of service (total OPEB liability), less the amount of the OPEB plan’s fiduciary net position.

16. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds.

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental states that, “the issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Debt Service Fund, and Water & Sewer, and Sanitation Fund. Capital Projects Fund budgets are appropriated on a project-length basis.

The appropriated budget is prepared by fund, function, and department. The legal level of control is the function level. No funds can be transferred or added to a budgeted item without Council approval. Appropriations lapse at the end of the year.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As of September 30, 2023, the primary government had the following investments:

| Investment Type | Value | Weighted Average Maturity (Days) | Credit Rating |
|---------------------------|----------------------|---|------------------|
| Certificates of deposit | \$ 3,700,059 | 0 | N/A |
| External investment pools | | | |
| TexSTAR | 10,589,787 | 40 | AAAm |
| <u>Total value</u> | <u>\$ 14,289,846</u> | | |

Interest rate risk – In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average of maturity not to exceed five years; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations; monitoring credit ratings of portfolio position to assure compliance with rating requirements imposed by the Public Funds Investment Act; and invest operating funds primarily in short-term securities or similar government investment pools.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

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Credit risk – The City’s investment policy limits investments to obligations of the United States, State of Texas, or their agencies and instrumentalities with an investment quality rating of not less than “A” or its equivalent, by a nationally recognized investment rating firm. Other obligations must be unconditionally guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency and investment pools with an investment quality not less than AAA or AAA-m, or equivalent, by at least one nationally recognized rating service. As of September 30, 2023, the City’s investment in TexSTAR was rated AAAM by Standard & Poor’s.

Custodial credit risk – deposits: In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. State statutes require that all deposits in financial institutions be insured or fully collateralized by U.S. government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. As of September 30, 2023, the market values of pledged securities and FDIC did exceed bank balances, due to the nature of deposits with government sponsored investment pools that do not receive coverage or pledges. Management does not believe it is subject to credit risk.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City’s investment policy requires that it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City’s safekeeping account prior to the release of funds.

TexSTAR

The Texas Short Term Asset Reserve Fund ("TexSTAR") is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. TexSTAR was created in April 2002 by contract among its participating governmental units and is governed by a board of directors. JPMorgan Fleming Asset Management (USA), Inc. and First Southwest Asset Management, Inc. act as co-administrators, providing investment management services, participant services, and marketing, respectively. JPMorgan Chase Bank and/or its subsidiary, J.P. Morgan Investor Services, Inc., provide custodial, transfer agency, fund accounting, and depository services.

TexSTAR operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR uses amortized cost rather than fair value to report net position to compute share prices. Accordingly, the fair value of the position in TexSTAR are the same as the value of TexSTAR shares. There were no limitations or restrictions on withdrawals.

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
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B. Fair Value Measurement

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy. The investments of the City consist of certificates of deposit and investment pool assets, which are both exempted from presentation within a fair value hierarchy table. As a result, no such table is presented.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

C. Receivables

The following comprise receivable balances of the primary government at year end:

| | General | Debt Service | Water & Sewer | Sanitation | Total |
|----------------|-------------------|---------------------|------------------------------|-------------------|---------------------|
| Property taxes | \$ 21,259 | \$ 3,109 | \$ - | \$ - | \$ 24,368 |
| Sales tax | 58,177 | - | - | - | 58,177 |
| Franchise tax | 63,615 | - | - | - | 63,615 |
| Court | 135,304 | - | - | - | 135,304 |
| Accounts | - | - | 940,147 | 55,484 | 995,631 |
| Grants | - | - | 429,683 | - | 429,683 |
| Other | 635 | - | - | - | 635 |
| Allowance | (67,652) | - | (36,029) | (5,263) | (108,944) |
| | <u>\$ 211,338</u> | <u>\$ 3,109</u> | <u>\$ 1,333,801</u> | <u>\$ 50,221</u> | <u>\$ 1,598,469</u> |

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
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D. Capital Assets

A summary of changes in governmental activities capital assets for the year end was as follows:

| | Beginning Balances | Increases | Decreases/ Reclassifications | Ending Balances |
|---|-----------------------|---------------------|---------------------------------|----------------------|
| Capital assets, not being depreciated: | | | | |
| Land | \$ 843,484 | \$ - | \$ - | \$ 843,484 |
| Construction in progress | 77,176 | - | - | 77,176 |
| Total capital assets not being depreciated | 920,660 | - | - | 920,660 |
| Capital assets, being depreciated/amortized: | | | | |
| Land improvements | 212,367 | - | - | 212,367 |
| Buildings and improvements | 2,616,328 | - | - | 2,616,328 |
| Vehicles and equipment | 3,631,707 | 241,928 | - | 3,873,635 |
| Infrastructure | 53,208,149 | 1,537,749 | - | 54,745,898 |
| Right-to-use leased assets | 277,248 | 85,891 | - | 363,139 |
| Total capital assets, being depreciated/amortized | 59,945,798 | 1,865,568 | - | 61,811,367 |
| Less accumulated depreciation/amortization: | | | | |
| Land improvements | (113,890) | (10,618) | - | (124,508) |
| Buildings and improvements | (1,035,221) | (61,183) | - | (1,096,404) |
| Vehicles and equipment | (2,541,487) | (433,431) | - | (2,974,918) |
| Infrastructure | (24,771,189) | (2,032,338) | - | (26,803,527) |
| Right-to-use leased assets | (196,856) | (51,173) | - | (248,029) |
| Total accumulated depreciation/amortization | (28,658,643) | (2,588,743) | - | (31,247,386) |
| Net capital assets being depreciated/amortized | 31,287,155 | (723,175) | - | 30,563,981 |
| Governmental Capital Assets | \$ 32,207,815 | \$ (723,175) | \$ - | \$ 31,484,641 |

Depreciation/amortization expense was charged to governmental functions as follows:

| | |
|---|---------------------|
| General government | \$ 67,917 |
| Public safety | 434,499 |
| Public works | 2,075,709 |
| Parks and recreation | 10,618 |
| Total governmental activities depreciation/amortization expense | <u>\$ 2,588,743</u> |

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
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A summary of changes in business-type activities capital assets for the year end was as follows:

| | Beginning Balances | Increases | Decreases/ Reclassifications | Ending Balances |
|--|-------------------------------|------------------|---|----------------------------|
| Capital assets, not being depreciated: | | | | |
| Land | \$ 323,666 | \$ - | \$ - | \$ 323,666 |
| Construction in progress | 6,140,345 | 59,922 | - | 6,200,267 |
| Total capital assets not being depreciated | 6,464,011 | 59,922 | - | 6,523,933 |
| Capital assets, being depreciated: | | | | |
| Water and sewer system | 23,752,566 | 1,628,831 | - | 25,381,397 |
| Vehicles and equipment | 162,131 | - | - | 162,131 |
| Total capital assets being depreciated | 23,914,697 | 1,628,831 | - | 25,543,528 |
| Less accumulated depreciation | | | | |
| Water and sewer system | (6,831,792) | (642,345) | - | (7,474,137) |
| Vehicles and equipment | (159,749) | (2,567) | - | (162,316) |
| Total accumulated depreciation | (6,991,541) | (644,912) | - | (7,636,453) |
| Net capital assets being depreciated | 16,923,156 | 983,919 | - | 17,907,075 |
| Total Capital Assets | \$ 23,387,167 | \$ 1,043,841 | \$ - | \$ 24,431,008 |

Depreciation expense was charged to business-type activities as follows:

| | |
|---|-------------------|
| Water | \$ 639,496 |
| Sewer | 5,416 |
| Total Business-Type Activities Depreciation Expense | <u>\$ 644,912</u> |

Contributed Capital

During fiscal year 2023, the City received capital contributions related to the Whitestone Estates development. The city received paving improvements, recognized as an addition for governmental activities, in the amount of \$1,537,749 and water and storm drainage improvements, recognized as an addition for business-type activities, in the amount of \$1,530,027.

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
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E. Long-term Liabilities

The following is a summary of changes in the City's total governmental long-term liabilities for the year ended. In general, the City uses the Debt Service Fund to liquidate governmental long-term liabilities.

| | Beginning Balances | Additions | Reductions | Ending Balances | Amounts Due within One Year |
|---------------------------------------|-------------------------------|-------------------|---------------------|------------------------|--|
| Governmental Activities: | | | | | |
| Bonds payable: | | | | | |
| General Obligation Refunding Bonds | \$ 817,196 | \$ - | \$ (235,235) | \$ 581,961 | \$ 155,130 |
| Premium | 41,752 | - | (8,240) | 33,512 | - |
| Certificate of Obligation | 475,000 | - | (155,000) | 320,000 | 160,000 |
| Total Bonds Payable | 1,333,948 | - | (398,475) | 935,473 | 315,130 |
| Right-to-use lease liability | 75,313 | 85,891 | (47,587) | 113,617 | 45,897 |
| Net pension liability | 520,649 | 447,897 | - | 968,546 | - |
| Total OPEB liability | 68,655 | - | (19,855) | 48,800 | - |
| Compensated absences | 99,912 | 105,259 | (99,912) | 105,259 | 105,259 |
| Total Governmental Activities | \$ 2,098,477 | \$ 639,047 | \$ (565,829) | \$ 2,171,695 | \$ 466,286 |
| Business-Type Activities: | | | | | |
| Bonds payable: | | | | | |
| General Obligation Refunding Bonds | \$ 762,890 | \$ - | \$ (219,765) | \$ 543,125 | \$ 144,870 |
| Combination Tax and Revenue Bonds | 5,835,000 | - | (80,000) | 5,755,000 | 170,000 |
| Premium | 415,509 | - | (31,046) | 384,463 | - |
| Total Bonds Payable | 7,013,399 | - | (330,811) | 6,682,588 | 314,870 |
| Net pension liability | 167,212 | 193,145 | - | 360,357 | - |
| Total OPEB liability | 22,049 | - | (3,893) | 18,156 | - |
| Compensated absences | 23,542 | 22,014 | (23,542) | 22,014 | 22,014 |
| Total Business-Type Activities | \$ 7,226,202 | \$ 215,159 | \$ (358,246) | \$ 7,083,115 | \$ 336,884 |

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
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Long-term debt at year end was comprised of the following debt issues:

| Description | Interest Rates | Original Balance | Current Balance |
|--|----------------|----------------------|---------------------|
| Governmental Activities | | | |
| 2015 Certificate of Obligation (100%) | 2.09% | \$ 1,485,000 | \$ 320,000 |
| 2019 General Obligation Refunding Bonds (52%) | 3.00% | 1,285,000 | 581,961 |
| Total Governmental Activities | | 2,770,000 | 901,961 |
| Business-Type Activities | | | |
| 2018 Combination Tax & Revenue Bonds (100%) | 3.00 - 4.00% | 6,075,000 | 5,755,000 |
| 2019 General Obligation Refunding Bonds (48%) | 3.00% | 1,200,000 | 543,125 |
| Total Business-type Activities | | 7,275,000 | 6,298,125 |
| Total Long-Term Debt | | | |
| 2015 Certificate of Obligation (100%) | 2.09% | 1,485,000 | 320,000 |
| 2018 Combination Tax & Revenue Bonds (100%) | 3.00 - 4.00% | 6,075,000 | 5,755,000 |
| 2019 General Obligation Refunding Bonds (100%) | 3.00% | 2,485,000 | 1,125,086 |
| Total | | \$ 10,045,000 | \$ 7,200,086 |

The annual requirements to amortize governmental activities debt issues outstanding at year ending were as follows:

| Year ending September 30, | Governmental Activities | | | |
|------------------------------|--------------------------------|------------------|---------------------------------|-----------------|
| | 2019 General Obligation Bonds | | 2015 Certificates of Obligation | |
| | Principal | Interest | Principal | Interest |
| 2024 | \$ 155,130 | \$ 15,125 | \$ 160,000 | \$ 5,016 |
| 2025 | 131,861 | 10,820 | 160,000 | 1,672 |
| 2026 | 95,664 | 7,407 | - | - |
| 2027 | 98,249 | 4,499 | - | - |
| 2028 | 101,057 | 1,513 | - | - |
| Total | \$ 581,961 | \$ 39,364 | \$ 320,000 | \$ 6,688 |

The City issued the 2015 Certificate of Obligation bond on August 20, 2015, in the original principal amount of \$1,485,000. Payments are due in annual installments, with a maturity date of February 15, 2025. These certificates bear an interest rate of 2.09%, payable on February 15 and August 15.

The City issued the 2019 General Obligation Refunding Bonds on December 17, 2019, in the original principal amount of \$2,485,000. Payments are due in annual installments, with a maturity date of February 15, 2028. These bonds bear an interest rate of 3.0%, payable on February 15 and August 15. The governmental portion is approximately 52%, or \$1,285,000.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

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The annual requirements to amortize business-type activities debt issues outstanding at year ending were as follows:

| Year ending September 30, | Business-Type Activities 2019 General Obligation Bonds | | 2018 Certificates of Obligation | |
|------------------------------|--|------------------|---------------------------------|---------------------|
| | Principal | Interest | Principal | Interest |
| 2024 | \$ 144,870 | \$ 14,125 | \$ 170,000 | \$ 225,950 |
| 2025 | 123,140 | 10,105 | 200,000 | 219,400 |
| 2026 | 89,337 | 6,918 | 245,000 | 210,500 |
| 2027 | 91,751 | 4,201 | 255,000 | 200,500 |
| 2028 | 94,027 | 1,412 | 265,000 | 190,100 |
| 2029-2033 | - | - | 2,080,000 | 722,400 |
| 2034-2038 | - | - | 2,540,000 | 262,200 |
| Total | \$ 543,125 | \$ 36,761 | \$ 5,755,000 | \$ 2,031,050 |

The City issued the 2018 Combination Tax and Revenue bonds on August 21, 2018, in the original principal amount of \$6,075,000. Interest payments are due in biannual installments and principal payments are due in annual installments, with a maturity date of February 15, 2038. These certificates bear an interest rate of 3.00-4.00%, payable on February 15 and August 15.

