NOTICE OF LA MARQUE
REGULAR CITY COUNCIL MEETING
BY TELEPHONE CONFERENCE AND IN-PERSON

In accordance with order of the Office of the Governor issued March 16, 2020, the La Marque City Council will conduct a Regular Meeting on Monday, November 8, 2021 beginning at 6:00 PM. In accordance with Section 551.127(b) of the Texas Government Code a quorum of the La Marque City Council and the Mayor intend to be and will be physically present at 1109-B Bayou Road, La Marque, Texas. This location will be open to the public and the meeting will be broadcast at this location and via YouTube.

This Notice, the meeting agenda, and the agenda packet can be found online at:

https://ci.la-marque.tx.us/AgendaCenter

The public will be permitted to offer public comments telephonically as provided below and as permitted by the Mayor during the meeting. A recording of the telephonic meeting will be made and will be available to the public in accordance with the Open Meetings Act upon written request.

THE PUBLIC TOLL-FREE DIAL-IN NUMBER TO PARTICIPATE IN THE MEETING IS:
1 (346) 248-7799

ONCE YOU ARE CONNECTED, YOU MUST ENTER THE FOLLOWING:

Meeting ID: 92493940502

Press *6 to mute or unmute your phone line. You may also connect to the meeting on your smartphone, tablet or computer by going to the following internet address:

https://zoom.us/j/92493940502

Once you are on the website, you may need to enter the following:

Meeting ID: 924 9394 0502

If you require accommodation to participate in this meeting, contact the City Clerk at 409-938-9259 or cityclerk@cityoflamarque.org at least 48 hours prior to the meeting start time.

1111 Bayou Road
La Marque, Texas
409-938-9202

Mayor - Keith Bell
Kimberley Yancy - District A *Councilmember Michael Carlson - District C*
Mayor Pro-Tem Joe Compian - District B *Councilmember Casey McAuliffe - District D*

****

ORDINANCE NO. O-2021-0018
RESOLUTION NO. R-2021-0029

CITY OF LA MARQUE
CITY COUNCIL
REGULAR MEETING
of
NOVEMBER 8, 2021

Notice is hereby given that the City Council of the City of La Marque, Texas will conduct a **Regular Meeting on November 8, 2021**, beginning at 6:00 **in the Council Chambers at 1109-B Bayou Road, La Marque, Texas as well as via videoconference hosted through (ZOOM).** In accordance with Section 551.127(b) of the Texas Government Code a quorum of the La Marque City Council and the Mayor intend to be and will be physically present at 1109-B Bayou Road, La Marque, Texas. This location will be open to the public and the meeting will be broadcast at this location and via YouTube. The council will meet for the purpose of considering the following agenda:

(1) CALL MEETING TO ORDER

(2) ROLL CALL

(3) INVOCATION AND PLEDGE OF ALLEGIANCE – to be provided by the Ministerial Alliance

(4) PROCLAMATION
a. Proclamation – Louis "Mac" Mc Gaffey

(5) CITIZENS PARTICIPATION (Limited to three minutes per person)
Comments from the public will be heard at this time. Any person with city-related business who has signed up may speak to Council on a specific agenda item (limited to three (3) minutes) should give the Mayor your name and the item you wish to speak about. In compliance with Texas Open Meeting Act, the City may not deliberate on comments. Personal attacks will not be allowed, and personnel matters should be addressed to the City Manager during normal business hours. **Press *6 to mute or unmute if you are participating by telephone, press the unmute button if attending via zoom on a smartphone,**

tablet, or computer, or stand if attending in person, and the Mayor will call on you in turn.

(6) MINUTES

a. Special Meeting Minutes of August 9, 2021
b. Special Meeting Minutes of August 16, 2021
c. Special Meeting Minutes of August 23, 2021
d. Special Meeting Minutes of September 20, 2021

(7) NEW BUSINESS

a. Discussion/possible action regarding adopting Resolution No. **R-2021-0024**, casting votes for Matt Doyle for the Board of Directors of the Galveston Central Appraisal District for a two-year term, beginning January 1, 2022, through December 31, 2023 - Mayor K. Bell

b. Discussion/possible action regarding adopting Resolution No. **R-2021-0025** - supporting the Emancipation National Historical Trail that is currently being studied by the National Park Service and requesting a historical "stop" or historical marker in La Marque, as requested by the La Marque Economic Development Corporation – Mayor K. Bell

c. Discussion/possible action regarding adopting Resolution No. **R-2021-0026**, determining the validity of petition(s) signed by registered voters within the City of La Marque, Texas intending to require a special election to be called for the next Uniform Election date to reduce the City's adopted Tax Rate FY 2021-2022 – Mayor K. Bell

d. Discussion/possible action regarding ratifying and adopting Resolution **No. R-2021-0027,** an anti-retaliation policy previously adopted by the Interim City Manager – Legal G. Knebel

e. Discussion/possible action regarding adopting Resolution No. **R-2021-0028**, approving the State of Texas and Political Subdivision's Opioid Abatement Fund Council and Settlement allocation term sheet as provided by the Office of the Texas Attorney General, approving the settlement participation forms for both Johnson & Johnson and the distributors promulgated by the Office of The Texas Attorney General and authorizing the City Manager to execute documents upon approval of the City Attorney – Legal G. Knebel

f. Discussion/possible action regarding approving Resolution No. **R-2021-0029**, creating an Interfund Loan by taking proceeds in the amount of two hundred eighty-seven thousand nine hundred fifty dollars and no cent ($287,950.00) from the Equipment Replacement Fund and placing those proceeds into to the General Fund for remounting two ambulances; providing for an effective date; and setting forth other related matters – Finance Director S. Kou

g. Discussion/possible action relating to authorizing the remounting of 2 out of service ambulances: Medic 3, a 2010 Dodge, and Medic 4, a 2005 Ford, for the

La Marque Fire Department. The cost for each remount will be 143,975.00 per unit for a total of 287,950.00 – Interim Fire Chief D. Merryman

h. Discussion/possible action to approve the formal RFQ process for two (2) Associate Municipal Court Judges or provide staff with direction – Councilmember Yancy/Councilmember Mc Auliffe

(8) CONTRACTS/ AWARD OF BIDS

a. Discussion/possible action regarding awarding audit services contract to Brookswatson & Co., PLLC for two years with option to renew for two additional years – Finance Director S. Kou

b. Discussion/possible action regarding authorizing the Mayor to execute an Interlocal Agreement (ILA) between the City of La Marque and the County of Galveston for the City's continued participation in the *Galveston County Auto Crimes Task Force* (GCACTF) – Interim Police Chief R. Aragon

(9) APPOINTMENTS

a. Discussion/possible action regarding appointments and/or reappointments to fill various positions of the Boards and Commissions – Mayor K. Bell

(10) EXECUTIVE SESSION

The City Council for the City of La Marque, Texas reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized the Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.086 (Economic Development)

a. Section 551.071 (Consultation with Attorney) - Discuss Pending Litigation related to *La Marque Economic Development Corporation vs Texas City Terminal Railway Company*; Cause Number 20-CV-0633 in the 122nd District Court of Galveston County Texas

b. Section 551.071 (Consultation with Attorney) – regarding Nachol Greene vs City of La Marque, Cause No. 3:20-CV-00380 in the United States District Court for the Southern District of Texas, Galveston Division

c. Section 551-071 (Consultation with Attorney) - regarding an update on Collective Bargaining Negotiations with the La Marque Police Association

d. Section 551-074 (Personnel Matters) – regarding a complaint against a sitting Board Member

e. Section 551-074 (Personnel Matters) – regarding salary of Interim City Manager

(11) ACTION – EXECUTIVE SESSION

a. Discussion/possible action regarding pending litigation related to *La Marque Economic Development Corporation vs Texas City Terminal Railway Company*; Cause Number 20-CV-0633 in the 122nd District Court of Galveston County Texas

b. Discussion/possible action regarding a settlement agreement regarding Nachol Greene vs City of La Marque, Cause No. 3:20-CV-00380 in the United States District Court for the Southern District of Texas, Galveston Division and authorizing the City Manager to execute any documents unnecessary to effectuate the Settlement Agreement

c. Discussion/possible action regarding a complaint against a sitting Board Member

d. Discussion/possible action regarding salary of Interim City Manager

(12) REQUESTS AND ANNOUNCEMENTS

Requests by Mayor and Council Members for items to be placed on future City Council agendas and announcements on city events/community interests TEX. GOV'T CODE §551.415. (b), "items of community interest" includes:

(1) expressions of thanks, congratulations, or condolence;

(2) information regarding holiday schedules;

(3) an honorary or salutary recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutary recognition for purposes of this subdivision;

(4) a reminder about an upcoming event organized or sponsored by the governing body;

(5) information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality or county; and

(6) announcements involving an imminent threat to the public health and safety of people in the municipality or county that has arisen after the posting of the agenda.

(13) ADJOURNMENT

CERTIFICATION:

I hereby certify that the above notice of meeting was posted at 1109-B Bayou Road, La Marque, Texas on or before November 5, 2021, before 5:30 p.m.

_____

Robin Eldridge, TRMC
City Clerk

Office of the Mayor
City of La Marque

PROCLAMATION

WHEREAS, Louis "Mac" Mc Gaffey was born December 26, 1937 in Ardmore, Oklahoma; and

WHEREAS, he later moved to Galveston and was raised in the Oleander Homes**,** then in 1957 he married Rosa Lee, and both were members of the Bible Baptist Church in Galveston; and

WHEREAS, in 1977 he started his own business, Mac's Plumbing where he actively served the community for the past forty-four years;

WHEREAS, Mac was a community leader in all senses. He served as a Boy Scout Troup Leader, was a member of the Crime Stoppers Board, served on the La Marque Civil Service Board, Building Standards Commission, Economic Development Board and was serving as Chairman of the Parks Board where he had held that position for the past 19 years, which contributed to the renaming of Highland Bayou Park to "Mac Mc Gaffey" Highland Bayou Park; and

WHEREAS, if Mac wasn't helping someone in the community, camping, fishing, or watching the Dallas Cowboys play, he was enjoying his family, grandkids, and great grandkids; and

WHEREAS Mac will always be remembered for his passion for life and helping others and will be greatly missed by so many in this community; and

NOW THEREFORE, we, the Mayor and City Council hereby proclaim November 2, 2021, as:

"LOUIS 'MAC' MC GAFFEY DAY"

in the City of La Marque and encourage all businesses and citizens to remember his family in their hearts and prayers in recognition of his life and his dedication to this community.

_____

Keith Bell, Mayor

CITY OF LA MARQUE
SPECIAL MEETING OF CITY COUNCIL
MINUTES
of
August 9, 2021

Minutes of Special City Council meeting held in the Council Chambers, 1109 Bayou Road, La Marque, Texas as well as via teleconference – ZOOM on Monday, August 9, 2021, beginning at 3:00 p.m.:

(1) CALL MEETING TO ORDER
Mayor Bell called the Special meeting to order at 3:09 p.m.

(2) ROLL CALL

Keith Bell	Mayor
Kimberley Yancy	Councilmember District A
Joe Compian	Mayor-Pro-Tem District B
Michael Carlson	Councilmember District C
Casey Mc Auliffe	Councilmember District D

OTHER STAFF

Gus Knebel	Interim City Attorney (MillsShirely)
Robin Eldridge	City Clerk

(3) CITIZENS PARTICIPATION
There was no Citizens Participation

(4) EXECUTIVE SESSION
1. Section 551.074 (Personnel Matters) – Discuss of the Municipal Judge position

Mayor Bell closed the Special Meeting and opened the Executive Session at 3:15 p.m.

Mayor Bell reconvened the Special meeting at 6:03 p.m.

(5) ACTION – EXECUTIVE SESSION
a. Discussion/possible action regarding authorizing the City Manager to negotiate a contract with the person designated by Council as presiding Municipal Court Judge

DRAFT

** Councilmember Mc Auliffe made a motion to appoint Kerry Pettijohn as presiding Municipal Court Judge

** Councilmember Yancy seconded. **MOTION CARRIED UNANIMOUSLY**

(6) REQUESTS AND ANNOUNCEMENTS

Mayor Pro- Tem Compian requested to initiate the process to revisit or issue an RFQ for two (2) Associate Municipal Court Judges

(7) ADJOURNMENT

** Councilmember Carlson made a motion to adjourn the Special Meeting at 6:06 p.m.

** Councilmember Yancy seconded. **SPECIAL MEETING ADJOURNED**

_____
Keith Bell, Mayor

ATTEST:

_____
Robin Eldridge, TRMC
City Clerk

DRAFT

CITY OF LA MARQUE
SPECIAL MEETING OF CITY COUNCIL
MINUTES
of
August 16, 2021

Minutes of Special City Council meeting held in the Council Chambers, 1109 Bayou Road, La Marque, Texas as well as via teleconference – ZOOM on Monday, August 16, 2021, beginning at 6:00 p.m.:

(1) CALL MEETING TO ORDER
Mayor Bell called the Special meeting to order at 6:04 p.m.

(2) ROLL CALL

Keith Bell	Mayor
Joe Compian	Mayor-Pro-Tem District B
Michael Carlson	Councilmember District C
Casey Mc Auliffe	Councilmember District D – via ZOOM

OTHER STAFF

Chaise Cary	Interim **C**ity Manager
Gus Knebel	Interim City Attorney
Robin Eldridge	City Clerk

(3) INVOCATION AND PLEDGE OF ALLEEGIENCE
Councilmember Yancy led the invocation and the Pledge of Allegiance was dispensed

(4) CITIZENS PARTICIPATION
There was no Citizens Participation.

(5) NEW BUSINESS
a. Conduct **FIRST** Public Hearing to hear public input regarding the FY 2021-2022 Proposed Tax Rate of **.550764**

The Public Hearing opened at 6:08 p.m.
No one spoke.
The Public Hearing closed at 6:08 p.m.

DRAFT

b. Announcing the First Public Hearing for the proposed FY 2021-2022 Budget to be held on Tuesday, September 7, 2021

Finance Director Suzy Kou announced the first Public Hearing for the proposed FY 2021-2011 Budget to be held on Tuesday, September 7, 2021, at 6:00 p.m.

Mayor Pro- Tem Compian asked what the difference was between the hearing tonight and the one scheduled for the September the 7th. It was clarified that the tax rate public hearing was taking place tonight, and the public hearing scheduled for the proposed FY 2021-2022 Budget is scheduled for September the 7th. Also clarified was the publication and number of public hearings required by State law and the City's Charter.

(6) EXECUTIVE SESSION

There was no Executive Session

(7) REQUESTS AND ANNOUNCEMENTS

Councilmember Yancy reminded all of the Back-to-School backpack giveaway the following Saturday, August 21, 2021 at Highland Bayou Park beginning at 10:00 a.m. She asked that $1,000.00 of her allowed $5,000.00 go towards a Supergirl Group that is honoring her as a superwoman and allowing her to bring four or five young ladies from the community to introduce STEM and mentoring to them and invite them to an event in October or November – to recognize another leader in the community

Councilmember Mc Auliffe said that she appreciates the support of Council for allowing her to continue attending the Council meetings via ZOOM and reported that at the upcoming Farmers Market the following Sunday there will be the first of two vaccination mobile clinics onsite.

Mayor Bell asked that all continue to pray for the family of Jesse Trubbiate and expressed gratitude for his service to this community and also said he was very proud of how the La Marque Fire Department conducted themselves and how they helped in the going home of one of their fellow firefighters, and that the Fire Department has all of Council's support in moving forward together. "As long as I am here, this will be the mantra of this Council and of this City, that we move forward, together."

(8) ADJOURNMENT

** Mayor Pro-Tem Compian made a motion to adjourn the Special meeting at 6:23 p.m. Councilmember Carlson seconded. **SPECIAL MEETING ADJOURNED**

DRAFT

CITY OF LA MARQUE
SPECIAL MEETING OF CITY COUNCIL
MINUTES
of
August 23, 2021

Minutes of Special City Council meeting held in the Council Chambers, 1109 Bayou Road, La Marque, Texas as well as via teleconference – ZOOM on Monday, August 23, 2021, beginning at 6:00 p.m.:

(1) CALL MEETING TO ORDER
Mayor Bell called the Special meeting to order at 6:08 p.m.

(2) ROLL CALL

Keith Bell	Mayor
Kimberley Yancy	Councilmember district A (joined at 6:12 p.m. via ZOOM)
Joe Compian	Mayor-Pro-Tem District B
Michael Carlson	Councilmember District C
Casey Mc Auliffe	Councilmember District D (via ZOOM)

OTHER STAFF

Chaise Cary	Interim City Manager
Gus Knebel	Interim City Attorney (MillShirley)
Robin Eldridge	City Clerk

(3) CITIZENS PARTICIPATION
There was no citizens Participation

(4) NEW BUSINESS
a. Conduct **SECOND** Public Hearing to hear public input regarding the FY 2021-2022 Proposed Tax Rate of **.550764**

Mayor Bell recessed the Special meeting at 6:10 p.m. and opened the Public Hearing

No one spoke

DRAFT

Mayor Bell closed the Public Hearing and reconvened the Special meeting at 6:10 p.m.

(5) EXECUTIVE SESSION

Mayor Bell recessed the Special Meeting at 6:11 p.m. and went into Executive Session

1. Section 551.071 (Consultation with Attorney)
    a. Discuss Pending Litigation related to *La Marque Economic Development Corporation vs Texas City Terminal Railway Company*; Cause Number 20-CV-0633 in the 122nd District Court of Galveston County Texas.
    b. Discuss employee discipline policies and potential litigation.
    c. Consultation with Attorney regarding a matter which the Attorney's duty requires to be discussed in closed session.

Mayor Bell reconvened into the Special Meeting at 8:46 p.m.

No action was taken from the Executive Session Councilmember Yancy had another meeting to attend and was not at this portion

(6) REQUESTS AND ANNOUNCEMENTS

Councilmember Carlson asked why the flags were flying at half-mast. Then thanked all for working so hard.

Mayor Pro-Tem Compian echoed Mr. Carlson in thanking the staff for working so hard. Brought up the fact that the City Clerk's office was having an extreme amount of open records requests and assured that the department is making efforts to respond as quickly as possible, and that not only is it involving this department but other departments as well. "We are not hiding anything folks, if we have the information, we will produce it when asked. People get off this idea that we are corrupt. That is crazy." Asked that all open records requests be posted on the city's website, in order to allow all citizens to see the numbers, the names of the persons asking for information and when the information is being disclosed. Then he added that on the future agendas, all members of Council would have his support on any item that they wish to add to any agenda then asked about a future discussion to adopt a Whistleblower statute. Finally added information he previously learned while attending the Newly Elected Officials Orientation that cities are under state mandates passed down from legislation. Over 200 laws in this last legislation involved and has an impact on the municipalities. In his short time on Council, he is learning every day about his restrictions, responsibilities and more importantly that every day is an opportunity to grow and come together as a community.

Mayor Bell began by stating that a few months ago there were no words about corruption directed towards this Council of any allegations being lodged on this council, "but since this Council is moving forward with a new direction, there are

DRAFT

words like corruption being lodged, without any proof or evidence of any wrongdoing, corrupt, or illegal things going on. Proof isn't found in a blast of open records requests. In order to have corruption, you have to have proof. So, we need to be careful about lodging words about corruption without any proof, this could be considered slander and that is a liability. You are entitled to your own opinion, but you are not entitled to your own facts. If there was corruption previously, it should have been brought to this to Council, by administration.

In January I said, if we are not safe, then we are not a city. I, along with all members of City Council have been moving forward to make sure that the City is a safe City and have identified twelve or thirteen bullet points of those directives, to implement these to make this city safe, but under a previous administration were never acted on. This is a fact, I heard that the "operation washout" was a product and brainchild of the La Marque Police Department, but in fact it was the Galveston Police Department spearheading this. This is not to disparage our Police Department, and you don't get to have your own facts. Encouraged those to do a little research to find facts instead of opinions. He intends to continue working with the Council and the Interim City Manager to make this City a safe City, there is a lot of work to do. Invited all to work together and make the city a safe city.

Then Mayor Bell added that on September 18, 2021 there will be a BBQ benefit from 11a.m. until 3 p.m. supporting Jesse Turrubiatte and his family.

Mayor Pro-Tem Compian said that for the next few months, he would be giving his $50.00 a month to go towards the Turrubiatte family, then after that he would contribute this money towards churches and other non-profit organizations.

Councilmember Carlson added until the end of the year, he wants his $50.00 as a contribution to the Turrubiatte family.

(7) ADJOURNMENT

** Mayor Pro-Tem Compian made a motion to adjourn the Special Meeting at 10:05 p.m.

** Councilmember Carlson seconded. **SPECIAL MEETING ADJOURNED**

_____
Keith Bell, Mayor

ATTEST:

_____
Robin Eldridge
City Clerk

DRAFT

DRAFT

CITY OF LA MARQUE
SPECIAL MEETING OF CITY COUNCIL
MINUTES
of
September 20, 2021

Minutes of Special City Council meeting held in the Council Chambers, 1109 Bayou Road, La Marque, Texas as well as via teleconference – ZOOM on Monday, September 20, 2021, beginning at 6:00 p.m.:

(1) CALL MEETING TO ORDER
Mayor Bell called the Special meeting to order at 6:08 p.m.

(2) ROLL CALL

Keith Bell	Mayor
Kimberley Yancy	Councilmember District A
Joe Compian	Mayor-Pro-Tem District B
Michael Carlson	Councilmember District C
Casey Mc Auliffe	Councilmember District D

OTHER STAFF

Chaise Cary	Interim City Manager
Gus Knebel	Interim City Attorney
Kierra Nance	Deputy City Clerk

(3) INVOCATION AND PLEDGE OF ALLEGIANCE – Joseph E. Franklin (Neighborhood Missionary Baptist Church)
Pastor Franklin led the invocation and Councilmember Carlson

(4) CITIZENS PARTICIPATION (Limited to three minutes per person)
Re'Chard Loftis (Johnson St)- spoke to his displeasure with Code Enforcement. States that selective enforcement and lack of leadership has contributed to environmental burdens that plague the community. Community members also need to do their part to uplift our city and stop tearing down our city. Council needs to take action.

Robert Michetich (24 N Curlew)- Proposed a 52-53 cent tax rate instead of keeping the 55-cent rate. States that the only place for tax relief is at the local level.

DRAFT

** Interim City Attorney Knebel made an announcement that an additional Public Hearing relating to the tax rate would be held September 24, 2021.

(5) CONSENT AGENDA

a. Discussion/possible action regarding Police, Fire, and Detention Officers Paid Quarantine Leave Policy to be established according with Texas House Bill 2073, signed into law on June 15, 2021 – Human Resources Coordinator P. Rees/Legal

** This item was pulled for discussion

Councilmember McAuliffe asked to define the parameters around the term "immediately" as written in the ordinance, to clarify the "Quarantine Date", and other questions relating to the language of the policy. Mayor Pro Tem Compian discussed making changes to the "Refuse to test" item and retroactively apply the policy to LMPD during Winter Storm Uri. Mayor Bell questioned how this relates to Collective Bargaining negotiations and adding telecommunicators to the policy.

** Mayor Pro Tem Compian made a motion to adopt this policy as required by the state with the understanding that amendments will be made that are of local nature. Council member Yancy seconded the motion.

After a lengthy discussion it was decided that three major amendments would be made; adding telecommunicators and the telecommunication supervisor, clarifying the quarantine date to begin as the governing health authority orders so, and including that if the affected personnel refuses to test the benefits may be void however the personnel shall be subject to quarantine or the personnel may face disciplinary action.

** Councilmember Yancy made a motion to approve the three amendments made to the Police, Fire, and Detention Officers Paid Quarantine Leave Policy. Councilmember Carlson seconded the motion. **MOTION CARRIED UNANIMOUSLY**

(6) PUBLIC HEARING (S)

a. Conduct Public Hearing to hear public input regarding adopting Ordinance No. **O-2021-0015**, making appropriations for the support of the City of La Marque for the fiscal year beginning October 1, 2021 and ending September 30, 2022 appropriating money to a sinking fund to pay interest and principal due on the City's indebtedness; and adopting the annual budget for the City of La Marque for 2021-22 fiscal year

Mayor Bell closed the Regular Meeting and opened the Public Hearing at 7:09 p.m.

There was no public participation.

b. Conduct Public Hearing to hear public input regarding adopting Ordinance No. **O-2021-0016**, levying ad valorem taxes for use and operation of the municipal government of the City of La Marque, Texas for the 2021 tax year; providing for

apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid

There was no public participation.

c. Conduct Public Hearing to hear public input regarding adopting Ordinance No. **O-2021-0017**, amending Appendix A, Schedule of Fees and Charges of the Code of Ordinances, City of La Marque, Texas by amending prescribed solid waste collection charges

There was no public participation.

Mayor Bell closed the Public Hearing and reconvened the Regular Meeting at 9:03 p.m.

(7) OLD BUSINESS

a. Discussion/possible action regarding adopting Ordinance No. **O-2021-0015**, making appropriations for the support of the City of La Marque for the fiscal year beginning October 1, 2021 and ending September 30, 2022 appropriating money to a sinking fund to pay interest and principal due on the City's indebtedness; and adopting the annual budget for the City of La Marque for 2021-22 fiscal year – Finance Director S. Kou *THIS IS THE SECOND AND FINAL READING*

There was no discussion.

** Councilmember Yancy made a motion to adopt Ordinance No. **O-2021-0015.** Councilmember McAuliffe seconded the motion. **MOTION CARRIED UNANIMOUSLY**

b. Discussion/possible action regarding adopting Ordinance No. **O-2021-0016**, levying ad valorem taxes for use and operation of the municipal government of the City of La Marque, Texas for the 2021 tax year; providing for apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid – Finance Director S. Kou *THIS IS THE SECOND AND FINAL READING*

** Councilmember Carlson made a motion to adopt Ordinance No. **O-2021-0016.** Councilmember McAuliffe seconded the motion. **MOTION CARRIED UNANIMOUSLY BY ROLL CALL VOTE**

c. Discussion/possible action regarding adopting Ordinance No. **O-2021-0017**, amending Appendix A, Schedule of Fees and Charges of the Code of Ordinances, City of La Marque, Texas by amending prescribed solid waste collection charges - Finance Director S. Kou *THIS IS THE SECOND AND FINAL READING*

Mayor Bell reminded the public that per the contract there is an annual 3% increase.

** Councilmember Carlson made a motion to approve adopting Ordinance No. **O-2021-0017**. Councilmember Yancy seconded. **MOTION CARRIED UNANIMOUSLY**

(8) NEW BUSINESS

a. Discussion/possible action regarding adopting Ordinance No. **O-2021-0018,** amending Section 8.8 of the City Code to allow for the keeping of hens; making various findings and providing for an effective date – Legal *THIS IS A FIRST READING*

After a very lengthy discussion among Council and the public many topics were discussed including fences, the importance of chicken runs, quantity of hens, allowed distance from property lines, crowing hens, registrations and inspections of chicken coops, and an ordinance review committee.
Mayor Pro-Tem Compian wanted to make it clear that this ordinance does not overrule deed restrictions, HOAs, or permit chickens in planned communities.
Councilmember Yancy quoted some best practices found from ordinances of other "clean cities" and also wants council to stop tabling this issue. Mayor Bell requested a workshop on this ordinance to be held at 4 pm on October 14, 2021, to create a revised draft ordinance and compromise to get this issue resolved.

** Mayor Pro Tem Compian made a motion to table this item. Councilmember Carlson seconded. **MOTION CARRIED UNANIMOUSLY**

b. Discussion/possible action regarding adopting Resolution No. **R-2021-0021**, authorizing the Interim City Manager to execute the Contract appointing Kerry Pettijohn as Municipal Court Judge – Mayor K. Bell

** Councilmember Carlson made a motion to adopt Resolution No. **R-2021-0021**. Councilmember Yancy seconded. **MOTION CARRIED UNANIMOUSLY**

c. Discussion/possible action regarding the effectiveness of Request Tracker and the enforcement of City Codes and provide staff with direction

Code Compliance supervisor Kathleen Van Stavern walked Council through the code violation process. Council member Yancy stated that the City needs to do a better job of promoting the Request Tracker process as citizen complaints are often due to lack of knowledge. She also spoke to some troubled areas in the community. Council requested a zero-tolerance policy be implemented in Code Enforcement, stating that compassion and leniency should be given from a judge not necessarily our enforcement officers. Council requested data on the average response time from creation to close of a complaint generated through Request Tracker. Mayor Pro Tem Compian requested that Council be notified of the complaints in their respective districts. Council thanked Ms. Van Stavern and her team for their service to the city.

There was no action taken on this item.

d. Discussion/possible action regarding the approval of replacing 14 vehicles in city fleet through Enterprise Fleet for fiscal year 2021-22

This item was pulled from the agenda.

e. Discussion/possible action regarding adopting a Resolution supporting the Emancipation National Historic Trail and requesting a stop in La Marque, Texas as requested by the La Marque Economic Development Corporation

After a brief description of this item, give by Executive Director Alex Getty, there was no further discussion.

** Council member McAuliffe made a motion to adopt a Resolution supporting the Emancipation National Historic Trail and requesting a stop in La Marque, Texas as requested by the La Marque Economic Development Corporation.
** Council member Yancy seconded. **MOTION CARRIED UNANIMOUSLY**

f. Discussion/possible action regarding authorizing the Interim City Manager to execute a contract with the County of Galveston Commissioners' Court to provide fire protection services to unincorporated areas of Galveston County commencing September 14, 2021 and running through September 30, 2022, in return for payment in the amount of twenty two thousand five hundred dollars and no/100 ($22,500.00)

** Council member Carlson made a motion to authorize the Interim City Manager to execute a contract with the County of Galveston Commissioners' Court to provide fire protection services to unincorporated areas of Galveston County commencing September 14, 2021 and running through September 30, 2022, in return for payment in the amount of twenty two thousand five hundred dollars.
** Councilmember McAuliffe seconded. **MOTION CARRIED UNANIMOUSLY**

g. Discussion/possible action concerning returning to two (2) Council meetings per month

** Mayor Bell gave his reasoning for adding this item to the agenda, Council weighed in without a consensus. Council instructed Interim City Manager Cary to poll staff for their thoughts.

No action was taken on this item.

h. Discussion/possible action regarding adopting Resolution No. **R-2021-0022**, nominating to appear on the ballot of the Board of Directors of the Galveston Central Appraisal District for two year terms, beginning January 1, 2022 through December 31, 2023

** Mayor Bell gave a brief description of the City of La Marque's historical position on making nominations for the Board, then made a motion to adopt Resolution No. **R-2021-0022**, nominating Matthew Doyle to appear on the ballot of the Board of Directors of the Galveston Central Appraisal District for a two-year term, beginning January 1, 2022 through December 31, 2023.

** Mayor Pro Tem Compian seconded the motion. **MOTION CARRIED UNANIMOUSLY**

i. Discussion/possible action regarding ratifying a Declaration of Disaster for the City of La Marque, Texas - including adopting an Emergency Ordinance prepared by – Interim City Attorney (O-2021-0018)

** Council member McAuliffe made a motion to ratify a Declaration of Disaster for the City of La Marque, Texas - including adopting an Emergency Ordinance prepared by – Interim City Attorney (O-2021-0018).
** Council member Yancy seconded. **MOTION CARRIED UNANIMOUSLY**

(9) APPOINTMENTS

a. Discussion/possible action regarding appointments and/or reappointments to fill various positions of the Boards and Commissions

No appointments were made.

(10) EXECUTIVE SESSION

The City Council for the City of La Marque, Texas reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized the Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.086 (Economic Development)
There was no Executive Session.

(11) REQUESTS AND ANNOUNCEMENTS

Mayor presented Proclamations for Hispanic Heritage Month, Constitution Week and 911 Remembrance.
Council gave congratulations to Public Relations Specialist Colleen Martin for receiving the Texas City La Marque Chamber's Young Professionals Award.
Council member McAuliffe reminded the public of the ribbon cutting ceremony for Jimmy Hayley Elementary School on September 21st.
Council member Carlson thanked staff for the work done during the hurricane and all who participated in the 911 cleanup event.
Council member Yancy mentioned how beautiful the new Jimmy Hayley Elementary School is and spoke to her excitement for National Night Out on October 5th. She reminded everyone of Bayou Fest October 16th and also that "If we strive for perfection, we will reach excellence".