The City issued the 2019 General Obligation Refunding Bonds on December 17, 2019, in the original principal amount of \$2,485,000. Interest payments are due in biannual installments and principal payments are due in annual installments, with a maturity date of February 15, 2028. These bonds bear an interest rate of 3.0%, payable on February 15 and August 15. The business type activities portion is approximately 48%, or \$1,200,000.

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged. Repayment of general obligation bonds are from taxes levied on all taxable property located within the City. The City is not obligated in any manner for special assessment debt.

Lease Liability and Right-to-Use Lease Assets

The City has entered into two lease agreements as the lessee. The leases allow the right-to-use a building and a vehicle over the term of the lease. The City is required to make monthly payments at its incremental borrowing rate or the interest rate stated or implied within the leases.

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
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The lease rate, term, and ending lease liability are as follows:

| Description | Interest Rates | Liability at Commencement | Lease Term in Years | Ending Balance |
|--------------------------------------|----------------|---------------------------|---------------------|-------------------|
| Governmental Activities | | | | |
| Leased Police Building | 0.84% | \$ 216,442 | 7.0 | \$ 22,594 |
| Leased Chevy Tahoe | 1.55% | 54,499 | 5.0 | 42,158 |
| Leased Chevy Explorer | 1.55% | 57,146 | 5.0 | 48,865 |
| Total Governmental Activities | | | | \$ 113,617 |

The future principal and interest lease payments as of fiscal year end are as follows:

| Year ending September 30, | Principal | Interest | Total |
|---------------------------|-------------------|-----------------|-------------------|
| 2024 | 45,897 | 1,379 | 47,276 |
| 2025 | 22,292 | 912 | 23,204 |
| 2026 | 22,640 | 565 | 23,205 |
| 2027 | 19,750 | 213 | 19,963 |
| 2028 | 3,038 | 8 | 3,046 |
| Total | \$ 113,617 | \$ 3,077 | \$ 116,694 |

In 2017 Collin County agreed to issue a grant amounting to \$367,247 and lend up to \$975,506 to the City to relocate water utilities along FM 2514. The grant and payable amount are owed back to the County 30 days after the City receives the grant money from Texas Department of Transportation (TX DOT) if TX DOT approves reimbursement of this project. As of September 30, 2023, the City received \$238,856 from the County related to this agreement. This amount is carried as a liability to the County and will be paid to the County when the TX DOT grant money is received. During September 30, 2018, TX DOT indicated their approval for this project on a 100% reimbursement basis. With this approval the City owes back the funds received from Collin County for \$238,856. As of September 30, 2023 the City had a receivable for this grant of \$429,683 from TX DOT.

F. Deferred Charge on Refunding

A deferred charge resulting from the issuance of the 2019 General Obligation Refunding bonds has been recorded as a deferred outflow of resources and is being amortized to interest expense over the term of the refunded debt. Current year balances for governmental and business-type activities totaled \$6,017 and \$5,420, respectively. Current year amortization expense for governmental and business-type activities totaled \$1,430 and \$1,288, respectively.

G. Customer Deposits

The City had customer deposits of \$47,000 in the General Fund as of year-end. The City requires a \$1,000 refundable deposit for all new home building permits. This amount will be refunded upon completion of the project and by meeting certain criteria set by the City. The City also had water meter deposits of \$48,968 payable in the Water and Sewer Fund at year end.

City of Parker, Texas
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H. Interfund Transactions

The summary of interfund transfers for the year ended September 30, 2023 was as follows:

| <u>Transfer Out</u> | <u>Transfer In</u> | <u>Amount</u> |
|---------------------|-----------------------------|------------------|
| Water & Sewer Fund | General Fund | \$ 25,000 |
| Sanitation Fund | General Fund | 25,000 |
| Water & Sewer Fund | Technology Replacement Fund | 5,000 |
| Water & Sewer Fund | Equipment Replacement Fund | 25,000 |
| | Total | \$ 80,000 |

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the City participates along with 2,800 other entities in the Texas Municipal League's Intergovernmental Risk Pools. The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

B. Contingent Liabilities

Amounts received or receivable from granting 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 amounts of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

C. Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

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Accordingly, there is the risk that if such calculations are not performed correctly, a substantial liability to the City could result. The City does anticipate that it will have an arbitrage liability and performs annual calculations to estimate this potential liability. The City will also engage an arbitrage consultant to perform the calculations in accordance with Internal Revenue Service's rules and regulations if indicated.

D. Pension and OPEB Plans

Texas Municipal Retirement Systems

1. Plan Description

The City of Parker participates as one of 919 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 that can be obtained at www.tmrs.com.

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

2. 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 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.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

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The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

| | <u>Plan Year 2022</u> | <u>Plan Year 2021</u> |
|---|--------------------------|--------------------------|
| Employee deposit rate | 6% | 6% |
| Matching ratio (city to employer) | 2 to 1 | 2 to 1 |
| Years required for vesting | 5 | 5 |
| Service retirement eligibility (expressed as age/years of service) | 60/5, 0/20 | 60/5, 0/20 |
| Updated service credit | 100% Repeating Transfers | 100% Repeating Transfers |

Employees Covered by Benefit Terms:

At the December 31, 2022 and 2021 valuation and measurement date, the following employees were covered by the benefit terms:

| | <u>2022</u> | <u>2021</u> |
|--|-------------|-------------|
| Inactive employees or beneficiaries currently receiving benefits | 17 | 14 |
| Inactive employees entitled to but not yet receiving benefits | 16 | 16 |
| Active employees | 24 | 26 |
| Total | <u>57</u> | <u>56</u> |

3. 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 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 Parker were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rates for the City of Parker were 13.73% and 13.47% in calendar years 2022 and 2023, respectively. The City's contributions to TMRS for the year ended September 30, 2023, were \$246,494, and were equal to the required contributions.

4. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2022, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2023

Actuarial Assumptions:

The Total Pension Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

| | |
|---------------------------|---|
| Inflation | 2.50% |
| Overall payroll growth | 3.5% to 11.5%, including inflation |
| Investment Rate of Return | 6.75%, net pension plan investment expense, including inflation |

Salary increases were based on a service-related table. The retirement age is based on the experience-based table of rates that are specific to the City's plan of benefits. It was last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018. Mortality rates for post-retirement are based on the 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.

The pre-retirement members is based on the PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rate (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013.

Effective December 31, 2015, the long-term expected rate of return on TMRS 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 and 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 of 2.5%.

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2023 are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return (arithmetic) |
|----------------------------------|--------------------------|--|
| Global Equity | 35.0% | 7.7% |
| Core Fixed Income | 6.0% | 4.9% |
| Non-Core Fixed Income | 20.0% | 8.7% |
| Other Public and Private Markets | 12.0% | 8.1% |
| Real Estate | 12.0% | 5.8% |
| Hedge Funds | 5.0% | 6.9% |
| Private Equity | 10.0% | 11.8% |
| Total | 100.0% | |

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 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 active and inactive employees. 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.

Sensitivity of the Net Pension Liability (Asset) 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 (asset) 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:

| Sensitivity of the Net Pension Liability to Changes in the Discount Rate | | |
|---|--|------------------------------|
| 1% Decrease 5.75% | Current Single Discount Rate Assumption 6.75% | 1% Increase 7.75% |
| \$2,035,070 | \$1,328,903 | \$742,287 |

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

Changes in the Net Pension Liability:

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|---|--|--|--|
| Balance at 12/31/21 | \$ 4,913,363 | \$ 4,225,502 | \$ 687,861 |
| Changes for the year: | | | |
| Service Cost | 283,945 | - | 283,945 |
| Interest | 332,151 | - | 332,151 |
| Difference between expected and actual experience | 100,756 | - | 100,756 |
| Changes of assumptions | - | - | - |
| Contributions - employer | - | 266,565 | (266,565) |
| Contributions - employee | - | 117,171 | (117,171) |
| Net investment income | - | (308,444) | 308,444 |
| Benefit payments, including refunds or emp. contributions | (269,169) | (269,169) | - |
| Administrative expense | - | (2,669) | 2,669 |
| Other changes | - | 3,187 | (3,187) |
| Net changes | 447,683 | (193,359) | 641,042 |
| Balance at 12/31/22 | \$ 5,361,046 | \$ 4,032,143 | \$ 1,328,903 |

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.

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

For the year ended September 30, 2023, the City recognized pension expense of \$337,615.

At September 30, 2023, the City reported deferred outflows and inflows of resources related to TMRS pensions from the following sources:

| | Deferred Outflows of Resources | Deferred (Inflows) of Resources |
|---|---|--|
| Differences between expected and actual economic experience | \$ 110,519 | \$ - |
| Changes in actuarial assumptions | 2,554 | - |
| Difference between projected and investment earnings | 277,565 | - |
| Contributions subsequent to the measurement date | 183,439 | - |
| Total | \$ 574,077 | \$ - |

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2023

The City reported \$183,439 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended December 31: | Deferred Outflow (Inflow) of Resources |
|-------------------------|--|
| 2023 | \$ 66,682 |
| 2024 | 101,586 |
| 2025 | 87,729 |
| 2026 | 134,641 |
| 2027 | - |
| Thereafter | - |
| Total | \$ 390,638 |

Other Postemployment Benefits (OPEB)

1. Plan Description

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

2. 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); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

| | | |
|--|----------------|----------------|
| The City offers supplemental death to: | Plan Year 2022 | Plan Year 2021 |
| Active employees (yes or no) | Yes | Yes |
| Retirees (yes or no) | Yes | Yes |

The City contributes to the SDBP 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 SDBP 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 employees' entire careers.

City of Parker, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2023

Employees Covered by Benefit Terms:

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

| | |
|--|-----------|
| Inactive employees or beneficiaries currently receiving benefits | 12 |
| Inactive employees entitled to but not yet receiving benefits | 4 |
| Active employees | 24 |
| Total | <u>40</u> |

3. Contributions

The City's contributions to the TMRS SDBP for the years ended 2023, 2022, and 2021 were \$2,943, \$1,603, and \$1,108, respectively, which equaled the required contributions each year.

Schedule of Contribution Rates (RETIREE-only portion of the rate)

| Plan/Calendar Year | Annual Required Contribution (Rate) | Actual Contribution Made (Rate) | Percentage of ARC Contributed |
|--------------------|--|---------------------------------------|-------------------------------------|
| 2021 | 0.08% | 0.08% | 100.00% |
| 2022 | 0.08% | 0.08% | 100.00% |
| 2023 | 0.09% | 0.09% | 100.00% |

4. Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2022, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The Total OPEB Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

| | |
|--|---|
| Inflation | 2.5% per year |
| Overall payroll growth | 3.5% to 11.5%, including inflation per year. |
| Discount rate | 4.05% |
| Retirees' share of benefit-related costs | \$0 |
| Administrative expenses | All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68 |

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates are projected on a fully generational basis with scale UMP to account for future mortality improvements. For disabled annuitants, the 2019 Municipal Retirees of Texas mortality tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and a 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by scale UMP to account for future mortality improvements subject to the floor.

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 4.05%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2022.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate:

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.05%, 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 (3.05%) or 1-percentage-point higher (5.05%) than the current rate:

| 1% Decrease 3.05% | Current Discount Rate 4.05% | 1% Increase 5.05% |
|----------------------|--------------------------------|----------------------|
| \$ 80,235 | \$ 66,956 | \$ 56,665 |

Changes in the Total OPEB Liability:

| | <u>Total OPEB Liability</u> |
|--|-----------------------------|
| Balance at 12/31/21 | \$ 90,704 |
| Changes for the year: | |
| Service Cost | 7,226 |
| Interest | 1,721 |
| Difference between expected and actual experience | 3,211 |
| Changes in assumptions | (34,344) |
| Benefit payments | (1,562) |
| Net changes | (23,748) |
| Balance at 12/31/22 | <u>\$ 66,956</u> |

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

5. OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the City recognized OPEB expense of \$7,861. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

| | Deferred Outflows of Resources | Deferred (Inflows) of Resources |
|---|---|--|
| Changes in actuarial assumptions | \$ - | \$ (16,775) |
| Differences between expected and actual economic experience | - | (12,240) |
| Contributions subsequent to the measurement date | 1,081 | - |
| Total | \$ 1,081 | \$ (29,015) |

The City reported \$1,081 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2024. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in expense as follows:

| Year ended December 31: | Deferred Outflow (Inflow) of Resources |
|--------------------------------|---|
| 2023 | \$ (1,149) |
| 2024 | (3,280) |
| 2025 | (14,286) |
| 2026 | (3,293) |
| 2027 | (3,987) |
| Thereafter | (3,020) |
| Total | \$ (29,015) |

E. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Service Code, Section 457. The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until retirement, termination, death, or unforeseeable emergencies.