Mayor Pro Tem Compian thanked the residents of District B for their Patience during the power outage caused by the hurricane. He also thanked Public Works and the Salvation Army for assisting with food distribution.
Mayor Bell sent a thank you to the community for participating in the 911 Cleanup, shared a heartfelt congratulations to the Sarah Giles Family for their success in having the new La Marque Middle School named in her honor, and also thanked Mayor Pro Tem Compian and the Salvation Army for donating 300 meal boxes to residents after the hurricane. He took a moment to praise the Public Works Department for their commitment to the City, calling them "amazing".

(12) ADJOURNMENT

Councilmember Carlson made a motion to adjourn. Council member Yancy seconded the motion. The motion passed unanimously.

Meeting was adjourned at 10:15 p.m.

_____
Keith Bell, Mayor
ATTEST:

_____
Kierra K. Nance
Deputy City Clerk

DRAFT

CITY COUNCIL AGENDA FORM

Meeting Date: November 8, 2021 Agenda item: **7a**
Prepared by: Robin Eldridge Reviewed by:
Department: City Clerk/City Council

AGENDA ITEM DESCRIPTION: Discussion/possible action regarding adopting Resolution No. **R-2021-0024**, casting votes for Matt Doyle for the Board of Directors of the Galveston Central Appraisal District for a two-year term, beginning January 1, 2022 through December 31, 2023

[X]

ATTACHMENTS FOR REFERENCE

1. Resolution
2. Galveston County Central Appraisal District – Backup

STAFF BRIEFING:

- The Board of Directors of the Galveston Central Appraisal District consists of five members who will serve two year terms beginning January 1, 2022 through December 31, 2023
- In accordance with Sec. 6.03 (e) of the Property Tax Code, the Chief Appraiser notifies taxing entities of the number of votes to which each is entitled, receives the nominations, prepares and distributes the ballot, counts votes, and announces winners
- A resolution was adopted in September submitting the City's nominee whose name was to appear on a ballot for seletion to the Galveston Central Appraisal District Board of Directors

HISTORY:

- Recommendation is to place all thirty-seven allotted votes for La Marque for Matt Doyle to the Board of Directors of the Galveston Central Appraisal District

TARGET IMPLEMENTATION: November 8, 2021

SIGNIFICANT ACTION DATES:

September 20, 2021 – Adopted Resolution nominating Matt Doyle to the GCAD Board of Directors

December 15, 2021 – Deadline to submit the City's votes and resolution to the Chief Appraiser

Cost Details:	
Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name(s)	

CITY COUNCIL AGENDA FORM

Line Item #	
Other Funding	

ACTION:

☐	Ordinance	☒	Resolution
☐	Special Presentation	☐	Proclamation
☐	Finance Report	☐	Public Hearing
☐	Other		
☒	Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures		

STAFF'S RECOMMENDATION: Motion to adopt Resolution **R-2021-0024**, casting votes for Matt Doyle for the Board of Directors of the Galveston Central Appraisal District for a two-year term, beginning January 1, 2022 through December 31, 2023

FISCAL IMPACT: **N/A**

RESOLUTION NO. R-2021-0024

A RESOLUTION OF THE CITY OF LA MARQUE VOTING IN THE ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE GALVESTON CENTRAL APPRAISAL DISTRICT 2022-2023

WHEREAS, this is selection year for the Board of Directors of the Galveston Central Appraisal District; and

WHEREAS, the Board of Directors consists of five members who serve two-year terms, beginning January 1, 2022 through December 31, 2023; and

WHEREAS, the City of La Marque is a voting unit entitled to vote for up to five (5) candidates from a ballot submitted by the Galveston Central Appraisal District.

NOW THEREFORE, BE IT RESOLVED BY THE PRESIDING BODY OF THIS VOTING UNIT THAT:

The number of votes cast for the candidate (s) as exhibited in the attached ballot, is submitted by the City of La Marque to the Galveston Central Appraisal District

PASSED, APPROVED AND ADOPTED by the City Council of the City of La Marque, Texas, on this the _____ day of _____ 2021.

CITY OF LA MARQUE, TEXAS

_____
Keith Bell, Mayor

ATTEST:

_____
Robin Eldridge, TRMC
City Clerk

APPROVED AS TO FORM:

_____
City Attorney

CITY COUNCIL AGENDA FORM

Meeting Date: November 8, 2021 Agenda item: **7b**
Prepared by: City Clerk Reviewed by:
Department: Mayor/Council

AGENDA ITEM DESCRIPTION: Discussion/possible action regarding adopting Resolution No. **R-2021-0025,** supporting the Emancipation National Historical Trail that is currenty being studied by the National Park Service and requesting a historical "stop" or historical marker in La Marque, as requested by the La Marque Economic Development Corporation

X

ATTACHMENTS FOR REFERENCE

1. Resolution
2. EDC letter and other backup

STAFF BRIEFING:

- EDC Board unanimously approved an item on July 20, 2021 requesting City Council to consider adopting a resolution supporting the Emancipation National Historic Trail and requesting a stop in La Marque
- City Attorney has reviewed and approved the resolution

HISTORY:

- This legislation was introduced in a Bill by Sen. Cornyn in the Senate and by Rep. Jackson Lee in the House
- Provides for the study of the Emancipation National Historic Trail, a 51-mile route from the former Osterman Building and Reedy Chapel in Galveston to Freedmen's Town and Emancipation Park in Houston

TARGET IMPLEMENTATION: November 8, 2021

SIGNIFICANT ACTION DATES

July 20, 2021 – EDC approved the request to ask City Council to adopt a resolution to this effect

September 13, 2021 – City Council approved the adoption of a future Resolution that would support the Emancipation National Historical Trail that is currenty being studied by the National Park Service and requesting an historical "stop" or historical marker in La Marque, as requested by the La Marque Economic Development Corporation

Cost Details:	
Budgeted	
Actual Bid	

CITY COUNCIL AGENDA FORM

Estimated Expenditure	
Acct. Name(s)	
Line Items #	
Other Funding	

ACTION:

☐	Ordinance	☒	Resolution
☐	Special Presentation	☐	Proclamation
☐	Finance Report	☐	Public Hearing
☐	Municode Codification		

☐ Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures

---

STAFF'S RECOMMENDATION: Motion to adopt Resolution No. **R-2021-0025,** supporting the Emancipation National Historical Trail that is currenty being studied by the National Park Service and requesting an historical "stop" or historical marker in La Marque, as requested by the La Marque Economic Development Corporation

FISCAL IMPACT:

La Marque Economic
Development Corporation

CITY OF
LA MARQUE, TX
GATEWAY TO THE GULF

July 20, 2021

Mayor Keith Bell and La Marque City Council
1111 Bayou Road
La Marque, Texas 77568

Dear Mayor Bell and La Marque City Council,

At the July 20, 2021 EDC Board meeting, the EDC Board unanimously voted to kindly request that Council consider a resolution supporting the Emancipation National Historic Trail that is currently being studied by the National Park Service and requesting a stop in La Marque. Several routes are being considered, one of which is along Highway 3. The Highway 3 route may ultimately be the preferred route.

Please see the enclosed information about the Emancipation National Historic Trail Feasibility Study. Plans for virtual public meetings are currently being developed.

Lillis A. Urban is the Project Manager for the study. Please see her contact information below.

Lillis A. Urban
Project Manger for the Emancipation National Historic Trail Feasibility Study
National Parks Service
1100 Old Santa Fe Trail
Santa Fe, NM 87505
505-819-1339
Lillis_urban@nps.gov

Very truly yours,

Alex Getty
Executive Director

PEPC and ParkPlanning will be offline Thurs. July15 starting at 7:00 am MDT for system maintenance. Expected downtime is up to five hours. Please save your work before this time.

PROJECT LINKS

Project Home

Plan Process

Meeting Notices

Links

Document List

Open For Comment (0)

Emancipation National Historic Trail Feasibility Study

National Trails System » Emancipation National Historic Trail Feasibility Study » Document List

The National Park Service is pleased to announce the commencement of the Emancipation National Historic Trail (NHT) Feasibility Study to evaluate its eligibility and suitability for inclusion as a national historic trail.

To add your name to the Study Mailing list click on "Links" on the left hand side menu and click on "Emancipation Study- Sign-up Form".

The proposed Emancipation NHT extends approximately 51 miles from the Osterman Building and Reedy Chapel in Galveston, Texas, along Texas State Highway 3 and Interstate Highway 45 North, to Freedmen's Town, then to Independence Heights and Emancipation Park in Houston, Texas, following the migration route taken by newly freed slaves and other persons of African descent from the major 19th century seaport town of Galveston to the burgeoning community of Freedmen's Town, located in the 4th Ward of Houston, Texas.

The Emancipation NHT Feasibility Study was directed and approved by Congress on Jan 27, 2020 through an amendment to the National Trails System Act (P.L. 116-111).

The purpose of the Emancipation NHT Feasibility Study is to evaluate the national historical significance of the route, as well as the feasibility, suitability, and desirability of designating the route as a national historic trail. Findings of the trail study will be shared with Congress who has the sole authority to enact legislation to designate new national historic trails.

WHAT IS A NATIONAL HISTORIC TRAIL?
National historic trails are designated by Congress and recognize past routes of travel that are significant in the history of the United States. These historic routes are designated so that the public can enjoy, visit, connect with, and understand them. Examples of other national historic trails include Lewis and Clark, Selma to Montgomery, and Nez Perce (Nee-Me-Poo).

Created by the National Trails System Act of 1968 (P.L. 90-543), national historic trail designations are continuous from end to end, often cross state boundaries, and a variety of types of land ownership.

However, national historic trails are not hiking trails, open to public use from end to end. Rather, discrete locations on public lands and participating private property along the alignment are open to visitation. Designation of a national historic trail does not establish public right-of way or change land ownership or authority over private property. Visit www.nps.gov/subjects/nationaltrailssystem to learn more.

WHAT IS A NATIONAL HISTORIC TRAIL FEASIBILITY STUDY?
Prior to the designation of a national historic trail Congress typically legislates that a national historic trail study be completed. National historic trail studies provide findings to Congress on the national historical significance of potential routes and speak to the feasibility, suitability, and desirability of designating a route as a national historic trail. It is important to note that national historic trail studies are not decision-making documents, nor do they provide management-level decisions for the trail.
National historic trail feasibility studies are undertaken following specific criteria that are provided in the National Trails System Act of 1968, as amended. The National System Act specifies ten study requirements and three eligibility criteria for national historic trail designations.
Based on experience, trail studies typically take approximately two and half years to complete. After a trail study is completed it is transmitted to Congress. Congress has the sole authority to enact legislation to designate new national historic trails. A few additional steps are required should Congress designate a new national historic trail. One requirement is the development of a comprehensive plan for the management and use of the trail.

PUBLIC INVOLVEMENT

An important aspect of the trail study process is public involvement. Normally, a series of public meetings would be held across the length of the proposed route to get gather information from the public. Due to the COVID-19 outbreak, the study team has concluded that it is not feasible or safe to schedule in-person public meetings at this time. Plans for virtual public meetings and involvement opportunities are presently being developed. Specific opportunities for engagement and dates of virtual public meetings will be announced on this page.

Please check back for updates as we develop a plan for engagement and public input during COVID-19.

Contact Information
Lillis A. Urban
Project Manager for the Emancipation National Historic Trail Feasibility Study
Chief of Planning
National Trails Office
National Park Service
1100 Old Santa Fe Trail
Santa Fe, NM, 87505
505-819-1339
lillis_urban@nps.gov

nps.gov

EXPERIENCE YOUR AMERICA

Please note that the original system maintenance scheduled for Thurs., July 15 has been moved to Weds., July 21. PEPC and ParkPlanning will be offline Weds. July 21 starting at 7:00 am MDT for system maintenance. Expected downtime is up to five hours. Please save your work before this time.

Plan Process

National Trails System - Emancipation National Historic Trail Feasibility Study

The National Trails System Act of 1968, as amended, (P.L. 9-543), established the process for authorizing and designating new national scenic and national historic trails. In the Act, Congress authorized the Secretary of the Interior to conduct studies to determine the feasibility and desirability of designating new national scenic or national historic trails. Trail studies are made in consultation and cooperation with interested federal, state, and local governments as well as public and private organizations, landowners, and land users.

Three eligibility criteria.
Under the law, a potential trail must meet all three eligibility criteria (below) in order to be designated as a new national historic trail.
1. It must be a trail or route established by historic use and must be historically significant as a result of that use.
2. It must be of national significance with respect to any of several broad facets of American history, such as trade and commerce, exploration, migration and settlement, or military campaigns. To qualify as nationally significant, historic use of the trail must have had a far reaching effect on broad patterns of American culture. Trails significant in the history of native Americans may be included.
3. It must have significant potential for public recreational use or historical interest based on historic interpretation and appreciation. The presence of recreation potential not related to historic appreciation is not sufficient justification for designation under this category.

A study team at the National Trails Office, National Park Service has been assembled to prepare the Emancipation National Historic Trail Study. Based on experience, trail studies typically take two and a half years to complete. Once completed, findings of the study will be transmitted to the Secretary of the Interior who will submit the report to Congress. Only Congress, through legislated action, has the authority to establish a new national historic trail.

* indicates the current step in the planning process
Step 1. Information Gathering and Civic Engagement *
Step 2. Trail Study Criteria Analysis
Step 3. Prepare Draft Study Document
Step 4. Public Review Period of Draft Study Document
Step 5. Analysis and Incorporation of Public Comment
Step 6. Prepare Final Study Document
Step 7. Submit Study Document to Secretary of the Interior
Step 8. Secretary of Interior Transmits Study to Congress

Emancipation National Historic Trail (NHT) Feasibility Study
Draft Routes Under Study

No warranty is made by the National Park Service as to the accuracy, reliability, or completeness of these data for individual use or aggregate use with other data.

Produced by National Trails - National Park Service

12 March 2021

Data Sources: NPS, US Census Bureau, ESRI, Texas Historical Commission

LA MARQUE ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING MINUTES
July 20, 2021

AGENDA:

1. CALL TO ORDER

2. ROLL CALL

PRESENT:	ABSENT:
Ron Crowder - President	Bobby Hocking
Gene Smith - Secretary	
Tracie Steans	
Cleveland Lane	

3. APPROVAL OF MINUTES
   a. Regular meeting of June 15, 2021

   Board member Smith made a motion to approve the minutes of June 15, 2021. Board member Steans seconded. Motion passed unanimously.

4. FINANCIAL REPORT
   a. Presentation of the monthly financial report

   Finance Director Suzy Kou added that the audit numbers would be on next month's finance report. Finance Report stood as presented.

5. PRESENTATION
   a. Robert Belt; Belt Harris Pechacek LLLP

   Stephanie Harris of Belt, Pechacek, LLLP gave an overview of the 2020 EDC audit.

   b. Evelyn George; Evelyn's Alterations

   Evelyn's Alterations has been a business in La Marque for thirty-five years, and recently moved from her old location to another location and is asking for incentives from EDC to help with the remodeling and repairs from a recent fire at the new location.

   c. Shane Simpson / TJ Bellard; United Parcel Service Inc.

TJ Bellard of UPS answered a few questions in response to his application for incentives for their present location. Their plans are to expand their present location which will allow the business to better align with UPS's other activities (freight and distribution logistics).

6. **NEW BUSINESS**

a. Discussion/possible action regarding audit provided by Belt Harris Pechacek LLLP

Board member Smith made a motion to approve the audit provided by Belt Harris Pechacek, LLLP. Board member Steans seconded. Motion passed unanimously.

b. Discussion/possible action regarding the request received from Evelyn George (Evelyn's Alterations)

Board member Smith made a motion to approve the request and granted Evelyn's Alterations $30,000.00 to use for incentives for her business. Board member Steans seconded. Motion passed unanimously.

c. Discussion/possible action regarding the request received from Shane Simpson (United Parcel Service Inc.)

Board member Smith made a motion to approve the request and granted United Parcel Service, Inc. $50,000.00 to use for incentives for their business. Board member Lane seconded. Motion passed unanimously.

d. Discussion/possible action regarding the Emancipation National Historic Trail Feasibility Study

This legislation, introduced a Bill by Sen. Cornyn in the Senate and by Rep. Jackson Lee in the House, providing for the study of the Emancipation National Historic Trail, a 51-mile route from the former Osterman Building and Reedy Chapel in Galveston to Freedmen's Town and Emancipation Park in Houston.

After this brief description, Board member Smith made a motion to request that City Council consider adopting a resolution supporting the Emancipation National Historic Trail and requesting a stop in La Marque. Board member Lane seconded. Motion passed unanimously.

e. Discussion/possible action regarding the Fiscal Year 2022 EDC budget

After a brief discussion, Board member Smith made a motion to approve the 2022 EDC budget. Board member Steans seconded. Motion passed unanimously.

f. Discussion/possible action regarding the Public Relations Specialist and interested Board members attending the virtual sales tax workshop on August 13th-27th.

Board member Smith made a motion to allow the Public Relations Specialist to attend the virtual sales tax workshop on August 13th - 27th. Board member Lane seconded. Motion passed unanimously.

g. Discussion/possible action to renew the Public Relations Specialists membership with the Texas Association of Municipal Information Officers

Board member Steans made a motion to renew the Public Relations Specialists membership with the Texas Association of Municipal Information Officers. Board member Smith seconded. Moton passed unanimously.

h. Discussion/possible action regarding the TexPool Resolution Amending Authorized Representatives

Board member Smith made a motion to approve the TexPool Resolution Amending Authorized Representatives. Board member Lane seconded. Motion passed unanimously.

7. OLD BUSINESS

8. DISCUSSION

a. Director's Report - report may include information regarding past, present or future projects

Executive Director provided his report.

b. Public Relations Report - report to include an overview of efforts as it pertains to public relations

The Public Relations Reports was in the backup for review.

9. EXECUTIVE SESSION

a. Section 551.072 of the Government Code - deliberations about real property - land acquisition and or sale
b. Section 551.071 of the Government Code - consultation with attorney

There was no Executive Session

10. ACTION TO BE TAKEN FROM EXECUTIVE SESSION

a. Consider land acquisition and or sale
b. Consider action to be taken regarding consultation with attorney

Not applicable

11. REQUESTS, ANNOUNCEMENTS AND COMMENTS

Leondria Thompson, President of the Tri-County Regional Black Chamber of Commerce was present seeking partnership/in membership from the La Marque EDC. Currently, there are 12 Texas counties that are members of this organization.

President Crowder asked for additional, primary information to be submitted and brought back to the Board for discussion.

12. ADJOURNMENT

Meeting was adjourned at 10:55 a.m.

Ron Crowder, Chairman

Kierra K. Nance
Deputy City Clerk

CITY COUNCIL AGENDA FORM

Meeting Date: November 8, 2021 Agenda item: **7c**
Prepared by: City Clerk Reviewed by:
Department: Mayor/Council

AGENDA ITEM DESCRIPTION: Discussion/possible action regarding adopting Resolution No. **R-2021-0026**, determining the validity of petition(s) signed by registered voters within the City of La Marque, Texas intending to require a special election to be called for the next Uniform Election date to reduce the City's adopted Tax Rate FY 2021-2022

X

ATTACHMENTS FOR REFERENCE

1. Resolution
2. Memo to City Council
3. Property Tax Code Information

STAFF BRIEFING:

- The City of La Marque adopted the tax rate of 0.550764 in 2019 and the same tax rate for the year 2020.
- After adopting the same tax rate as the two previous years, and after four public hearings on the proposed tax rate, on September 24, 2021, the City adopted the same tax rate of 0.550764.
- On October 19, 2021, a petition with 470 signatures was submitted to the City Clerk's Office to petition for a tax rollback election.
- On October 25, 2021, a supplemental petition was submitted with another 47 signatures.
- After validating the signatures, it was determined that 389 were valid voters.
- According to the Texas Tax Code, 3% of the registered voters in a taxing jurisdiction is required to sign a petition to ask for a tax rollback election
- There are 11,080 registered voters in this jurisdiction

HISTORY:

TARGET IMPLEMENTATION: November 8, 2021

SIGNIFICANT ACTION DATES:
October 19, 2021
October 25, 2021
November 8, 2021

CITY COUNCIL AGENDA FORM

ACTION:

- ☐ Ordinance
- ☒ Resolution
- ☐ Special Presentation
- ☐ Proclamation
- ☐ Finance Report
- ☐ Public Hearing
- ☐ Municode Codification
- ☐ Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures

Cost Details:	
Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name(s)	
Line Items #	
Other Funding	

STAFF'S RECOMMENDATION: Motion to adopt Resolution No. **R-2021-0026,** determining the validity of petition(s) signed by registered voters within the City of La Marque, Texas intending to require a special election to be called for the next Uniform Election date to reduce the City's adopted Tax Rate FY 2021-2022

FISCAL IMPACT: Depending on the cost and outcome of an election

RESOLUTION NO. R-2021-0026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS TO DETERMINE THE VALIDITY OF A PETITION (S) SIGNED BY REGISTERED VOTERS WITHIN THE CITY OF LA MARQUE, TEXAS INTENDING TO REQUIRE AN ELECTION WITHIN THE CITY TO REDUCE THE CITY'S ADOPTED TAX RATE FY 2021-2022; STATING THE DETERMINATION OF THE GOVERNING BODY

WHEREAS, the City of La Marque adopted the 2021-2022 Tax Rate on the First Reading on September 7, 2021, and on the Second and Final reading on September 24, 2021; and

WHEREAS, according to Section 26.075 of the Texas Code, the qualified voters of a taxing unit by petition may require that an election be held to determine whether to reduce the tax rate adopted by the governing body; and

WHEREAS, on October 19, 2021 a petition was submitted and on October 25, 2021 a supplemental petition was submitted and a valid number of voters have been determined to have signed the petitions; and

WHEREAS, Section 26.075 (e) of the Texas Tax Code, not later than the 20th day after the date on which the petition is submitted, the governing body shall determine whether the petition is valid and must by resolution state the governing body's determination.

WHEREAS, the City Clerk's office along with the Galveston Country Voter's Registrar's Office has determined that the petition is valid and that a number of signatures have been certified and verified as reflected in Attachment "A"); and

NOW, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS:

The City of La Marque determines that the petition (s) is valid and that a Special Election be held at the next Uniform election date that will allow sufficient time to comply with the requirements of other law.

PASSED, APPROVED AND ADOPTED by the City Council of the City of La Marque on this

the _____day of _____ 2021.

CITY OF LA MARQUE, TEXAS

_____
Keith Bell, Mayor

ATTEST:

_____
Robin Eldridge, TRMC
City Clerk

APPROVED AS TO FORM:

_____
Gus Knebel, City Attorney

CITY OF LA MARQUE, TEXAS

_____
Keith Bell, Mayor

ATTEST:

_____
Robin Eldridge, TRMC
City Clerk

APPROVED AS TO FORM:

_____
City Attorney

CITY OF LA MARQUE
INTER-DEPARTMENTAL
COMMUNICATION

TO: Mayor, City Council and Randall Aragon, Interim City Manager

FROM: Robin Eldridge, City Clerk

DATE: November 5, 2021

SUBJECT: Petition(s) for a Tax Rollback Election

As you all are aware, on October 19, 2021, the City Clerk's Office received a petition signed by 470 persons intending to require an election be held to determine whether to reduce the 2021 adopted Tax Rate. Out of the 470 signatures, according to the Galveston County Voter Registrar's Office, 389 were valid voters; 81 were invalid voters. These numbers were also verified by the City Clerk's Office.

On October 25, 2021, the City Clerk's Office received a supplemental petition signed by 47 persons and each of those 47 persons were valid voters. A total number of 389 valid voters plus the supplemental 47 valid voters totals 436.

According to Section 26.075 of the Texas Tax Code, if at least (3%) three percent of the registered voters of the taxing unit sign the petition and submits the petition to the taxing unit no later than 90 days after the tax rate is adopted, no later than the 20th date after the date that the petition is submitted, the governing body shall determine whether the petition is valid and must by resolution state the governing body's determination.

There are 11,049 registered voters in La Marque and 331 were required to sign a petition to have an election. There were approximately 436 valid signatures in the petitions combined.

Robin Eldridge
City Clerk

rejected petition does not comport with the requirement of section 26.07 of the Tax Code that such petition be signed by a requisite number of voters. 1986 Tex. Op. Att'y Gen. JM-574.

Tax Calculations.

Pursuant to Tex. Water Code Ann. § 49.107(g), the Legislature has prohibited the South Texas Water Authority from utilizing the procedures and calculations in Tex. Tax Code Ann. §§ 26.04, 26.05, 26.07 to adopt its tax rate. 2010 Tex. Op. Att'y Gen. GA-0758.

Sec. 26.075. Petition Election to Reduce Tax Rate of Taxing Unit Other Than School District. [Effective January 1, 2020]

(a) This section applies only to a taxing unit other than:

(1) a special taxing unit;

(2) a school district; or

(3) a municipality with a population of 30,000 or more.

(b) This section applies to a taxing unit only in a tax year in which the taxing unit's:

(1) de minimis rate exceeds the taxing unit's voter-approval tax rate; and

(2) adopted tax rate is:

(A) equal to or lower than the taxing unit's de minimis rate; and

(B) greater than the greater of the taxing unit's:

(i) voter-approval tax rate calculated as if the taxing unit were a special taxing unit; or

(ii) voter-approval tax rate.

(c) The qualified voters of a taxing unit by petition may require that an election be held to determine whether to reduce the tax rate adopted by the governing body of the taxing unit for the current tax year to the voter-approval tax rate.

(d) A petition is valid only if the petition:

(1) states that it is intended to require an election in the taxing unit on the question of reducing the taxing unit's adopted tax rate for the current tax year;

(2) is signed by a number of registered voters of the taxing unit equal to at least three percent of the registered voters of the taxing unit determined according to the most recent list of those voters; and

(3) is submitted to the governing body of the taxing unit not later than the 90th day after the date on which the governing body adopts the tax rate for the current tax year.

(e) Not later than the 20th day after the date on which a petition is submitted, the governing body shall determine whether the petition is valid and must by resolution state the governing body's determination. If the governing body fails to make the determination in the time and manner required by this subsection, the petition is considered to be valid for the purposes of this section.

(f) If the governing body determines that the petition is valid or fails to make the determination in the time and manner required by Subsection (e), the governing body shall order that an election be held in the taxing unit on the next uniform election date that allows sufficient time to comply with the requirements of other law.

(g) At the election, the ballots shall be prepared to permit voting for or against the proposition: "Reducing the tax rate in (name of taxing unit) for the current year from (insert tax rate adopted for current year) to (insert voter-approval tax rate)."

(h) If a majority of the votes cast in the election favor the proposition, the tax rate for the current tax year is the voter-approval tax rate.

(i) If the proposition is not approved as provided by Subsection (h), the tax rate for the taxing unit for the current tax year is the tax rate adopted by the governing body of the taxing unit for the current tax year.

(j) If the tax rate is reduced by an election held under this section after tax bills for the taxing unit have been mailed, the assessor for the taxing unit shall prepare and mail corrected tax bills. The assessor shall include with the bill a brief explanation of the reason for and effect of the corrected bill. The date on which the taxes become delinquent for the tax year is extended by a number of days equal to the number of days between the date the first tax bills were sent and the date the corrected tax bills were sent.

(k) If a property owner pays taxes calculated using the higher tax rate when the tax rate is reduced by an election held under this section, the taxing unit shall refund the difference between the amount of taxes paid and the amount due under the reduced tax rate if the difference between the amount of taxes paid and the amount due under the reduced tax rate is $1 or more. If the difference between the amount of taxes paid and the amount due under the reduced rate is less than $1, the taxing unit shall refund the difference on request of the taxpayer. An application for a refund of less than $1 must be made within 90 days after the date the refund becomes due or the taxpayer forfeits the right to the refund.

(*l*) Except as otherwise expressly provided by law, this section does not apply to a tax imposed by a taxing unit if a provision of an uncodified local or special law enacted by the 86th Legislature, Regular Session, 2019, or by an earlier legislature provides that Section 26.07 does not apply to a tax imposed by the taxing unit.

HISTORY: Enacted by Acts 2019, 86th Leg., ch. 944 (S.B. 2), § 52, effective January 1, 2020.

Sec. 26.08. Election to Ratify School Taxes. [Effective until January 1, 2020]
Automatic Election to Approve Tax Rate of School District. [Effective January 1, 2020]

(a) If the governing body of a school district adopts a tax rate that exceeds the district's voter-approval tax rate, the

RESOLUTION NO. R-2021-0027

A RESOLUTION OF THE CITY OF LA MARQUE IN RATIFYING AND ADOPTING AN ANTI-RETALIATION POLICY PREVIOUSLY ADOPTED BY THE INTERIM CITY MANAGER.

WHEREAS, the City of La Marque Texas's Employee Handbook is dated January 28, 2013 (the "Handbook");

WHEREAS, the Handbook has been amended numerous times;

WHEREAS, in October 2021 the Interim City Manager desired to adopt an Anti-Retaliation Policy for the City of La Marque Texas;

WHEREAS, the Interim City Manager adopted the Anti Retaliation Policy attached as Exhibit "A";

NOW, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS:

Section 1. The findings and recitations set out in the preamble to this Resolution are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

Section 2. That the City Council of the City of La Marque, Texas hereby approves, adopts, and ratifies the Anti Retaliation Policy adopted by the Interim City Manager on October 19, 2021 and attached as Exhibit "A".

PASSED, APPROVED AND ADOPTED by the City Council of the City of La Marque on this

the _____day of _____ 2021.

CITY OF LA MARQUE, TEXAS

_____
Keith Bell, Mayor

ATTEST:

_____
Robin Eldridge, TRMC
City Clerk

APPROVED AS TO FORM:

_____
Gus Knebel, City Attorney

TO: All Employees
From: Chaise Cary, Interim City Manager
Date: October 19, 2021
Subject: Retaliation Policy

Employees,

Set out below is the City of La Marque, Texas's new Anti-Retaliation Policy. This Policy is designed to supplement the current Employee Handbook dated January 28, 2013 and all its amendments. Please contact Patty Rees if you have any questions or concerns.

ANTI-RETALIATION POLICY

1. The City endeavors to maintain an environment free from harassment, discrimination, and retaliation. Employees should feel comfortable reporting complaints or concerns about violations of City policies or procedures or applicable laws without fear of reprisal. In furtherance of this policy, the City does not tolerate retaliation against any employee who in good faith makes a complaint or reports concerns about the workplace, or provides information or otherwise participates in an investigation or proceeding regarding complaints or concerns about the workplace. The policy prohibits retaliation against employees who in good faith make complaints or report concerns—or who provide information or participate in investigations or proceedings—regarding workplace discrimination or harassment and/or workplace violations of, or non-compliance with, matters including, but not limited to, applicable federal, state, and local laws, rules, and regulations, City policies, or City procedures.

2. Retaliation means adverse action taken against an employee because the employee makes a complaint or reports concerns—or provides information or otherwise participates in an investigation or proceeding regarding complaints or concerns—regarding workplace discrimination or harassment and/or workplace violations of, or non-compliance with, matters including, but not limited to, applicable federal, state and local laws, rules, and regulations, City policies, or City procedures. Adverse actions can include, but are not limited to, demotion, denial of promotion, suspension without pay, termination, decrease in salary, other denials of the benefits of employment to employees, and fostering of a hostile work environment.

3. If you feel you were subject to retaliation or are aware of retaliation against another employee, you should report this to the Director of Human Resources or the City Manager. This policy is *not* meant to impede you from bringing a claim to, or providing information to, appropriate governmental authorities regarding possible violations of state, local, or federal law, rules, or regulations, or making disclosures pursuant to whistleblower laws. It is also not intended to impede you from discussing terms and conditions of employment with other employees. This policy is meant to supplement the City Employee Handbook dated January 28, 2013 (the "Handbook"). To the extent of any conflict between this Anti Retaliation policy the terms of the Handbook shall control.

4. Any employee who engages in retaliation or otherwise violates this policy is subject to disciplinary action, up to and including termination of employment.