Federal law requires all assets and income of Section 457 plans to be held in trust, custodial accounts, or annuity contracts for the exclusive benefit of the participants and their beneficiaries. The City's deferred compensation plan is administered by a private corporation under contract with the City. Total participant contributions were approximately \$15,340 for the year ended September 30, 2023. The City does not contribute to the plan.

City of Parker, Texas
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

F. Subsequent Events

There were no material subsequent events through February 20, 2024, the date the financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION

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City of Parker, Texas

Meeting Date: 02/20/2024 Item 4.

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2023

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|---------------------|---|
| | Original | Final | Actual | |
| Revenues | | | | |
| Taxes: | | | | |
| Property | \$ 4,397,550 | \$ 4,397,550 | \$ 4,451,552 | \$ 54,002 |
| Sales and mixed beverage taxes | 439,174 | 439,174 | 380,799 | (58,375) |
| Franchise and local taxes | 273,000 | 273,000 | 343,117 | 70,117 |
| Licenses and permits | 285,500 | 285,500 | 442,048 | 156,548 |
| Contributions and donations | - | - | - | - |
| Grants | 1,100 | 1,100 | 59,941 | 58,841 |
| Fines and forfeitures | 215,000 | 215,000 | 95,859 | (119,141) |
| Investment income | 32,000 | 32,000 | 360,156 | 328,156 |
| Other revenue | 6,500 | 6,500 | 5,212 | (1,288) |
| Total Revenues | 5,649,824 | 5,649,824 | 6,138,684 | 488,860 |
| Expenditures | | | | |
| Current operating: | | | | |
| General government | 739,165 | 739,165 | 636,286 | 102,879 |
| Police department | 1,465,025 | 1,465,025 | 995,214 | 469,811 |
| Municipal court | 207,863 | 207,863 | 101,642 | 106,221 |
| Fire department | 952,984 | 952,984 | 880,391 | 72,593 |
| Building and code enforcement | 215,356 | 215,356 | 205,677 | 9,679 |
| Public works | 350,580 | 350,580 | 291,531 | 59,049 |
| City property | 537,351 | 537,351 | 483,380 | 53,971 |
| Debt Service: | | | | |
| Principal retirement | - | - | 27,582 | (27,582) |
| Interest and fiscal charges | - | - | 318 | (318) |
| Capital outlay | 34,000 | 34,000 | 56,745 | (22,745) |
| Total Expenditures | 4,502,324 | 4,502,324 | 3,678,766 | 823,558 |
| Excess of Revenues Over (Under) Expenditures | 1,147,500 | 1,147,500 | 2,459,918 | 1,312,418 |
| Other Financing Sources (Uses) | | | | |
| Transfers in | 50,000 | 50,000 | 50,000 | - |
| Transfers out | (1,197,500) | (1,197,500) | (1,197,500) | - |
| Proceeds from leased assets | - | - | 28,745 | 28,745 |
| Total Other Financing Sources (Uses) | (1,147,500) | (1,147,500) | (1,118,755) | 28,745 |
| Net Change in Fund Balances | - | - | 1,341,163 | \$ 1,341,163 |
| Fund Balances, Beginning | 5,550,920 | 5,550,920 | 5,550,920 | |
| Fund Balances, Ending | \$ 5,550,920 | \$ 5,550,920 | \$ 6,892,083 | |

City of Parker, Texas

Schedule of Changes in Net Pension Liability and Related Ratios¹ Texas Municipal Retirement System Last Ten Measured Years

| Measurement Date | 12/31/2022 | 12/31/2021 | 12/31/2020 | 12/31/2019 |
|--|--------------|--------------|--------------|--------------|
| Total Pension Liability | | | | |
| Service Cost | \$ 283,945 | \$ 257,639 | \$ 240,809 | \$ 232,383 |
| Interest | 332,151 | 311,777 | 284,370 | 263,390 |
| Change in benefit terms | - | - | - | 28,011 |
| Difference between expected and actual experience | 100,756 | (37,249) | 97,916 | 66,461 |
| Changes of assumptions | - | - | - | 11,930 |
| Benefit payments, including refunds of participant contributions | (269,169) | (217,794) | (233,179) | (301,958) |
| Net change in total pension liability | 447,683 | 314,373 | 389,916 | 300,217 |
| Total pension liability, beginning | 4,913,363 | 4,598,990 | 4,209,074 | 3,908,857 |
| Total pension liability, ending (a) | \$ 5,361,046 | \$ 4,913,363 | \$ 4,598,990 | \$ 4,209,074 |
| Plan Fiduciary Net Position | | | | |
| Contributions - employer | \$ 266,565 | \$ 236,706 | \$ 216,779 | \$ 199,957 |
| Contributions - members | 117,171 | 107,349 | 100,827 | 98,259 |
| Net investment income | (308,444) | 472,758 | 249,892 | 441,645 |
| Benefit payments, including refunds of participant contributions | (269,169) | (217,794) | (233,179) | (301,958) |
| Administrative expenses | (2,669) | (2,189) | (1,619) | (2,499) |
| Other | 3,187 | 15 | (62) | (74) |
| Net change in plan fiduciary net position | (193,359) | 596,845 | 332,638 | 435,330 |
| Plan fiduciary net position, beginning | 4,225,502 | 3,628,657 | 3,296,019 | 2,860,689 |
| Plan fiduciary net position, ending (b) | \$ 4,032,143 | \$ 4,225,502 | \$ 3,628,657 | \$ 3,296,019 |
| Net pension liability/(asset) ending = (a) - (b) | \$ 1,328,903 | \$ 687,861 | \$ 970,333 | \$ 913,055 |
| Plan fiduciary net position as a % of total pension liability | 75.21% | 86.00% | 78.90% | 78.31% |
| Covered payroll | \$ 1,952,854 | \$ 1,789,157 | \$ 1,680,453 | \$ 1,637,653 |
| Net pension liability as a % of covered payroll | 68.05% | 38.45% | 57.74% | 55.75% |

Notes to Schedule:

¹ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only available information is shown.

| 12/31/2018 | 12/31/2017 | 12/31/2016 | 12/31/2015 | 12/31/2014 |
|--------------|--------------|--------------|--------------|--------------|
| \$ 197,110 | \$ 177,420 | \$ 169,837 | \$ 142,149 | \$ 113,443 |
| 245,536 | 226,154 | 207,380 | 196,185 | 189,492 |
| - | - | - | - | - |
| (478) | 19,112 | 52,583 | (2,192) | (43,077) |
| - | - | - | 81,015 | - |
| (144,651) | (146,144) | (164,770) | (157,911) | (199,299) |
| 297,517 | 276,542 | 265,030 | 259,246 | 60,559 |
| 3,611,340 | 3,334,798 | 3,069,768 | 2,810,522 | 2,749,963 |
| \$ 3,908,857 | \$ 3,611,340 | \$ 3,334,798 | \$ 3,069,768 | \$ 2,810,522 |
| \$ 180,329 | \$ 161,326 | \$ 140,906 | \$ 132,625 | \$ 108,296 |
| 87,800 | 79,147 | 75,483 | 68,124 | 63,331 |
| (84,398) | 332,048 | 148,469 | 3,182 | 118,262 |
| (144,651) | (146,144) | (164,770) | (157,911) | (199,299) |
| (1,634) | (1,723) | (1,679) | (1,938) | (1,235) |
| (87) | (87) | (90) | (96) | (102) |
| 37,359 | 424,567 | 198,319 | 43,986 | 89,253 |
| 2,823,330 | 2,398,763 | 2,200,444 | 2,156,458 | 2,067,205 |
| \$ 2,860,689 | \$ 2,823,330 | \$ 2,398,763 | \$ 2,200,444 | \$ 2,156,458 |
| \$ 1,048,168 | \$ 788,010 | \$ 936,035 | \$ 869,324 | \$ 654,064 |
| 73.18% | 78.18% | 71.93% | 71.68% | 76.73% |
| \$ 1,463,325 | \$ 1,319,109 | \$ 1,258,049 | \$ 1,136,281 | \$ 1,055,519 |
| 71.63% | 59.74% | 74.40% | 76.51% | 61.97% |

City of Parker Texas

Schedule of Employer Contributions to Pension Plan ¹ Texas Municipal Retirement System Last Ten Fiscal Years

| | 9/30/2023 | 9/30/2022 | 9/30/2021 | 9/30/2020 |
|--|--------------|--------------|--------------|--------------|
| Actuarially determined employer contributions | \$ 249,437 | \$ 272,889 | \$ 228,226 | \$ 210,992 |
| Contributions in relation to the actuarially determined contribution | 249,437 | 272,889 | 228,226 | 210,992 |
| Contribution deficiency (excess) | - | - | - | - |
| Annual covered payroll | \$ 1,820,873 | \$ 2,003,463 | \$ 1,736,745 | \$ 1,659,525 |
| Employer contributions as a percentage of covered payroll | 13.70% | 13.62% | 13.14% | 12.71% |

NOTES TO SCHEDULE OF CONTRIBUTIONS TO PENSION PLAN

¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 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 | 22 Years |
| Asset Valuation Method | 10 Year smoothed market; 12% soft corridor |
| Inflation | 2.50% |
| Salary Increases | 3.50% to 11% 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 2019 valuation pursuant to an experience study of the period 2014-2018. |
| Mortality | Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP. |

Other Information:

Notes There were no benefit changes during the year.

| <u>9/30/2019</u> | <u>9/30/2018</u> | <u>9/30/2017</u> | <u>9/30/2016</u> | <u>9/30/2015</u> |
|------------------|------------------|------------------|------------------|------------------|
| \$ 200,142 | \$ 170,493 | \$ 154,623 | \$ 134,731 | \$ 126,757 |
| <u>200,142</u> | <u>170,493</u> | <u>154,623</u> | <u>134,731</u> | <u>126,757</u> |
| - | - | - | - | - |
| \$ 1,634,800 | \$ 1,385,733 | \$ 1,293,066 | \$ 1,191,182 | \$ 1,116,212 |
| 12.24% | 12.30% | 11.96% | 11.31% | 11.36% |

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City of Parker, Texas

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS¹ TEXAS MUNICIPAL RETIREMENT SYSTEM Last Ten Measured Years

| | 12/31/2022 | 12/31/2021 | 12/31/2020 | 12/31/2019 | 12/31/2018 | 12/31/2017 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total OPEB liability | | | | | | |
| Service Cost | \$ 7,226 | \$ 4,831 | \$ 3,697 | \$ 4,094 | \$ 4,390 | \$ 3,430 |
| Interest | 1,721 | 1,649 | 1,939 | 5,520 | 1,537 | 1,432 |
| Changes in benefit terms | - | - | - | - | - | - |
| Differences between expected and actual experience | 3,211 | 2,010 | (4,248) | (98,867) | 100,311 | - |
| Changes in assumptions or other inputs | (34,344) | 2,876 | 10,894 | 11,490 | (3,411) | 3,479 |
| Benefit payments, including refunds of participant contributions | (1,562) | (1,431) | (335) | (328) | (293) | (264) |
| Net Change in Total OPEB Liability | (23,748) | 9,935 | 11,947 | (78,091) | 102,534 | 8,077 |
| Total OPEB Liability - Beginning | 90,704 | 80,769 | 68,823 | 146,914 | 44,380 | 36,303 |
| Total OPEB Liability - Ending (a) | \$ 66,956 | \$ 90,704 | \$ 80,770 | \$ 68,823 | \$ 146,914 | \$ 44,380 |
| Covered Payroll | \$ 1,952,854 | \$ 1,789,157 | \$ 1,680,453 | \$ 1,637,653 | \$ 1,463,325 | \$ 1,319,109 |
| Total OPEB Liability as a Percentage of Covered Payroll | 3.43% | 5.07% | 4.81% | 4.20% | 10.04% | 3.36% |

Notes to Schedule:

¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.1010 to pay related benefits for the OPEB plan.