RESOLUTION NO. R-2021-0028

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA MARQUE TEXAS, APPROVING THE STATE OF TEXAS AND POLITICAL SUBDIVISIONS' OPIOID ABATEMENT FUND COUNCIL AND SETTLEMENT ALLOCATION TERM SHEET AS PROVIDED BY THE OFFICE OF THE TEXAS ATTORNEY GENERAL, APPROVING THE SETTLEMENT PARTICIPATION FORMS FOR BOTH JOHNSON & JOHNSON AND THE DISTRIBUTORS PROMULGATED BY THE OFFICE OF THE TEXAS ATTORNEY GENERAL; AUTHORIZING THE CITY MANAGER TO EXECUTE SUCH DOCUMENTS ON BEHALF OF THE CITY OF LA MARQUE, TEXAS UPON APPROVAL OF THE CITY ATTORNEY; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of La Marque, Texas (the "City") obtained information indicating that certain drug companies and their corporate affiliates, parents, subsidiaries, and such other defendants as may be added to the litigation (collectively, "Defendants") have engaged in fraudulent and/or reckless marketing and/or distribution of opioids that have resulted in addictions and overdoses; and

WHEREAS, these actions, conduct and misconduct have resulted in significant financial costs to the City; and

WHEREAS, on May 13, 2020, the State of Texas, through the Office of the Attorney General, and a negotiation group for Texas political subdivisions entered into an Agreement entitled Texas Opioid Abatement Fund Council and Settlement Allocation Term Sheet (hereafter, the Texas Term Sheet) approving the allocation of any and all opioid settlement funds within the State of Texas. The Texas Term Sheet is attached hereto as Exhibit "A"; and

WHEREAS, Special Counsel and the State of Texas have recommended that the City of La Marque, Texas City Council support the adoption and approval the Texas Term Sheet in its entirety.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS:

Section 1. The findings and recitations set out in the preamble to this Resolution are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

Section 2. That the City Council of the City of La Marque, Texas hereby approves and adopts the allocation method for opioid settlement proceeds as set forth in the attached State of Texas and Texas Political Subdivisions' Opioid Abatement Fund Council and Settlement Allocation Term Sheet, hereto as Exhibit "A", as well as, all other terms and conditions set further therein, in its entirety.

Section 3. The City Manager is hereby authorized to sign the Texas Terms Sheet, as well as, the Settlement Participation forms for both Johnson & Johnson and the Distributors promulgated by the Office of the Texas Attorney General upon approval of the City Attorney.

PASSED, APPROVED AND ADOPTED by the City Council of the City of La Marque on this the _____day of _____ 2021.

CITY OF LA MARQUE, TEXAS

_____
Keith Bell, Mayor

ATTEST:

_____
Robin Eldridge, TRMC
City Clerk

APPROVED AS TO FORM:

_____
Gus Knebel, City Attorney

TEXAS OPIOID ABATEMENT FUND COUNCIL AND SETTLEMENT ALLOCATION TERM SHEET

WHEREAS, the people of the State of Texas and its communities have been harmed through the National and Statewide epidemic caused by licit and illicit opioid use and distribution within the State of Texas; and now,

WHEREAS, the State of Texas, though its elected representatives and counsel, including the Honorable Ken Paxton, Attorney General of the State of Texas, and certain Political Subdivisions, through their elected representatives and counsel, are separately engaged in litigation seeking to hold those entities in the supply chain accountable for the damage caused; and now,

WHEREAS, the State of Texas, through its Attorney General and its Political Subdivisions, share a common desire to abate and alleviate the impacts of the epidemic throughout the State of Texas; and now,

THEREFORE, the State of Texas and its Political Subdivisions, subject to completing formal documents effectuating the Parties' agreements, enter into this State of Texas and Texas Political Subdivisions' Opioid Abatement Fund Council and Settlement Allocation Term Sheet (Texas Term Sheet) relating to the allocation and use of the proceeds of any Settlements as described.

A. Definitions

As used in this Texas Term Sheet:

1. "The State" shall mean the State of Texas acting through its Attorney General.
2. "Political Subdivision(s)" shall mean any Texas municipality and county.
3. "The Parties" shall mean the State of Texas, the Political Subdivisions, and the Plaintiffs' Steering Committee and Liaison Counsel (PSC) in the Texas Opioid MDL, *In Re: Texas Opioid Litigation*, MDL No. 2018-63587, in the 152d District Court of Harris County, Texas.
4. "Litigating Political Subdivision" means a Political Subdivision that filed suit in the state courts of the State of Texas prior to the Execution Date of this Agreement, whether or not such case was transferred to Texas Opioid MDL, or removed to federal court.
5. "National Fund" shall mean any national fund established for the benefit of the Texas Political Subdivisions. In no event shall any National Fund be used to create federal jurisdiction, equitable or otherwise, over the Texas Political Subdivisions or those similarly situated state-court litigants who are included in the state coalition, nor shall the National Fund require participating in a class action or signing a participation agreement as part of the criteria for participating in the National Fund.
6. "Negotiating Committee" shall mean a three-member group comprising four representatives for each of (1) the State; (2) the PSC; and (3) Texas'

Political Subdivisions (collectively, "Members"). The State shall be represented by the Texas Attorney General or his designees. The PSC shall be represented by attorneys Mikal Watts, Jeffrey Simon, Dara Hegar, Dan Downey, or their designees. Texas' Political Subdivisions shall be represented by Clay Jenkins (Dallas County Judge), Terrence O'Rourke (Special Assistant County Attorney, Harris County), Nelson Wolff (Bexar County Judge), and Nathaniel Moran (Smith County Judge) or their designees.

7. "Settlement" shall mean the negotiated resolution of legal or equitable claims against a Pharmaceutical Supply Chain Participant that includes the State and Political Subdivisions.
8. "Opioid Funds" shall mean monetary amounts obtained through a Settlement as defined in this Texas Term Sheet.
8. "Approved Purpose(s)" shall mean those uses identified in Exhibit A hereto.
9. "Pharmaceutical Supply Chain" shall mean the process and channels through which opioids or opioids products are manufactured, marketed, promoted, distributed, or dispensed.

10. "Pharmaceutical Supply Chain Participant" shall mean any entity that engages in or has engaged in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic.

11. "Texas Opioid Council" shall mean the Council described in Exhibit A hereto, which has the purpose of ensuring the funds recovered by Texas (through the joint actions of the Attorney General and the Texas Political Subdivisions) are allocated fairly and spent to remediate the opioid crisis in Texas, using efficient and cost-effective methods that are directed to the hardest hit regions in Texas while also ensuring that all Texans benefit from prevention and recovery efforts.

B. Allocation of Settlement Proceeds

1. All Opioid Funds distributed in Texas shall be divided with 15% going to Political Subdivisions ("Subdivision Share"), 70% to the Texas Opioid Abatement Fund through the Texas Opioid Council (Texas Abatement Fund Share) identified and described on Exhibits A and C hereto, and 15% to the Office of the Texas Attorney General as Counsel for the State of Texas ("State Share"). Out of the Texas Opioid Abatement Fund, reasonable expenses up to 1% shall be paid to the Texas Comptroller for the administration of the Texas Opioid Council pursuant to the Opioid

Abatement Fund (Texas Settlement) Opioid Council Agreement, Exhibit A hereto.

2. The Subdivisions Share shall be allocated in accordance with the division of proceeds on Exhibit B hereto.
3. The Texas Abatement Fund Share shall be allocated to the Opioid Council to be apportioned in accordance with the guidelines of Exhibit A, and Exhibit C hereto.
4. In the event a Subdivision merges, dissolves, or ceases to exist, the allocation percentage for that Subdivision shall be redistributed as directed by the settlement document, and if not specified, equitably based on the composition of the successor Subdivision. If a Subdivision for any reason is excluded from a specific settlement, the allocation percentage for that Subdivision shall be redistributed as directed by the settlement document, and if not specified, equitably among the participating Subdivisions.
5. Funds obtained from parties unrelated to the Litigation, via grant, bequest, gift or the like, separate and distinct from the Litigation, may be directed to the Texas Opioid Council and disbursed as set forth below.
6. The Subdivision share shall be initially deposited and paid in cash directly to the Subdivision under the authority and guidance of the Texas MDL Court, who shall direct any Settlement funds to be held in trust in a

segregated account to benefit the Subdivisions and to be promptly distributed as set forth herein and in accordance with Exhibit B.

7. Nothing in this Texas Term Sheet should alter or change any Subdivision's rights to pursue its own claim. Rather, the intent of this Texas Term Sheet is to join all parties to disburse settlement proceeds from one or more defendants to all parties participating in that settlement within Texas.
8. Opioid Funds from the Texas Abatement Fund Share shall be directed to the Texas Opioid Council and used in accordance with the guidelines as set out on Exhibit A hereto, and the Texas Abatement Fund Share shall be distributed to the Texas Opioid Council under the authority and guidance of the Texas MDL Court, consistent with Exhibits A and C, and the by-laws of the Texas Opioid Council documents and disbursed as set forth therein, including without limitation all abatement funds and the 1% holdback for expenses.
9. The State of Texas and the Political Subdivisions understand and acknowledge that additional steps may need to be undertaken to assist the Texas Opioid Council in its mission, at a predictable level of funding, regardless of external factors.

C. Payment of Counsel and Litigation Expenses

1. Any Master Settlement Agreement settlement will govern the payment of fees and litigation expenses to the Parties. The Parties agree to direct control of any Texas Political Subdivision fees and expenses to the "Texas Opioid Fee and Expense Fund," which shall be allocated and distributed by the Texas MDL Court, *In re: Texas Opioid Litigation*, MDL No. 2018-63587, in the 152nd District Court of Harris County, Texas, and with the intent to compensate all counsel for Texas Political Subdivisions who have not chosen to otherwise seek compensation for fees and expenses from any federal MDL common benefit fund.
2. The Parties agree that no portion of the State of Texas 15% allocation share from any settlement shall be administered through the National Fund, the Texas MDL Court, or Texas Opioid Fee and Expense Fund, but shall be directed for payment to the State of Texas by the State of Texas.
3. The State of Texas and the Texas Political Subdivisions, and their respective attorneys, agree that all fees – whether contingent, hourly, fixed or otherwise – owed by the Texas Political Subdivisions shall be paid out of the National Fund or as otherwise provided for herein to the Texas Opioid Fee and Expense Fund to be distributed by the 152nd

District Court of Harris County, Texas pursuant to its past and future orders.

4. From any opioid-related settlements with McKesson, Cardinal Health, ABDC, and Johnson & Johnson, and for any future opioid-related settlements negotiated, in whole or in part, by the Negotiating Committee with any other Pharmaceutical Supply Chain Participant, the funds to be deposited in the Texas Opioid Fee and Expense Fund shall be 9.3925% of the combined Texas Political Subdivision and Texas Abatement Fund portions of each payment (annual or otherwise) to the State of Texas for that settlement, plus expenses from the National Fund, and shall be sought by Texas Political Subdivision Counsel initially through the National Fund. The Texas Political Subdivisions' percentage share of fees and expenses from the National Fund shall be directed to the Texas Opioid Fee and Expense Fund in the Texas MDL, as soon as is practical, for allocation and distribution in accordance with the guidelines herein.

5. If the National Fund share to the Texas Political Subdivisions is insufficient to cover the guaranteed 9.3925%, plus expenses from the National Fund, per subsection 4, immediately *supra*, or if payment from the National Fund is not received within 12 months after the date the

first payment is made by the Defendants pursuant to the settlement, then the Texas Political Subdivisions shall recover up to 12.5% of the Texas Political Subdivision Share to make up any difference.

6. If the National Fund and the Texas Political Subdivision share are insufficient to cover the guaranteed 9.3925%, plus expenses from the National Fund, or if payment from the National Fund is not received within 12 months after the date the first payment is made by the Defendants pursuant to the settlement, then the Texas Political Subdivisions shall recover up to 8.75% of the Abatement Fund Share to make up any difference. In no event shall the Texas Political Subdivision share exceed 9.3925% of the combined Texas Political Subdivision and Texas Abatement Fund portions of any settlement, plus expenses from the National Fund. In the event that any payment is received from the National Fund such that the total amount in fees and expenses exceeds 9.3925%, the Texas Political Subdivisions shall return any amounts received greater than 9.3925% of the combined Texas Political Subdivision and Texas Abatement Fund portions to those respective Funds.

7. For each settlement utilizing a National Fund, the Texas Political Subdivisions need only make one attempt at seeking fees and expenses there.
8. The total amount of the Texas Opioid Fee and Expense Fund shall be reduced proportionally, according to the agreed upon allocation of the Texas Subdivision Fund, for any Texas litigating Political Subdivision that (1) fails to enter the settlement; and (2) was filed in Texas state court, and was transferred to the Texas MDL (or removed before or during transfer to the Texas MDL) as of the execution date of this Agreement.

D. The Texas Opioid Council and Texas Abatement Fund

The Texas Opioid Council and Texas Abatement Fund is described in detail at Exhibit A, incorporated herein by reference.

E. Settlement Negotiations

1. The State and Negotiating Committee agree to inform each other in advance of any negotiations relating to a Texas-only settlement with a Pharmaceutical Supply Chain Participant that includes both the State and its Political Subdivisions and shall provide each other the opportunity to participate in all such negotiations. Any Texas-only Settlement agreed to with the State and Negotiating Committee shall be subject to the approval

of a majority of litigating Political Subdivisions. The Parties further agree to keep each other reasonably informed of all other global settlement negotiations with Pharmaceutical Supply Chain Participants and to include the Negotiating Committee or designees. Neither this provision, nor any other, shall be construed to state or imply that either the State or the Negotiating Committee is unauthorized to engage in settlement negotiations with Pharmaceutical Supply Chain Participants without prior consent or contemporaneous participation of the other, or that either party is entitled to participate as an active or direct participant in settlement negotiations with the other. Rather, while the State's and Negotiation Committee's efforts to achieve worthwhile settlements are to be collaborative, incremental stages need not be so.

2. Any Master Settlement Agreement (MSA) shall be subject to the approval and jurisdiction of the Texas MDL Court.
3. As this is a Texas-specific effort, the Committee shall be Chaired by the Attorney General. However, the Attorney General, or his designees, shall endeavor to coordinate any publicity or other efforts to speak publicly with the other Committee Members.
4. The State of Texas, the Texas MDL Plaintiff's Steering Committee representatives, or the Political Subdivision representatives may withdraw

from coordinated Settlement discussions detailed in this Section upon 10 business days' written notice to the remaining Committee Members and counsel for any affected Pharmaceutical Supply Chain Participant. The withdrawal of any Member releases the remaining Committee Members from the restrictions and obligations in this Section.

5. The obligations in this Section shall not affect any Party's right to proceed with trial or, within 30 days of the date upon which a trial involving that Party's claims against a specific Pharmaceutical Supply Chain Participant is scheduled to begin, reach a case specific resolution with that particular Pharmaceutical Supply Chain Participant.

F. Amendments

The Parties agree to make such amendments as necessary to implement the intent of this agreement.

Acknowledgment of Agreement

We, the undersigned, have participated in the drafting of the above Texas Term Sheet, including consideration based on comments solicited from Political Subdivisions. This document has been collaboratively drafted to maintain all individual claims while allowing the State and its Political Subdivisions to cooperate in exploring all possible means of resolution. Nothing in this agreement binds any party to any specific outcome. Any resolution under this document will require

acceptance by the State of Texas and a majority of the Litigating Political Subdivisions.

We, the undersigned, hereby accept the STATE OF TEXAS AND TEXAS POLITICAL SUBDIVISIONS' OPIOID ABATEMENT FUND COUNCIL AND SETTLEMENT ALLOCATION TERM SHEET. We understand that the purpose of this Texas Term Sheet is to permit collaboration between the State of Texas and Political Subdivisions to explore and potentially effectuate earlier resolution of the Opioid Litigation against Pharmaceutical Supply Chain Participants. We also understand that an additional purpose is to create an effective means of distributing any potential settlement funds obtained under this Texas Term Sheet between the State of Texas and Political Subdivisions in a manner and means that would promote an effective and meaningful use of the funds in abating the opioid epidemic throughout Texas.

Executed this 13 day of May, 2020.

FOR THE STATE OF TEXAS:

KENNETH PAXTON, JR.
ATTORNEY GENERAL

FOR THE SUBDIVISIONS
AND TEXAS MDL PSC:

MIKAL WATTS
WATTS GUERRA LLP

JEFFREY SIMON
SIMON GREENSTONE PANATIER, PC

DARA HEGAR
LANIER LAW FIRM, PC

DAN DOWNEY
DAN DOWNEY, PC

:sas

EXHIBIT A

Opioid Abatement Fund (Texas) Settlement

Opioid Council

As part of the settlement agreement and upon its execution, the parties will form the Texas Opioid Council (Council) to establish the framework that ensures the funds recovered by Texas (through the joint actions of the Attorney General and the state's political subdivisions) are allocated fairly and spent to remediate the opioid crisis in Texas, using efficient and cost-effective methods that are directed to the hardest hit regions in Texas while also ensuring that all Texans benefit from prevention and recovery efforts.

I. Structure

The Council will be responsible for the processes and procedures governing the spending of the funds held in the Texas Abatement Fund, which will be approximately 70% of all funds obtained through settlement and/or litigation of the claims asserted by the State and its subdivisions in the investigations and litigation related to the manufacturing, marketing, distribution, and sale of opioids and related pharmaceuticals.

Money paid into the abatement fund will be held by an independent administrator, who shall be responsible for the ministerial task of releasing funds solely as authorized below by the Council, and accounting for all payments to and from the fund.

The Council will be formed when a court of competent jurisdiction enters an order settling the matter, including any order of a bankruptcy court. The Council's members must be appointed within sixty (60) days of the date the order is entered.

A. Membership

The Council shall be comprised of the following thirteen (13) members:

1. *Statewide Members*.

Six members appointed by the Governor and Attorney General to represent the State's interest in opioid abatement. The statewide members are appointed as follows:

a. The Governor shall appoint three (3) members who are licensed health professionals with significant experience in opioid interventions;
b. The Attorney General shall appoint three (3) members who are licensed professionals with significant experience in opioid incidences; and
c. The Governor will appoint the Chair of the Council as a non-voting member. The Chair may only cast a vote in the event there is a tie of the membership.

2. *Regional Members*.

Six (6) members appointed by the State's political subdivisions to represent their designated Texas Health and Human Services Commission "HHSC" Regional Healthcare

Partnership (Regions) to ensure dedicated regional, urban, and rural representation on the Council. The regional appointees must be from either academia or the medical profession with significant experience in opioid interventions. The regional members are appointed as follows:

a. One member representing Regions 9 and 10 (Dallas Ft-Worth);
b. One member representing Region 3 (Houston);
c. One member representing Regions 11, 12, 13, 14, 15, 19 (West Texas);
d. One member representing Regions 6, 7, 8, 16 (Austin-San Antonio);
e. One member representing Regions 1, 2, 17, 18 (East Texas); and
f. One member representing Regions 4, 5, 20 (South Texas).

B. Terms

All members of the Council are appointed to serve staggered two-year terms, with the terms of members expiring February 1 of each year. A member may serve no more than two consecutive terms, for a total of four consecutive years. For the first term, four (4) members (two (2) statewide and two (2) for the subdivisions) will serve a three-year term. A vacancy on the Council shall be filled for the unexpired term in the same manner as the original appointment. The Governor will appoint the Chair of the Council who will not vote on Council business unless there is a tie vote, and the subdivisions will appoint a Vice-Chair voting member from one of the regional members.

C. Governance

1. Administration

The Council is attached administratively to the Comptroller. The Council is an independent, quasi-governmental agency because it is responsible for the statewide distribution of the abatement settlement funds. The Council is exempt from the following statutes:

a. Chapter 316 of the Government Code (Appropriations);
b. Chapter 322 of the Government Code (Legislative Budget Board);
c. Chapter 325 of the Government Code (Sunset);
d. Chapter 783 of the Government Code (Uniform Grants and Contract Management);
e. Chapter 2001 of the Government Code (Administrative Procedure);
f. Chapter 2052 of the Government Code (State Agency Reports and Publications);
g. Chapter 2261 of the Government Code (State Contracting Standards and Oversight);
h. Chapter 2262 of the Government Code (Statewide Contract Management);

i. Chapter 262 of the Local Government Code (Purchasing and Contracting Authority of Counties); and
j. Chapter 271 of the Local Government Code (Purchasing and Contracting Authority of Municipalities, Counties, and Certain Other Local Governments).

2. Transparency

The Council will abide by state laws relating to open meetings and public information, including Chapters 551 and 552 of the Texas Government Code.

i. The Council shall hold at least four regular meetings each year. The Council may hold additional meetings on the request of the Chair or on the written request of three members of the council. All meetings shall be open to the public, and public notice of meetings shall be given as required by state law.
ii. The Council may convene in a closed, non-public meeting:
    a. If the Commission must discuss:
        1. Negotiation of contract awards; and
        2. Matters specifically exempted from disclosure by federal and state statutes.
    b. All minutes and documents of a closed meeting shall remain under seal, subject to release only order of a court of competent jurisdiction.

3. Authority

The Council does not have rulemaking authority. The terms of each Judgment, Master Settlement Agreement, or any Bankruptcy Settlement for Texas control the authority of the Council and the Council may not stray outside the bounds of the authority and power vested by such settlements. Should the Council require legal assistance in determining their authority, the Council may direct the executive director to seek legal advice from the Attorney General to clarify the issue.

D. Operation and Expenses

The independent administrator will set aside up to one (1) percent of the settlement funds for the administration of the Council for reasonable costs and expenses of operating the foregoing duties, including educational activities.

1. Executive Director

The Comptroller will employ the executive director of the Council and other personnel as necessary to administer the duties of the Council and carry out the functions of the Council. The executive director must have at least 10 years of experience in government or public administration and is classified as a Director V/B30 under the State Auditor's State Classification. The Comptroller will pay the salaries of the Council employees from the

one (1) percent of the settlement funds set aside for the administration of the Council. The Comptroller will request funds from the Texas Abatement Fund Point of Contact.

2. Travel Reimbursement

A person appointed to the Council is entitled to reimbursement for the travel expenses incurred in attending Council duties. A member of the Council may be reimbursed for actual expenses for meals, lodging, transportation, and incidental expenses in accordance with travel rates set by the federal General Services Administration.

II. Duties/Roles

It is the duty of the Council to determine and approve the opioid abatement strategies and funding awards.

A. Approved Abatement Strategies

The Council will develop the approved Texas list of abatement strategies based on but not limited to the existing national list of opioid abatement strategies (see attached Appendix A) for implementing the Texas Abatement Fund.

1. The Council shall only approve strategies which are evidence-informed strategies.
2. The Texas list of abatement strategies must be approved by majority vote. The majority vote must include a majority from both sides of the statewide members and regional members in order to be approved, e.g., at least four (4) of six (6) members on each side.

B. Texas Abatement Fund Point of Contact

The Council will determine a single point of contact called the Abatement Fund Point of Contact (POC) to be established as the sole entity authorized to receive requests for funds and approve expenditures in Texas and order the release of funds from the Texas Abatement Fund by the independent administrator. The POC may be an independent third party selected by the Council with expertise in banking or financial management. The POC will manage the Opioid Council Bank Account (Account). Upon a vote, the Council will direct the POC to contact the independent administrator to release funds to the Account. The Account is outside the State Treasury and not managed by any state or local officials. The POC is responsible for payments to the qualified entities selected by the Council for abatement fund awards. The POC will submit a monthly financial statement on the Account to the Council.

C. Auditor

An independent auditor appointed by the Council will perform an audit on the Account on an annual basis and report its findings, if any, to the Council.

D. Funding Allocation

The Council is the sole decision-maker on the funding allocation process of the abatement funds. The Council will develop the application and award process based on the parameters outlined below. An entity seeking funds from the Council must apply for funds; no funds will be awarded without an application. The executive director and personnel may assist the Council in gathering and compiling the applications for consideration; however, the Council members are the sole decision-makers of awards and funding determination. The Council will use the following processes to award funds:

1. *Statewide Funds.* The Council will consider, adopt and approve the allocation methodology attached as Exhibit C, based upon population health data and prevalence of opioid incidences, at the Council's initial meeting. Adoption of such methodology will allow each Region to customize the approved abatement strategies to fit its communities' needs. The statewide regional funds will account for seventy-five (75) percent of the total overall funds, less the one (1) percent administrative expense described herein.

2. *Targeted Funds.* Each Region shall reserve twenty-five (25) percent of the overall funds, for targeted interventions in the specific Region as identified by opioid incidence data. The Council must approve on an annual basis the uses for the targeted abatement strategies and applications available to every Region, including education and outreach programs. Each Region without approved uses for the targeted funds from the Council, based upon a greater percentage of opioid incidents compared to its population, is subject to transfer of all or a portion of the targeted funds for that Region for uses based upon all Regions' targeted funding needs as approved by the Council on an annual basis.

3. *Annual Allocation*. Statewide regional funds and targeted funds will be allocated on an annual basis. If a Region lapses its funds, the funds will be reallocated based on all Regions' funding needs.

E. Appeal Process

The Council will establish an appeal process to permit the applicants for funding (state or subdivisions) to challenge decisions by the Council-designated point of contact on requests for funds or expenditures.

1. To challenge a decision by the designated point of contact, the State or a subdivision must file an appeal with the Council within thirty (30) days of the decision. The Council then has thirty (30) days to consider and rule on the appeal.
2. If the Council denies the appeal, the party may file an appeal with the state district court of record where the final opioid judgment or Master Settlement Agreement is filed. The Texas Rules of Civil Procedure and Rules of Evidence will govern these proceedings. The Council may request representation from the Attorney General in these proceedings.

In making its determination, the state district court shall apply the same clear error standards contained herein that the Council must follow when rendering its decision.

3. The state district court will make the final decision and the decision is not appealable.
4. Challenges will be limited and subject to penalty if abused.
5. Attorneys' fees and costs are not recoverable in these appeals.

F. Education

The Council may determine that a percentage of the funds in the Abatement Fund from the targeted funds be used to develop an education and outreach program to provide materials on the consequences of opioid drug use, prevention and interventions. Any material developed will include online resources and toolkits for communities.

EXHIBIT B

Exhibit B: Municipal Area Allocations: 15% of Total ($150 million)

(County numbers refer to distribution to the county governments after payment to cities within county borders has been made. Minimum distribution to each county is $1000.)

Municipal Area	Allocation	Municipal Area	Allocation
Abbott	$688	Lakeport	$463
Abernathy	$110	Lakeside	$4,474
Abilene	$563,818	Lakeside City	$222
Ackerly	$21	Lakeview	$427
Addison	$58,094	Lakeway	$31,657
Adrian	$181	Lakewood Village	$557
Agua Dulce	$43	Lamar County	$141,598
Alamo	$22,121	Lamb County	$50,681
Alamo Heights	$28,198	Lamesa	$29,656
Alba	$3,196	Lampasas	$28,211
Albany	$180	Lampasas County	$42,818
Aledo	$331	Lancaster	$90,653
Alice	$71,291	Laredo	$763,174
Allen	$315,081	Latexo	$124
Alma	$1,107	Lavaca County	$45,973
Alpine	$29,686	Lavon	$7,435
Alto	$3,767	Lawn	$58
Alton	$11,540	League City	$302,418
Alvarado	$29,029	Leakey	$256
Alvin	$113,962	Leander	$88,641
Alvord	$358	Leary	$797
Amarillo	$987,661	Lee County	$30,457
Ames	$5,571	Lefors	$159
Amherst	$22	Leon County	$67,393
Anahuac	$542	Leon Valley	$23,258
Anderson	$19	Leona	$883
Anderson County	$268,763	Leonard	$8,505
Andrews	$18,983	Leroy	$176
Andrews County	$37,606	Levelland	$46,848
Angelina County	$229,956	Lewisville	$382,094
Angleton	$62,791	Lexington	$2,318
Angus	$331	Liberty	$72,343
Anna	$9,075	Liberty County	$531,212
Annetta	$5,956	Liberty Hill	$2,780
Annetta North	$34	Limestone County	$135,684

(Table continues on multiple pages below)

Annetta South	$602
Annona	$738
Anson	$5,134
Anthony	$4,514
Anton	$444
Appleby	$1,551
Aquilla	$208
Aransas County	$266,512
Aransas Pass	$57,813
Archer City	$10,554
Archer County	$45,534
Arcola	$7,290
Argyle	$11,406
Arlington	$735,803
Armstrong County	$974
Arp	$2,009
Asherton	$112
Aspermont	$9
Atascosa County	$176,903
Athens	$105,942
Atlanta	$30,995
Aubrey	$15,141
Aurora	$1,849
Austin County	$76,030
Austin	$4,877,716
Austwell	$109
Avery	$138
Avinger	$1,115
Azle	$32,213
Bailey	$950
Bailey County	$15,377
Bailey's Prairie	$5,604
Baird	$2,802
Balch Springs	$27,358
Balcones Heights	$23,811
Ballinger	$9,172
Balmorhea	$63
Bandera	$2,893
Bandera County	$86,815
Bangs	$3,050
Lincoln Park	$677
Lindale	$24,202
Linden	$3,661
Lindsay	$1,228
Lipan	$44
Lipscomb County	$10,132
Little Elm	$69,326
Little River-Academy	$798
Littlefield	$7,678
Live Oak	$32,740
Live Oak County	$39,716
Liverpool	$1,435
Livingston	$73,165
Llano	$23,121
Llano County	$115,647
Lockhart	$49,050
Lockney	$3,301
Log Cabin	$1,960
Lometa	$1,176
Lone Oak	$1,705
Lone Star	$8,283
Longview	$482,254
Loraine	$188
Lorena	$3,390
Lorenzo	$11,358
Los Fresnos	$11,185
Los Indios	$159
Los Ybanez	$0
Lott	$1,516
Lovelady	$249
Loving County	$1,000
Lowry Crossing	$783
Lubbock	$319,867
Lubbock County	$1,379,719
Lucas	$5,266
Lueders	$508
Lufkin	$281,592
Luling	$29,421
Lumberton	$36,609
Lyford	$3,071

Bardwell	$362
Barry	$200
Barstow	$61
Bartlett	$3,374
Bartonville	$8,887
Bastrop	$46,320
Bastrop County	$343,960
Bay City	$57,912
Baylor County	$29,832
Bayou Vista	$6,240
Bayside	$242
Baytown	$216,066
Bayview	$41
Beach City	$12,505
Bear Creek	$906
Beasley	$130
Beaumont	$683,010
Beckville	$1,247
Bedford	$94,314
Bedias	$3,475
Bee Cave	$12,863
Bee County	$97,844
Beeville	$24,027
Bell County	$650,748
Bellaire	$41,264
Bellevue	$56
Bellmead	$14,487
Bells	$1,891
Bellville	$7,488
Belton	$72,680
Benavides	$152
Benbrook	$43,919
Benjamin	$951
Berryville	$14,379
Bertram	$182
Beverly Hills	$4,336
Bevil Oaks	$549
Bexar County	$7,007,152
Big Lake	$547
Big Sandy	$4,579
Lynn County	$6,275
Lytle	$7,223
Mabank	$19,443
Madison County	$49,492
Madisonville	$11,458
Magnolia	$26,031
Malakoff	$12,614
Malone	$439
Manor	$12,499
Mansfield	$150,788
Manvel	$12,305
Marble Falls	$37,039
Marfa	$65
Marietta	$338
Marion	$275
Marion County	$54,728
Marlin	$21,634
Marquez	$1,322
Marshall	$108,371
Mart	$928
Martin County	$10,862
Martindale	$2,437
Mason	$777
Mason County	$3,134
Matador	$1,203
Matagorda County	$135,239
Mathis	$15,720
Maud	$423
Maverick County	$115,919
Maypearl	$986
McAllen	$364,424
McCamey	$542
McGregor	$9,155
McKinney	$450,383
McLean	$14
McLendon-Chisholm	$411
Mcculloch County	$20,021
Mclennan County	$529,641
Mcmullen County	$1,000
Meadow	$1,121