OTHER SUPPLEMENTARY INFORMATION

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City of Parker, Texas
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of September 30, 2023

| | Capital Street Const. Fund | Capital Drainage Fund | Capital Facilities Fund | Volunteer Fire Dept. Fund |
|--|----------------------------------|-----------------------------|-------------------------------|---------------------------------|
| Assets | | | | |
| Cash and cash equivalents | \$ 1,408,027 | \$ 313,239 | \$ 976,635 | \$ 34,477 |
| Investments | - | - | - | 68,844 |
| Prepays | - | - | - | - |
| Total Assets | <u>1,408,027</u> | <u>313,239</u> | <u>976,635</u> | <u>103,321</u> |
| Liabilities | | | | |
| Accounts payable | - | - | - | 1,556 |
| Unearned revenue | 117,090 | - | - | - |
| | <u>117,090</u> | <u>-</u> | <u>-</u> | <u>1,556</u> |
| Fund Balances | | | | |
| Nonspendable | - | - | - | - |
| Restricted for: | | | | |
| Capital projects | 1,290,937 | - | - | - |
| Public safety | - | - | - | 101,765 |
| Parks and recreation | - | - | - | - |
| Committed: | | | | |
| Capital projects | - | 313,239 | 976,635 | - |
| Total Fund Balances | <u>1,290,937</u> | <u>313,239</u> | <u>976,635</u> | <u>101,765</u> |
| Total Liabilities and Fund Balances | <u>\$ 1,408,027</u> | <u>\$ 313,239</u> | <u>\$ 976,635</u> | <u>\$ 103,321</u> |

| Law Enforcement Fund | Equipment Replacement Fund | Court Security Fund | Court Technology Fund | Child Safety Fund | Police Donations Fund |
|----------------------------|----------------------------------|---------------------------|-----------------------------|-------------------------|-----------------------------|
| \$ 10,648 | \$ 689,087 | \$ 53,652 | \$ 7,658 | \$ 10,117 | \$ 8,482 |
| - | - | - | - | - | - |
| - | 18,917 | - | - | - | - |
| 10,648 | 708,004 | 53,652 | 7,658 | 10,117 | 8,482 |
| 5,731 | - | - | - | - | - |
| - | - | - | - | - | - |
| 5,731 | - | - | - | - | - |
| - | 18,917 | - | - | - | - |
| - | - | - | - | - | - |
| 4,917 | - | 53,652 | 7,658 | 10,117 | 8,482 |
| - | - | - | - | - | - |
| - | 689,087 | - | - | - | - |
| 4,917 | 708,004 | 53,652 | 7,658 | 10,117 | 8,482 |
| \$ 10,648 | \$ 708,004 | \$ 53,652 | \$ 7,658 | \$ 10,117 | \$ 8,482 |

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City of Parker, Texas

COMBINING BALANCE SHEET (Continued)

NONMAJOR GOVERNMENTAL FUNDS

As of September 30, 2023

| | Parks Fund | Technology Replacement Fund | Total Nonmajor Governmental Funds |
|--|------------------|-----------------------------------|--|
| Assets | | | |
| Cash and cash equivalents | \$ 18,829 | \$ 73,997 | \$ 3,604,848 |
| Investments | - | - | 68,844 |
| Prepays | - | - | 18,917 |
| Total Assets | <u>18,829</u> | <u>73,997</u> | <u>3,692,609</u> |
| Liabilities | | | |
| Accounts payable | 2,138 | - | 9,425 |
| Unearned revenue | - | - | 117,090 |
| | <u>2,138</u> | <u>-</u> | <u>126,515</u> |
| Fund Balances | | | |
| Nonspendable | - | - | 18,917 |
| Restricted for: | | | |
| Capital projects | - | - | 1,290,937 |
| Public safety | - | - | 186,591 |
| Parks and recreation | 16,691 | - | 16,691 |
| Committed: | | | |
| Capital projects | - | 73,997 | 2,052,958 |
| Total Fund Balances | <u>16,691</u> | <u>73,997</u> | <u>3,566,094</u> |
| Total Liabilities and Fund Balances | <u>\$ 18,829</u> | <u>\$ 73,997</u> | <u>\$ 3,692,609</u> |

City of Parker, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended September 30, 2023

| | Capital Street Const. Fund | Capital Drainage Fund | Capital Facilities Fund | Volunteer Fire Dept. Fund |
|--|----------------------------------|-----------------------------|-------------------------------|---------------------------------|
| Revenues | | | | |
| Fines and forfeitures | \$ - | \$ - | \$ - | \$ - |
| Grants | - | - | - | - |
| Investment income | - | - | - | 472 |
| Donations | - | - | - | 445 |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>917</u> |
| Expenditures | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | 2,200 |
| Public works | 51,005 | - | 25,198 | - |
| Capital outlay | - | - | - | 21,473 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | <u>51,005</u> | <u>-</u> | <u>25,198</u> | <u>23,673</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (51,005) | - | (25,198) | (22,756) |
| Other Financing Sources (Uses) | | | | |
| Transfers in | 500,000 | 95,000 | 300,000 | - |
| Transfers out | - | - | - | - |
| Proceeds from leased assets | - | - | - | - |
| Proceeds from sale of assets | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>500,000</u> | <u>95,000</u> | <u>300,000</u> | <u>-</u> |
| Net Change in Fund Balances | 448,995 | 95,000 | 274,802 | (22,756) |
| Beginning Fund Balances | 841,942 | 218,239 | 701,833 | 124,521 |
| Ending Fund Balances | <u>\$ 1,290,937</u> | <u>\$ 313,239</u> | <u>\$ 976,635</u> | <u>\$ 101,765</u> |

| Law Enforcement Fund | Equipment Replacement Fund | Court Security Fund | Court Technology Fund | Child Safety Fund | Police Donations Fund |
|----------------------------|----------------------------------|---------------------------|-----------------------------|-------------------------|-----------------------------|
| \$ - | \$ - | \$ 3,967 | \$ 3,255 | \$ 4,794 | \$ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | 345 |
| - | - | 3,967 | 3,255 | 4,794 | 345 |
| - | - | - | - | - | - |
| - | - | - | - | - | 761 |
| - | - | - | 2,855 | 1,805 | - |
| - | 9,204 | - | - | - | - |
| - | 237,381 | - | - | - | - |
| - | 19,437 | - | - | - | - |
| - | 1,365 | - | - | - | - |
| - | 267,387 | - | 2,855 | 1,805 | 761 |
| - | (267,387) | 3,967 | 400 | 2,989 | (416) |
| - | 275,000 | - | - | - | - |
| - | - | - | - | - | - |
| - | 57,146 | - | - | - | - |
| - | - | - | - | - | - |
| - | 332,146 | - | - | - | - |
| - | 64,759 | 3,967 | 400 | 2,989 | (416) |
| 4,917 | 643,245 | 49,685 | 7,258 | 7,128 | 8,898 |
| \$ 4,917 | \$ 708,004 | \$ 53,652 | \$ 7,658 | \$ 10,117 | \$ 8,482 |

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City of Parker, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued) NONMAJOR GOVERNMENTAL FUNDS For the Year Ended September 30, 2023

| | Parks Fund | Technology Replacement Fund | Total Nonmajor Governmental Funds |
|---|------------------|-----------------------------------|--|
| Revenues | | | |
| Fines and forfeitures | \$ - | \$ - | \$ 12,016 |
| Other revenues | 420 | - | 420 |
| Investment income | - | - | 472 |
| Donations | 10,339 | - | 11,129 |
| Total Revenues | 10,759 | - | 24,037 |
| Expenditures | | | |
| Current: | | | |
| General government | 12,951 | 4,364 | 18,076 |
| Public safety | - | - | 6,860 |
| Culture and recreation | - | - | 85,407 |
| Capital outlay | - | 12,220 | 271,074 |
| Debt service: | | | |
| Principal | - | - | 19,437 |
| Interest | - | - | 1,365 |
| Total Expenditures | 12,951 | 16,584 | 402,219 |
| Excess (Deficiency) of Revenues | | | |
| Revenues Over Expenditures | (2,192) | (16,584) | (378,182) |
| Other Financing Sources (Uses) | | | |
| Transfers in | 2,500 | 55,000 | 1,227,500 |
| Transfers out | - | - | - |
| Proceeds from leased assets | - | - | 57,146 |
| Proceeds from sale of assets | - | - | - |
| Total Other Financing Sources (Uses) | 2,500 | 55,000 | 1,284,646 |
| Net Change in Fund Balances | 308 | 38,416 | 906,464 |
| Beginning Fund Balances | 16,383 | 35,581 | 2,659,630 |
| Ending Fund Balances | \$ 16,691 | \$ 73,997 | \$ 3,566,094 |

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***COMPLIANCE AND INTERNAL CONTROL
SECTION***

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INDEPENDENT AUDITOR'S 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

To the Honorable Mayor and
Members of the City Council
City of Parker, 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, each major fund, and the aggregate remaining fund information of City of Parker, Texas (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 20, 2024.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City'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 or significant deficiencies may exist that were not identified.

Report on 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 financial statements. 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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Vail & Park, P.C.
Tom Bean, Texas
February 20, 2024

February 20, 2024

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

Subject: Management Recommendation Letter

In planning and performing our audit of the financial statements of the City of Parker, Texas (the "City") for the year ended September 30, 2023, we considered the City's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the audited financial statements and not to provide assurance on the internal control structure.

This letter does not affect our report dated February 20, 2024 on the financial statements of the City of Parker, Texas. These recommendations should in no way be construed as derogatory. However, during our audit we became aware of matters that are opportunities to strengthen internal controls and operating efficiency.

Fiscal Year 2023 Recommendations:

- 1) **Cash Reconciliations and Accounts Payable** - We noted the City did not properly utilize the cash reconciliation feature of their accounting software and were manually changing dates that resulted in changes to the cash reconciliations, which then did not agree to the general ledger. We recommend the City take training on the cash reconciliation module of the software and consider building in a layer of review of the cash reconciliations.
- 2) **Coronavirus State and Local Fiscal Recovery Funds** - We noted the City is planning to spend the funds during FY24 and FY25. We recommend that the City continue to monitor the expense of these funds to ensure that costs incurred are allowable, per the OMB Compliance Supplement. Additionally, expenditures in excess of \$750,000 in a fiscal year will require a Single Audit.

Prior Year Recommendations:

- 1) **Year-end Closing Procedures** - We noted the City did not perform all year-end closing procedures prior to the submission of the trial balance for audit. This was primarily due to the previous audit firm performing these entries in conjunction with the audit. This resulted in 'PBC' adjustments and audit adjustments that are similar to closing adjustments for receivables, capital assets, right to use assets, lease liabilities, TMRS pension and OPEB, and utility billing revenue. We recommend the City refine their closing process to ensure that the accounting for the fiscal year is complete before the audit. This was resolved in the current year.

Vail & Park, P.C.

Vail & Park, P.C.
Tom Bean, Texas
February 20, 2024

February 20, 2024

To the Honorable Mayor & City Council

City of Parker, Texas

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Parker, Texas (the “City”) for the year ended September 30, 2023. Professional standards require that we provide you with information about our responsibilities under *Government Auditing Standards* (and, if applicable, 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 September 18, 2023. 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. No new accounting policies were adopted, and the application of existing policies was not changed during FY23. 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 estimate(s) affecting the City’s financial statements was (were):

Management’s estimate of the allowance for doubtful accounts receivable for utility billing and sanitation services is based on historical collections. Management’s estimate of depreciation of capital assets is based on the useful life. We evaluated the key factors and assumptions used to develop the above noted estimates in determining that it is 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 disclosure(s) affecting the financial statements was (were):

The disclosure of long-term debt in Note IV E to the financial statements. This disclosure provides details of debt terms, future payments, interest rates, and other information for each debt.

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. Attachment I summarizes misstatements detected as a result of audit procedures that were corrected by management. 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. Attachment II summarizes uncorrected misstatements of the financial statements. Management has determined that the effects of the unadjusted are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For the 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 February 20, 2024.

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 of our retention.

Other Matters

We applied certain limited procedures to the Management, Discussion, and Analysis, General Fund Budgetary Comparison – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual, Schedule of Changes in Net Pension Liability and Related Ratios – TMRS - Last 10 Measured Years, Schedule of Contributions to Pension Plan - TMRS - Last Ten Fiscal Years, Schedule of Changes in Total OPEB Liability and Related Ratios – TMRS - Last 10 Measured Years, 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.

We were engaged to report on the combining statements for the nonmajor funds, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

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

Sincerely,

Vail + Park, P.C.

Client: CITY OF PARKER
Engagement: 2023
Current Period: 09/30/2023

Attachment I

| Account | Description | Debit | Credit | Net Income Effect |
|---|---------------------------------|-------------------|-------------------|--------------------|
| AJE #01 | | | | |
| <i>To adjust opening balances at 9/30/2023.</i> | | | | |
| 01-900-8411 | OTHER | 34,798.00 | 0.00 | |
| 01-000-30400 | FUND BALANCE | 0.00 | 35,312.00 | |
| 01-200-8401 | VEHICLE MAINTENANCE | 514.00 | 0.00 | |
| 03-000-30400 | FUND BALANCE | 21.00 | 0.00 | |
| | MACHINERY, TOOLS & EQUIPMENT | | | |
| 03-610-8402 | MAINTENANCE | 0.00 | 21.00 | |
| Total | | 35,333.00 | 35,333.00 | (35,291.00) |
| AJE #02 | | | | |
| <i>To adjust proprietary receivables to the aging report at 9/30/2023.</i> | | | | |
| 03-000-10530 | ACCOUNTS RECEIVABLE-WATER | 33,880.00 | 0.00 | |
| 03-000-4620 | WATER SALES | 0.00 | 33,880.00 | |
| 03-000-10540 | ACCOUNTS RECEIVABLE-WASTEWATER | 2,250.00 | 0.00 | |
| 03-000-4630 | SEWER SERVICE | 0.00 | 2,250.00 | |
| 05-000-10560 | ACCOUNTS RECEIVABLE-SOLID WASTE | 2,229.00 | 0.00 | |
| 05-000-4640 | SOLID WASTE FEE | 0.00 | 2,229.00 | |
| Total | | 38,359.00 | 38,359.00 | 38,359.00 |
| AJE #03 | | | | |
| <i>To adjust principal and interest expense for a new vehicle lease and record the proceeds and capital outlay for the lease extension of the police department building.</i> | | | | |
| 22-900-8701 | PRINCIPAL | 0.00 | 5,858.00 | |
| 22-900-8703 | INTEREST | 0.00 | 3,346.00 | |
| 22-900-8704 | Miscellaneous Operating Expense | 9,204.00 | 0.00 | |
| 01-000-4942 | Lease Proceeds | 0.00 | 28,745.00 | |
| 01-200-8904 | MACHINES, TOOLS & IMPLEMENTS | 28,745.00 | 0.00 | |
| Total | | 37,949.00 | 37,949.00 | 0.00 |
| AJE #04 | | | | |
| <i>To adjust noncapital amounts out of capital outlay accounts.</i> | | | | |
| 27-280-8904 | MACHINES, TOOLS & IMPLEMENTS | 0.00 | 52.00 | |
| 27-280-8107 | MINOR TOOLS & EQUIPMENT | 52.00 | 0.00 | |
| 28-900-8902 | COMPUTER HARDWARE / SOFTWARE | 0.00 | 4,364.00 | |
| 28-900-8903 | Miscellaneous Other Expense | 4,364.00 | 0.00 | |
| Total | | 4,416.00 | 4,416.00 | 0.00 |
| GRAND TOTAL | | 116,057.00 | 116,057.00 | 3,068.00 |

Client: CITY OF PARKER
Engagement: 2023
Current Period: 09/30/2023

Attachment II

| Account | Description | Debit | Credit | Net Income Effect |
|--|--------------------------|-------------------|-------------------|--------------------|
| PAJE #01 | | | | |
| <i>To propose a passed adjustment to adjust Cash and A/P to reclass TMRS payroll portions held as outstanding checks to A/P.</i> | | | | |
| 01-000-10101 | CLAIM ON CASH | 41,689.00 | 0.00 | |
| 01-000-20200 | AP PENDING - DUE TO POOL | 0.00 | 41,689.00 | |
| Total | | 41,689.00 | 41,689.00 | 0.00 |
| PAJE #02 | | | | |
| <i>To propose a passed adjustment to adjust cash and AP for a variance between cash account and the reconciliation.</i> | | | | |
| 01-000-10101 | CLAIM ON CASH | 0.00 | 82,925.00 | |
| 01-000-20200 | AP PENDING - DUE TO POOL | 82,925.00 | 0.00 | |
| Total | | 82,925.00 | 82,925.00 | 0.00 |
| PAJE #03 | | | | |
| <i>To adjust AP in the General Fund and Water/Wastewater to the AP Detail, as of 9/30/2023.</i> | | | | |
| 01-000-20200 | AP PENDING - DUE TO POOL | 0.00 | 8,705.00 | |
| 01-100-8101 | OFFICE SUPPLIES | 8,705.00 | 0.00 | |
| 03-000-20200 | AP PENDING - DUE TO POOL | 0.00 | 7,198.00 | |
| 03-900-8411 | OTHER | 7,198.00 | 0.00 | |
| Total | | 15,903.00 | 15,903.00 | (15,903.00) |
| GRAND TOTAL | | 140,517.00 | 140,517.00 | (15,903.00) |

City of Parker, Texas FY2023 Audit Results

Presented by:
Sophie Packard – Audit Manager
February 20, 2024



Agenda

- Objectives and Scope of Audit
- Annual Financial Report
- Overview of Audit Results
- Financial Highlights
- Management Recommendations
- Required Governance Communications Letter
- Closing Remarks/Q&A

Objectives and Scope of Audit

- Objectives:
 - Conduct an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*.
 - Plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
 - We performed a risk assessment to determine the nature, extent and timing of our substantive audit procedures.
- Full scope audit:
 - Governmental Activities
 - Business-type Activities
 - Each Major-Fund

Annual Financial Report

- Table of Contents:
 - Independent Auditor's Report (pgs. 1-3)
 - Management's Discussion and Analysis (pgs. 7-15)
 - Government-Wide Financial Statements (pgs. 18-21)
 - Fund Financial Statements (pgs. 22-28)
 - Notes to Financial Statements (pgs. 29-61)
 - Required Supplementary Information (pgs. 65-70)
 - Other Supplementary Information (pgs. 72-79)
 - Compliance and Internal Control Section (pgs. 83-84)

Overview of Audit Results

- We issued two auditor's reports including:
 - Independent Auditor's Report on the Financial Statements – Unmodified Opinion (pages 1-3)
 - All standard language, “clean” opinion.
 - Independent Auditor's 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* (pages 83-84)
 - All standard language, no material weaknesses, significant deficiencies, or other control matters were identified.

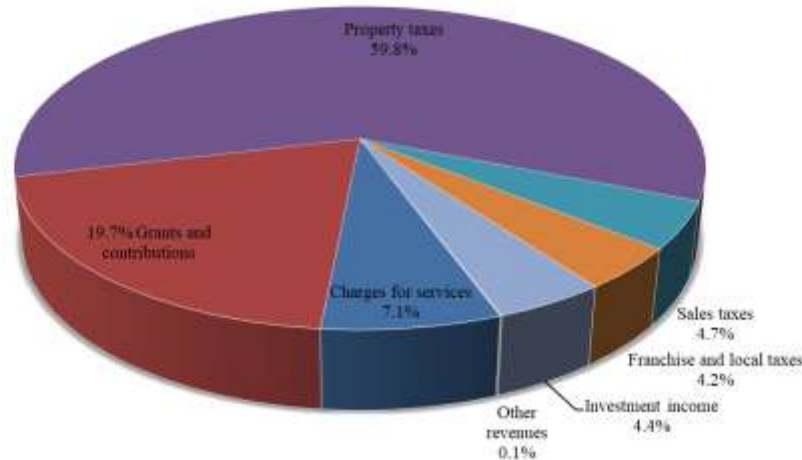
Financial Highlights

Government-Wide Financial Statements

- Full Accrual Basis:
 - Net position of the City is \$67,501,157 (pg. 19) at FY23.
 - Overall, net position of the City increased by \$4,806,902 (pg. 21) or 8%.
 - Unrestricted net position of the City is \$15,239,823 (pg. 19) at FY23.

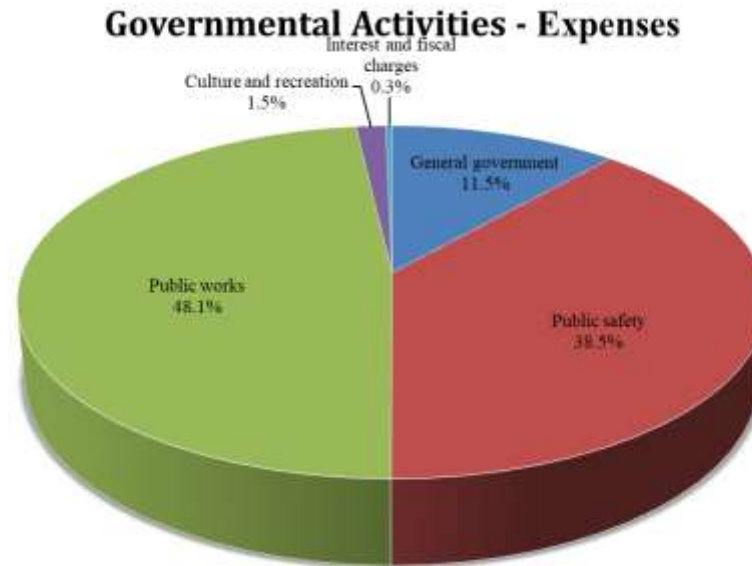
Financial Highlights – Governmental Activities

Governmental Activities - Revenues



- ❖ Governmental activities revenue totaled \$8,145,994, which is an increase of \$1,238,193 or 18%, attributable to:
 - Grants and contributions - \$598,484 (59%) increase from the PY.
 - In addition to the increased capital contributions, the City saw the following notable increases:
 - Property taxes - \$367,904 (8%) increase from the PY.
 - Investment income - \$324,254 (891%) increase from the PY.

Financial Highlights – Governmental Activities



- ❖ Governmental activities expenses totaled \$6,368,062 which is an increase of \$45,264 or 1%, attributable to:
 - Public works expense increased by \$99,063 due to ongoing projects within the City and increased personnel costs.
- ❖ Largest functional expense is public works of \$3,151,210

Financial Highlights:

Fund Statements – General Fund

- General Fund unassigned fund balances (pg. 22):
 - \$5,534,942 at FY22
 - \$6,871,839 at FY23
 - Increase of \$1,336,897
 - These funds can be used to meet the City's ongoing obligations.
 - Balances represents 22 months reserves at FY23.
 - 3 to 6 months reserves are optimal.

Financial High-lights: General Fund Budget to Actual

- General Fund revenues (pg. 65):
 - Final budget \$5,649,824
 - Actual \$6,138,684
 - Positive variance of \$488,860
- General Fund expenditures (pg. 65):
 - Final budget \$4,502,324
 - Actual \$3,678,766
 - Positive variance of \$823,558
- General Fund other financing sources (uses) (pg. 65):
 - Final budget \$1,147,500
 - Actual \$1,118,755
 - Positive variance of \$28,745
- Net Change in fund balances \$1,341,163

Financial Highlights:

Fund Statements – Water & Sewer

- Water & Sewer Fund unrestricted net position (pg. 26):
 - \$4,959,251 at FY22
 - \$6,812,642 at FY23
 - Increase of \$1,853,391
- Total net position increased by \$2,951,013 (pg. 27) or 12%.

Required Governance Communications Letter

- Miscellaneous matters discussed in this letter (unbound):
 - Corrected misstatements -
 - All recommended adjustments were accepted by the City – see list at Attachment I
 - Uncorrected misstatements (not material) -
 - All passed adjustments were accepted by the City – see list at Attachment II – these are not material but just used as a way to track differences and communicate them to the City.

Recommendations

- Management Recommendations:
 - **Cash Reconciliations and Accounts Payable** - We noted the City did not properly utilize the cash reconciliation feature of their accounting software and were manually changing dates that resulted in changes to the cash reconciliations, which then did not agree to the general ledger. We recommend the City take training on the cash reconciliation module of the software and consider building in a layer of review of the cash reconciliations.
 - **Coronavirus State and Local Fiscal Recovery Funds** – We noted the City is planning to spend the funds during FY24 and FY25. We recommend that the City continue to monitor the expense of these funds to ensure that costs incurred are allowable, per the OMB Compliance Supplement. Additionally, expenditures in excess of \$750,000 in a fiscal year will require a Single Audit.

Thank You

- We would like to thank:
 - Luke Olson, *City Administrator*
 - Grant Savage, *Finance Director*

They were very responsive to our audit requests, and it was a pleasure to work with them on this audit.

- Questions or Comments?

Contact Us

- Vail & Park, P.C.
- Address: 11500 State Hwy 121, Suite 410, Frisco, TX 75035
- Contact: Sophie Packard
- Office: (972) 234-3333
- Email: sophie.packard@vailcpas.com





Council Agenda Item

| | |
|-------------------------------------|--|
| Budget Account Code: | Meeting Date: See above. |
| Budgeted Amount: | Department/ Requestor: City Council/Finance |
| Fund Balance-before expenditure: | ACA/CS Scott Grey for Prepared by: Finance/HR Manager Grant Savage |
| Estimated Cost: | Date Prepared: February 12, 2024 |
| Exhibits: | Proposed Ordinance |

AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ORDINANCE NO. 865 AUTHORIZING EXPENDITURES AND APPROVING AMENDMENT(S) TO THE FY 2023-2024 OPERATING BUDGET. [2 new employees]

SUMMARY

The purpose of this agenda item is to amend the City's FY 2023-2024 budget by the following amount to hire an Administrative Assistant for City Hall and an Administrative Assistant for Public Works with start dates of 4/1/24:

| Fund | Account | Description | Budget | Budget Amendment | Revised Budget | Reason |
|---------|-------------|--|--------|---------------------|-------------------|-----------------|
| General | 01-120-8003 | Hourly | 66,923 | 17,500 | 84,423 | Salary |
| General | 01-120-8019 | Medicare | 6,136 | 254 | 6,390 | Benefit |
| General | 01-120-8023 | TMRS | 67,269 | 3,010 | 70,279 | Benefit |
| General | 01-120-8025 | Health Insurance | 89,229 | 6,000 | 95,229 | Benefit |
| General | 01-120-8027 | Dental Insurance | 3,203 | 350 | 3,553 | Benefit |
| General | 01-120-8029 | Life Insurance | 565 | 120 | 685 | Benefit |
| General | 01-120-8031 | Unemployment | 360 | 90 | 450 | Benefit |
| General | 01-120-8113 | Computer Hardware/Software | - | 1,500 | 1,500 | Computer |
| General | 01-120-8116 | Furniture, Fixture & Office Equipment | 1,500 | 1,000 | 2,500 | Office Equip |
| General | 01-120-8607 | Medical | 200 | 100 | 300 | Drug Test |

\$ 29,924

| | | | | | | |
|-------|-------------|---------------------------------------|---------|--------|---------|--------------|
| Water | 03-600-8003 | Hourly | 236,303 | 17,500 | 253,803 | Salary |
| Water | 03-600-8019 | Medicare | 8,162 | 254 | 8,416 | Benefit |
| Water | 03-600-8023 | TMRS | 89,368 | 3,010 | 92,378 | Benefit |
| Water | 03-600-8025 | Health Insurance | 99,470 | 6,000 | 105,470 | Benefit |
| Water | 03-600-8027 | Dental Insurance | 5,205 | 350 | 5,555 | Benefit |
| Water | 03-600-8029 | Life Insurance | 918 | 120 | 1,038 | Benefit |
| Water | 03-600-8031 | Unemployment | 585 | 90 | 675 | Benefit |
| Water | 03-600-8113 | Computer Hardware/Software | - | 1,500 | 1,500 | Computer |
| Water | 03-600-8116 | Furniture, Fixture & Office Equipment | - | 1,000 | 1,000 | Office Equip |
| Water | 03-600-8607 | Medical | - | 100 | 100 | Drug Test |

\$ 29,924

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

| Inter – Office Use | | | |
|--------------------------------|-------------------------|-------|-------------------------------------|
| Approved by: | Enter Text Here | | |
| Department Head/ Requestor: | <i>Grant Savage</i> | Date: | 02/15/2024 |
| City Attorney: | <i>Amy J. Stanphill</i> | Date: | 02/xx/2024 via Municode Software |
| City Administrator: | <i>Luke B. Olson</i> | Date: | 02/xx/2024 |

ORDINANCE NO. 865
{Amending FY 2023-2024 Budget}

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PARKER, TEXAS, AMENDING THE BUDGET PREVIOUSLY APPROVED AND ADOPTED FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024; PROVIDING FOR A REPEALER; PROVIDING AN EFFECTIVE DATE; FINDING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, on September 19, 2023, the City Council of the City of Parker, Texas adopted and approved a budget for the fiscal year beginning October 1, 2023, and ending September 30, 2024 (“FY 2023-2024 Budget”); and

WHEREAS, the City Council finds that it is in the public interest to amend the FY 2023-2024 Budget as set forth herein;

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

SECTION 1. The budget shall be amended by appropriating \$29,924 from the General Fund Balance and \$29,924 from the Water Fund Balance.