Big Spring	$189,928
Big Wells	$236
Bishop	$8,213
Bishop Hills	$323
Blackwell	$31
Blanco	$6,191
Blanco County	$49,223
Blanket	$147
Bloomburg	$1,010
Blooming Grove	$352
Blossom	$198
Blue Mound	$2,888
Blue Ridge	$1,345
Blum	$1,622
Boerne	$45,576
Bogata	$3,649
Bonham	$100,909
Bonney	$2,510
Booker	$1,036
Borden County	$1,000
Borger	$69,680
Bosque County	$71,073
Bovina	$173
Bowie	$83,620
Bowie County	$233,190
Boyd	$6,953
Brackettville	$8
Brady	$27,480
Brazoria	$11,537
Brazoria County	$1,021,090
Brazos Bend	$462
Brazos Country	$902
Brazos County	$342,087
Breckenridge	$23,976
Bremond	$5,554
Brenham	$54,750
Brewster County	$60,087
Briarcliff	$572
Briaroaks	$57
Bridge City	$80,756
Meadowlakes	$905
Meadows Place	$18,148
Medina County	$48,355
Megargel	$611
Melissa	$15,381
Melvin	$345
Memphis	$7,203
Menard	$991
Menard County	$14,717
Mercedes	$21,441
Meridian	$3,546
Merkel	$10,117
Mertens	$239
Mertzon	$29
Mesquite	$310,709
Mexia	$21,096
Miami	$455
Midland County	$279,927
Midland	$521,849
Midlothian	$95,799
Midway	$78
Milam County	$97,386
Milano	$904
Mildred	$286
Miles	$93
Milford	$6,177
Miller's Cove	$97
Millican	$417
Mills County	$19,931
Millsap	$34
Mineola	$48,719
Mineral Wells	$92,061
Mingus	$189
Mission	$124,768
Missouri City	$209,633
Mitchell County	$20,850
Mobeetie	$52
Mobile City	$2,034
Monahans	$5,849
Mont Belvieu	$19,669

Bridgeport	$33,301	Montague County	$94,796
Briscoe County	$977	Montgomery	$1,884
Broaddus	$31	Montgomery County	$2,700,911
Bronte	$99	Moody	$828
Brooks County	$20,710	Moore County	$40,627
Brookshire	$6,406	Moore Station	$772
Brookside Village	$1,110	Moran	$50
Brown County	$193,417	Morgan	$605
Browndell	$152	Morgan's Point	$3,105
Brownfield	$14,452	Morgan's Point Resort	$8,024
Brownsboro	$3,176	Morris County	$53,328
Brownsville	$425,057	Morton	$167
Brownwood	$166,572	Motley County	$3,344
Bruceville-Eddy	$1,692	Moulton	$999
Bryan	$246,897	Mount Calm	$605
Bryson	$1,228	Mount Enterprise	$1,832
Buckholts	$1,113	Mount Pleasant	$65,684
Buda	$10,784	Mount Vernon	$6,049
Buffalo	$11,866	Mountain City	$1,548
Buffalo Gap	$88	Muenster	$4,656
Buffalo Springs	$188	Muleshoe	$4,910
Bullard	$7,487	Mullin	$384
Bulverde	$14,436	Munday	$2,047
Bunker Hill Village	$472	Murchison	$2,302
Burkburnett	$37,844	Murphy	$51,893
Burke	$1,114	Mustang	$7
Burleson County	$70,244	Mustang Ridge	$2,462
Burleson	$151,779	Nacogdoches	$205,992
Burnet	$33,345	Nacogdoches County	$198,583
Burnet County	$189,829	Naples	$4,224
Burton	$937	Nash	$7,999
Byers	$77	Nassau Bay	$11,247
Bynum	$380	Natalia	$625
Cactus	$4,779	Navarro	$334
Caddo Mills	$43	Navarro County	$103,513
Caldwell	$18,245	Navasota	$37,676
Caldwell County	$86,413	Nazareth	$124
Calhoun County	$127,926	Nederland	$44,585
Callahan County	$12,894	Needville	$10,341
Callisburg	$101	Nevada	$237

Calvert	$772	New Berlin	$4
Cameron	$11,091	New Boston	$6,953
Cameron County	$537,026	New Braunfels	$307,313
Camp County	$28,851	New Chapel Hill	$288
Camp Wood	$422	New Deal	$338
Campbell	$1,116	New Fairview	$2,334
Canadian	$1,090	New Home	$9
Caney City	$2,005	New Hope	$1,024
Canton	$56,734	New London	$4,129
Canyon	$26,251	New Summerfield	$442
Carbon	$620	New Waverly	$2,562
Carl's Corner	$48	Newark	$520
Carmine	$385	Newcastle	$914
Carrizo Springs	$1,671	Newton	$6,102
Carrollton	$310,255	Newton County	$158,006
Carson County	$29,493	Neylandville	$163
Carthage	$18,927	Niederwald	$16
Cashion Community	$322	Nixon	$2,283
Cass County	$93,155	Nocona	$16,536
Castle Hills	$12,780	Nolan County	$50,262
Castro County	$4,420	Nolanville	$4,247
Castroville	$4,525	Nome	$391
Cedar Hill	$70,127	Noonday	$226
Cedar Park	$185,567	Nordheim	$697
Celeste	$1,280	Normangee	$6,192
Celina	$18,283	North Cleveland	$105
Center	$58,838	North Richland Hills	$146,419
Centerville	$385	Northlake	$8,905
Chambers County	$153,188	Novice	$76
Chandler	$17,364	Nueces County	$1,367,932
Channing	$2	O'Brien	$76
Charlotte	$4,257	O'Donnell	$27
Cherokee County	$156,612	Oak Grove	$2,769
Chester	$1,174	Oak Leaf	$612
Chico	$2,928	Oak Point	$9,011
Childress	$37,916	Oak Ridge	$358
Childress County	$50,582	Oak Ridge North	$33,512
Chillicothe	$172	Oak Valley	$7
China	$522	Oakwood	$148
China Grove	$598	Ochiltree County	$15,476

Chireno	$1,568
Christine	$354
Cibolo	$13,690
Cisco	$7,218
Clarendon	$114
Clarksville	$20,891
Clarksville City	$54
Claude	$26
Clay County	$72,050
Clear Lake Shores	$6,682
Cleburne	$228,184
Cleveland	$96,897
Clifton	$9,939
Clint	$375
Clute	$51,350
Clyde	$17,287
Coahoma	$2,291
Cochran County	$3,389
Cockrell Hill	$512
Coffee City	$1,087
Coke County	$5,522
Coldspring	$447
Coleman	$5,442
Coleman County	$4,164
College Station	$258,147
Colleyville	$46,049
Collin County	$1,266,721
Collingsworth County	$19,234
Collinsville	$1,831
Colmesneil	$2,211
Colorado City	$8,405
Colorado County	$49,084
Columbus	$6,867
Comal County	$396,142
Comanche	$16,503
Comanche County	$50,964
Combes	$1,710
Combine	$1,892
Commerce	$33,869
Como	$415
Odem	$7,420
Odessa	$559,163
Oglesby	$29
Old River-Winfree	$21,653
Oldham County	$10,318
Olmos Park	$9,801
Olney	$6,088
Olton	$1,197
Omaha	$4,185
Onalaska	$31,654
Opdyke West	$479
Orange	$311,339
Orange County	$689,818
Orange Grove	$1,677
Orchard	$867
Ore City	$6,806
Overton	$7,900
Ovilla	$13,391
Oyster Creek	$9,633
Paducah	$125
Paint Rock	$141
Palacios	$14,036
Palestine	$178,009
Palisades	$240
Palm Valley	$1,918
Palmer	$12,666
Palmhurst	$4,660
Palmview	$7,577
Palo Pinto County	$124,621
Pampa	$67,227
Panhandle	$9,536
Panola County	$80,699
Panorama Village	$1,292
Pantego	$12,898
Paradise	$52
Paris	$201,180
Parker	$10,307
Parker County	$476,254
Parmer County	$15,866
Pasadena	$356,536

Concho County	$3,859
Conroe	$466,671
Converse	$27,693
Cooke County	$200,451
Cool	$731
Coolidge	$243
Cooper	$362
Coppell	$86,593
Copper Canyon	$489
Copperas Cove	$133,492
Corinth	$75,298
Corpus Christi	$1,812,707
Corral City	$143
Corrigan	$21,318
Corsicana	$87,310
Coryell County	$123,659
Cottle County	$875
Cottonwood	$289
Cottonwood Shores	$1,203
Cotulla	$1,251
Coupland	$266
Cove	$387
Covington	$519
Coyote Flats	$1,472
Crandall	$12,094
Crane	$10,599
Crane County	$26,146
Cranfills Gap	$128
Crawford	$383
Creedmoor	$16
Cresson	$1,086
Crockett	$23,403
Crockett County	$18,210
Crosby County	$18,388
Crosbyton	$1,498
Cross Plains	$4,877
Cross Roads	$244
Cross Timber	$542
Crowell	$6,335
Crowley	$22,345
Pattison	$1,148
Patton Village	$9,268
Payne Springs	$1,770
Pearland	$333,752
Pearsall	$11,570
Pecan Gap	$719
Pecan Hill	$229
Pecos	$7,622
Pecos County	$46,997
Pelican Bay	$1,199
Penelope	$415
Penitas	$312
Perryton	$23,364
Petersburg	$1,691
Petrolia	$17
Petronila	$5
Pflugerville	$86,408
Pharr	$144,721
Pilot Point	$11,613
Pine Forest	$3,894
Pine Island	$3,141
Pinehurst	$32,671
Pineland	$4,138
Piney Point Village	$15,738
Pittsburg	$20,526
Plains	$129
Plainview	$60,298
Plano	$1,151,608
Pleak	$270
Pleasant Valley	$308
Pleasanton	$29,011
Plum Grove	$258
Point	$1,519
Point Blank	$355
Point Comfort	$447
Point Venture	$588
Polk County	$370,831
Ponder	$1,282
Port Aransas	$31,022
Port Arthur	$367,945

Crystal City	$19,412
Cuero	$24,689
Culberson County	$789
Cumby	$5,320
Cuney	$606
Cushing	$1,120
Cut and Shoot	$2,141
DISH	$19
Daingerfield	$12,476
Daisetta	$5,370
Dalhart	$11,609
Dallam County	$21,686
Dallas County	$8,538,291
Dallas	$2,999,902
Dalworthington Gardens	$6,060
Danbury	$4,231
Darrouzett	$101
Dawson	$600
Dawson County	$46,911
Dayton	$47,122
Dayton Lakes	$38
De Kalb	$1,035
De Leon	$8,218
De Witt County	$68,895
DeCordova	$13,778
DeSoto	$72,400
Deaf Smith County	$34,532
Dean	$141
Decatur	$56,669
Deer Park	$49,388
Del Rio	$59,056
Dell City	$15
Delta County	$30,584
Denison	$210,426
Denton	$458,334
Denton County	$1,132,298
Denver City	$2,104
Deport	$42
Detroit	$965
Devers	$191
Port Isabel	$9,802
Port Lavaca	$11,752
Port Neches	$38,849
Portland	$76,517
Post	$2,332
Post Oak Bend City	$1,034
Poteet	$6,767
Poth	$3,974
Potter County	$371,701
Pottsboro	$12,302
Powell	$110
Poynor	$1,180
Prairie View	$7,600
Premont	$3,321
Presidio	$148
Presidio County	$787
Primera	$2,958
Princeton	$19,245
Progreso	$8,072
Progreso Lakes	$39
Prosper	$22,770
Providence Village	$508
Putnam	$14
Pyote	$22
Quanah	$207
Queen City	$4,837
Quinlan	$7,304
Quintana	$492
Quitaque	$8
Quitman	$15,619
Rains County	$53,190
Ralls	$3,967
Rancho Viejo	$3,836
Randall County	$278,126
Ranger	$12,186
Rankin	$1,613
Ransom Canyon	$930
Ravenna	$685
Raymondville	$7,466
Reagan County	$25,215

Devine	$4,354
Diboll	$25,533
Dickens	$71
Dickens County	$1,873
Dickinson	$83,683
Dilley	$2,633
Dimmit County	$33,294
Dimmitt	$1,012
Dodd City	$1,211
Dodson	$447
Domino	$196
Donley County	$22,370
Donna	$13,798
Dorchester	$231
Double Oak	$4,765
Douglassville	$574
Dripping Springs	$811
Driscoll	$39
Dublin	$14,478
Dumas	$26,229
Duncanville	$58,328
Duval County	$49,109
Eagle Lake	$4,882
Eagle Pass	$56,005
Early	$14,838
Earth	$242
East Bernard	$5,554
East Mountain	$2,494
East Tawakoni	$2,723
Eastland	$15,896
Eastland County	$52,275
Easton	$329
Ector	$1,108
Ector County	$480,000
Edcouch	$4,101
Eden	$497
Edgecliff Village	$2,232
Edgewood	$13,154
Edinburg	$120,884
Edmonson	$136
Real County	$5,073
Red Lick	$23
Red Oak	$26,843
Red River County	$29,306
Redwater	$1,058
Reeves County	$103,350
Refugio	$8,839
Refugio County	$46,216
Reklaw	$1,136
Reno	$3,791
Reno	$11,164
Retreat	$52
Rhome	$12,285
Rice	$1,972
Richardson	$260,315
Richland	$210
Richland Hills	$24,438
Richland Springs	$2,234
Richmond	$77,606
Richwood	$12,112
Riesel	$1,118
Rio Bravo	$8,548
Rio Grande City	$25,947
Rio Hondo	$3,550
Rio Vista	$4,419
Rising Star	$1,933
River Oaks	$11,917
Riverside	$858
Roanoke	$275
Roaring Springs	$461
Robert Lee	$85
Roberts County	$547
Robertson County	$44,642
Robinson	$18,002
Robstown	$40,154
Roby	$428
Rochester	$674
Rockdale	$20,973
Rockport	$54,253
Rocksprings	$25

Edna	$18,194
Edom	$2,149
Edwards County	$975
El Campo	$31,700
El Cenizo	$621
El Lago	$5,604
El Paso	$1,224,371
El Paso County	$2,592,121
Eldorado	$50
Electra	$15,716
Elgin	$26,284
Elkhart	$301
Ellis County	$315,372
Elmendorf	$746
Elsa	$7,720
Emhouse	$83
Emory	$3,878
Enchanted Oaks	$1,299
Encinal	$1,515
Ennis	$81,839
Erath County	$102,616
Escobares	$40
Estelline	$909
Euless	$92,824
Eureka	$334
Eustace	$2,089
Evant	$2,068
Everman	$7,692
Fair Oaks Ranch	$8,077
Fairchilds	$81
Fairfield	$1,245
Fairview	$32,245
Falfurrias	$2,221
Falls City	$41
Falls County	$34,522
Fannin County	$131,653
Farmers Branch	$94,532
Farmersville	$10,532
Farwell	$343
Fate	$3,473
Rockwall	$114,308
Rockwall County	$168,820
Rocky Mound	$280
Rogers	$3,818
Rollingwood	$4,754
Roma	$16,629
Roman Forest	$8,610
Ropesville	$2,122
Roscoe	$778
Rose City	$4,012
Rose Hill Acres	$2,311
Rosebud	$1,489
Rosenberg	$126,593
Ross	$147
Rosser	$549
Rotan	$1,493
Round Mountain	$454
Round Rock	$475,992
Round Top	$140
Rowlett	$99,963
Roxton	$47
Royse City	$23,494
Rule	$800
Runaway Bay	$6,931
Runge	$255
Runnels County	$33,831
Rusk	$17,991
Rusk County	$151,390
Sabinal	$1,811
Sabine County	$46,479
Sachse	$23,400
Sadler	$925
Saginaw	$31,973
Salado	$3,210
San Angelo	$536,509
San Antonio	$4,365,416
San Augustine	$25,182
San Augustine County	$37,854
San Benito	$40,015
San Diego	$11,771

Fayette County	$92,440	San Elizario	$7,831
Fayetteville	$391	San Felipe	$1,498
Ferris	$13,873	San Jacinto County	$197,398
Fisher County	$5,518	San Juan	$28,845
Flatonia	$5,661	San Leanna	$36
Florence	$3,949	San Marcos	$325,688
Floresville	$21,699	San Patricio	$4,213
Flower Mound	$215,256	San Patricio County	$271,916
Floyd County	$9,049	San Perlita	$2,219
Floydada	$6,357	San Saba	$10,057
Foard County	$5,764	San Saba County	$17,562
Follett	$212	Sanctuary	$17
Forest Hill	$26,132	Sandy Oaks	$9,863
Forney	$80,112	Sandy Point	$1,637
Forsan	$576	Sanford	$308
Fort Bend County	$1,506,719	Sanger	$22,237
Fort Stockton	$4,411	Sansom Park	$223
Fort Worth	$2,120,790	Santa Anna	$329
Franklin	$3,931	Santa Clara	$87
Franklin County	$25,783	Santa Fe	$33,272
Frankston	$274	Santa Rosa	$2,138
Fredericksburg	$56,486	Savoy	$2,349
Freeport	$72,973	Schertz	$60,110
Freer	$3,271	Schleicher County	$5,695
Freestone County	$50,495	Schulenburg	$2,560
Friendswood	$140,330	Scotland	$148
Frio County	$19,954	Scottsville	$708
Friona	$2,848	Scurry	$1,110
Frisco	$405,309	Scurry County	$73,116
Fritch	$4,548	Seabrook	$30,270
Frost	$321	Seadrift	$991
Fruitvale	$2,344	Seagoville	$17,106
Fulshear	$5,272	Seagraves	$7,531
Fulton	$1,602	Sealy	$20,637
Gaines County	$54,347	Seguin	$376,538
Gainesville	$153,980	Selma	$22,429
Galena Park	$13,093	Seminole	$16,092
Gallatin	$1,253	Seven Oaks	$3,917
Galveston	$488,187	Seven Points	$7,452
Galveston County	$1,124,093	Seymour	$14,218

Ganado	$5,510
Garden Ridge	$11,351
Garland	$420,244
Garrett	$2,510
Garrison	$3,555
Gary City	$450
Garza County	$8,944
Gatesville	$26,994
George West	$6,207
Georgetown	$225,896
Gholson	$1,505
Giddings	$12,674
Gillespie County	$63,191
Gilmer	$33,951
Gladewater	$24,638
Glasscock County	$1,000
Glen Rose	$540
Glenn Heights	$16,593
Godley	$3,115
Goldsmith	$677
Goldthwaite	$1,225
Goliad	$3,563
Goliad County	$34,660
Golinda	$100
Gonzales	$14,882
Gonzales County	$33,230
Goodlow	$221
Goodrich	$9,643
Gordon	$365
Goree	$749
Gorman	$3,107
Graford	$23
Graham	$235,428
Granbury	$71,735
Grand Prairie	$445,439
Grand Saline	$36,413
Grandfalls	$65
Grandview	$6,600
Granger	$2,741
Granite Shoals	$11,834
Shackelford County	$1,288
Shady Shores	$594
Shallowater	$1,907
Shamrock	$4,328
Shavano Park	$3,178
Shelby County	$109,925
Shenandoah	$47,122
Shepherd	$147
Sherman	$330,585
Sherman County	$7,930
Shiner	$4,042
Shoreacres	$958
Silsbee	$66,442
Silverton	$14
Simonton	$1,906
Sinton	$23,658
Skellytown	$400
Slaton	$154
Smiley	$655
Smith County	$758,961
Smithville	$17,009
Smyer	$300
Snook	$1,422
Snyder	$9,018
Socorro	$11,125
Somerset	$1,527
Somervell County	$57,076
Somerville	$3,806
Sonora	$7,337
Sour Lake	$17,856
South Houston	$25,620
South Mountain	$154
South Padre Island	$30,629
Southlake	$70,846
Southmayd	$7,096
Southside Place	$885
Spearman	$14,000
Splendora	$7,756
Spofford	$7
Spring Valley Village	$16,404

Granjeno	$43
Grapeland	$7,287
Grapevine	$129,195
Gray County	$65,884
Grays Prairie	$17
Grayson County	$539,083
Greenville	$203,112
Gregg County	$243,744
Gregory	$4,697
Grey Forest	$474
Grimes County	$94,878
Groesbeck	$5,745
Groom	$965
Groves	$40,752
Groveton	$8,827
Gruver	$1,166
Guadalupe County	$146,824
Gun Barrel City	$36,302
Gunter	$4,609
Gustine	$34
Hackberry	$94
Hale Center	$6,042
Hale County	$79,150
Hall County	$8,933
Hallettsville	$6,895
Hallsburg	$272
Hallsville	$10,239
Haltom City	$71,800
Hamilton	$3,581
Hamilton County	$66,357
Hamlin	$4,656
Hansford County	$16,416
Happy	$327
Hardeman County	$15,219
Hardin	$100
Hardin County	$379,800
Harker Heights	$113,681
Harlingen	$165,429
Harris County	$14,966,202
Harrison County	$185,910
Springlake	$3
Springtown	$14,244
Spur	$427
St. Hedwig	$111
St. Jo	$7,360
St. Paul	$21
Stafford	$75,145
Stagecoach	$3,036
Stamford	$398
Stanton	$3,838
Staples	$19
Star Harbor	$151
Starr County	$99,896
Stephens County	$35,244
Stephenville	$83,472
Sterling City	$62
Sterling County	$939
Stinnett	$4,097
Stockdale	$741
Stonewall County	$1,822
Stratford	$8,378
Strawn	$987
Streetman	$5
Sudan	$32
Sugar Land	$321,561
Sullivan City	$6,121
Sulphur Springs	$124,603
Sun Valley	$4
Sundown	$2,592
Sunnyvale	$3,248
Sunray	$2,571
Sunrise Beach Village	$2,083
Sunset Valley	$9,425
Surfside Beach	$6,530
Sutton County	$6,541
Sweeny	$4,503
Sweetwater	$68,248
Swisher County	$7,251
Taft	$5,861
Tahoka	$430

Hart	$86
Hartley County	$786
Haskell	$10,829
Haskell County	$22,011
Haslet	$1,908
Hawk Cove	$674
Hawkins	$7,932
Hawley	$931
Hays	$506
Hays County	$529,489
Hearne	$16,824
Heath	$28,751
Hebron	$687
Hedley	$70
Hedwig Village	$13,067
Helotes	$15,790
Hemphill	$8,035
Hemphill County	$14,394
Hempstead	$21,240
Henderson	$59,966
Henderson County	$327,965
Henrietta	$2,720
Hereford	$20,423
Hewitt	$19,776
Hickory Creek	$16,510
Hico	$5,534
Hidalgo	$26,621
Hidalgo County	$1,253,103
Hideaway	$922
Higgins	$43
Highland Haven	$320
Highland Park	$43,383
Highland Village	$50,315
Hill Country Village	$6,485
Hill County	$127,477
Hillcrest	$5,345
Hillsboro	$46,609
Hilshire Village	$859
Hitchcock	$28,796
Hockley County	$46,407
Talco	$372
Talty	$9,124
Tarrant County	$6,171,159
Tatum	$972
Taylor	$57,945
Taylor County	$351,078
Taylor Lake Village	$412
Taylor Landing	$153
Teague	$1,714
Tehuacana	$12
Temple	$280,747
Tenaha	$4,718
Terrell	$148,706
Terrell County	$5,737
Terrell Hills	$9,858
Terry County	$25,423
Texarkana	$192,094
Texas City	$298,702
Texhoma	$156
Texline	$865
The Colony	$114,297
The Hills	$1,004
Thompsons	$1,897
Thorndale	$1,595
Thornton	$270
Thorntonville	$87
Thrall	$825
Three Rivers	$4,669
Throckmorton	$29
Throckmorton County	$5,695
Tiki Island	$2,178
Timbercreek Canyon	$369
Timpson	$12,642
Tioga	$2,390
Tira	$185
Titus County	$70,611
Toco	$4
Todd Mission	$1,680
Tolar	$2,369
Tom Bean	$2,293

Holiday Lakes	$1,795
Holland	$77
Holliday	$5,910
Hollywood Park	$9,424
Hondo	$115,288
Honey Grove	$7,196
Hood County	$292,105
Hooks	$2,702
Hopkins County	$149,518
Horizon City	$7,520
Horseshoe Bay	$48,173
Houston County	$78,648
Houston	$7,021,793
Howard County	$89,330
Howardwick	$84
Howe	$9,177
Hubbard	$3,635
Hudson	$6,840
Hudson Oaks	$15,637
Hudspeth County	$985
Hughes Springs	$4,442
Humble	$73,952
Hunt County	$309,851
Hunters Creek Village	$14,708
Huntington	$8,792
Huntsville	$80,373
Hurst	$99,187
Hutchins	$9,551
Hutchinson County	$74,630
Hutto	$38,346
Huxley	$738
Idalou	$1,999
Impact	$8
Indian Lake	$473
Industry	$604
Ingleside on the Bay	$142
Ingleside	$40,487
Ingram	$5,243
Iola	$3,164
Iowa Colony	$4,090
Tom Green County	$282,427
Tomball	$34,620
Tool	$14,787
Toyah	$40
Travis County	$4,703,473
Trent	$63
Trenton	$3,089
Trinidad	$5,859
Trinity	$23,652
Trinity County	$105,766
Trophy Club	$29,370
Troup	$7,918
Troy	$5,320
Tulia	$8,911
Turkey	$737
Tuscola	$138
Tye	$1,766
Tyler	$723,829
Tyler County	$131,743
Uhland	$1,545
Uncertain	$185
Union Grove	$994
Union Valley	$666
Universal City	$28,428
University Park	$50,833
Upshur County	$128,300
Upton County	$8,499
Uvalde	$18,439
Uvalde County	$36,244
Val Verde County	$117,815
Valentine	$207
Valley Mills	$2,228
Valley View	$1,824
Van	$6,206
Van Alstyne	$43,749
Van Horn	$211
Van Zandt County	$248,747
Vega	$974
Venus	$9,792
Vernon	$81,337

Iowa Park	$23,487
Iraan	$56
Iredell	$216
Irion County	$9,105
Irving	$427,818
Italy	$5,349
Itasca	$8,694
Ivanhoe	$26
Jacinto City	$14,141
Jack County	$14,799
Jacksboro	$23,254
Jackson County	$37,984
Jacksonville	$80,179
Jamaica Beach	$4,913
Jarrell	$2,423
Jasper	$78,422
Jasper County	$248,855
Jayton	$63
Jeff Davis County	$8,500
Jefferson	$11,194
Jefferson County	$756,614
Jersey Village	$36,347
Jewett	$9,338
Jim Hogg County	$12,718
Jim Wells County	$166,539
Joaquin	$810
Johnson City	$3,581
Johnson County	$408,692
Jolly	$26
Jones County	$22,001
Jones Creek	$5,078
Jonestown	$6,419
Josephine	$881
Joshua	$20,619
Jourdanton	$9,600
Junction	$4,825
Justin	$8,575
Karnes City	$11,632
Karnes County	$35,249
Katy	$52,467
Victoria	$84,598
Victoria County	$520,886
Vidor	$95,620
Vinton	$622
Volente	$333
Von Ormy	$513
Waco	$512,007
Waelder	$3,427
Wake Village	$174
Walker County	$184,624
Waller County	$126,206
Waller	$11,295
Wallis	$2,698
Walnut Springs	$183
Ward County	$67,920
Warren City	$66
Washington County	$83,727
Waskom	$5,346
Watauga	$33,216
Waxahachie	$152,094
Weatherford	$207,872
Webb County	$505,304
Webberville	$1,280
Webster	$53,202
Weimar	$5,830
Weinert	$234
Weir	$443
Wellington	$9,111
Wellman	$383
Wells	$1,357
Weslaco	$73,949
West	$3,522
West Columbia	$17,958
West Lake Hills	$17,056
West Orange	$42,452
West Tawakoni	$6,995
West University Place	$34,672
Westbrook	$43
Westlake	$41,540
Weston	$266

Kaufman	$27,607
Kaufman County	$353,047
Keene	$38,296
Keller	$79,189
Kemah	$28,325
Kemp	$6,419
Kempner	$330
Kendall County	$100,643
Kendleton	$13
Kenedy	$676
Kenedy County	$1,000
Kenefick	$416
Kennard	$132
Kennedale	$21,024
Kent County	$939
Kerens	$1,924
Kermit	$5,652
Kerr County	$218,452
Kerrville	$190,357
Kilgore	$105,583
Killeen	$535,650
Kimble County	$20,480
King County	$1,000
Kingsville	$20,083
Kinney County	$2,142
Kirby	$8,752
Kirbyville	$10,690
Kirvin	$2
Kleberg County	$124,109
Knollwood	$1,160
Knox City	$1,962
Knox County	$11,730
Kosse	$2,468
Kountze	$19,716
Kress	$186
Krugerville	$1,508
Krum	$9,661
Kurten	$686
Kyle	$51,835
La Feria	$10,381
Weston Lakes	$189
Westover Hills	$4,509
Westworth Village	$7,842
Wharton	$31,700
Wharton County	$72,887
Wheeler	$447
Wheeler County	$26,273
White Deer	$1,273
White Oak	$15,305
White Settlement	$23,304
Whiteface	$155
Whitehouse	$29,017
Whitesboro	$18,932
Whitewright	$7,098
Whitney	$73
Wichita County	$552,371
Wichita Falls	$832,574
Wickett	$87
Wilbarger County	$55,124
Willacy County	$24,581
Williamson County	$1,195,987
Willis	$24,384
Willow Park	$26,737
Wills Point	$43,765
Wilmer	$426
Wilson	$12
Wilson County	$121,034
Wimberley	$724
Windcrest	$12,908
Windom	$1,087
Windthorst	$3,385
Winfield	$290
Wink	$120
Winkler County	$61,163
Winnsboro	$28,791
Winona	$319
Winters	$6,229
Wise County	$289,074
Wixon Valley	$441
Wolfe City	$5,466

La Grange	$9,623	Wolfforth	$4,022
La Grulla	$1,708	Wood County	$267,048
La Joya	$8,457	Woodbranch	$9,617
La Marque	$98,930	Woodcreek	$358
La Porte	$91,532	Woodloch	$1,012
La Salle County	$14,975	Woodsboro	$1,130
La Vernia	$3,217	Woodson	$122
La Villa	$572	Woodville	$20,340
La Ward	$321	Woodway	$25,713
LaCoste	$159	Wortham	$376
Lacy-Lakeview	$11,599	Wylie	$114,708
Ladonia	$2,011	Yantis	$2,072
Lago Vista	$13,768	Yoakum County	$34,924
Laguna Vista	$3,689	Yoakum	$20,210
Lake Bridgeport	$232	Yorktown	$5,447
Lake City	$2,918	Young County	$44,120
Lake Dallas	$25,314	Zapata County	$56,480
Lake Jackson	$75,781	Zavala County	$38,147
Lake Tanglewood	$613	Zavalla	$1,088
Lake Worth	$20,051		

EXHIBIT C

Exhibit C: TX Opioid Council & Health Care Region Allocations plus Administrative Costs
70% of Total ($700 million)

Health Care Region Allocation*: $693 million; Administrative Costs: $7 million		
Region	Counties in Health Care Region	Allocation
1	Anderson, Bowie, Camp, Cass, Cherokee, Delta, Fannin, Franklin, Freestone, Gregg, Harrison, Henderson, Hopkins, Houston, Hunt, Lamar, Marion, Morris, Panola, Rains, Red, River, Rusk, Smith, Titus, Trinity, Upshur, Van, Zandt, Wood	$38,223,336
2	Angelina, Brazoria, Galveston, Hardin, Jasper, Jefferson, Liberty, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Shelby, Tyler	$54,149,215
3	Austin, Calhoun, Chambers, Colorado, Fort Bend, Harris, Matagorda, Waller, Wharton	$120,965,680
4	Aransas, Bee, Brooks, De Witt, Duval, Goliad, Gonzales, Jackson, Jim Wells, Karnes, Kenedy, Kleberg, Lavaca, Live Oak, Nueces, Refugio, San Patricio, Victoria	$27,047,477
5	Cameron, Hidalgo, Starr, Willacy	$17,619,875
6	Atascosa, Bandera, Bexar, Comal, Dimmit, Edwards, Frio, Gillespie, Guadalupe, Kendall, Kerr, Kinney, La Salle, McMullen, Medina, Real, Uvalde, Val Verde, Wilson, Zavala	$68,228,047
7	Bastrop, Caldwell, Fayette, Hays, Lee, Travis	$50,489,691
8	Bell, Blanco, Burnet, Lampasas, Llano, Milam, Mills, San Saba, Williamson	$24,220,521
9	Dallas, Kaufman	$66,492,094
10	Ellis, Erath, Hood, Johnson, Navarro, Parker, Somervell, Tarrant, Wise	$65,538,414
11	Brown, Callahan, Comanche, Eastland, Fisher, Haskell, Jones, Knox, Mitchell, Nolan, Palo Pinto, Shackelford, Stephens, Stonewall, Taylor	$9,509,818
12	Armstrong, Bailey, Borden, Briscoe, Carson, Castro, Childress, Cochran, Collingsworth, Cottle, Crosby, Dallam, Dawson, Deaf Smith, Dickens, Donley, Floyd, Gaines, Garza, Gray, Hale, Hall, Hansford, Hartley, Hemphill, Hockley, Hutchinson, Kent, King, Lamb, Lipscomb, Lubbock, Lynn, Moore, Motley, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Scurry, Sherman, Swisher, Terry, Wheeler, Yoakum	$23,498,027
13	Coke, Coleman, Concho, Crockett, Irion, Kimble, Mason, McCulloch, Menard, Pecos, Reagan, Runnels, Schleicher, Sterling, Sutton, Terrell, Tom Green	$5,195,605
14	Andrews, Brewster, Crane, Culberson, Ector, Glasscock, Howard, Jeff Davis, Loving, Martin, Midland, Presidio, Reeves, Upton, Ward, Winkler	$12,124,354
15	El Paso, Hudspeth	$17,994,285
16	Bosque, Coryell, Falls, Hamilton, Hill, Limestone, McLennan	$9,452,018
17	Brazos, Burleson, Grimes, Leon, Madison, Montgomery, Robertson, Walker, Washington	$23,042,947
18	Collin, Denton, Grayson, Rockwall	$39,787,684
19	Archer, Baylor, Clay, Cooke, Foard, Hardeman, Jack, Montague, Throckmorton, Wichita, Wilbarger, Young	$12,665,268
20	Jim Hogg, Maverick, Webb, Zapata	$6,755,656
	Administrative Costs	$7,000,000

* Each Region shall reserve 25% of its allocation for Targeted Funds under the guidelines of Exhibit A.