SECTION 2. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 3. That this Ordinance becomes effective immediately upon its passage.

SECTION 4. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

APPROVED AND ADOPTED on this the 20th day of February, 2024.

CITY OF PARKER, TEXAS

BY:

LEE PETTLE, MAYOR

ATTEST:

BY: _____
PATTI SCOTT GREY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
AMY J. STANPHILL, CITY ATTORNEY

Proposed



Council Agenda Item

| | | |
|----------------------------------|---|---|
| Budget Account Code: | Meeting Date: | See above. |
| Budgeted Amount: | Department/ Requestor: | City Secretary |
| Fund Balance-before expenditure: | Prepared by: | ACA/CS Scott Grey for Police Chief Kenneth Price |
| Estimated Cost: | Date Prepared: | February 13, 2024 |
| Exhibits: | <ol style="list-style-type: none"> 1. Resolution No. 2024-782 2. Quote 214 F3 3. Quote 214 OSP | |

AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2024-782 AUTHORIZING THE PURCHASE AND/OR SERVICE OF TASERS, IN-CAR AND BODY WORN CAMERAS, AND RELATED PARTS AND ACCESSORIES FROM AXON ENTERPRISE, INC., UNDER ITS COMPETITIVELY-BID SOURCEWELL PRICING, AND THE EXECUTION OF NECESSARY DOCUMENTS.

SUMMARY

Please review the attached quotes from Axon Enterprise, Inc.

Due to Motorola's purchase of WatchGuard, Motorola notified us of a policy/practice change on July 1, 2023, stating at the end of July 2023 our current cameras and systems are no longer serviceable. Briefly after this, they agreed to a 6-month extended contract which ends in April 2024. Due to customer service and other issues with Motorola, formerly WatchGuard, we are seeking to get away from WatchGuard and contract with Axon Enterprises, Inc, who already provides our Taser contract.

The current 5-year Taser contract would be abated, and this would move the PD into a new contract that includes In-Car and Body Worn Cameras, with updated Body Cameras every 2.5 years, along with a new, more up to date Taser 7, which is a dual shot Taser, thus providing greater safety to both the officer and offenders.

This contract would further free up approximately 9 terabits of data space on the PD's current server system by switching the now maintained WatchGuard recording data to Axon Enterprise, Inc. CJIS compliant Cloud Storage. Other safety features include weapon and Taser drawn camera activation, and law required redaction software not currently available with WatchGuard.

The pricing is consistent with Axon's Sourcewell pricing. Sourcewell is a cooperative purchasing program of which the City of Parker is a member. Purchases under this program satisfy the competitive bid requirements, if applicable.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

| Inter – Office Use | | | |
|--------------------------------|-------------------------|-------|-------------------------|
| Approved by: | Enter Text Here | | |
| Department Head/ Requestor: | <i>Kenneth Price</i> | Date: | 02/15/2024 |
| City Attorney: | <i>Amy J. Stanphill</i> | Date: | 02/xx/2024 via Municode |
| City Administrator: | <i>Luke B. Olson</i> | Date: | 02/xx/2024 |

RESOLUTION NO. 2024-782
(Purchase of PD Equipment)

A RESOLUTION OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS, AUTHORIZING THE PURCHASE AND/OR SERVICE OF TASERS, IN-CAR AND BODY WORN CAMERAS, AND RELATED PARTS AND ACCESSORIES FROM AXON ENTERPRISE, INC., UNDER ITS COMPETITIVELY PROCURED SOURCEWELL PRICING, AND THE EXECUTION OF NECESSARY DOCUMENTS; PROVIDING AN EFFECTIVE DATE; AND PROVIDING REPEALER.

WHEREAS, the City of Parker Police Department has a public safety need for a new agreement for the purchase and service of tasers, in-car and body-worn cameras, and related parts and accessories; and

WHEREAS, Axon Enterprise, Inc., a member of Sourcewell Cooperative Purchasing Program, has provided desirable quotes and assurances to meet the City of Parker Police Department needs; and

WHEREAS, the City of Parker is also a member of the Sourcewell Cooperative Purchasing Program and purchases it makes under the program satisfy the competitive procurement requirements, if applicable.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS, AS FOLLOWS:

SECTION 1. The recitals contained in the preamble of this resolution are incorporated into the body of this Resolution as if set out fully herein.

SECTION 2. The purchases of the Police Department equipment described in the documents attached hereto as Exhibit "A," are approved.

SECTION 3. The Mayor is authorized to execute all necessary and related documents for the purchases.

SECTION 4. This Resolution shall be effective upon its execution by the Mayor.

SECTION 5. All provisions of any and all resolutions of the City of Parker found to be in conflict with the provisions of this Resolution be, and the same are hereby, repealed to the extent of the conflict, and all other provisions of the resolutions of the City of Parker not in conflict with the provisions of this Resolution shall remain in full force and effect.

DULY PASSED AND APPROVED by the City Council of the City of Parker, Collin County, Texas on this the **20th** day of **February 2024**.

CITY OF PARKER:

Lee Pettie, Mayor

ATTEST:

Patti Scott Grey, City Secretary

APPROVED TO FORM:

Amy J. Stanphill, City Attorney

RESOLUTION NO. 2024-782
(Purchase of PD Equipment)

EXHIBIT A
AXON ENTERPRISE, INC.
PURCHASE DOCUMENTS

PROPOSED

RESOLUTION NO. 2024-782
(Purchase of PD Equipment)



Axon Enterprise, Inc.
17800 N 85th St.
Scottsdale, Arizona 85255
United States
VAT: 86-0741227
Domestic: (800) 978-2737
International: +1.800.978.2737

Meeting Date: 02/20/2024 Item 6.

Q-533353-45336.643RS

Issued: 02/14/2024

Quote Expiration: 02/23/2024

Estimated Contract Start Date: 05/01/2024

Account Number: 326711

Payment Terms: N30

Delivery Method:

| SHIP TO | BILL TO |
|---|--|
| Parker Police Dept. - TX 5700 E Parker Rd Allen, TX 75002-6767 USA | Parker Police Dept. - TX 5700 E Parker Rd Allen TX 75002-6767 USA Email: |

| SALES REPRESENTATIVE | PRIMARY CONTACT |
|---|---|
| Ryan Sabo Phone: (480) 716-3516 Email: rsabo@axon.com Fax: | Kenneth Price Phone: 9724420333 Email: kprice@parkertexas.us Fax: (972) 429-7013 |

Quote Summary

| | |
|------------------------|-------------|
| Program Length | 60 Months |
| TOTAL COST | \$74,199.60 |
| ESTIMATED TOTAL W/ TAX | \$74,199.60 |

Discount Summary

| | |
|--------------------------|-------------|
| Average Savings Per Year | \$5,505.12 |
| TOTAL SAVINGS | \$27,525.60 |

Payment Summary

| Date | Subtotal | Tax | Total |
|----------|-------------|--------|-------------|
| Apr 2024 | \$14,839.92 | \$0.00 | \$14,839.92 |
| Apr 2025 | \$14,839.92 | \$0.00 | \$14,839.92 |
| Apr 2026 | \$14,839.92 | \$0.00 | \$14,839.92 |
| Apr 2027 | \$14,839.92 | \$0.00 | \$14,839.92 |
| Apr 2028 | \$14,839.92 | \$0.00 | \$14,839.92 |
| Total | \$74,199.60 | \$0.00 | \$74,199.60 |

Quote Unbundled Price:

Quote List Price:

Quote Subtotal:

\$101,725.20

\$91,645.20

\$74,199.60

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

| Item | Description | Qty | Term | Unbundled | List Price | Net Price | Subtotal | Tax | Total |
|---------|------------------|-----|------|-----------|------------|-----------|-------------|--------|-------------|
| Program | | | | | | | | | |
| Fleet3A | Fleet 3 Advanced | 6 | 60 | \$282.57 | \$254.57 | \$206.11 | \$74,199.60 | \$0.00 | \$74,199.60 |
| Total | | | | | | | \$74,199.60 | \$0.00 | \$74,199.60 |

Delivery Schedule

Hardware

| Bundle | Item | Description | QTY | Estimated Delivery Date |
|------------------|-------|---|-----|-------------------------|
| Fleet 3 Advanced | 70112 | AXON SIGNAL - SIGNAL UNIT | 6 | 04/01/2024 |
| Fleet 3 Advanced | 72036 | AXON FLEET 3 - STANDARD 2 CAMERA KIT | 6 | 04/01/2024 |
| Fleet 3 Advanced | 72040 | AXON FLEET - TAP REFRESH 1 - 2 CAMERA KIT | 6 | 04/01/2029 |

Software

| Bundle | Item | Description | QTY | Estimated Start Date | Estimated End Date |
|------------------|-------|--|-----|----------------------|--------------------|
| Fleet 3 Advanced | 80400 | AXON EVIDENCE - FLEET VEHICLE LICENSE | 6 | 05/01/2024 | 04/30/2029 |
| Fleet 3 Advanced | 80401 | AXON FLEET 3 - ALPR LICENSE - 1 CAMERA | 6 | 05/01/2024 | 04/30/2029 |
| Fleet 3 Advanced | 80402 | AXON RESPOND - LICENSE - FLEET 3 | 6 | 05/01/2024 | 04/30/2029 |
| Fleet 3 Advanced | 80410 | AXON EVIDENCE - STORAGE - FLEET 1 CAMERA UNLIMITED | 12 | 05/01/2024 | 04/30/2029 |

Services

| Bundle | Item | Description | QTY |
|------------------|-------|---|-----|
| Fleet 3 Advanced | 73391 | AXON FLEET 3 - DEPLOYMENT (PER VEHICLE) | 6 |

Warranties

| Bundle | Item | Description | QTY | Estimated Start Date | Estimated End Date |
|------------------|-------|--|-----|----------------------|--------------------|
| Fleet 3 Advanced | 80379 | AXON SIGNAL - EXT WARRANTY - SIGNAL UNIT | 6 | 04/01/2025 | 04/30/2029 |
| Fleet 3 Advanced | 80495 | AXON FLEET 3 - EXT WARRANTY - 2 CAMERA KIT | 6 | 04/01/2025 | 04/30/2029 |

Payment Details

Apr 2024

| Invoice Plan | Item | Description | Qty | Subtotal | Tax | Total |
|--------------|---------|------------------|-----|--------------------|---------------|--------------------|
| Year 1 | Fleet3A | Fleet 3 Advanced | 6 | \$14,839.92 | \$0.00 | \$14,839.92 |
| Total | | | | \$14,839.92 | \$0.00 | \$14,839.92 |

Apr 2025

| Invoice Plan | Item | Description | Qty | Subtotal | Tax | Total |
|--------------|---------|------------------|-----|--------------------|---------------|--------------------|
| Year 2 | Fleet3A | Fleet 3 Advanced | 6 | \$14,839.92 | \$0.00 | \$14,839.92 |
| Total | | | | \$14,839.92 | \$0.00 | \$14,839.92 |

Apr 2026

| Invoice Plan | Item | Description | Qty | Subtotal | Tax | Total |
|--------------|---------|------------------|-----|--------------------|---------------|--------------------|
| Year 3 | Fleet3A | Fleet 3 Advanced | 6 | \$14,839.92 | \$0.00 | \$14,839.92 |
| Total | | | | \$14,839.92 | \$0.00 | \$14,839.92 |

Apr 2027

| Invoice Plan | Item | Description | Qty | Subtotal | Tax | Total |
|--------------|---------|------------------|-----|--------------------|---------------|--------------------|
| Year 4 | Fleet3A | Fleet 3 Advanced | 6 | \$14,839.92 | \$0.00 | \$14,839.92 |
| Total | | | | \$14,839.92 | \$0.00 | \$14,839.92 |

Apr 2028

| Invoice Plan | Item | Description | Qty | Subtotal | Tax | Total |
|--------------|---------|------------------|-----|--------------------|---------------|--------------------|
| Year 5 | Fleet3A | Fleet 3 Advanced | 6 | \$14,839.92 | \$0.00 | \$14,839.92 |
| Total | | | | \$14,839.92 | \$0.00 | \$14,839.92 |

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Contract Sourcwell Contract #010720-AXN is incorporated by reference into the terms and conditions of this Agreement. In the event of conflict the terms of Axon's Master Services and Purchasing Agreement shall govern.

Standard Terms and Conditions

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at www.axon.com/legal/sales-terms-and-conditions), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at www.axon.com/legal/sales-terms-and-conditions), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Signature

Date Signed

2/14/2024





Axon Enterprise, Inc.
17800 N 85th St.
Scottsdale, Arizona 85255
United States
VAT: 86-0741227
Domestic: (800) 978-2737
International: +1.800.978.2737

Meeting Date: 02/20/2024 Item 6.

Q-533493-45336.848RS

Issued: 02/14/2024

Quote Expiration: 02/23/2024

Estimated Contract Start Date: 05/01/2024

Account Number: 326711

Payment Terms: N30

Delivery Method:

| SHIP TO | BILL TO |
|---|--|
| Parker Police Dept. - TX 5700 E Parker Rd Allen, TX 75002-6767 USA | Parker Police Dept. - TX 5700 E Parker Rd Allen TX 75002-6767 USA Email: |

| SALES REPRESENTATIVE | PRIMARY CONTACT |
|---|---|
| Ryan Sabo Phone: (480) 716-3516 Email: rsabo@axon.com Fax: | Kenneth Price Phone: 9724420333 Email: kprice@parkertexas.us Fax: (972) 429-7013 |

Quote Summary

| | |
|------------------------|--------------|
| Program Length | 60 Months |
| TOTAL COST | \$213,688.73 |
| ESTIMATED TOTAL W/ TAX | \$213,688.73 |

Discount Summary

| | |
|--------------------------|-------------|
| Average Savings Per Year | \$14,422.29 |
| TOTAL SAVINGS | \$72,111.47 |

Payment Summary

| Date | Subtotal | Tax | Total |
|----------|--------------|--------|--------------|
| Apr 2024 | \$42,737.73 | \$0.00 | \$42,737.73 |
| Apr 2025 | \$42,737.75 | \$0.00 | \$42,737.75 |
| Apr 2026 | \$42,737.75 | \$0.00 | \$42,737.75 |
| Apr 2027 | \$42,737.75 | \$0.00 | \$42,737.75 |
| Apr 2028 | \$42,737.75 | \$0.00 | \$42,737.75 |
| Total | \$213,688.73 | \$0.00 | \$213,688.73 |

| | |
|------------------------|--------------|
| Quote Unbundled Price: | \$285,800.20 |
| Quote List Price: | \$246,905.80 |
| Quote Subtotal: | \$213,688.73 |

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

| Item | Description | Qty | Term | Unbundled | List Price | Net Price | Subtotal | Tax | Total |
|----------------------------|--|-----|------|-----------|------------|-----------|---------------------|---------------|---------------------|
| Program | | | | | | | | | |
| M00006 | BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 12 | 60 | \$346.50 | \$292.48 | \$268.04 | \$192,988.80 | \$0.00 | \$192,988.80 |
| A la Carte Hardware | | | | | | | | | |
| H00001 | AB4 Camera Bundle | 12 | | | \$849.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| H00002 | AB4 Multi Bay Dock Bundle | 2 | | | \$1,638.90 | \$478.50 | \$957.00 | \$0.00 | \$957.00 |
| A la Carte Software | | | | | | | | | |
| 85760 | AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE | 12 | 60 | | \$22.57 | \$22.57 | \$16,250.40 | \$0.00 | \$16,250.40 |
| ProLicense | Pro License Bundle | 1 | 60 | | \$43.40 | \$43.33 | \$2,599.80 | \$0.00 | \$2,599.80 |
| A la Carte Services | | | | | | | | | |
| 80146 | AXON BODY - PSO - VIRTUAL STARTER | 1 | | | \$2,000.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 101186 | AXON VR - PSO - VIRTUAL | 1 | | | \$2,000.00 | \$892.73 | \$892.73 | \$0.00 | \$892.73 |
| Total | | | | | | | \$213,688.73 | \$0.00 | \$213,688.73 |

Delivery Schedule

Hardware

| Bundle | Item | Description | QTY | Estimated Delivery Date |
|-------------------------------------|--------|---|-----|-------------------------|
| AB4 Camera Bundle | 100147 | AXON BODY 4 - CAMERA - NA US FIRST RESPONDER BLK RAPIDLOCK | 12 | 04/01/2024 |
| AB4 Camera Bundle | 100466 | AXON BODY 4 - CABLE - USB-C TO USB-C | 14 | 04/01/2024 |
| AB4 Camera Bundle | 74028 | AXON BODY - MOUNT - WING CLIP RAPIDLOCK | 14 | 04/01/2024 |
| AB4 Multi Bay Dock Bundle | 100206 | AXON BODY 4 - DOCK - EIGHT BAY | 2 | 04/01/2024 |
| AB4 Multi Bay Dock Bundle | 70033 | AXON - DOCK WALL MOUNT - BRACKET ASSY | 2 | 04/01/2024 |
| AB4 Multi Bay Dock Bundle | 71019 | AXON BODY - DOCK POWERCORD - NORTH AMERICA | 2 | 04/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 100126 | AXON VR - TACTICAL BAG | 1 | 04/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 100681 | SIGNAL SIDEARM, SENSOR ONLY | 12 | 04/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 100833 | AXON VR - CONTROLLER - TASER 7 | 1 | 04/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 100862 | AXON VR - PLACEHOLDER - SIDEARM CONTROLLER | 1 | 04/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 101290 | AXON VR - HOLSTER - T7 SAFARILAND GRAY RH | 1 | 04/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 20296 | AXON VR - TABLET | 1 | 04/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 20297 | AXON VR - TABLET CASE | 1 | 04/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 20378 | AXON VR - HEADSET - HTC FOCUS 3 | 1 | 04/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 71044 | AXON SIGNAL - BATTERY - CR2430 SINGLE PACK | 24 | 04/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 20008 | AXON TASER 7 - HANDLE - HIGH VIS GRN LASER CLASS 3R YLW | 12 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 20018 | AXON TASER - BATTERY PACK - TACTICAL | 14 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 20050 | AXON TASER - HOOK-AND-LOOP TRAINING (HALT) SUIT | 1 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 20062 | AXON TASER 7 - HOLSTER - BLACKHAWK RH | 12 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22175 | AXON TASER 7 - CARTRIDGE - LIVE STANDOFF (3.5-DEGREE) NS | 36 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22175 | AXON TASER 7 - CARTRIDGE - LIVE STANDOFF (3.5-DEGREE) NS | 24 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22176 | AXON TASER 7 - CARTRIDGE - LIVE CLOSE QUART (12-DEGREE) NS | 36 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22176 | AXON TASER 7 - CARTRIDGE - LIVE CLOSE QUART (12-DEGREE) NS | 24 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22177 | AXON TASER 7 - CARTRIDGE - HALT STANDOFF NS | 24 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22178 | AXON TASER 7 - CARTRIDGE - HALT CLOSE QUART NS | 24 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22179 | AXON TASER 7 - CARTRIDGE - INERT STANDOFF (3.5-DEGREE) NS | 12 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22181 | AXON TASER 7 - CARTRIDGE - INERT CLOSE QUART (12-DEGREE) NS | 12 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 70033 | AXON - DOCK WALL MOUNT - BRACKET ASSY | 1 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 71019 | AXON BODY - DOCK POWERCORD - NORTH AMERICA | 1 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 74200 | AXON TASER - DOCK - SIX BAY PLUS CORE | 1 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 80087 | AXON TASER - TARGET - CONDUCTIVE PROFESSIONAL RUGGEDIZED | 1 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 80090 | AXON TASER - TARGET FRAME - PROFESSIONAL 27.5 IN X 75 IN | 1 | 05/01/2024 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22175 | AXON TASER 7 - CARTRIDGE - LIVE STANDOFF (3.5-DEGREE) NS | 24 | 04/01/2025 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22176 | AXON TASER 7 - CARTRIDGE - LIVE CLOSE QUART (12-DEGREE) NS | 24 | 04/01/2025 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22175 | AXON TASER 7 - CARTRIDGE - LIVE STANDOFF (3.5-DEGREE) NS | 24 | 04/01/2026 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22176 | AXON TASER 7 - CARTRIDGE - LIVE CLOSE QUART (12-DEGREE) NS | 24 | 04/01/2026 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22177 | AXON TASER 7 - CARTRIDGE - HALT STANDOFF NS | 24 | 04/01/2026 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22178 | AXON TASER 7 - CARTRIDGE - HALT CLOSE QUART NS | 24 | 04/01/2026 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 100210 | AXON VR - TAP REFRESH 1 - TABLET | 1 | 10/01/2026 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 101009 | AXON VR - TAP REFRESH 1 - SIDEARM CONTROLLER | 1 | 10/01/2026 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 101012 | AXON VR - TAP REFRESH 1 - CONTROLLER | 1 | 10/01/2026 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 20373 | AXON VR - TAP REFRESH 1 - HEADSET | 1 | 10/01/2026 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 73309 | AXON BODY - TAP REFRESH 1 - CAMERA | 12 | 10/01/2026 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 73689 | AXON BODY - TAP REFRESH 1 - DOCK MULTI BAY | 2 | 10/01/2026 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22175 | AXON TASER 7 - CARTRIDGE - LIVE STANDOFF (3.5-DEGREE) NS | 24 | 04/01/2027 |

Hardware

| Bundle | Item | Description | QTY | Estimated Delivery Date |
|-------------------------------------|-------|--|-----|-------------------------|
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22176 | AXON TASER 7 - CARTRIDGE - LIVE CLOSE QUART (12-DEGREE) NS | 24 | 04/01/2027 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22175 | AXON TASER 7 - CARTRIDGE - LIVE STANDOFF (3.5-DEGREE) NS | 24 | 04/01/2028 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 22176 | AXON TASER 7 - CARTRIDGE - LIVE CLOSE QUART (12-DEGREE) NS | 24 | 04/01/2028 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 73310 | AXON BODY - TAP REFRESH 2 - CAMERA | 12 | 04/01/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 73688 | AXON BODY - TAP REFRESH 2 - DOCK MULTI BAY | 2 | 04/01/2029 |

Software

| Bundle | Item | Description | QTY | Estimated Start Date | Estimated End Date |
|-------------------------------------|-------|---|-----|----------------------|--------------------|
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 20370 | AXON VR - FULL ACCESS - TASER 7 ADD-ON USER | 12 | 05/01/2024 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 73478 | AXON EVIDENCE - REDACTION ASSISTANT USER LICENSE | 12 | 05/01/2024 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 73618 | AXON COMMUNITY REQUEST - LICENSE - PLUS | 12 | 05/01/2024 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 73638 | AXON STANDARDS - LICENSE | 12 | 05/01/2024 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 73680 | AXON RESPOND PLUS - LICENSE | 12 | 05/01/2024 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 73682 | AXON EVIDENCE - AUTO TAGGING LICENSE | 12 | 05/01/2024 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 73683 | AXON EVIDENCE - STORAGE - 10GB A LA CARTE | 120 | 05/01/2024 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 73686 | AXON EVIDENCE - STORAGE - UNLIMITED (AXON DEVICE) | 12 | 05/01/2024 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 73739 | AXON PERFORMANCE - LICENSE | 12 | 05/01/2024 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 73746 | AXON EVIDENCE - ECOM LICENSE - PRO | 12 | 05/01/2024 | 04/30/2029 |
| Pro License Bundle | 73683 | AXON EVIDENCE - STORAGE - 10GB A LA CARTE | 3 | 05/01/2024 | 04/30/2029 |
| Pro License Bundle | 73746 | AXON EVIDENCE - ECOM LICENSE - PRO | 1 | 05/01/2024 | 04/30/2029 |
| A la Carte | 85760 | AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE | 12 | 05/01/2024 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 20248 | AXON TASER - EVIDENCE.COM LICENSE | 12 | 06/01/2024 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 20248 | AXON TASER - EVIDENCE.COM LICENSE | 1 | 06/01/2024 | 04/30/2029 |

Services

| Bundle | Item | Description | QTY |
|-------------------------------------|--------|--|-----|
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 101184 | AXON INVESTIGATE - TRAINING - OPERATOR AND EXAMINER | 1 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 101193 | AXON TASER - ON DEMAND CERTIFICATION | 1 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 11642 | AXON INVESTIGATE - THIRD PARTY VIDEO SUPPORT | 12 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 20246 | AXON TASER 7 - REPLACEMENT ACCESS PROGRAM - DUTY CARTRIDGE | 12 |
| A la Carte | 101186 | AXON VR - PSO - VIRTUAL | 1 |
| A la Carte | 80146 | AXON BODY - PSO - VIRTUAL STARTER | 1 |

Warranties

| Bundle | Item | Description | QTY | Estimated Start Date | Estimated End Date |
|-------------------------------------|--------|--|-----|----------------------|--------------------|
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 100197 | AXON VR - EXT WARRANTY - HTC FOCUS 3 HEADSET | 1 | 04/01/2025 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 100213 | AXON VR - EXT WARRANTY - TABLET | 1 | 04/01/2025 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 80464 | AXON BODY - TAP WARRANTY - CAMERA | 12 | 04/01/2025 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 80465 | AXON BODY - TAP WARRANTY - MULTI BAY DOCK | 2 | 04/01/2025 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 80374 | AXON TASER 7 - EXT WARRANTY - BATTERY PACK | 14 | 05/01/2025 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 80395 | AXON TASER 7 - EXT WARRANTY - HANDLE | 12 | 05/01/2025 | 04/30/2029 |
| BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 80396 | AXON TASER 7 - EXT WARRANTY - DOCK SIX BAY | 1 | 05/01/2025 | 04/30/2029 |