CITY COUNCIL AGENDA FORM

Meeting Date: 11/8/2021 Agenda item: 7f
Prepared by: Suzy Kou Reviewed by:
Department: Finance

AGENDA ITEM DESCRIPTION: Discussion/possible action regarding approving Resolution No. **R-2021-0029**, creating an Interfund Loan by taking proceeds in the amount of two hundred eighty-seven thousand nine hundred fifty dollars and no cent ($287,950.00) from the Equipment Replacement Fund and placing those proceeds into to the General Fund for remounting two ambulances; providing for an effective date; and setting forth other related matters

[X] **ATTACHMENTS FOR REFERENCE**

1. Resolution
2. Interfund loan amortization schedule
3. See Fire agenda form for remounting two ambulances

STAFF BRIEFING: This request was discussed during budget workshops in July/August 2021 and reached consensus by Council to seek financing mechanisms to proceed.

HISTORY: Discussed at budget workshops July/August 2021

TARGET IMPLEMENTATION: November 9, 2021

SIGNIFICANT ACTION DATES:

Action:

[ ] Ordinance [X] Resolution

[ ] Proclamation [ ] Special Presentation

[ ] Finance Report [ ] Public Hearing

[ ] Other (be Specific)

[X] Check box if there is no conflict with City Charter, ordinances, resolutions, or policies.

Cost Details:	
Budgeted	-0-
Actual Bid	
Estimated Expenditure	$287,950
Acct. Name	See Fire Agenda
Line Items #	See Fire Agenda
Other Funding	Interfund Loan

CITY COUNCIL AGENDA FORM

STAFFS RECOMMENDATION: Motion to approve Resolution **R-2021-0029**, creating an Interfund Loan by taking proceeds in the amount of two hundred eighty-seven thousand nine hundred fifty dollars and no cent ($287,950.00) from the Equipment Replacement Fund and placing those proceeds into to the General Fund for remounting two ambulances; providing for an effective date; and setting forth other related matters.

FISCAL IMPAC: $287,950 over 5 years

RESOLUTION NO. R-2021-0029

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS, CREATING AN INTERFUND LOAN BY TAKING PROCEEDS IN THE AMOUNT OF TWO HUNDRED EIGHTY SEVEN THOUSAND NINE HUNDRED FIFTY DOLLARS AND NO/100 DOLLARS ($287,950.00) FROM THE EQUIPMENT REPLACEMENT FUND AND PLACING THOSE PROCEEDS INTO THE GENERAL FUND FOR REMOUNTING TWO OUT OF SERVICE AMBULANCES; PROVIDING FOR AN EFFECTIVE DATE; AND SETTING FORTH OTHER RELATED MATTERS.

WHEREAS, the City Council of the City of La Marque, Texas, wishes to create an Interfund Loan by taking certain proceeds from the Equipment Replacement Fund and placing such proceeds into the General Fund; and

WHEREAS, the City Council wishes to require the General Fund to repay the loan amount to the Equipment Replacement Fund plus interest at the annual rate of .0354% for five (5) years; and

WHEREAS, the City Council wishes to grant the General Fund an option to pay off the loan in full at any time without penalty during such five (5) year loan period provided sufficient resources are present in the budget; and

WHEREAS, the City Council wishes to use such loan proceeds to remount two ambulances for the fire department. **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS:

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes as findings of fact.

Section 2. Interfund Loan. The City Council hereby creates an Interfund Loan by taking proceeds in the amount of Two Hundred Eighty-Seven Thousand Nine Hundred Fifty and No/100 Dollars ($287,950.00) from the Equipment Replacement Fund and placing such proceeds into the General Fund.

Section 3. Interest and Term. The General Fund shall pay the Equipment Replacement Fund .0354% interest per annum for five (5) years on the unpaid balance of the loan as provided in Exhibit "A" attached hereto.

Section 4. Use of Interfund Loan Funds. All loan funds shall be used for purposes of public safety equipment as described in Exhibit "B" attached hereto.

Section 5. Effective Date. This resolution shall become effective November 9, 2021.

Section 6. Open Meetings. It is hereby officially found and determined that the meeting at which this resolution was passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, *Chapter 551, Tex. Gov't Code*.

PASSED AND APPROVED this the _____day of _____, 2021.

THE CITY OF LA MARQUE, TEXAS

By:_____
Keith Bell, Mayor

ATTEST:

By:_____
Robin Eldridge, City Clerk

APPROVED AS TO FORM

By:_____
City Attorney

Ao;8/26/15;Z:\Cities\La Marque\ResolInterfund.docx

EXHIBIT B

CITY OF LA MARQUE
INTERFUND LOAN
LIST OF EQUIPMENT

Dept	Accounts	Descriptions	Amounts
Fire	01-7040-06-00	Remounting two ambulance	287,950.00
		Total capital financed	**287,950.00**
		Current Equipment Replacement Fund Balance	550,424.00
		Estmated net balance after interfund borrowing	262,474.00

Fire Equipment Amortization Schedule

Enter Values	
Loan Amount	$ 287,950.00
Annual Interest Rate	0.035%
Loan Period in Years	5
Number of Payments Per Year	1
Start Date of Loan	11/9/2021
Optional Extra Payments	$ -

Loan Summary	
Scheduled Payment	$ 57,651.18
Scheduled Number of Payments	5
Actual Number of Payments	5
Total Early Payments	$ -
Total Interest	$ 305.88

Lender Name: Two Ambulance Remounts

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	11/9/2022	$ 287,950.00	$ 57,651.18	$ -	$ 57,651.18	$ 57,549.24	$ 101.93	$ 230,400.76	$ 101.93
2	11/9/2023	230,400.76	57,651.18	-	57,651.18	57,569.61	81.56	172,831.15	183.50
3	11/9/2024	172,831.15	57,651.18	-	57,651.18	57,589.99	61.18	115,241.15	244.68
4	11/9/2025	115,241.15	57,651.18	-	57,651.18	57,610.38	40.80	57,630.77	285.47
5	11/9/2026	57,630.77	57,651.18	-	57,630.77	57,610.37	20.40	0.00	305.88

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest

CITY COUNCIL AGENDA FORM

Meeting Date: November 08, 2021 Agenda item: **7g**
Prepared by: David Merryman Reviewed by:
Department: Fire Department

AGENDA ITEM DESCRIPTION: Discussion/possible action relating to authorizing the remounting of 2 out of service ambulances: Medic 3, a 2010 Dodge, and Medic 4, a 2005 Ford, for the La Marque Fire Department. The cost for each remount will be 143,975.00 per unit for a total of 287,950.00

[X]

ATTACHMENTS FOR REFERENCE

1. Quote for remount from Frazer RMT EST Q2238-1 $143,975.00
2. Quote for remount from Frazer RMT EST Q2239-1 $143,975.00
3. Quote for remount from General Truck and Body EST 0019 – 1 $150,572

STAFF BRIEFING:

Staff Requested ambulance quotes from two competitors. (Frazer, General Truck Body). Siddons-Martin did not submit the third quote after several attempts to obtain it. You will find the quotes close in price. There are a few things that need to be taken into consideration in the final selection.

1. The Frazier truck comes in at a lower price.
2. The Frazier truck meets our specs, with the Chevrolet chassis.
3. Frazier will provide a loaner ambulance while ours is in their possession
4. Frazer has provided excellent service when needed.
5. We are remounting two (2) vehicles with a cost of $287,950.00.

HISTORY:

Due to the constant use and time on the road, ambulance service life is generally 5 years on the front line (first out) and 5 years in reserve status. Units should typically be replaced after the 10-year mark. Our current fleet status is as follows

Medic 1
2016 Dodge Ram 3500 Heavy Duty
Current Mileage- 86,561

Medic 2
2016 Dodge Ram 3500 Heavy Duty
Current Mileage- 86,542

CITY COUNCIL AGENDA FORM

Medic 3- OUT OF SERVICE
2010 Dodge Ram 3500 Heavy Duty
Current Mileage- 117,763

Medic 4 – OUT OF SERVICE
2005 Ford F350 XLT Superduty
Mileage- 133,908

We are discussing remounts on medics 3 and 4.

TARGET IMPLEMENTATION: November 9th, 2021

SIGNIFICANT ACTION DATES: **N/A**

ACTION:

☐ Ordinance ☐ Resolution
☐ Special Presentation ☐ Proclamation
☐ Finance Report ☐ Public Hearing
☒ Other – Authorization to execute contract
☒ Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures

Cost Details:	
Budgeted	287,950.00
Actual Bid	287,950.00
Estimated Expenditure	287,950.00
Acct. Name(s)	
Line Item #	
Other Funding	N/A

STAFF'S RECOMMENDATION: Motion to authorize the remounting of 2 out of service ambulances: Medic 3, a 2010 Dodge, and Medic 4, a 2005 Ford, for the La Marque Fire Department. The cost for each remount will be 143,975.00 per unit for a total of 287,950.00

FISCAL IMPACT:

The citizens of La Marque rely on the medic units in times of emergency. Without the remounts, the fire department is only fully operating on 2 medic units at their 5-year mark (reserve status) and requires continuous maintenance due to wear and tear. When the unit requires maintenance is needed to be taken out of service, leaving the citizens with 1 front-line unit due to the current reserve units being completely out of service. Therefore, mututal aid would have to be contacted from another surrounding city causing a delay in care and transport.

GENERAL TRUCK BODY QUOTATION

GENERAL TRUCK BODY MFG. COMPANY OF TEXAS

Custom Division
6901 Avenue V
Houston, TX 77011
(Office) 713.933.3675
(Fax) 713.933.7515

CONTACT: BEAU EVANS

Date:	5/12/2021
Quote Number:	0019
Revision:	A
Customer:	La Marque Fire Department
Attn:	
Location:	La Marque, TX
PHONE #	409-938-9260

Ambulance Remount

Product	Description	QTY	PRICE
Truck	* NEW 2022 Ford F-350 (4X2) REG Cab, DRW XL 169" WB, 84" CA, 7.3L Gasoline Engine. * Reference - Chastang Ford Truck Quote		
Paint - Truck	* Dual stage, two tone, color: blue and yellow, per customer spec		
Suspension	* Liquid springs EMS suspension package, Dual Dynamics Valve Stem Ext, with Equal & Press Indicator		
Running Boards	* Chassis cab running boards; sure grip cab steps		
Window Tint	* Window tint on chassis doors		
Front Bumper	* Tough country front bumper & grille guard; deluxe model Chev 3500		
Electric Air Horn	* Whelen electric air horn		
DOT Lights	* Grote DOT, marker, and clearance light package		
Light Heads - Front Chassis	* Four (4) Whelen M4 light heads mounted on the front of the chassis * Location: Two (2) mounted in the front bumper/grille guard, two (2) mounted in the corners of the front bumper.		
Ambulance Box - Removal	* Disassemble and remove departments current ambulance box.		
Paint - Ambulance Box	* Remove current decals, prep, body work, and paint ambulance box dual stage, single color: blue		
Weatherproof Undercoating	* Anti-Corrosion under coating package		
Decal / Graphics	* Design, manufacture, and install digitally printed 3M 680cr reflective with 3M 8518 gloss laminate graphics onto single cab chassis with 12' ambulance module. Graphics include a 1"/6"/1" navy blue stripe stepping "z" style on box and terminating at rear corner. Over stripe on module has "La Marque" in arch over full color La Marque Fire patch over "Fire/Rescue" * Full rear of module has 6" lime-yellow/red 3M 983 chevrons * Graphics include Medic Numbers, and additional lettering front of module and rear		
Exterior Compartment Doors	* Remove and build new compartment doors (same configuration), will include gas struts, and slam style latches.		
Exterior Compartments - Interior	* Finish the inside of the compartment and install rubber turtle tile flooring on the floor.		
Generator	* Install a new Onan 5.5KW GAS generator in the generator compartment, add heat shielding on the interior box, and isolated mounting brackets		
Auxiliary Fuel Tank	* Aux fuel tank will be installed to supply the generator		
Shore Power	* 30 AMP shore power system and connection will be installed; customer spec		
Dometic AC Unit	* Install a new self - contained AC unit ,Dometic (ASCDU15HV 1161) AC Unit		
Electrical Compartment	* Evaluate all AC/DC wiring system, reassemble & repair as configured for full operation of all features.		
Oxygen System	* Evaluate the complete oxygen system and bottle storage/mounting. Replace three (3) oxygen outlets, test pressure and air quality. NOTE: Certifications will be presented		
Front Wall Light Layout	* Whelen emergency and scene lights install on the front of the module. * one (1) M6B on lower front wall - blue * one (1) M6R on lower front wall - red * one (1) M6ZC on lower front wall - clear * one (1) M6R on lower front wall - red * one (1) M6B on lower front wall - blue * one (1) M6R on front wall - red * one (1) M6R on front wall - red * two (2) SPA900-Q70 Spectra scene lights		
Rear Wall Light Layout	* Whelen emergency and scene lights install on the rear of the module. * one (1) M6ZC - clear * one (1) M6A - amber * one (1) M6ZC - clear * one (1) M6BTT - brake/turn/tail/red * one (1) M6BTT - brake/turn/tail/red * one (1) M6B - blue * one (1) M6B - blue * one (1) M6R - red * one (1) M6R - red		

Driver Side Light Layout	Whelen Emergency Lights on the driver-side of the module * one (1) M6R on the driver-side front box - red * one (1) M6R on the driver-side front box - red * one (1) M6D on the driver-side front box - red & clear		
Passenger Side Light Layout	Whelen Emergency Lights on the passenger-side of the module * one (1) M6R on the passenger side front box - red * one (1) M6R on the passenger side rear box - red * one (1) M6D on the passenger side wheel well - red & clear		
Emergency Light & Sire Control Module	* Whelen Cencom Core WCX Control Center		
Control Head	* Whelen CCTL6, WeCanX Slide control with 12 push buttons		
Expansion Module	* Whelen WeCan X 16 output expansion module		
External Amplifier	* Whelen external amplifier - dual tone siren		
Speakers	* Whelen speakers SA315P with mounting brackets		
Center Console	* Polymer full size center console, with cup holders, armrest pad, and service panel. Center console will have the emergency light, scene light, siren, radio, and air horn controls.		
Kussmaul Charging Port	* One (1) Kussmaul dual port USB charging plug, mounted on center console		
Back-Up Camera	* One (1) back-up camera; nighttime & audio, with 7" display monitor mounted in cab.		
Secure Idle / Anti Theft	* Chevrolet 3500 Secure Idle / Anti Theft System		
Entry Doors	* Remove and refurbish all entry doors. This will include replacing hinges, door latches,		
Window Tint - Entry Doors	* Limo tint will be applied to entry door windows		
Ground Lighting	* Ground lighting at the two (2) entry ways into the unit. Actuated with switch or push		
Interior of Ambulance Box	* Remove all cabinets, seats, wall coverings, and equipment inside of the module.		
Wall Covering	* Install aluminum wall covering, painted: white		
Overhead Cabinets	* Evaluate and refurbish all overhead cabinets. Lexan doors will be replaced new. The cabinets will be coated with Zolatone polychromatic coating; color TBD.		
Stainless Surface Covering	* Remove all existing SS surface coverings and countertops, reinstall finished SS sheeting.		
Flooring	* LONCOIN II FLECKS or similar flooring will be installed. Flooring will be able to withstand disinfectants and cleaners.		
Grab Handles	* Install new grab rails at entry ways and on the ceiling		
Interior Lighting	* Install new LED lighting on the interior		
Attendant Seat	* New Valor Attendant Seat with the Integrated Child Seat (ICS) option.		
Bench Seats and Cushions	* New cushions and reupholster will be install on all existing seats; color grey		
Labor & Overhead			

	Sub-Total	**$ 150,572.00**
	Sales Tax	**-**

Terms & Conditions

The price quoted above does not include local, state, or federal sales tax.

Delivery as noted, F.O.B. Our Plant, 6901 Avenue V. Houston, TX 77011

This proposal is hereby accepted at the prices and upon the terms and conditions named herein.

Unit is quoted to GTB standard construction materials and manufacturing practices.

This quote is valid for 90-days

Payment Terms - DUE UPON COMPLETION or RECEIPT OF INVOICE

General Truck Body has the right to alter or change the quote upon inspection of the customer supplied chassis

BUYER **GTB**

Defining the future of Mobile Healthcare.™

Customer Quote

Order No.: Q2238-0001
Quote Date: 5/5/2021
Expiration Date: 7/1/2021
Salesperson: Paul Brown

Invoice To:

La Marque Fire Department
City of La Marque
1111 Bayou Road
La Marque TX 77568
US

Attention:

EMS Coordinator
Barbara Gonzales
b.gonzales@cityoflamarque.org

pbrown@frazerbilt.com

No.	Item	Quantity	U/M		Unit Price		Net Amount
1	MODULE Configurable Module E-1495	1.000	EA	$	108,125.00	$	**108,125.00**
2	CHASSIS 2022 Chevy 3500 Gasl Reg Cab 4X2	1.000	EA	$	38,250.00	$	**38,250.00**
3	DELIVERY CUSTOMER PICK UP FOB FRAZER	1.000	M	$	0.00	$	**0.00**
4	HGAC-RMT HGAC Fee for a Remounted Unit	1.000	EA	$	600.00	$	**600.00**
5	TRADE-IN CHASSIS ONLY	1.000	EA	$	-3,000.00	$	**-3,000.00**

Defining the future of Mobile Healthcare.™

Customer Quote

Order No.: Q2238-0001
Quote Date: 5/5/2021
Expiration Date: 7/1/2021

Remit To:

Per TMVCC, we are quoting this through our licensed franchise dealer, Knapp Chevrolet

Knapp Chevrolet
PO box 4179
Houston TX 77210

Sale Amount:	143,975.00
Sales Tax:	0.00
Total Amount:	143,975.00

Payment Terms: Net 30

Special Instructions:

Email this quote along with your PO to sales@frazerbilt.com.
Graphics pricing includes two hours' design time in the base price.
More extensive graphics or multiple changes will be billed at $100/hr.

Defining the future of Mobile Healthcare.™

For your convenience, all module pricing has been itemized below per quote Q2238-0001 for La Marque Fire Department :

Base Module	$	21,900.00
Chassis Exterior	$	17,850.00
Module Exterior	$	50,525.00
Chassis Interior	$	3,275.00
Module Interior	$	14,575.00
Module Total	**$**	**108,125.00**

Items included in above totals:

1. Old Chassis: Make Road Ready	$	incl
2. Type I 12' Module	$	incl
3. This is a CAAS Unit	$	incl
Chassis Exterior:		
4. Chassis Paint Layout: Paint All One Color - blue	$	5,250.00
5. Chassis : 2021 Chevy 3500, Gas, 4x2, Regular Cab, 84" Cab to Axle, Chevy White (FLNA 40005)	$	incl
6. Suspension: LiquidSpring	$	11,550.00
7. Wheel type: Stainless steel covers	$	incl
8. Chassis Steps: ArcRite with Sure Grip	$	1,050.00
9. Grille Guard: Ranch Hand Grille Guard with Wraparounds	$	incl
10. Passenger's side Grille Light: Whelen M4 Clear Light	$	incl
11. Driver's side Grille Light: Whelen M4 Red Light	$	incl
12. Passenger's side Intersect Light: Whelen M4 Red Light	$	incl
13. Driver's side Intersect Light: Whelen M4 Clear Light	$	incl
Chassis Exterior Subtotal	**$**	**17,850.00**

Module Exterior:

14. New Power Source: Onan 5.5kW Generator	$	7,875.00
15. New Corner Trim	$	incl
16. New Corner Caps	$	incl
17. 10 hour(s) of Body Work	$	1,250.00
18. Module Paint Layout: Non-White One Tone - blue	$	17,325.00
19. Remove Conspicuity on Rear Wall	$	650.00

20. Rear Wall 3M Conspicuity Layout - Chevron : Yellow Base Color and Blue - Reflective Overlay	$	1,575.00
21. Conspicuity Squares on Entry Doors Matching the Rear Wall	$	475.00
22. Conspicuity Strips on Compartments Matching the Rear Wall	$	275.00
23. Frazer Provided Graphics	$	3,000.00
24. Shore Power: Single 30 Amp	$	800.00
25. Pigtail/Plug Option: Pigtail	$	incl
26. Install Ignition Kill Switch	$	275.00
27. Front Wall Light Layout: Lower 5 Lights	$	incl
28. Front Wall Light #1: Whelen M6 Blue Light	$	200.00
29. Front Wall Light #2: Whelen M6 Red Light	$	200.00
30. Front Wall Light #3: Whelen M6 Clear Light	$	200.00
31. Front Wall Light #4: Whelen M6 Red Light	$	200.00
32. Front Wall Light #5: Whelen M6 Blue Light	$	200.00
33. Front Wall Driver Side Box Light: Whelen M6 Red Light	$	200.00
34. Front Wall Passenger Box Light: Whelen M6 Red Light	$	200.00
35. Driver Wall Front Box Light: Whelen M6 Red Light	$	200.00
36. Driver Wall Rear Box Light: Whelen M6 Red Light	$	200.00
37. Driver Wheel Well Light: Whelen M7 Clear/Red Light	$	225.00
38. Converter Flanges For Wheel Well Lights	$	150.00
39. Scene Light Option: Spectra SPA900	$	1,575.00
40. New 2 high D Cylinder Holder	$	175.00
41. New Lambda Power Supply	$	1,575.00
42. New Battery Charger	$	425.00
43. New Dometic A/C with Exhaust Fan	$	6,300.00
44. All Cladding/Treadbrite: New	$	950.00
45. Module Window Option: Sliding Window	$	incl
46. Upper Rear Wall Light Layout: 3 Across	$	incl
47. Upper Light #1: Whelen M6 Load Light	$	325.00
48. Upper Light #2: Whelen M6 Amber Light	$	200.00
49. Upper Light #3: Whelen M6 Load Light	$	325.00
50. Lower Light #1: Whelen M6 Brake/Tail/Turn Red Light	$	150.00
51. Lower Light #2: Whelen M6 Brake/Tail/Turn Red Light	$	150.00
52. Lower Light #3: Whelen M6 Blue Light	$	200.00

53. Lower Light #4: Whelen M6 Blue Light	$	200.00
54. Rear Wall Driver Box Light: Whelen M6 Red Light	$	200.00
55. Rear Wall Passenger Box Light: Whelen M6 Red Light	$	200.00
56. Converter Flanges For Box Lights	$	400.00
57. Converter Flanges For Emergency Lights	$	600.00
58. Lower BTTs: 2 Grote Lights on each side	$	incl
59. New Door Grabbers	$	incl
60. New Cast License Plate Light	$	incl
61. UNOC-???- Remove ramp on rear bumper area	$	incl
62. Passenger Wall Front Box Light: Whelen M6 Red Light	$	200.00
63. Passenger Wall Rear Box Light: Whelen M6 Red Light	$	200.00
64. Passenger Wheel Well Light: Whelen M7 Red/Clear Light	$	225.00
65. Replace Gas Hold-Open at Side Entry	$	incl
66. Compartment Light in the Front I/O Compartment	$	275.00
Module Exterior Subtotal	**$**	**50,525.00**

Chassis Interior:

67. Siren Speakers: Whelen SA 315 Speakers	$	incl
68. Tap-2 on Primary Siren	$	incl
69. Siren Option: Whelen C9 Siren in Console	$	incl
70. Mic 1 on passenger's side slot 1	$	incl
71. Slot 1: Double Slot Switch Panel	$	incl
72. Slot 2: Joined with 1	$	incl
73. Slot 3: Radio Plate: 7.5 L X 2.5 W opening dims	$	incl
74. Slot 4: Siren 1	$	incl
75. Kussmaul USB at Console	$	225.00
76. Console Switch Layout : Primary - Secondary - Blank - Blank - Blank - Blank - Kussmaul USB - Rear Load - Interior Lights - Side Scene (Driver's Side) - Side Scene (Passenger's Side) - Start/Stop Genset -	$	incl
77. New Armrest	$	225.00
78. Console Layout: 4-Slot Console	$	incl
79. Floor in Front of Console: Gamber Johnson Heavy Dual Cup Holder	$	175.00
80. Rear of Console: Single Mapholder	$	225.00

81. Chassis Rear Wall: 3 High Glove Box Holder	$	225.00
82. Camera System: Voyager 7" Monitor with Back-Up Camera	$	1,700.00
83. Black Back-up Camera	$	incl
84. UNOC-???- Remove and reinstall radio equipment -motorola radioo in slot 3 center conesole -mount speaker on front of center console -reconnect to antenna	$	300.00
85. UNOC-???- remove and reinstall (2) portable radio charger and mount on rear of center console.	$	200.00
Chassis Interior Subtotal	**$**	**3,275.00**

Module Interior:

86. New Wall Lasco	$	3,675.00
87. New Lexan for Front Wall and Action Wall Cabinets	$	900.00
88. New Grey Interior Trim	$	375.00
89. 8 Grote Interior Lights With Retrofit Plates and Light Bar Under AW Cabinet	$	3,150.00
90. 15 Qt. Engel Fridge	$	950.00
91. New Action Wall with SSCOR Suction	$	1,175.00
92. Location 1: 4 Switch w/Thermostat	$	incl
93. Location 2: Existing Double O2 Outlet	$	incl
94. Location 3: Dual USB receptacles	$	225.00
95. Location 4: Blank	$	incl
96. Location 6: Suction	$	incl
97. Location 7: Quad 120 VAC	$	incl
98. Location 8: None	$	incl
99. Location 9: Blank	$	incl
100. Action Wall Switch Layout : Interior Lights; Dimmer; Ventilation Fan; Blank;	$	incl
101. Sharps Container at Action Wall	$	175.00
102. Acrylic Holder at the Action Wall Cabinet	$	275.00
103. New Lap Belt at the CPR Seat	$	125.00
104. Acrylic Holder Aft CPR Seat	$	375.00
105. Rear Door Switch Layout : Acknowledge; Blank; Dump/Bypass (Suspension); Rear Load;	$	incl

Defining the future of Mobile Healthcare.™

106. Sharps Container Centered on Rear Wall	$	175.00
107. Frazer cushions at the Squad Bench	$	incl
108. Harness Type for Seat Position 1: New Lap Belt	$	125.00
109. Harness Type for Seat Position 2: New Lap Belt	$	125.00
110. Harness Type for Seat Position 3: New Lap Belt	$	125.00
111. New Glove Box & Handrail at the Head of the Squad Bench	$	275.00
112. UNOC-???- Remove old third patent system in passenger side wall and ceiling. Ship loose.	$	incl
113. Replace Existing Raceway IV Hanger with New	$	incl
114. Replace Overhead Grab Rail(s)	$	incl
115. Replace Existing Squad Bench IV Hanger with New	$	incl
116. Captain's Chair Type: Captain's Chair with Child Safety Seat and 4pt. Harness	$	2,100.00
117. Customer Provided Items Processing Fee	$	250.00
Module Interior Subtotal	**$**	**14,575.00**

All Frazer Remounts come standard with the following features:

Replacement of applicable chassis components such as:

- Push Bar, Grill Lights, Siren, Speakers, & aluminum powder-coated console
- Backup alarm, generator fuel tank, and mud flaps

450 hour Preventative Maintenance on an Onan generator (if applicable)

Shear-plate method of attachment securing the module to the chassis

New LED Flex Strips to replace all existing compartment lights

Full electrical check

New weather-stripping, ribbed rubber & compartment bumpers

Complete detail of module

Defining the future of Mobile Healthcare.™

Customer Quote

Order No.: Q2239-0001
Quote Date: 5/5/2021
Expiration Date: 7/1/2021
Salesperson: Paul Brown

Invoice To:

La Marque Fire Department
City of La Marque
1111 Bayou Road
La Marque TX 77568
US

Attention:

EMS Coordinator
Barbara Gonzales
b.gonzales@cityoflamarque.org

pbrown@frazerbilt.com

No.	Item	Quantity	U/M		Unit Price		Net Amount
1	MODULE Configurable Module E-2136	1.000	EA	$	111,175.00	$	**111,175.00**
2	CHASSIS 2022 Chevy 3500 Gas Reg Cab 4X2	1.000	EA	$	38,250.00	$	**38,250.00**
3	DELIVERY CUSTOMER PICK UP FOB FRAZER	1.000	M	$	0.00	$	**0.00**
4	HGAC-RMT HGAC Fee for a Remounted Unit	1.000	EA	$	600.00	$	**600.00**
5	TRADE-IN CHASSIS ONLY	1.000	EA	$	-6,000.00	$	**-6,000.00**

Defining the future of Mobile Healthcare.™

Customer Quote

Order No.: Q2239-0001

Quote Date: 5/5/2021

Expiration Date: 7/1/2021

Remit To:

Per TMVCC, we are quoting this through our licensed franchise dealer, Knapp Chevrolet

Knapp Chevrolet
PO box 4179
Houston TX 77210

Sale Amount:	144,025.00
Sales Tax:	0.00
Total Amount:	144,025.00

Payment Terms: Net 30

Special Instructions:

Email this quote along with your PO to sales@frazerbilt.com.
Graphics pricing includes two hours' design time in the base price.
More extensive graphics or multiple changes will be billed at $100/hr.

53. Lower Light #3: Whelen M6 Blue Light	$	200.00
54. Lower Light #4: Whelen M6 Blue Light	$	200.00
55. Rear Wall Driver Box Light: Whelen M6 Red Light	$	200.00
56. Rear Wall Passenger Box Light: Whelen M6 Red Light	$	200.00
57. Converter Flanges For Box Lights	$	400.00
58. Converter Flanges For Emergency Lights	$	600.00
59. Lower BTTs: 2 Grote Lights on each side	$	incl
60. New Door Grabbers	$	incl
61. New Cast License Plate Light	$	incl
62. Passenger Wall Front Box Light: Whelen M6 Red Light	$	200.00
63. Passenger Wall Rear Box Light: Whelen M6 Red Light	$	200.00
64. Passenger Wheel Well Light: Whelen M7 Red/Clear Light	$	225.00
65. Replace Gas Hold-Open at Side Entry	$	incl
66. Compartment Light in the Front I/O Compartment	$	275.00
Module Exterior Subtotal	**$**	**52,100.00**

Chassis Interior:

67. Siren Speakers: Whelen SA 315 Speakers	$	incl
68. Tap-2 on Primary Siren	$	incl
69. Siren Option: Whelen C9 Siren in Console	$	incl
70. Mic 1 on passenger's side slot 1	$	incl
71. Slot 1: Double Slot Switch Panel	$	incl
72. Slot 2: Joined with 1	$	incl
73. Slot 3: Radio Plate: 7.5 L X 2.5 W opening dims	$	incl
74. Slot 4: Siren 1	$	incl
75. Kussmaul USB at Console	$	225.00
76. Console Switch Layout : Primary - Secondary - Blank - Blank - Blank - Blank - Kussmaul USB - Rear Load - Interior Lights - Side Scene (Driver's Side) - Side Scene (Passenger's Side) - Start/Stop Genset -	$	incl
77. New Armrest	$	225.00
78. Console Layout: 4-Slot Console	$	incl
79. Floor in Front of Console: Gamber Johnson Heavy Dual Cup Holder	$	175.00
80. Rear of Console: Single Mapholder	$	225.00

CITY COUNCIL AGENDA FORM

Meeting Date: November 8, 2021 Agenda item: **8a**
Prepared by: Suzy Kou Reviewed by:
Department: Finance

AGENDA ITEM DESCRIPTION: Discussion/possible action regarding awarding audit services contract to Brookswatson & Co., PLLC for two years with option to renew for two additional years

[X]

ATTACHMENTS FOR REFERENCE

1. Bid tab and recap
2. Proposals

STAFF BRIEFING: Since our contract with Belt Harris reached its end, we went ahead and did the formal RFP process. We don't normally do this every year. In fact, per State law, we do not need to bid out audit services since it is professional service.

HISTORY:

- Belt Harris Pechacek, LLLP has been city's auditing contractor since 2012

TARGET IMPLEMENTATION: November 8, 2021

SIGNIFICANT ACTION DATES:

- **October 20, 2021**- First newspaper publication of RFP, online posting city website, online posting Bidnet
- **October 27, 2021**- Second newspaper publication of RFP
- **November 3, 2021** – Deadline for RFP submission

ACTION:

- ☐ Ordinance
- ☐ Resolution
- ☐ Special Presentation
- ☐ Proclamation
- ☐ Finance Report
- ☐ Public Hearing
- ☒ Other
- ☒ Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures

Cost Details:	
Budgeted	57,495
Actual Bid	54,745
Estimated Expenditure	**54,745**
Acct. Name(s)	Independent audit services
Line Items #	01-4040-02-02
Other Funding	

CITY COUNCIL AGENDA FORM

STAFF'S RECOMMENDATION: Motion to awarding audit services contract to Brookswatson & Co., PLLC for two years with option to renew for two additional years.

FISCAL IMPACT: **$54,745**

Audit Servies Bid Tab

	Brookswatson & Co	Belt Harris Pechacek
Firm experience	29	30
Staff experience	28	28
Fees	30	25
References	5	5
Locations	5	5
	97	93

1st Year	Cost	
	Brookswatson & Co	Belt Harris Pechacek
Financial Audit	45,745	51,425
Single Audit	5,500	3,850
Add'l Non FEMA	1,750	4,875
Add'l FEMA	1,750	6,500
	54,745	66,650

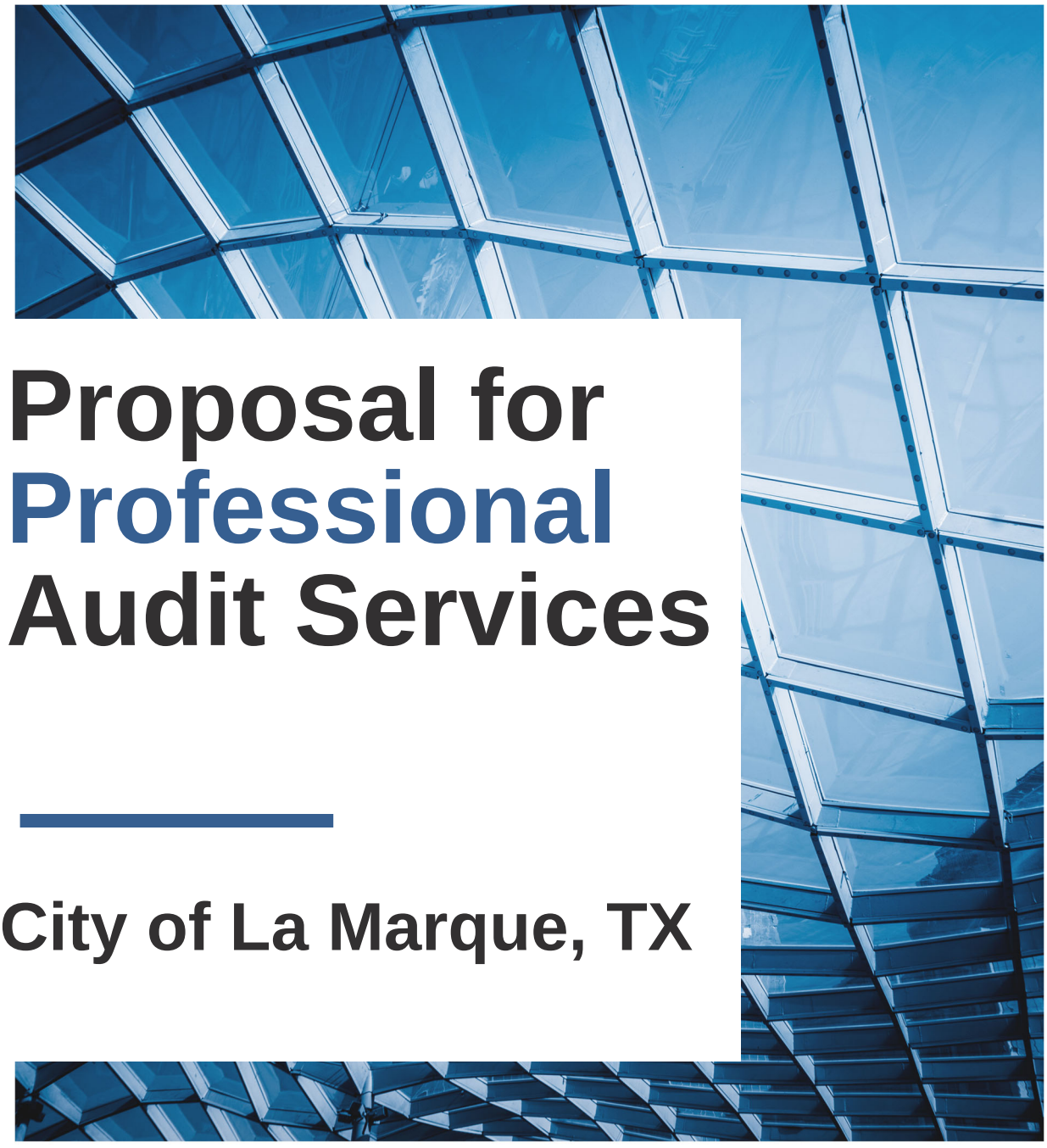
2nd Year	Cost	
	Brookswatson & Co	Belt Harris Pechacek
Financial Audit	48,475	53,355
Single Audit	5,500	3,995
Add'l Non FEMA	1,750	5,060
Add'l FEMA	1,750	6,745
	57,475	69,155

3rd Year (Optional)	Cost	
	Brookswatson & Co	Belt Harris Pechacek
Financial Audit	49,900	55,355
Single Audit	5,500	4,145
Add'l Non FEMA	1,750	5,250
Add'l FEMA	1,750	7,000
	58,900	71,750

4th Year (Optional)	Cost	
	Brookswatson & Co	Belt Harris Pechacek
Financial Audit	51,397	57,430
Single Audit	5,500	4,300
Add'l Non FEMA	1,750	5,450
Add'l FEMA	1,750	7,265
	60,397	74,445

	Brookswatson & Co	Belt Harris Pechacek
Audit hours	366	458.23

BROOKSWATSON & CO., PLLC
Certified Public Accountants



Proposal for Professional Audit Services

City of La Marque, TX

Address

Houston Office:
14950 Heathrow Forest Pkwy
Ste 530 | Houston, Texas 77032

Fort Worth Office:
777 Main St. , Suite 600
Forth Worth, Texas 76102

Tel.

281.907.8788 main
281.907.5223 direct

Email / Web

MBrooks@BrooksWatsonCPA.com
www.BrooksWatsonCPA.com

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES FOR THE CITY LA MARQUE, TEXAS

BrooksWatson & Co,, PLLC

Houston Office

14950 Heathrow Forest Parkway, Ste 530

Houston, TX 77032

Fort Worth Office

777 Main Street, Ste 600

Fort Worth, Texas 76102

281.907.8788 main | 281.907.9223 direct

MBrooks@BrooksWatsonCPA.com

www.BrooksWatsonCPA.com

(This page intentionally left blank.)

Table of Contents

LETTER OF TRANSMITTAL	07
FIRM QUALIFICATIONS AND EXPERIENCE	10
LICENSE TO PRACTICE	16
STATEMENT OF INDEPENDENCE	17
QUALITY CONTROL AND PEER REVIEW	19
PARTNER AND STAFF BACKGROUND	21
SIMILAR ENGAGEMENTS AND REFERENCES	29
SPECIFIC AUDIT APPROACH	32
FIRM ROTATION	41
PROJECT TIMELINE	42
SCOPE OF AUDIT SERVICES AGREEMENT	44

(This page intentionally left blank.)

Letter of Transmittal

City of La Marque, Texas
1111 Bayou Road
La Marque, TX 77568

Dear City of La Marque,

On behalf of BrooksWatson & Co., PLLC, we are pleased to have the opportunity to submit the following proposal and provide professional auditing services to the City. As you will find, we are committed to exceeding our client's expectations and have prepared the following proposal to outline our experience and services to be provided. If selected to be the City's independent auditor for the years noted, we will perform the work stated in the following proposal with those services conforming in all aspects to the requirements stated therein.

BrooksWatson & Co., PLLC was created with the belief that audit services can be provided in a more efficient and cost effective manner by limiting the firm's staff to include only experienced professionals while leveraging the most recent technology. Our partners have extensive experience auditing governments of all sizes with a particular focus on cities similar to the City of La Marque, Texas.

We believe that we are the right choice to be the City's auditor for the following reasons;

- Timeline – Our firm focuses solely on performing audits and is not burdened with a tax season, which can often cause delays in the issuance of audit reports. Once we establish a timeframe for your audit, report delivery, and presentation, we honor our commitment. Our firm believes in working the hours necessary to serve our clients and meet the audit schedule as further detailed in this proposal.

- **Experience** - The partners of BrooksWatson & Co., PLLC have performed over 500 audit engagements of approximately 150 different governmental entities, including 75 different cities. We understand the challenges governmental entities face and developed our audit approach around these challenges. Our clientele includes approximately 50 cities.

- **Quality -** When you engage BrooksWatson & Co., PLLC, you know that experienced professionals are performing every step of the engagement and that you will have easy access to a decision maker within the firm at all times. No interns or recent college graduates will be performing your audit.

- **Customer Service -** Our customer service based audit approach has allowed us to form long lasting relationships with our clients that often extend well beyond the term of our initial engagement. Unlike other firms, we pride ourselves on the ability to provide a personal and unique audit experience unmatched by our peers. The City will have direct access to our highest level of expertise throughout the term of the relationship; before, during, and after the audit is complete.

This proposal is a firm and irrevocable offer ending 60 days subsequent to the date specified for opening the proposals. If you have any questions regarding this proposal, please contact Mike Brooks at MBrooks@BrooksWatsonCPA.com.

Sincerely,

Mike Brooks, CPA
Audit Partner
BrooksWatson & Co., PLLC
14950 Heathrow Forest Parkway, Ste 530
Houston, TX 77032 | (281) 907-8788

FIRM PROFILE

About Us

BrooksWatson & Co., PLLC was created with the belief that audit services can be provided efficiently while still being cost effective and maintained on a personal level. It is this conviction that sets us apart from our peers. While serving clients throughout Texas, we have performed audits for numerous governments and have experienced the unique challenges each of our clients face. With an appreciation for these distinct issues, we approach every assignment with an individual view and adapt our methods to meet the specific needs of each of our clients.

When you engage BrooksWatson & Co, PLLC, you can be confident that experienced professionals will perform each step of the audit **process, giving you and your staff direct access to our highest level of expertise. We keep overhead low and quality high by eliminating inexperienced staff and connecting the City directly to our partners.**

FIRM PROFILE

BrooksWatson & Co., PLLC is headquartered in Houston, Texas, with offices in Houston and Fort Worth. The City's assigned engagement team will consist of a lead partner, audit manager, senior auditor, experienced audit associate, reporting manager and second partner, who will work both onsite, at the City's location, and at the firm headquarters for the duration of interim and final audit fieldwork. **No inexperienced auditors will be utilized on the City's engagement.**

PUBLIC SECTOR AND GOVERNMENTAL EXPERIENCE

BrooksWatson & Co., PLLC has dedicated professionals knowledgeable in government accounting, audit and financial reporting. With numerous years of experience in the public sector, our auditors possess the knowledge and capability to support your government's auditing and assurance needs. Our support structure, resources and training are devoted to providing governments with accurate, prompt, and efficient audits and financial related services. With an in depth knowledge of single audits, the latest GASB pronouncements, Annual Comprehensive Financial Reports and state and federal regulations we aim to provide each of our clients with the most efficient audit and long-term guidance possible. Our focus lies on exceptional customer service which we accomplish through accessibility, efficiency, quality and knowledge.

Current governmental clientele includes approximately 50 cities, approximately 35 economic development districts, and 20 other governmental entities.

SINGLE AUDIT

All government and non-profit entities that spend more than $750,000 a year in federal funds are required by the Office of Management and Budget (OMB) to submit to a single audit. Our partners have extensive experience with (OMB) single audit and have performed yellow book and single audits for numerous governments on a variety of federal grant programs.

We will review the City's accounting records and determine the need for a single audit meeting the criteria noted above. As part of our single audit, we will evaluate the City's internal controls over grant compliance and the financial statements. We will develop a risk based audit program and determine if the City is meeting all compliance and financial requirements associated with their federal grants. Once complete, we will assist the City with the submission of their single audit reporting package to the Federal Audit Clearinghouse or other required authoritative body. We will provide the City with a bound single audit report which will include our findings, schedule of expenditures of federal awards, and Auditor's opinion over the OMB Uniform Guidance, Governmental Auditing Standards.

CLIENT ASSISTANCE

We recognize that a well-informed client is a better client. Therefore, our approach is to provide our clients with current accounting news, updates, and training over new pronouncements and relevant financial activities. When new accounting guidance is issued, we will first inform you well in advance of the effective date in order to provide enough time to plan for and accommodate any financial impact. Once adopted, we will work with you to assist in the preparation of any new financial policies and/or related journal entries. In addition we offer monthly CPE to our staff and our clients on relevant accounting topics.

Our firm is highly focused on customer service and make a point to respond to all client emails, phone calls and other inquires in an expedited manner. It would be unusual not to receive a response within the same day of the request being made.

In addition to being regularly available to discuss and address any concerns of the client, upon completion of the audit we ask our clients to complete a survey that enables us to regularly evaluate client satisfaction within various aspects of our service.

In an effort to simplify your efforts in providing PBC items and any other audit requests, we utilize a secure online portal to be used throughout the audit process. This allows us to support our initiative to be paperless, as well as enables all parties involved in the audit process to know what items have been provided and eliminates duplicate requests.

PARTICIPATION IN PROFESSIONAL ORGANIZATIONS

We believe that it is essential to participate in professional organizations to stay abreast of industry trends and changes. Our firm's commitment to the public sector is evidenced through our active participation/memberships in the following professional organizations:

- AICPA -American Institute of Certified Public Accountants
- TSCPA -Texas Society of Certified Public Accountants
- ACFE -Association of Certified Fraud Examiners
- GFOA -Government Finance Officers Association
- TML – Texas Municipal League

In addition, we are members of the GFOA Special Review Committee and encourage and assist local governments to go beyond the minimum requirement of generally accepted accounting principles.

CONTINUING PROFESSIONAL EDUCATION

BrooksWatson & Co., PLLC is registered and approved to provide continuing professional education by the Texas State Board of Public Accountancy ("TSBPA"). This approval and monitoring process assures that we adhere to the standards set by the board for providing high-quality continuing professional education for Texas CPA's. Through providing accredited TSBPA courses to both our employees and clients that wish to participate, this lays the foundation for an environment that is ripe for high quality governmental accounting and audits.

We compliment our internal CPE trainings with external trainings offered through Checkpoint Learning by Thomson Reuters, and other supplemental courses, as deemed appropriate. This allows us to provide a robust and well-rounded continuing education curriculum to our professionals.

Each of our professionals are in compliance with the CPE requirements of the AICPA, Texas State Board of Public Accountancy and Generally Accepted Government Auditing Standards (Yellow Book), which requires each professional receives a minimum of 40 hours of continuing education credits annually with at least 24 hours of governmental specific training biennially through the firm's CPE program. In most cases, our professionals continuing education credits covering governmental accounting and auditing exceed the thresholds set by Generally Accepted Government Auditing Standards as we are continually monitoring and focusing our CPE curriculum to fit with those areas we encounter the most.

Our CPE records are open to our clients for review and will be made available upon request.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

As members of the GFOA (Government Finance Officers Association) Special Review Committee, we assist local governments in going beyond the minimum requirements of generally accepted accounting principles to achieve the Certificate of Achievement for Excellence in Financial Reporting. We understand the importance of this highly regarded award and will go to great lengths to work with the City to achieve this on an annual basis. **The partners at BrooksWatson & Co., PLLC will prepare your ACFR and assist in the preparation of the City's response to all GFOA comments, if any.** The following is a sample of current BrooksWatson audit clients who have recently submitted a ACFR to the Certificate of Achievement Program of the GFOA:

- City of Azle, Texas
- City of Melissa, Texas
- City of Heath, Texas
- City of Taylor, Texas
- City of Sealy, Texas
- City of Stephenville, Texas
- City of Gonzales, Texas
- City of Denison, Texas
- Town of Trophy Club, Texas
- Town of Northlake, Texas
- City of Orange, Texas
- City of Sachse, Texas

License to Practice

The firm and all assigned key professional staff of BrooksWatson & Co., PLLC are properly licensed to practice in the State of Texas.

Statement of Independence

The Texas State Board of Public Accountancy Rules of Professional Responsibility sec. 501.11 requires auditors to be independent in fact as well as appearance from each of their clients. BrooksWatson maintains this independence under both Generally Accepted Auditing Standards as well as the U.S. General Accounting Office's Government Auditing Standards and has had no professional relationships with the City of La Marque or its agencies within the past five years that would constitute a conflict of interest.

What We Do

BrooksWatson & Co., PLLC offers a wide range of Audit, Consulting & Accounting services throughout Texas and the Gulf Coast region. We feel that our technical expertise is matched only by our dedication to customer service. We would love the opportunity to meet with you personally and discuss how our firm can meet your specific needs.

AUDIT AND ACCOUNTING

Financial Statement Audits

Knowledge-based audit methodology to efficiently and effectively perform financial statement audits in accordance with auditing standards generally accepted in the United States of America (GAAS).

Planning

Planning involves developing the overall audit strategy for the expected activities, organization, and staffing of the audit.

Internal Control Evaluation

Understanding of the Organization's internal controls will include the control environment, risk assessment, information and communication systems, control activities, and monitoring controls.

Fieldwork and Substantive Testing

Understanding risk is integral to quality fieldwork and properly applying substantive tests. This testing commonly consists of procedures including confirmations with outside parties, analytical procedures, physical observation and reviews of underlying evidence.

Services Offered

- ACFR preparation
- Yellow Book Audits
- Single Audits
- Annual Financial Statement Audits
- Franchise Tax Audits
- Hotel/Motel Tax Audits
- Fraud Examinations/ Investigations
- Sales Tax Allocation Audits
- GASB 54 through 82 Implementation

COMPILATION AND REVIEW

Financial Statement Review

Procedures performed would primarily consist of inquiry and analytical procedures in addition to the preparation of the financial statements.

Compilation

The role of our firm in a compilation engagement is to assist the client in taking its financial data and formatting it into a properly structured set of financial statements.

CONSULTING

Internal Control Reviews

We can offer a more specialized, in-depth internal control and fraud review which assesses the operating effectiveness of specific controls and systems.

Agreed Upon Procedures

An agreed-upon procedures engagement is one in which our firm is engaged to issue a report of findings based on specific procedures performed on subject matter.

Quality Control and Peer Review

BrooksWatson & Co., PLLC participates in the Texas State Board of Public Accounting's peer review program. Firms can receive a rating of pass; pass with deficiency (ies) or fail. The firm underwent peer review according to the Statement on Quality Control Standards No. 8, A Firm's System of Quality Control, for the year ended May 31, 2018. BrooksWatson & Co., PLLC received the highest rating possible under the program.

System Review Report

Jason F. Clausen, P.C.
Certified Public Accountants

Report on the Firm's System of Quality Control

November 29, 2018

To the Principals of Brooks Watson & Co., PLLC, and the Peer Review Committee of the Texas Society of CPA's.

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

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

Firm's Responsibility
The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility
Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations
Engagements selected for review included an engagement performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and an audit of an employee benefit plan. As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion
In our opinion, the system of quality control for the accounting and auditing practice of Brooks Watson & Co., PLLC, in effect for the year ended May 31, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Brooks Watson & Co., PLLC has received a peer review rating of *pass*.

Jason F. Clausen, P.C.

STATEMENT OF REPRIMAND AND DISCIPLINARY ACTION

BrooksWatson & Co., PLLC has never been under terms of a public or private reprimand by the Texas State Board of Public Accountancy, SEC or State Society nor have we been the object of any disciplinary action.

Talented Auditors

Meet the Team

Michael Brooks CPA
Audit Partner

Mike began his career at a regional accounting firm that specializes in auditing governmental and not-for-profit entities. Throughout his career, Mike has completed or assisted in the completion of over 300 audits for governmental and non-profit clients. Mike later joined a leading SEC auditing firm where he specialized in public sector clients, small-cap publicly traded companies and other complex accounting issues while leading the firm's public sector practice.

Professional Experience and Milestones

- More than 15 years of public accounting experience
- Focus of expertise over municipal audits and accounting
- Completed over 100 single audits in accordance with OMB Single Audits and the Uniform Guidance.
- Apart of engagement teams completing over 300 audits of governmental and non-profit clients
- Developed and oversaw the development of the public-sector practice at another public accounting firm prior to establishing BrooksWatson & Co.
- Established BrooksWatson & Co., and its quality controls and standards that have been approved and monitored by the AICPA through the AICPA's peer review process.
- Served as a special reviewer for the GFOA involved with determining Cities' qualifications for the Certificate of Achievement for Excellence in Financial Reporting awards.
- Compiled or reviewed over 100 annual reports for various cities receiving the Certificate of Achievement for Excellence in Financial Reporting award from the GFOA.
- Leads BrooksWatson & Co.'s governmental practice division.

Representative Client Experience

- City of Denison, TX
- City of Orange, TX
- City of Heath, TX
- Liberty County, TX
- Lee County, TX
- City of Giddings, TX
- City of Horseshoe Bay, TX
- City of Taylor, TX
- City of Magnolia, TX
- City Of Willis, TX
- City of Sanger, TX
- City of Parker, TX
- City of Shenandoah, TX
- City of Trophy Club, TX
- City of Westover Hills, TX

Educational Background and Certifications

- Certified Public Accountant, State of Texas
- Bachelor of Business Administration, Accounting, Sam Houston State University
- Meets all standards for continuing education by generally accepted government auditing standards and the Texas State Board of Public Accountancy.

Professional Organizations and Affiliations

- Government Finance Officers Association
- GFOA Special Review Committee
- American Institute of CPAs (AICPA)
- Texas State Board of Public Accountancy (TSBPA)

Recent Accredited CPE Presentations

- "How to Use Accounting Research Manager IT Software Effectively" (*August 2018*)
- "Auditor Communication and Interaction with Audit Clients" (*September 2018*)
- "How to Properly Review a City CAFR" (*April 2019*)
- "Formal Audit Communications with Clients" (*May 2019*)

Jonathan (Jon) Watson CPA

Audit Partner

Jon is a licensed certified public accountant with over 13 years of experience in public accounting. Jon began his career at a local accounting firm based out of Houston, Texas where he worked on a variety of industries and was promoted to Associate Partner. Jon served as the firm's technical accounting partner and was heavily involved in the firm's annual PCAOB inspection prior to joining BrooksWatson. At BrooksWatson & Co., PLLC Jon focuses on auditing governmental entities including Cities, Counties, and Special Purpose Districts.

Professional Experience and Milestones

- More than 13 years of public accounting experience
- Focus of expertise over municipal audits and accounting
- Apart of engagement teams completing over 200 audits of governmental and non-profit clients
- Led engagement teams and interactions with PCAOB with no findings, for another public accounting firm prior to establishing BrooksWatson & Co.
- Established BrooksWatson & Co., and its quality controls and standards that have been monitored and approved by the AICPA through the AICPA's peer review process.
- Compiled or reviewed over 50 annual reports for various cities receiving the Certificate of Achievement for Excellence in Financial Reporting award from the GFOA.
- Leads BrooksWatson & Co. professional development department providing high-quality and well-rounded accredited continuing professional education to Texas CPA's.

Representative Client Experience

- City of Denison, TX
- City of Orange, TX
- City of Heath, TX
- Liberty County, TX
- Lee County, TX
- City of Giddings, TX
- City of Horseshoe Bay,
- City of Taylor, TX
- City of Magnolia, TX
- City of Willis, TX
- City of Sanger, TX
- City of Parker, TX
- City of Shenandoah, TX
- City of Trophy Club, TX
- City of Westover Hills, TX

Educational Background and Certifications

- Certified Public Accountant, State of Texas
- Bachelor of Business Administration, Accounting, magna cum lade, Western State University, CO
- Meets all standards for continuing education by generally accepted government auditing standards and the Texas State Board of Public Accountancy.

Professional Organizations and Affiliations

- Government Finance Officers Association
- American Institute of CPAs (AICPA)
- Texas State Board of Public Accountancy (TSBPA)

Accredited CPE presentations

- "Enhancements to Audit Procedures & Reporting" (*October 2016*)
- "Audit Software Analytics and Utilization Training" (January *2017*)
- "Yearend Audit Procedures; Substantive Testing and Analytics" (October *2017*)
- "Governmental Revenue Recognition (Exchange & Nonexchange)" (August 2018)
- "Audit Documentation Standards and Enhancements" (September 2018)
- "In-Charge Auditor Reviewer Standards and Methods for Assuring a Quality Audit" (July 2019)

Louis Breedlove
Senior Audit Manager

Louis began his career at a regional accounting firm that specializes in auditing governmental and not-for-profit entities. Louis also has experience auditing public sector clients, small-cap publicly traded companies as well as large Fortune 500 and international companies while employed at PriceWaterhousCoopers.

Professional Experience and Milestones

- More than 10 years of public accounting experience
- Focus of expertise over accounting and audit services to municipalities, including extensive experience in Single Audits.
- Plans and performs audits in accordance with generally accepted auditing standards (GAAS). Generally accepted government auditing standards (GAGAS) and with Single Audit Act and Uniform Guidance, where applicable.
- Apart of engagement teams completing over 100 audits of governmental and non-profit clients
- Compiled or reviewed over 25 annual reports for various cities receiving the Certificate of Achievement for Excellence in Financial Reporting award from the GFOA.
- Advises clients on future accounting pronouncements and new standard implementation.
- Ensures that financial reporting deadlines from regulatory agencies are achieved
- Leads BrooksWatson & Co. employee retention and networking divisions.

Representative Client Experience

- City of Denison, TX
- City of Sachse, TX
- City of Heath, TX
- City of Bellmead, TX
- Lee County, TX
- City of Granite Shoals, TX
- City of Canton, TX
- Town of Northlake, TX
- City of Magnolia, TX
- City Of McGregor, TX
- City of Piney Point Village, TX
- Town of Providence Village, TX
- City of Shenandoah, TX
- Town of Trophy Club, TX
- City of Diboll, TX

Educational Background and Certifications

- Bachelor of Business Administration, Accounting, Southwestern Assemblies of God University, TX
- Meets all standards for continuing education by generally accepted government auditing standards and the Texas State Board of Public Accountancy.

Professional Organizations and Affiliations

- Government Finance Officers Association
- GFOA Special Review Committee

Accredited CPE Presentations

- "Update on Recent GASB Accounting Pronouncements" (*August 2018*)
- "Auditor Efficiency" (*September 2018*)
- "Interfund Issues and Audit Procedures" (*May 2019)*
- "Fraud: Case Studies and Fraud Considerations" *(October 2019)*
- "Evaluating the Design of Internal Controls" *(July 2020)*

Stefanie Hallock, CPA
Financial Reporting Manager

Stefanie is a licensed certified public accountant with over 10 years of experience in public accounting. She began her career at a local accounting firm that specializes in auditing private and publicly traded companies. Stefanie gained additional audit experience at a regional accounting firm based out of Houston, Texas. She has experience in a wide variety of industries including governmental, not-for-profit, oilfield services, manufacturing, and construction. At BrooksWatson & Co, PLLC Stefanie spent several years auditing a variety of local governments while managing their financial report preparation. Stefanie later became the Financial Reporting Manager where she focuses solely on all aspects of the firm's Comprehensive Annual Financial Report and Financial Statement preparation.

Professional Experience and Milestones

- More than 10 years of public accounting experience
- Focus of expertise on city ACFR report preparation
- Apart of engagement teams completing over 75 audits of governmental and non-profit clients
- Developed the ACFR report preparation division at BrooksWatson & Co., and oversees this department today.
- Compiled over 50 ACFR reports for various cities receiving the Certificate of Achievement for Excellence in Financial Reporting award from the GFOA.
- Compiled over 60 city annual reports over the last three years.

Representative Client Experience

- City of Denison, TX
- City of Canton, TX
- City of Heath, TX
- Lee County, TX
- Pilot Point, TX
- City of Azle, TX
- City of Horseshoe Bay, TX
- City of Giddings, TX
- City of Magnolia, TX
- City of Willis, TX
- City of Sanger, TX
- City of Parker, TX
- City of Shenandoah, TX
- City of Trophy Club, TX
- City of Westover Hills, TX

Educational Background and Certifications

- Certified Public Accountant, State of Texas
- Bachelor of Business Administration, Accounting, Baylor University
- Meets all standards for continuing education by generally accepted government auditing standards and the Texas State Board of Public Accountancy.

Professional Organizations and Affiliations

- Government Finance Officers Association
- American Institute of CPAs (AICPA)
- Texas State Board of Public Accountancy (TSBPA)

Accredited CPE presentations

- “CAFR Report Preparation” (August 2018)

Similar Engagements and References

The content in this section is proprietary and confidential information and is not to be distributed to any third party without the written consent of BrooksWatson & Co., PLLC. All references listed are for the purpose of verifying proposer's qualifying experience.