Payment Details

Apr 2024

| Invoice Plan | Item | Description | Qty | Subtotal | Tax | Total |
|--------------|------------|--|-----|--------------------|---------------|--------------------|
| Year 1 | 101186 | AXON VR - PSO - VIRTUAL | 1 | \$178.55 | \$0.00 | \$178.55 |
| Year 1 | 80146 | AXON BODY - PSO - VIRTUAL STARTER | 1 | \$0.00 | \$0.00 | \$0.00 |
| Year 1 | 85760 | AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE | 12 | \$3,250.08 | \$0.00 | \$3,250.08 |
| Year 1 | H00001 | AB4 Camera Bundle | 12 | \$0.00 | \$0.00 | \$0.00 |
| Year 1 | H00002 | AB4 Multi Bay Dock Bundle | 2 | \$191.40 | \$0.00 | \$191.40 |
| Year 1 | M00006 | BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 12 | \$38,597.74 | \$0.00 | \$38,597.74 |
| Year 1 | ProLicense | Pro License Bundle | 1 | \$519.96 | \$0.00 | \$519.96 |
| Total | | | | \$42,737.73 | \$0.00 | \$42,737.73 |

May 2024

| Invoice Plan | Item | Description | Qty | Subtotal | Tax | Total |
|--------------------------|--------|-------------------------------------|-----|---------------|---------------|---------------|
| Invoice Upon Fulfillment | M00006 | BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 12 | \$0.00 | \$0.00 | \$0.00 |
| Total | | | | \$0.00 | \$0.00 | \$0.00 |

Apr 2025

| Invoice Plan | Item | Description | Qty | Subtotal | Tax | Total |
|--------------|------------|--|-----|--------------------|---------------|--------------------|
| Year 2 | 101186 | AXON VR - PSO - VIRTUAL | 1 | \$178.55 | \$0.00 | \$178.55 |
| Year 2 | 80146 | AXON BODY - PSO - VIRTUAL STARTER | 1 | \$0.00 | \$0.00 | \$0.00 |
| Year 2 | 85760 | AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE | 12 | \$3,250.08 | \$0.00 | \$3,250.08 |
| Year 2 | H00001 | AB4 Camera Bundle | 12 | \$0.00 | \$0.00 | \$0.00 |
| Year 2 | H00002 | AB4 Multi Bay Dock Bundle | 2 | \$191.40 | \$0.00 | \$191.40 |
| Year 2 | M00006 | BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 12 | \$38,597.76 | \$0.00 | \$38,597.76 |
| Year 2 | ProLicense | Pro License Bundle | 1 | \$519.96 | \$0.00 | \$519.96 |
| Total | | | | \$42,737.75 | \$0.00 | \$42,737.75 |

Apr 2026

| Invoice Plan | Item | Description | Qty | Subtotal | Tax | Total |
|--------------|------------|--|-----|--------------------|---------------|--------------------|
| Year 3 | 101186 | AXON VR - PSO - VIRTUAL | 1 | \$178.55 | \$0.00 | \$178.55 |
| Year 3 | 80146 | AXON BODY - PSO - VIRTUAL STARTER | 1 | \$0.00 | \$0.00 | \$0.00 |
| Year 3 | 85760 | AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE | 12 | \$3,250.08 | \$0.00 | \$3,250.08 |
| Year 3 | H00001 | AB4 Camera Bundle | 12 | \$0.00 | \$0.00 | \$0.00 |
| Year 3 | H00002 | AB4 Multi Bay Dock Bundle | 2 | \$191.40 | \$0.00 | \$191.40 |
| Year 3 | M00006 | BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 12 | \$38,597.76 | \$0.00 | \$38,597.76 |
| Year 3 | ProLicense | Pro License Bundle | 1 | \$519.96 | \$0.00 | \$519.96 |
| Total | | | | \$42,737.75 | \$0.00 | \$42,737.75 |

Apr 2027

| Invoice Plan | Item | Description | Qty | Subtotal | Tax | Total |
|--------------|--------|--|-----|------------|--------|------------|
| Year 4 | 101186 | AXON VR - PSO - VIRTUAL | 1 | \$178.55 | \$0.00 | \$178.55 |
| Year 4 | 80146 | AXON BODY - PSO - VIRTUAL STARTER | 1 | \$0.00 | \$0.00 | \$0.00 |
| Year 4 | 85760 | AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE | 12 | \$3,250.08 | \$0.00 | \$3,250.08 |

Apr 2027

| Invoice Plan | Item | Description | Qty | Subtotal | Tax | Total |
|--------------|------------|-------------------------------------|-----|--------------------|---------------|--------------------|
| Year 4 | H00001 | AB4 Camera Bundle | 12 | \$0.00 | \$0.00 | \$0.00 |
| Year 4 | H00002 | AB4 Multi Bay Dock Bundle | 2 | \$191.40 | \$0.00 | \$191.40 |
| Year 4 | M00006 | BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 12 | \$38,597.76 | \$0.00 | \$38,597.76 |
| Year 4 | ProLicense | Pro License Bundle | 1 | \$519.96 | \$0.00 | \$519.96 |
| Total | | | | \$42,737.75 | \$0.00 | \$42,737.75 |

Apr 2028

| Invoice Plan | Item | Description | Qty | Subtotal | Tax | Total |
|--------------|------------|--|-----|--------------------|---------------|--------------------|
| Year 5 | 101186 | AXON VR - PSO - VIRTUAL | 1 | \$178.55 | \$0.00 | \$178.55 |
| Year 5 | 80146 | AXON BODY - PSO - VIRTUAL STARTER | 1 | \$0.00 | \$0.00 | \$0.00 |
| Year 5 | 85760 | AXON AUTO-TRANSCRIBE - UNLIMITED SERVICE | 12 | \$3,250.08 | \$0.00 | \$3,250.08 |
| Year 5 | H00001 | AB4 Camera Bundle | 12 | \$0.00 | \$0.00 | \$0.00 |
| Year 5 | H00002 | AB4 Multi Bay Dock Bundle | 2 | \$191.40 | \$0.00 | \$191.40 |
| Year 5 | M00006 | BUNDLE - OFFICER SAFETY PLAN 7 PLUS | 12 | \$38,597.76 | \$0.00 | \$38,597.76 |
| Year 5 | ProLicense | Pro License Bundle | 1 | \$519.96 | \$0.00 | \$519.96 |
| Total | | | | \$42,737.75 | \$0.00 | \$42,737.75 |

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Contract Sourcwell Contract #010720-AXN is incorporated by reference into the terms and conditions of this Agreement. In the event of conflict the terms of Axon's Master Services and Purchasing Agreement shall govern.

Standard Terms and Conditions

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at www.axon.com/legal/sales-terms-and-conditions), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at www.axon.com/legal/sales-terms-and-conditions), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Exceptions to Standard Terms and Conditions

Agency has existing contract(s) originated via Quote(s):

Q-190551

Agency is terminating those contracts effective 05/01/2024. Any change in this date will result in modification of the program value which may result in additional fees or credits due to or from Axon.

The parties agree that Axon is applying a Net Transfer of \$0.00 to the quote for delivered but unpaid items.

Signature

Date Signed

2/14/2024





Council Agenda Item

| | | |
|----------------------------------|------------------------|---|
| Budget Account Code: | Meeting Date: | See above. |
| Budgeted Amount: | Department/ Requestor: | Council |
| Fund Balance-before expenditure: | Prepared by: | City Secretary Scott Grey for City Administrator Olson |
| Estimated Cost: | Date Prepared: | February 14, 2024 |
| Exhibits: | <u>None</u> | |

AGENDA SUBJECT

UPDATE(S):

FM2551

ENTERPRISE UPDATE BY CITY ADMINISTRATOR OLSON
WEBSITE

COMP PLAN w/Council and Planning and Zoning (P&Z) Commission

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ)

ANY ADDITIONAL UPDATES

MONTHLY/QUARTERLY REPORT(S)

[January 2024 - Building Permit/Code Report](#)

[January 2024 – Court Report](#)

[January 2024 – Finance \(monthly financials\) Report](#)

[January 2024 – Police Report](#)

[January 2024 – Republic Services Inc., dba Allied Waste Services of Plano](#)

*Have not received November/December 2023 Republic Report

SUMMARY

Please review information provided.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

| | | | |
|--------------------------------|-------------------------|-------|-------------------------|
| Inter – Office Use | | | |
| Approved by: | Enter Text Here | | |
| Department Head/ Requestor: | <i>Patti Scott Grey</i> | Date: | 02/15/2024 |
| City Attorney: | <i>Amy J. Stanphill</i> | Date: | 02/xx/2024 via Municode |
| City Administrator: | <i>Luke B. Olson</i> | Date: | 02/xx/2024 |



Council Agenda Item

| | | |
|----------------------------------|------------------------|---|
| Budget Account Code: | Meeting Date: | See above. |
| Budgeted Amount: | Department/ Requestor: | City Council |
| Fund Balance-before expenditure: | Prepared by: | City Secretary Scott Grey for City Administrator Olson |
| Estimated Cost: | Date Prepared: | February 14, 2024 |
| Exhibits: | <u>None</u> | |

AGENDA SUBJECT

ACCEPTANCE OF DONATION(S) FOR POLICE, FIRE, AND CITY STAFF FOR THE RECORD (Each valued at between \$0 - \$500)

Maria Orozco donated candy valued at \$10 to the Police Department.

Priti and Mohit Mohindru donated Taco Cabana Lunch valued at \$40 to the Police Department.

The Leamy's donated a tray of cookies for City Staff valued at \$19.98.

The Leamy's donated a tray of cookies valued at \$20 to the Police Department.

SUMMARY

Please review information provided.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

| Inter – Office Use | | | |
|--------------------------------|-------------------------|-------|-------------------------|
| Approved by: | Enter Text Here | | |
| Department Head/ Requestor: | <i>Patti Scott Grey</i> | Date: | 02/15/2024 |
| City Attorney: | <i>Amy J. Stanphill</i> | Date: | 02/xx/2024 via Municode |
| City Administrator: | <i>Luke B. Olson</i> | Date: | 02/xx/2024 |



Council Agenda Item

| | |
|-------------------------------------|--|
| Budget Account Code: | Meeting Date: See above. |
| Budgeted Amount: | Department/ Requestor: City Council |
| Fund Balance-before expenditure: | Prepared by: ACA/CS Scott Grey |
| Estimated Cost: | Date Prepared: February 14, 2024 |
| Exhibits: | Future Agenda Items |

AGENDA SUBJECT

FUTURE AGENDA ITEMS

SUMMARY

Please review information provided.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

| Inter – Office Use | | | |
|--------------------------------|-------------------------|-------|-------------------------|
| Approved by: | Enter Text Here | | |
| Department Head/ Requestor: | <i>Patti Scott Grey</i> | Date: | 02/15/2024 |
| City Attorney: | <i>Amy J. Stanphill</i> | Date: | 02/xx/2024 via Municode |
| City Administrator: | <i>Luke B. Olson</i> | Date: | 02/xx/2024 |

FUTURE AGENDA ITEMS

| | ITEM DESCRIPTION | CONTACT | Notes |
|-----------------------------------|---|--------------|---|
| 2024 | | | |
| Feb(Mar), May (July), Aug, Nov | Fire Department Quarterly Report | Sheff/Miller | 3rd Qtr 2023 1114 CC Agenda |
| Feb(Mar), May (July), Aug, Nov | Investment Quarterly Report | Savage | 4th Qtr 2024 0206 CC Agenda |
| Feb(Mar), May (July), Aug, Nov | Enterprise Update | | 2023 1101 - Request for Quarterly Update; 2023 1114; 1205; 1219 |
| | Council Committee Updates | Council | |
| | Public Safety Committee (MLP, MPTMS, & CMDA) | Council | 2022 1115 and 2022 1206; Postponed 2023 0718 |
| | Website Dev. Subcommittee (CMCM, CMTL, & MLP) | Council | 2022 1115, 2022 1209, & 2023 0912; 1016; 1114; 1205; 1219 |
| February 20, 2024, 5:30 PM | Drawing for a Place on the Ballot [Feb. 22-26] | | |
| February 20, 2024, 5:30 PM | Council Spring Break Calendars/Availability | | |
| March 5, 2024 | Donations - Mayor | | |
| March 5, 2024 | Public Safety Commission Revision | | |
| Tentatively March XX, 2024 | GREAT AMERICAN CLEANUP | | |
| | Workshops | | |
| | Website | | |
| | Procedure Manual | | |
| | CIP | | |
| | Comp Plan Subcommittee | | |
| | Other: | | |
| | Required Training for Council | | |
| | Required employment for time if we train you \$\$\$ | | |

FUTURE AGENDA ITEMS

| | ITEM DESCRIPTION | CONTACT | Notes |
|--|--|---------|-------|
| | Required procedures for agenda submittal | | |
| | Required procedures for presentations | | |
| | Newsletter Committee Revised Resolution | | |
| | Revised donations that mayor can accept | | |
| | RFQ for Engineering services | | |
| | Fences in Easement | | |
| | Water Impact Fees (6 mths to 1 yr) | | |
| | Departmental Report Review (Kercho) | | |
| | Pump Station Building | | |
| | Records Retention Policy Schedule | | |
| | Annual Records review | | |
| | Southridge gate - 2025 | | |
| | Dublin /roads waterline relocation | | |