Reference 1 – City Government					
	Contract Type	ACFR/ AFR	Most Recent Audit	Partners	Principal Contact
City of Cleveland	Audit	ACFR	09/30/2020	Mike Brooks Jon Watson	Bobby Pennington City Manager bpennington@clevelandtexas.com 281.592.2667

Reference 2 – City Government					
	Contract Type	ACFR/ AFR	Most Recent Audit	Partners	Principal Contact
City of Elgin	Audit	AFR	09/30/2020	Mike Brooks Jon Watson	Misty Nauck Chief Finance Officer mnauck@ci.elgin.tx.us 512.229.3218

Reference 3 – City Government					
	Contract Type	ACFR / AFR	Most Recent Audit	Partners	Principal Contact
City of Sealy	Audit	ACFR	09/30/2020	Mike Brooks Jon Watson	Karen Evans CFO/Assistance City Manager 254.412.7501 kevans@bellmead.com

Reference 4 – City Government

	Contract Type	ACFR/ AFR	Most Recent Audit	Partners	Principal Contact
City of Orange	Audit	ACFR	09/30/2020	Jon Watson Mike Brooks	Cheryl Zeto Director of Finance czeto@orangetexasgov.us 409.883.1041

Reference 5 – City Government

	Contract Type	ACFR/ AFR	Most Recent Audit	Partners	Principal Contact
City of Shenandoah	Audit	AFR	09/30/2020	Jon Watson Mike Brooks	Lisa Wasner Finance Director 832.585.8174 lwasner@shenandoahtx.us

OTHER CURRENT SIMILAR

City	Service	# Years	GFOA award	Entity CAFR Prepared By
City of Azle, Texas	Audit	6	Yes	BrooksWatson & Co, PLLC
City of Cleveland	Audit	1	Yes	BrooksWatson & Co., PLLC
City of Cut and Shoot, Texas	Audit	5	N/A	N/A
City of Dalworthington Gardens, Texas	Audit	7	Yes	BrooksWatson & Co., PLLC
City of Denison, Texas	Audit	5	Yes	BrooksWatson & Co, PLLC
City of Diboll, Texas	Audit	6	N/A	N/A
City of Elgin, Texas	Audit	4	N/A	N/A
City of Farmersville, Texas	Audit	4	N/A	N/A
City of Galena Park, Texas	Audit	1	N/A	N/A
City of Giddings, Texas	Audit	6	N/A	N/A
City of Gonzales, Texas	Audit	6	Yes	BrooksWatson & Co, PLLC
City of Granite Shoals, Texas	Audit	4	N/A	N/A
City of Groves, Texas	Audit	4	N/A	N/A
City of Heath, Texas	Audit	7	Yes	BrooksWatson & Co, PLLC
City of Horseshoe Bay, Texas	Audit	1	N/A	N/A
City of Lexington, Texas	Audit	6	N/A	N/A
City of Lucas, Texas	Audit	4	Yes	BrooksWatson & Co, PLLC
City of Magnolia, Texas	Audit	5	N/A	N/A
City of Melissa, Texas	Audit	2	Yes	BrooksWatson & Co, PLLC
City of Mineola, Texas	Audit	3	N/A	N/A
City of Orange, Texas	Audit	1	Yes	City of Orange
City of Panorama Village, Texas	Audit	5	N/A	N/A
City of Parker, Texas	Audit	7	N/A	N/A
City of Piney Point Village, Texas	Audit	5	N/A	N/A
City of Quinlan, Texas	Audit	5	N/A	N/A
City of Rockwall	Audit	1	N/A	N/A
City of Sanger, Texas	Audit	5	N/A	N/A
City of Sansom Park, Texas	Audit	5	Yes	BrooksWatson & Co, PLLC
City of Shenandoah, Texas	Audit	6	N/A	N/A
City of Stephenville, Texas	Audit	2	Yes	BrooksWatson & Co., PLLC
City of Trophy Club, Texas	Audit	3	Yes	BrooksWatson & Co, PLLC
City of Vidor, Texas	Audit	4	Yes	BrooksWatson & Co., PLLC
City of Willis, Texas	Audit	5	N/A	N/A
Town of Northlake	Audit	1	N/A	N/A
Town of Providence Village, Texas	Audit	2	N/A	N/A
Town of Trophy Club, Texas	Audit	3	Yes	BrooksWatson & Co, PLLC
Town of Westover Hills, Texas	Audit	2	N/A	N/A

**CAFR issued and participating in the GFOA Certificate of Achievement for Excellence in Financial Report Program.* *All content in this section is proprietary and confidential information.*

Specific Audit Approach

BrooksWatson uses a knowledge-based audit methodology to efficiently and effectively perform financial statement audits of governmental entities in accordance with auditing standards generally accepted in the United States of America (GAAS). This is accomplished by obtaining an understanding of the City and its environment to sufficiently assess the risk of material misstatement. Audit procedures are then designed and performed in response to the risk of material misstatement.

All audit procedures performed will be done so by the professionals of BrooksWatson & Co., PLLC who are dedicated to maintaining a presence throughout the audit process. Their goal in this is to reduce the burden on City staff while adhering to the established budget and timeline. These procedures are more fully detailed in the Audit Approach section of this proposal and will be conducted in accordance with the following standards:

- Generally Accepted Auditing Standards established by the American Institute of Certified Public Accountants.
- Financial Audit Standards established by the General Accounting Office's Government Auditing Standards.
- All provisions of the Uniform Guidance and the U.S. Office of Management and Budget (OMB) single audits of states, local governments and not-for-profit organizations.

AUDIT SEGMENTATION AND STAFF HOURS

Financial Audits	Financial Reporting Manager	Audit Associate (Hours)	Audit Senior/Manager (Hours)	Egagement Partner (Hours)	Engagement Quality Review Partner (Hours)	Total Hours
Risk Assessment Control Evaluation & Planning	-	12	20	15	2	49
Cash	-	10	8	8	2	28
Receivables & Revenues	-	25	20	15	2	62
Capital Assets	-	20	15	10	2	47
Accounts Payable and Expenditures	-	20	15	10	2	47
Long-Term Liabilities (Including Pensions)	-	15	20	12	2	49
Deferred Revenue	-	9	15	6	2	32
Financial Statement Preparation	40	-	5	5	2	52
Total	40	111	118	81	16	366

PLANNING

The planning phase involves developing the overall audit strategy for the expected activities, organization, and staffing of the audit. We will plan the audit to respond to the assessment of the risk of material misstatement based on our understanding of the City, its environment, and internal controls.

Our understanding of the City and its environment will include the following:

- Economic, regulatory, and other external factors;
- Nature of the City;
- Objectives, strategies and related risks that may cause material misstatement of the financial statements;
- Measurement and review of the City's financial performance;
- Internal controls

Prior to our first day of field work, we will schedule a meeting to discuss the desired timeframe, estimated report delivery, and extent of management and auditor responsibilities as it relates to the audit. We will also provide a detailed list of requests, "PBC List", that will provide the items needed for the audit, and a link to our secure file sharing system where those items can be uploaded. This streamlines the audit approach and allows us to get information in the most efficient manner possible.

INTERNAL CONTROL EVALUATION

Audit standards require that we obtain an understanding of the City sufficient to evaluate the design of the internal controls and to determine whether they have been implemented. Our understanding of the City's internal controls will include the control environment, risk assessment, information and communication systems, control activities, and monitoring controls. Our risk assessment and control evaluation will include:

- Conducting interviews of selected management and staff;
- Evaluating the City's financial reporting and management policies, budget documents and process, and informational systems;
- Documenting our understanding of the City's entity wide control environment and activity level controls;
- Testing the design and implementation of selected key controls by performing a walk-through of the selected transaction class;
- Testing the operating effectiveness of selected controls were deemed appropriate.
- Evaluate the City's IT systems for areas of potential risk and where data management may affect financial statements and related disclosures.

The results of our inherent and internal controls risk assessments will allow us to identify and assess the risk of material misstatement within the City to form our overall audit plan and design the extent, nature, and timing of substantive audit procedures to mitigate that risk to an acceptable level. Any control deficiencies identified during the planning phase internal control evaluation phase will be communicated to management immediately.

FIELDWORK AND SUBSTANTIVE TESTING

Based on the results of our risk assessment and internal control evaluation, a specific audit plan will be designed to focus expanded procedures on areas with the greatest risk of material misstatement, error, and fraud. We will use tests of details

substantive analytical procedures, or a combination of the two to conclude on the reasonableness of the given transaction class or account balance.

By utilizing a blend of substantive testing (vouching underlying transactions to support), and substantive analytical testing (testing data through overall and stratified analysis), we are able to cover significant ground while still getting a quality level of detailed depth to our testing. Striking a good balance and not overlying on one type of testing over the other is integral to a thorough and efficient audit. Typical substantive procedures include:

- Agreeing the financial statement elements to the underlying accounting records including year-end account balances and transaction activity occurring throughout the year;
- Confirming cash held in bank and investment accounts, accounts receivable, inventory held by others, material grants and long term debt balances

Substantive procedures are an integral part of a competent and thorough audit. Significant transactions must be supported evidentially, and when they cannot be supported that may be a symptom of a potential material misstatement or other systematic issue. Typically, the "proof is in the pudding", so to speak, and in many cases the best way to test something is by verifying the ingredients that make it up.

Typical analytical procedures include:

- Compare financial information with comparable prior periods. Are changes consistent with our expectations based on our understanding of the City and environment?
- Compare operating results with consumption or usage type reports. Do results align with these operating figures where applicable?
- Compare ratios of correlating accounts year over year. Are ratios consistent with our expectations based on our understanding of the City and environment?
- Compare results to budget and determine reasons for any significant variances between budget to actual results.

In developing expectations based on thorough investigation of the City and its environment, this allows us to form quality expectations to compare results to. When results don't align with our expectations we investigate further to obtain sufficient evidence to conclude whether there is a valid reason for the deviation or if not, determine the root of the issue causing the variance. This is a great method for identifying systemic and significant issues and/or material misstatements.

STATISTICAL SAMPLING AND SAMPLE SIZES

We utilize the AICPA Audit guide over audit sampling, the objective of which, is to provide a reasonable basis for the auditor to draw conclusions about the population from which the sample is selected. This guide is derived from the AICPA professional standard, SAS No. 122/AU-C section 530, Audit Sampling. A standard audit may incorporate a variety of sampling techniques including statistical, judgmental, & random selection. Statistical sampling explicitly measures the sampling risk associated with the sampling procedure by providing for a level of sampling risk (confidence factor and precision). Nonstatistical sampling methods requires the auditor to rely on professional judgment, in combination with nonstatistical sampling guidance and knowledge underlying statistical concepts, to design and evaluate audit samples. The extent to which sampling will be used and related sample sizes will be determined based on the results of our control and risk assessments, materiality, and overall population of the audit area.

Tests of controls over compliance and compliance with requirements of major federal programs are based on the guidance included in the AICPA Audit Guide Government Auditing Standards and Single Audits which is devoted to audit sampling in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) compliance audits.

TECHNOLOGY AND ELECTRONIC DATA PROCESSING

BrooksWatson & Co., PLLC will utilize data analytical software to complete your audit. Electronic data processing will be used throughout the audit to extract data from your City's accounting software. The data will be processed with our audit software to ensure the efficiency of your audit, enhance the level of detail examined, and assist in identifying anomalies, trends or patterns. By leveraging the utilization of current technology, we are able to increase the level of insight we can provide as well as give you more peace of mind.

ANALYTICAL PROCEDURES

BrooksWatson & Co., PLLC will utilize the AICPA professional standards AU-C Section 520, Analytical Procedures, which provides guidance for analytical procedures performed as substantive procedures and performed as part of the audit. We also utilize AICPA standard AU-C Section 315, "Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement", which provides guidance for analytical procedures performed as risk assessment procedures during the planning phase of the audit. Analytical procedures include an evaluation of financial information through analysis of plausible relationships among both financial and nonfinancial data. Analytical procedures also encompass such investigation, as is necessary, of identified fluctuations or relationships that are inconsistent with other relevant information or that differ from expected values by a significant amount.

Analytical procedures involve comparisons of recorded amounts, or ratios developed from recorded amounts, to expectations developed by your auditor. When performing analytic procedures, we take into account the assessed risks of material misstatement and tests of details, if any, for the audit assertions we are substantiating. We will evaluate the reliability of data utilized, taking into account the source, comparability, and nature and relevance of information available and controls over preparation of that data. Next we will develop an expectation of recorded amounts or ratios and evaluate whether the expectation is sufficiently precise to identify a misstatement that, individually or when aggregated with other misstatements, may cause the financial statements to be materially misstated. A comparison of our results to the actual balances are then made and a conclusion is reached.

COMPLETION

At the conclusion of every audit, we will decide whether sufficient audit evidence has been accumulated to warrant the conclusion that the financial statements are fairly stated in accordance with generally accepted accounting principles (GAAP). Prior to issuing our audit report we will perform the following procedures:

- Evaluate the sufficiency and appropriateness of audit evidence obtained;
- Perform an overall analytical review;
- Evaluate and conclude on the results of audit procedures, adjustments, and unadjusted misstatements;
- Provide all adjusting entries noted during the audit to the Council and management;
- Prepare or assist in the preparation of the City's Annual Comprehensive Financial Report;
- Communicate any audit findings and issues with management and those charged with governance.

COMPLIANCE WITH LAWS AND REGULATIONS AND APPROACH TO COMPLIANCE TESTING

Compliance with laws and regulations, including, but not limited to the Public Funds Investment Act, Texas State Government Code and grants received. Compliance testing will be performed as required by OMB Uniform Guidance and Single Audit Act, grant agreements, financing agreements, or any other compliance requirements as applicable.

EXPECTATIONS FROM CITY STAFF

We will expect the City to provide commonly requested schedules such as a schedule of receivables due at year end, a schedule of capital assets that includes additions and disposals, a schedule of cash accounts, a schedule of prepaid insurance and a long-term debt schedule as applicable. We will also expect assistance with the preparation of confirmations to banks, attorneys, debt holders, etc.

PROGRESS MEETINGS

Prior to beginning fieldwork, BrooksWatson will schedule an initial planning meeting with management to discuss the anticipated time frame, audit requests, and client involvement needed to accomplish our goal. During the fieldwork, we anticipate having additional meetings to discuss the audit progress to date, as needed. In addition, we will immediately schedule a consultation should unforeseen issues and audit findings come to our attention. Prior to the conclusion of the audit, we will provide management a copy of any draft findings and welcome client feedback before final issuance of our report and management letter.

INDENTIFICATION OF ANTICIPATED POTENTIAL AUDIT PROBLEMS

We do not anticipate any potential audit problems during our proposed engagement.

QUALITY CONTROL PROCEDURES

Every audit engagement undergoes an initial partner and second partner review process. We have structured our firm around audit quality and take great pride in our ability to offer our clients accurate, efficient, and timely audits. We do not employ any inexperienced staff auditors. Your audit will be performed by an experienced and well seasoned audit team from top to bottom. With this approach, we are able to minimize mistakes, address issues immediately, and give our clients access to the most experienced personnel in our firm, should they have any questions or concerns. Prior to issuance, our clients are provided with the draft financial report and letters for review.

Firm Partner Rotation and Continued Education

Firm partners and managers are generally considered for rotation every five years or if requested by the client. In the past 24 months, BrooksWatson & Co. has had one staff termination and one staff resignation. Staff education and development is discussed further in the 'Continuing Professional Education' section of this proposal located on page 14.

Proposed Timeline

Time Estimation | May/June | July/August

Prior to August 31

INTERIM AUDIT WORK CONCLUDED
Prior to August 31 of each year.

DEVELOPMENT OF AN AUDIT PLAN AND PBC SCHEDULES
Development of audit plan and PBC schedules prior to September 30 of each year.

AUDIT FIELD WORK
Audit fieldwork January of each year.

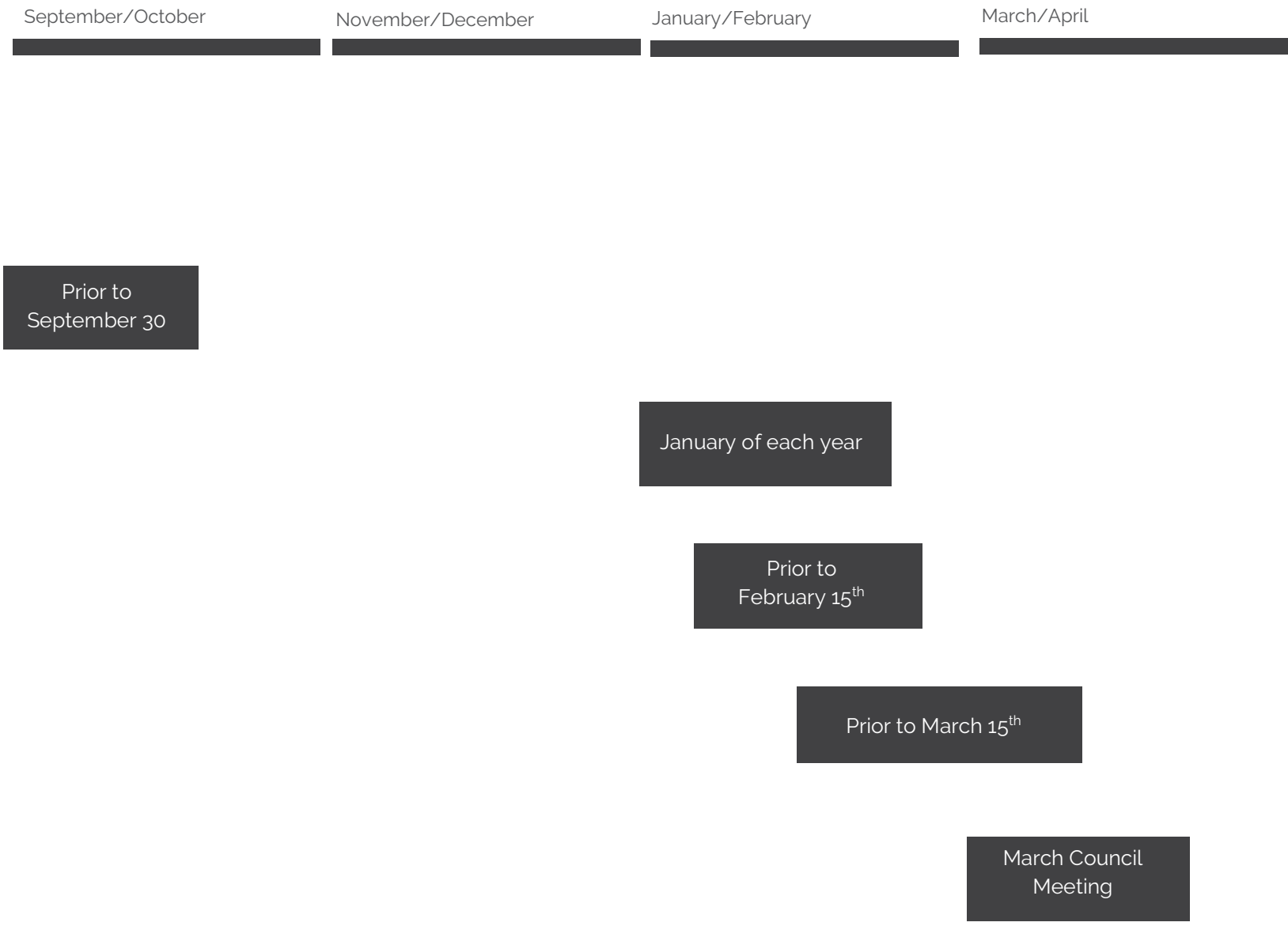
COMPLETION OF AUDIT FIELD WORK
Completion of audit field work and proposed adjusting entries completed prior to February 15th each year.

DRAFT REPORTS, AJEs and MGNT LETTER
Draft reports, AJEs and Management Letter completed prior to March 15th of each year.

FINAL REPORTS AND MANAGEMENT LETTER
Final reports presented to Council during March City Council meeting of each year.

Detailed Timeline

Reference descriptions below for more detail on proposed schedule segments and the approximate completion time. Final presentation dates to City Council are to be determined by the City.



Scope of Audit Services Agreement

Name of Firm: BrooksWatson & Co., PLLC

BrooksWatson & Co, PLLC agrees to the Scope of Audit Services and the Supplementary Information sections listed within the City of La Marque's Request for Proposals – Professional Audit Services #002-201

So Certified,

Name: Mike Brooks, CPA

Title: Partner

Signature:

BROOKSWATSON & CO., PLLC
Certified Public Accountants

Proposal for Professional Audit Services

Dollar Cost Bid

City of La Marque, TX

Address

Houston Office:
14950 Heathrow Forest Pkwy
Ste 530 | Houston, Texas 77032

Fort Worth Office:
777 Main St. , Suite 600
Forth Worth, Texas 76102

Tel.

281.907.8788 main
281.907.9223 direct

Email / Web

MBrooks@BrooksWatsonCPA.com
www.BrooksWatsonCPA.com

Cost Proposal

TOTAL ALL-INCLUSIVE MAXIMUM PRICE

Name of Firm: BrooksWatson & Co., PLLC

Certification that the person signing this proposal is entitled to represent the Firm and authorized to sign a contract with the City of La Marque, Texas

So Certified,

Name: Mike Brooks, CPA

Title: Partner

Signature:

Total estimated fees for financial audit statement:

Financial Statement Audit - 2022	Financial Statement Audit - 2023	Financial Statement Audit - 2024	Financial Statement Audit - 2025	Financial Statement Audit - 2026
$45,745	$48,475	$49,900	$51,397	$52,940

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

We understand that cost is not the only factor considered when making your auditor selection but we also understand the budgetary constraints affecting most governments during the current economic environment. As you are aware, we see the City of La Marque as an important client and one that we would like to do business with into the future. As such, we will offer unlimited technical assistance and guidance at no cost throughout the year. The fee below includes the financial statement of the City of La Marque, preparation of the ACFR, & unlimited technical assistance throughout the year.

Financial Audits	Financial Reporting Manager	Audit Associate (Hours)	Audit Senior/Manager (Hours)	Egagement Partner (Hours)	Engagement Quality Review Partner (Hours)	Total Hours
Risk Assessment Control Evaluation & Planning	-	12	20	15	2	49
Cash	-	10	8	8	2	28
Receivables & Revenues	-	25	20	15	2	62
Capital Assets	-	20	15	10	2	47
Accounts Payable and Expenditures	-	20	15	10	2	47
Long-Term Liabilities (Including Pensions)	-	15	20	12	2	49
Deferred Revenue	-	9	15	6	2	32
Financial Statement Preparation	40	-	5	5	2	52
Total	40	111	118	81	16	366
Quoted Hourly Rates	$125	$90	$125	$165	$165	
Extended Fees at Quoted	$5,000	$9,990	$14,750	$13,365	$2,640	**$45,745**
Estimated (Total Not to Exceed Cost)	**$45,745**					

** Discount offered as an investment in building a long-term relationship with the City.*

Additional Cost Information

01

RATES FOR ADDITIONAL PROFESSIONAL SERVICES

If it should become necessary for the City to request the auditor to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an additional contract between City of La Marque and the firm. Any such additional work agreed to by the City and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in this proposal.

02

SINGLE AUDIT

We will work with you to identify any federal awards that might meet the criteria for an (OMB) Uniform Guidance Single Audit. Should you require a single audit, we will charge a flat rate of $5,500 for the audit of one major program. (>$750,000 in federal grant expenditures) and $1,750 for each additional major program.

03

MANNER OF PAYMENT

BrooksWatson & Co., PLLC will bill hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost fee proposal. The invoice shall provide detail, including number of hours completed per individual and billing rate. Interim billing shall cover a period of not less than a calendar month.

City of
La Marque, Texas

RFP No. 002-2021

Professional Audit Services

Fiscal Years Ending September 30, 2021 and 2022,
With an Option to Renew for a Term of
Two Additional Fiscal Years

Submitted By:

Belt Harris Pechacek, LLLP

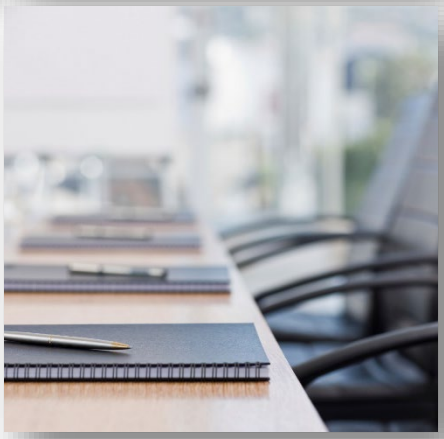
Robert Belt, CPA, CGMA-Managing Partner
rbelt@txauditors.com
3210 Bingle Road, Suite 300
Houston, Texas 77055
P: 713.263.1123 – F: 713.263.1550

November 3, 2021
10:00A.M.

Proud founding member of:

AICPA
GAQC Member

This page is left blank intentionally.



Belt Harris Pechacek, LLLP is focused on adding value to your city through the audit process. We would be delighted to continue to serve the City of La Marque.

This page is left blank intentionally.

HELPFUL ABBREVIATIONS LIST

Accountants like to use long technical terms and then abbreviate them in a language only they can understand. With that complexity in mind, we have provided a list of abbreviations to help guide your way through the proposal.

Organizations	
AICPA	American Institute of Certified Public Accountants *The AICPA develops standards for audits by CPAs, provides educational guidance materials to its members, develops and grades the Uniform CPA Examination, and monitors and enforces compliance with the profession's technical and ethical standards.*
GAO	Government Accountability Office *The U.S. Government Accountability Office is an independent, nonpartisan agency that works for Congress and is charged with oversight and expenditures of federal funds and auditing.*
GFOA	Government Finance Officers Association *The purpose of the Government Finance Officers Association is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.*
GFOAT	Government Finance Officers Association of Texas *State chapter of the GFOA, which has separate officers and events.*
TML	Texas Municipal League *A non-profit association, which exists solely to provide services to Texas cities through legislative, legal, and educational efforts.*
TSBPA	Texas State Board of Public Accountancy *The mission of the Texas State Board of Public Accountancy is to protect the public by ensuring that persons issued certificates as certified public accountants possess the necessary education, skills, and capabilities and that they perform competently in the profession of public accountancy.*
Regulations	
US GAAS	Generally Accepted Auditing Standards *Generally accepted auditing standards are guidelines for how audits ought to be conducted. They are set by the American Institute of Certified Public Accountants and provide a uniform set of standards for how to conduct audits in the United States.*
GAGAS	Generally Accepted Government Auditing Standards *The Generally Accepted Government Auditing Standards, also known as the Yellow Book set by GAO, provide a framework for conducting high quality audits with competence, integrity, objectivity, and independence. The Yellow Book is for use by auditors of government entities, entities that receive government awards, and other audit organizations performing Yellow Book audits.*
GASB 68	Governmental Accounting Standards Board, Statement 68 *The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.*
GASB 75	Governmental Accounting Standards Board, Statement 75 *The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.*
Miscellaneous	
ACFR	Annual Comprehensive Financial Report *Reports submitted to the Government Finance Officers Association are reviewed by the Special Review Committee. All reviews are combined and a final vote is determined. In addition to the requirements of an annual financial report (AFR), a ACFR must include a letter of transmittal and statistical section.*
CPE	Continuing Professional Education *CPE requirements are set by the GAO and TSBPA.*
EDP	Electronic Data Processing *Computerized processing information.*

Figure 1. Abbreviations. A list of helpful abbreviations that will be used throughout the proposal.

This page is left blank intentionally.

TABLE OF CONTENTS

HELPFUL ABBREVIATIONS LIST 2
TABLE OF CONTENTS 3
COVER LETTER 4
EXECUTIVE SUMMARY 6
1. Built to Audit the City from the Ground Up 6
2. Our Mission Ensures the Best Fit 6
3. Premier City Audit Provider 7
4. Number One in Texas 7
5. Direct Access 7
6. Best City Audit Team 8
7. Experience Where the City Needs It 8
8. Independence 9
A. PROFILE OF FIRM 10
1. Regional Firm 10
2. Location of Offices 10
3. Firm Size and Structure 10
a) Size of BHP's Governmental Audit Staff 10
b) Administration 11
4. Range of Services Offered 11
5. License to Practice in Texas 12
6. Peer Review 13
a) Results of Latest Peer Review 13
b) Results of Federal or State Desk Reviews 13
c) No Disciplinary Actions 13
B. ENGAGEMENT AUDIT STAFF 14
1. Partner, Supervisory, and Staff Qualifications and Experience 14
a) Personnel Government Auditing Experience 14
b) Team Resumes 16
c) Continuing Professional Education (CPE) 16
2. Multi-Year Contract 16
3. Staff Rotation Plans 16
4. No Joint Venture or Consortium 17
C. FIRM'S BACKGROUND AND EXPERIENCE 18
1. Similar Engagements with Other Government Entities 18
a) City Audit Experience 18
b) References 20
c) ACFR Experience 20
d) Quality Control Process for the ACFR 22
D. FIRM'S AUDIT APPROACH 23
1. Proposed Segmentation of the Engagement 23
2. Number of Firm Personnel and Total Number of Hours 25
3. Sample Sizes and Statistical Sampling 25
4. Type and Extent of Analytical Procedures to be Used 25
5. Approach to be Taken in Determining Laws and Regulations 26
6. Understanding the City's Internal Control Structure 26
7. Approach to Be Taken in Drawing Audit Samples 28
8. Communications Through Secure File Sharing 29
9. Technology Capabilities 29

EXHIBITS: 1. Team Resumes 2. Engagement Letter 3. Peer Review

This page is left blank intentionally.

COVER LETTER

November 3, 2021

Honorable Mayor, City Council, and Management of the City of La Marque, Texas:

The firm of Belt Harris Pechacek, LLLP (BHP) is pleased to submit our response to the City of La Marque, Texas' (the "City") Request for Proposals for Professional Audit Services (RFP). We have thoroughly reviewed the RFP and we affirm:

- We fully understand the services requested in the RFP as evidenced by our engagement letter, which will serve as our contract for services, and are committed to providing the services in the time period specified.
- Representations for BHP can be made by both partners, Robert Belt and Stephanie E. Harris and we may be contacted through any of the means listed at the bottom of our letterhead.
- Both partners noted above are authorized to bind BHP and execute contracts.
- We have no potential conflicts of interest with the City or its component units.
- BHP is fully licensed, insured, and in good standing with oversight and regulatory bodies to provide the City's audit services, as well as meet independence requirements as established by the AICPA and GAO's GAGAS.

The reasons why we are the ***best*** choice to continue providing the City's audit services as further highlighted in our RFP response:

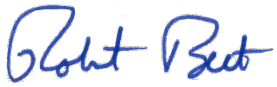
- ✓ BHP has a long service history, both in terms of years (dating back over 60 years) and number of municipalities (over 40 audited annually), demonstrating our ability to consistently maintain working capital, manage work volume, attract and retain qualified staff, provide quality service, comply with laws and regulations, and keep insurance in force.
- ✓ We remain the number one provider of audit services for cities in Harris County in terms of the number of cities serviced and retained.
- ✓ Our GFOA and TML participation is the highest level of all firms statewide. We consistently attract and retain municipal clients because of our depth of knowledge and ability to serve cities above and beyond our competitors, as evidenced by performing over 75% of the city audits in the largest county in the State.
- ✓ We have been successfully auditing the City for the past eight fiscal years, which means we will be able to start on fiscal year 2021's audit earlier than a new firm would be able to.

Auditing Texas Governments with Excellence

- ✓ We are highly experienced with municipal software, GFOA award-winning ACFRs, economic development corporations, management districts, and water and wastewater operations.

We believe that BHP is distinctly qualified to continue to provide the audit services for the City as outlined in the remainder of the RFP response.

Sincerely,



Robert Belt, CPA, CGMA
Managing Partner
rbelt@txauditors.com
(713) 263-1123

EXECUTIVE SUMMARY

1. Built to Audit the City from the Ground Up

With a single solitary focus and an unyielding commitment, BHP is a firm like no other. Our mission statement is more than words, it's our guiding principle. Simply stated, we are "Auditing Texas Governments with Excellence" and those words accompany every aspect of what we do as a firm. That high concentration, depth of experience, and striving for excellence results in an amazing combination in the services received by our clients. While our competitors dabble at everything, we are laser focused on being the best at auditing governments in Texas.

2. Our Mission Ensures the Best Fit

As a governmental entity, you will know you are home from the moment you walk through our front door. Our mission statement adorns the wall for the entire world to see, and to reinforce our mission in each of our team members' minds as shown in ***figure 2***.

Our mission statement says the key thing that the City needs to know about us – we are all about providing you, a government in Texas, with the best audit services you can get.

Figure 2. The Mission Behind BHP. *Our mission statement is the first thing you see when you walk into our main office in Houston, Texas. It reinforces that we are all about providing the best audit services you can get to all Texas governments.*

ELEMENTS OF THE
BELT HARRIS PECHACEK
SEAL OF EXCELLENCE

The monument symbolizes our sole dedication to Texas governments.

The leaves represent our continued pursuit of excellence.

The lone star represents independent attestation without compromise.

The ribbon represents unwavering blue-ribbon customer service.

The seal represents our commitment to uphold professional standards.

Combined, our seal represents the values of our firm.

Figure 3. The Elements of Our Logo. *Each element of our logo represents our values as a firm and our dedication to providing the best service Texas governments.*

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

3. Premier City Audit Provider

We are the premier provider of audit services when things go wrong in cities in Texas, as reflected by TML and municipal law firm referrals. We can handle any situation that occurs including forensic fraud, internal control, and advanced debt problems. We audit more municipalities, over 40, than any other firm in our service area, which extends from Houston to Austin. Within Harris County, we audit 20 of the 27 cities. However, it's not the number of municipalities serviced over the last 60 years, but rather the cumulative knowledge obtained, and degree of service provided to cities.

4. Number One in Texas

We audit governments exclusively as shown in ***figure 4***. Our one and only goal is to be the best firm in Texas at auditing governments. We have designed our entire firm from receptionist to managing partner around doing only one thing, AUDITING GOVERNMENTS. Curious on how we are doing? Within the largest county in the State, many of the highest profile entities have selected BHP as their auditors, including the Harris County Appraisal District, which is among the largest of its entity type in the nation. With over $1 billion in debt outstanding, the Harris County-Houston Sports Authority, which finances NRG Stadium, Minute Maid Park, BBVA Compass Stadium, and the Toyota Center, hand selected BHP based on our solid reputation and trust in the government community. Our desire to be the best in Texas ensures that by selecting BHP, the City will be receiving services above and beyond any other firm.

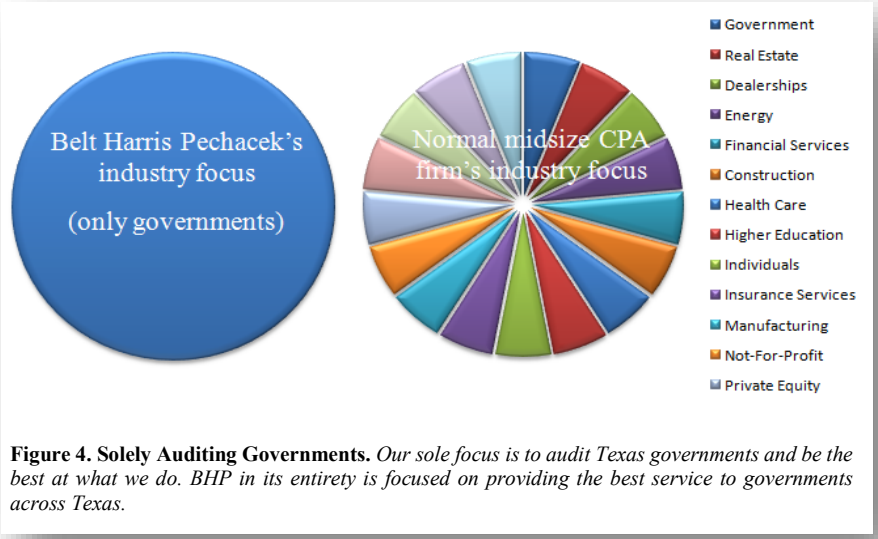


Figure 4. Solely Auditing Governments. *Our sole focus is to audit Texas governments and be the best at what we do. BHP in its entirety is focused on providing the best service to governments across Texas.*

5. Direct Access

Both of our partners have spent their entire careers auditing cities, and those same partners are the ones responsible for corporate decisions. We are not burdened by partners in competing practice areas, such as tax or oil and gas, or have the management hierarchy of out-of-town or out-of-state corporate offices. With BHP, the City has direct access to the people who can make binding decisions for BHP at all levels and can talk specifically about the application of Texas law, GASB, or any other regulations affecting

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

municipalities in Texas. The result is a more meaningful, more detailed, and less expensive audit and an audit experience that is less stressful and more comforting.

6. Best City Audit Team

From the first day on the job, our staff is specifically trained in our proprietary techniques for auditing a Texas city. We recognize City governments are defined by the Local Government and Property Tax Codes, and we train our auditors on the application of law related to property, sales, and hotel taxes; franchise fees; municipal court; permits; and component units such as Type A and Type B economic development corporations, crime control districts, and other districts/corporations. Our City auditors will spend most of their careers doing back-to-back City audits, in combination with forensic audits in the municipal environment. Consequently, our clients are ensured the benefit of a smoother audit process with guidance from seasoned government auditors and processes geared around management review time, and the timeline for getting the report into the Council's packet. When comparing position to position, each member of our team towers over our competitors in not only years of experience and number of large and complex City audits performed annually, but tenure earned under the supervision and guidance of the most trusted individuals in the municipal auditing business. The depth of our experience is not measured by simply being a mile deep but multiplied by also being a mile wide. Our experience in servicing over 140 governments annually with 60 years of continuous service (including our Managing Partner's 30+ years of experience) pays huge dividends to our clients when bad situations are encountered.

7. Experience Where the City Needs It

The City will receive a more detailed and quality audit as the results of our experience with:

- A large array of various municipal software supporting a variety of City operations.
- Complex enterprise fund operations including municipal utilities for gas, electric, water, sewer, and garbage; as well as special services including airport, waterpark, amusement park, and golf course. This also includes internal service funds for risk management, health care benefits, capital/fleet replacement, and fleet management.
- Complex payroll, employee benefits, and related plans including 120 pension plans subject to GASB 68 and over 40 entities participating in TMRS. In addition, we handle 101 clients with other postemployment benefits (OPEB), including 38 in TMRS OPEB. Several of our clients' payrolls include over 2,000 employees. Additionally, we have several clients using deferred compensation 457 plans.
- Complex debt issues including a client with over $1 billion in revenue bonds outstanding with highly sophisticated trustee and security agreements, as well as high risk and highly sensitive

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

matters including IRS reclassification of taxable bonds, forbearance agreements, defaults, notice of material events, bond defeasance, bond calls, and SEC continuing disclosure requirements.

- Legally separate City component units, including economic development, 4A and 4B, public facility, conduit finance, crime control and prevention, public improvement districts, and TIRZ districts/corporations.
- Forensic and operational audits performed by our personnel for virtually every City operational area including police evidence, police seizure, municipal court, utility billing, fire, City manager, cash management, cash flow forecasting, investment policy, capital asset inventory, fund balance, sales tax, hotel/motel tax, procurement, payroll/human resources, and bid violation.
- Highly complex single audits as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and *State of Texas Single Audit Circular*.

8. Independence

BHP is independent with respect to the City and its component units by the Code of Professional Conduct of the AICPA, also referred to as generally accepted auditing standards (GAAS) and Government Accountability Office's (previously called General Accounting Office) Generally Accepted Government Auditing Standards (GAGAS). BHP and our team members do not have any direct or indirect financial interest with the City or its component units. In addition, we have no relationships, related party transactions, or potential threats to independence. We rigorously ensure compliance with independence and confirm the individual independence of all team members on a quarterly basis and upon hire. If a significant relationship or transaction that could impact our independence were to be discovered, we will notify the City immediately.

One of the primary infringements upon auditors' independence is providing prohibited services and performing duties reserved for management. We do not provide prohibited services, such as preparing indirect cost rate studies. We also carefully monitor certain services provided under the engagement such as preparation of the report and adjusting journal entries to ensure we document management's acceptance of such matters to ensure our independence.

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

A. PROFILE OF FIRM

1. Regional Firm

BHP is a regional accounting firm, extensively familiar with the challenges and opportunities facing government entities in Texas.

2. Location of Offices

Our corporate/local office is located at 3210 Bingle Road, Suite 300, Houston, Texas 77055. The project would be supervised by personnel in both the Houston. We also have offices located in Austin, Bellville, and Woodville.

3. Firm Size and Structure

We audit Texas governments exclusively and work with approximately 140 governments annually with our largest entities issuing up to $1 billion in debt. We operate out of three offices with the largest and corporate office located in Houston, Texas. Both of our partners are leading municipal auditors in Texas and are supported by our audit team members and four support staff, totaling approximately 30 team members, with all team members being dedicated to government audits. Unlike our competitors, who provide all accounting services to all industries and geographic areas resulting in a high statistic for personnel who know nothing about auditing Texas governments, our experience is highly concentrated and exclusively applied in Texas governments, with emphasis on cities, like the City of La Marque.

a) Size of BHP's Governmental Audit Staff

We have approximately 30 total audit team members, two of whom are partners, two directors, three managers, eight senior auditors, and 14 professional associates; with all team members being dedicated to government audits as shown in ***figure 5***. Accordingly, we have no inner-firm competition of resources and no part-time employees will be used. While some firms boast of a large body count, the ratio of personnel dedicated strictly to government audits in comparison to total personnel demonstrates the competition for inner-firm resources. Our ratio is 30 to 30, 100% dedication to government audits with no distractions or internal competition for audit staff.

Full-Time Staff

BHP currently only has full-time employees and there will be 5 to 8 professional staff members working on this engagement.

No Part-Time Staff

BHP does not have any part-time employees and does not use subcontractors.

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

b) Administration

While it might seem unusual to begin a discussion promoting a CPA firm's professionalism by talking about its support personnel, it highlights why BHP is substantially different than others. Our Team 360 is a dedicated group of four nonauditors who are highly trained and dedicated to the administrative aspects of our audit projects. We have branded them Team 360, as they handle the initial onboarding of our clients to final delivery of the audit reports. Their duties include tracking the entire engagement in our proprietary AuditBox360 software and handling duties from proposal preparation, engagement letter issuance, contract execution and extensions, insurance certification and 1295 forms, audit coordination, scheduling, audit needs lists, confirmations, client representation letters, meeting scheduling, proofing of reports, and report printing and shipping. Our clients benefit from being able to instantly speak with someone that understands and that is fully dedicated to taking care of the needs of Texas governments like you throughout the year.

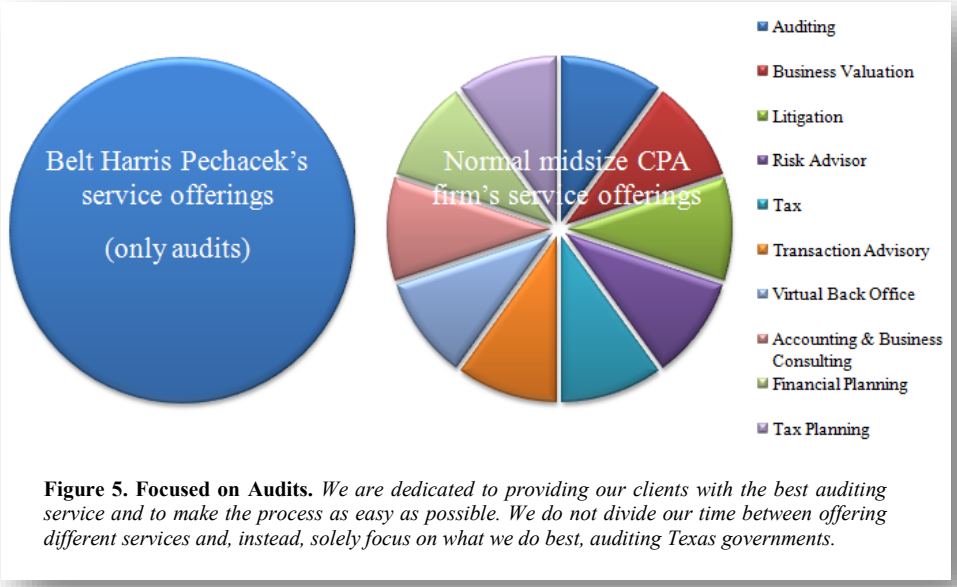


Figure 5. Focused on Audits. *We are dedicated to providing our clients with the best auditing service and to make the process as easy as possible. We do not divide our time between offering different services and, instead, solely focus on what we do best, auditing Texas governments.*

4. Range of Services Offered

The range of services BHP offers are as follows:

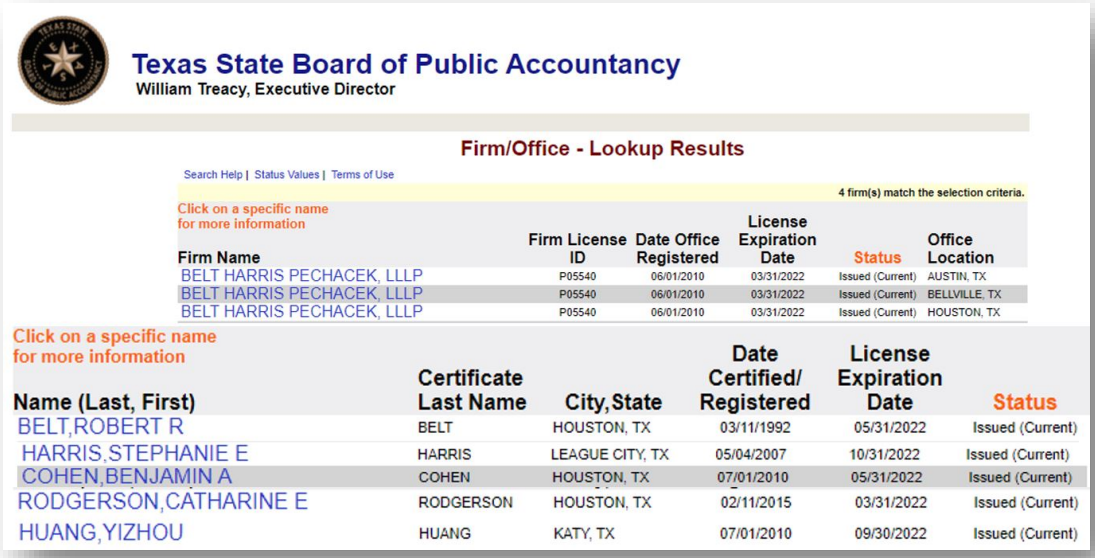
- Annual Comprehensive Financial Reports
- Annual Financial Reports
- Passenger Facility Charge Compliance Reports
- Single Audit Reports
- Agreed-Upon Procedures
- Reviews
- Program-Specific Audit Student Financial Assistance Cluster (Title IV)
- Forensic Audits
- Compilation Reports

Also, nationwide resources that BHP uses are AICPA, GAQC, GFOA, GASB, and PPC Checkpoint.

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

5. License to Practice in Texas

As you can see in ***figure 6*** below from the Texas State Board of Public Accountancy's website, BHP, all partners, and audit managers are currently licensed to practice public accountancy in Texas.



Texas State Board of Public Accountancy
William Treacy, Executive Director

Firm/Office - Lookup Results

Search Help | Status Values | Terms of Use

4 firm(s) match the selection criteria.

Click on a specific name for more information

Firm Name	Firm License ID	Date Office Registered	License Expiration Date	Status	Office Location
BELT HARRIS PECHACEK, LLLP	P05540	06/01/2010	03/31/2022	Issued (Current)	AUSTIN, TX
BELT HARRIS PECHACEK, LLLP	P05540	06/01/2010	03/31/2022	Issued (Current)	BELLVILLE, TX
BELT HARRIS PECHACEK, LLLP	P05540	06/01/2010	03/31/2022	Issued (Current)	HOUSTON, TX

Click on a specific name for more information

Name (Last, First)	Certificate Last Name	City, State	Date Certified/ Registered	License Expiration Date	Status
BELT,ROBERT R	BELT	HOUSTON, TX	03/11/1992	05/31/2022	Issued (Current)
HARRIS,STEPHANIE E	HARRIS	LEAGUE CITY, TX	05/04/2007	10/31/2022	Issued (Current)
COHEN,BENJAMIN A	COHEN	HOUSTON, TX	07/01/2010	05/31/2022	Issued (Current)
RODGERSON,CATHARINE E	RODGERSON	HOUSTON, TX	02/11/2015	03/31/2022	Issued (Current)
HUANG,YIZHOU	HUANG	KATY, TX	07/01/2010	09/30/2022	Issued (Current)

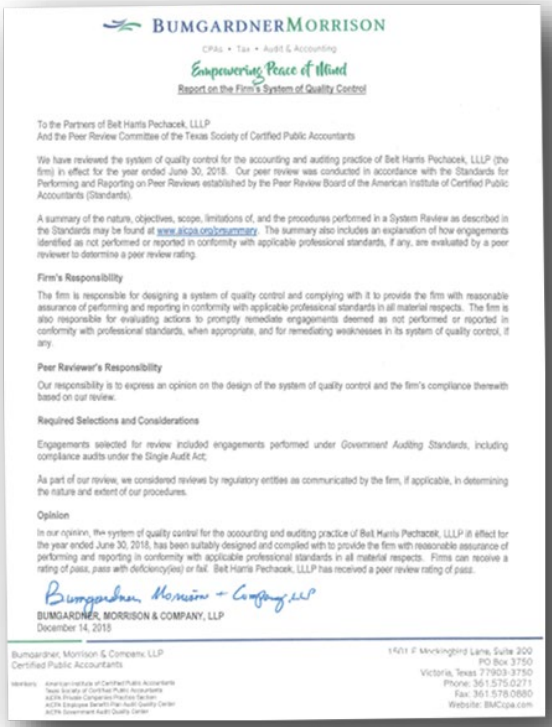
Figure 6. Team Licenses to Practice Public Accountancy in Texas. *Our partners and audit managers are all licensed to practice public accountancy in the state of Texas as shown above.*

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

6. Peer Review

a) Results of Latest Peer Review

We have been members of the Texas Society of Certified Public Accountants peer review program since the inception of BHP. All of our peer reviews, since the inception of the AICPA's Government Audit Quality Center (GAQC), have met the requirement for the peer review to be performed by a member of the GAQC and to be filed with GAQC. The frequency of peer reviews is every three years, with internal inspections occurring in off years. In addition, we have met the GAQC requirement of posting our peer review opinion on our website, and the GOA's GAGAS requirement of attaching the letter to the proposed engagement letter with the City.



BUMGARDNERMORRISON

CPAs • Tax • Audit & Accounting

Empowering Peace of Mind

Report on the Firm's System of Quality Control

To the Partners of Belt Harris Pechacek, LLLP
And the Peer Review Committee of the Texas Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Belt Harris Pechacek, LLLP (the firm) in effect for the year ended June 30, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act;

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Belt Harris Pechacek, LLLP in effect for the year ended June 30, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Belt Harris Pechacek, LLLP has received a peer review rating of *pass*.

Bumgardner, Morrison & Company, LLP

BUMGARDNER, MORRISON & COMPANY, LLP
December 14, 2018

Bumgardner, Morrison & Company, LLP
Certified Public Accountants

1401 E Mockingbird Lane, Suite 200
PO Box 3750
Victoria, Texas 77903-3750
Phone: 361.575.0271
Fax: 361.578.0680
Website: BMCpa.com

Members: American Institute of Certified Public Accountants
Texas Society of Certified Public Accountants
AICPA Private Companies Practice Section
AICPA Employee Benefit Plan Audit Quality Center
AICPA Government Audit Quality Center

The City's administration and the public can trust BHP's audit approach and results. Our last peer review, which resulted in a pass rating and no findings, was completed in December 2018. The peer review was performed by Christopher E. Krejci, CPA, who heads the Texas Society of CPA's Peer Review Committee.

Peer reviews must include at least one local government and single audit. Since BHP only works with local governments, the majority of which have Single Audits, our peer review's depth of examination of our local government practices was much more rigorous, which generates additional confidence for local governments in relying upon a peer review report. An official copy of BHP's latest peer review can be found in ***Exhibit 3 – Peer Review.***

b) Results of Federal or State Desk Reviews

BHP has not had any federal or state desk or field reviews of work resulting in negative or adverse findings since its inception. Similarly, BHP nor any proposed assigned staff member has ever had any threatened, nor is there any pending, litigation related to our professional services.

c) No Disciplinary Actions

BHP is not currently, nor has ever been, under any terms of public or private reprimand by the AICPA, SEC, Texas State Board of Public Accountancy, and/or licensing boards. There has not been any disciplinary or pending action against any staff members or BHP during the past five years.

In addition, we are not under investigation or have unresolved issues with any regulatory agency nor are we involved in any civil disputes.

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

B. ENGAGEMENT AUDIT STAFF

1. Partner, Supervisory, and Staff Qualifications and Experience

The City's audit will be conducted from our corporate office in Houston, located at 3210 Bingle Road, Suite 300, Houston, Texas 77055. Our other office locations include Austin, Bellville, and Woodville. All of our CPA's are properly licensed by the Texas State Board of Public Accountancy to practice in the state of Texas.

Engagement Partner

Stephanie E. Harris, CPA, CGMA, will be the primary contact for the City. The primary job of the Engagement Partner is to supervise and direct the audit staff as the primary liaison between BHP and the City. The Engagement Partner will be responsible for day-to-day audit responsibilities and related services and will assign tasks to the team, review work papers, and design and implement the overall audit plan and audit programs. Your Engagement Partner will interview the City's staff to ensure a full understanding by BHP of your processes and procedures. Mrs. Harris will keep the City's team members informed of the overall progress of the audit and communicate any concerns and potential management letter comments. Mrs. Harris, as the Engagement Partner, will evaluate potential adjusting journal entries and discuss them with your staff. She will also resolve any difficulties encountered in performing your audit.

Quality Control and Technical Review Partner

Robert Belt, CPA, CGMA will review the engagement to ensure compliance with accounting and auditing standards, as well as quality control standards. Mr. Belt will consult on significant technical issues and will be available to serve as a backup Engagement Partner, if ever needed.

Technical Director

Mike Brotherton, CPA, will also review the engagement to ensure compliance with accounting and auditing standards, technical issues, as well as quality control standards.

Audit Manager

Ben Cohen, CPA, will serve as the Audit Manager. Mr. Cohen will work directly with the City's staff. He will assist during the planning phase and exit meetings and will also help during the engagement. It is his job to ensure that field work goes smoothly for the City's staff and to coordinate with the audit staff throughout the engagement. Mr. Cohen will work with BHP's engagement team and the City's staff to ensure there are no surprises. The result will be an accurate and timely report for the City.

The City is ensured of having a well-experienced audit team that fully understands the daily challenges faced by City personnel and knows how to work around the City's other obligations.

a) Personnel Government Auditing Experience

Robert Belt, CPA, CGMA, Managing Partner – Quality Control and Technical Partner

- 30+ years of City government audit experience
- 30+ years of being a member of GFOAT and Speaker at chapters of GFOAT
- Hundreds of GFOA award winning reports prepared/reviewed
- Recipient of AICPA's Certificate of Educational Achievement in Government Auditing

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

- Former reviewer in GFOA's Certificate of Achievement in Excellence's Special Review Committee
- TML author
- Assisted with audits for more than 50 different municipalities
- AICPA & CIMA Advanced Single Audit Certification

Stephanie E. Harris, CPA, CGMA, Partner – Engagement Partner

- 16 years of government audit experience with BHP
- Heads BHP's quality control and peer review processes
- Hundreds of GFOA award winning reports prepared/reviewed
- Reviewer in GFOA's Certificate of Achievement in Excellence's Special Review Committee
- AICPA & CIMA Advanced Single Audit Certification

Mike Brotherton, CPA – Technical Director

- Bachelor of Science in Accounting, Cum Laude, Hope College, May 2010
- 10 years of government audit experience
- Performed and assisted with more than 60 city audits
- More than 30 governmental audits that received the GFOA Certificate of Reporting Excellence
- Performed agreed upon procedures for municipal courts, hotel/motel taxes, human resources/payroll, TCEQ financial assurance, permits, and utility department procedures
- Serves on Special Review Committee for GFOA's Certificate of Achievement in Financial Reporting
- Member of AICPA, GFOAT, and Texas Society of CPA's

Ben Cohen, CPA – Senior Audit Manager

- Bachelor of Business Administration and Master of Professional Accounting
- Employed by Belt Harris Pechacek in May of 2009 to May of 2016 and May of 2021 to present
- Employed by national firm in June of 2016 to April of 2021 (serving the north and west Texas region)
- Government Finance Officer Association Review Committee for Comprehensive Annual Financial Statements (2017 to present)

Daniel Hebert – Senior Associate

- Bachelor of Business Administration in Accounting, Texas A&M University-Corpus Christi
- Master of Science in Accountancy, University of Houston
- 5 years of governmental auditing experience with BHP
- Over 5 years of experience in public accounting

William Clark – Professional Associate

- Master of Professional Accountancy (M.P.A.)- Stephen F Austin State University
- Four years of governmental auditing experience
- Employed by Belt Harris Pechacek in January 2018

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

b) Team Resumes

Detailed biographies of each audit team member, including their governmental auditing experience, special skills, unique engagements, and education backgrounds are presented as ***Exhibit 1 – Team Resumes***.

c) Continuing Professional Education (CPE)

Each member of our audit staff is qualified to perform audits conducted in accordance with GAGAS' (Yellow Book) CPE requirements. Whereas some firms may only have selected team members who meet this criterion, all our team members obtain this training. In addition, whereas the education requirement is 80 hours every two years, with 24 hours specifically in governmental auditing, our staff's audit training is entirely in the area of government audits. In addition, all key personnel maintain Texas State Board requirements for licensed CPAs consisting of 120 CPE hours every three years.

Our training program is unique because of our blended approach. The senior members of BHP go directly to the primary sources of information such as GASB Board member and staff member presentations at the national GFOA conference or legislative updates from key law firms in Texas. We also bring in industry experts such as Leita Hart, recognized as one of the leaders in Yellow Book training, to provide live training to our entire firm. The greatest hands-on training for the newer members of our team is specific training on day-to-day audit procedures taught by our senior team members. This also helps our senior team members ensure they capture and reinforce the knowledge they obtain while at national conferences and bring it back for the rest of the team to hear.

2. Multi-Year Contract

BHP's approach for a multi-year engagement would not change because we go into each client relationship with the philosophy that they will be our client for life, and we are looking out for the long-term welfare of our client. Our goal is to be our clients' auditors for the entities' lifetime. Our tenure of auditing some for 60 years is concurrent with the age of BHP.

There are huge benefits for both the City and the auditor if the same auditor performs back-to-back engagements. These benefits include time savings, audit cost savings, faster audit turn around, reduced financial statement errors, a higher quality audit, better feedback, and higher levels of overall service to the City. The first-year setup time for a new client is approximately 30 percent of the first-year audit cost. The time savings to both the City and audit staff in learning unique elements and processes of the City in subsequent years are significant.

A multi-year engagement reduces the auditors' risk of a near-term (within 5 to 7 years) change in auditors, which may result from political instability or changes in key City leadership, all factors outside the auditors' controls. Accordingly, a multi-year engagement helps ensure more time to recapture first year costs, which results in reduced audit fees.

3. Staff Rotation Plans

BHP affirms that if a change in staff for engagement partners, managers, or other supervisory staff is going to occur for the City's engagement team, we will notify the City immediately in writing. We also affirm that the City retains the right to approve or reject the replacements.

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

4. No Joint Venture or Consortium

Our proposal to the City does not include any joint ventures or consortiums. We believe we can best maintain quality and service by performing every aspect of the engagement in-house from report printing to our proprietary software. Because of our extreme focus and staff concentration, BHP has all the benefits of a large firm, while also meeting the Small Business Administration SBA Title 13 CFR 121.3.8 criteria. We have complied with all SBA criteria and have received formal notification from SBA of our status as an approved Small Business.

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

C. FIRM'S BACKGROUND AND EXPERIENCE

1. Similar Engagements with Other Government Entities

a) City Audit Experience

Annually, we perform financial statement audits for approximately 140 Texas governments, of which the vast majority follow the same or similar laws and regulations as applicable to the City and have similar operating structures – levying and collecting property taxes, paying municipal bonds, payroll, and pension plans. More specific to the City, we audit over 40 cities annually with populations and utility systems serving up to 150,000. Utility systems include water, wastewater, gas, refuse, and electricity.

As indicated in the chart on the following page, this past year, as well as the last five years, we have audited several cities similar to the City, based on population, budget, number of employees, number of funds, types of utilities, and use of multiple software.

The cut-off for a Federal Single Audit increased from $500,000 to $750,000. Twenty-four of the cities listed expended more than $750,000 as noted with "SA" on the list. We are consistently in the top three firms by single audits conducted in Texas for the last seven years.

The vast majority of entities we work with have certificates of obligation, revenue bonds, and general obligation bonds outstanding that are regularly defeased and refinanced, and have various ongoing arbitrage and continuing disclosure requirements. We work with several highly complex facility financing corporations including the Harris County–Houston Sports Authority, which has issued over $1 billion in debt. We are experienced with highly sophisticated trustee and security agreements, as well as high risk and highly sensitive matters including IRS reclassification of taxable bonds, forbearance agreements, defaults, notice of material events, bond defeasance, bond calls, and SEC continuing disclosure requirements. Accordingly, we are highly capable of handling any complex accounting, reporting, disclosure, or compliance matters and assisting the City with the same.

Financial reporting and operations of enterprise funds can vary significantly from government to government, particularly for cities. We are highly experienced with business-type operations including municipal utilities for gas, electric, water, sewer, and garbage; as well as special services including airport, waterpark, amusement park, and golf course. In addition, we have significant experience with internal service funds for risk management, health care benefits, capital/fleet replacement, and fleet management.

Our clientele traditionally has complex payroll, employee benefits, and related plans including 120 pension plans subject to GASB 68 and at least 38 entities participating in TMRS. A number of our clients' payroll includes over 2,000 employees. Additionally, we have several clients using deferred compensation 457 plans.

In addition to normal City operations, many of our municipalities have legally separate entities or component units for which the City is financially accountable. These entities include economic development (4A and 4B), public facility, conduit finance, crime control and prevention, public improvement districts, and TIRZ districts/corporations.

While our traditional service is audit, we are routinely requested to perform forensic and operational audits and have done so for virtually every City operational area including: police evidence, police seizure, municipal court, utility billing, fire, City manager, cash management, cash flow forecasting,

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

investment policy, capital asset inventory, fund balance, sales tax, hotel/motel tax, procurement, payroll/human resources, and bid violation.

Current Municipal Clients and Reference List

The listing below includes our current municipal clients, the scope of services we have provided to them, term of service, population, as well as contact information.

Client	Contact Name	Email Address	Phone Number	Services Provided *	Term of Service	Population
City of Pasadena	Julie St. Jean	jsjean@pasadenatx.gov	713-475-4804	ACFR, SA	2006-present	153,350
City of Killeen	Jonathan Locke	jlocke@killeentexas.gov	254-501-7740	ACFR, SA, PFC	2017-present	145,686
City of League City	Deborah Jordan	Deborah.Jordan@leaguecitytx.gov	281-554-1359	ACFR, SA	2019-present	103,310
City of New Braunfels	Sandy Paulos	spaulos@nbtexas.org	830-221-4387	ACFR, SA	2017-present	79,438
City of Baytown	Victor Brownlees	victor.brownlees@baytown.org	281-420-6531	ACFR, SA	2004-present	76,635
City of Rosenberg	Luis Garza	lgarza@rosenbergtx.gov	832-595-3350	ACFR, SA	2020-present	37,059
City of Deer Park	Donna Todd	dtodd@deerparktx.org	281-478-7225	ACFR, SA	2013-present	33,855
City of Alvin	Michael Higgins	Mhiggins@cityhall.cityofalvin.com	281-388-4216	ACFR, SA	2007-present	26,299
City of Dickinson	Taleen Moore	tmoore@ci.dickinson.tx.us	281-337-6236	AFR, SA	2012-present	20,754
City of Angleton	Christopher Hill	chill@angleton.tx.us	979-849-4364	AFR, SA	2008-present	19,416
City of La Marque	Suzy Kou	financedirector@cityoflamarque.org	409-938-9205	ACFR, SA	2012-present	16,627
City of Seabrook	Michael Gibbs	mgibbs@seabrooktx.gov	281-291-5677	ACFR, SA	2006-present	13,927
City of Kilgore	Landon Ward	Landon.ward@cityofkilgore.com	903-988-4109	AFR, SA	2021-present	13,376
City of Robinson	Craig Lemin	k.sanchez@robinsontexas.org	254-662-1415	AFR	2017-present	11,646
City of Webster	Elizabeth Free	efree@cityofwebster.com	281-316-4102	ACFR	2005-present	11,222
City of Jacinto City	Lon D. Squyres	lon.squyres@jacintocity-tx.gov	713-674-8424	AFR, SA	2006-present	10,667
City of Manvel	Kyle Jung	kjung@cityofmanvel.com	281-489-0630	AFR	2014-present	10,179
City of Bastrop	Tracy Waldron	twaldron@cityofbastrop.org	512-332-8820	ACFR	2019-present	8,776
City of Jersey Village	Isabel Kato	ikato@jerseyvillagetx.com	713-466-2104	ACFR	2009-present	7,933
City of Hempstead	Barbara Haffelfinger	bhaffelfinger1125@hempsteadcitytx.com	979-826-2486	AFR, AUP	2018, 2020-present	7,691
City of Navasota	Lance Hall	lhall@navasotatx.gov	936-825-6475	AFR, SA	2016-present	7,565
City of Silsbee	DeeAnn Zimmerman	DeeAnn@cityofsilsbee.com	409-385-2863	AFR	2010-present	6,634
City of Mont Belvieu	Calyn Wesson	cwesson@montbelvieu.net	281-576-2213	AFR, SA	2006-present	5,885
City of Brookshire	Claudia Harrison	CHarrison@BrookshireCity.org	281-375-5050	AFR	2012-present	5,376
City of Hunters Creek Village	Tom Fullen	tfullen@cityofhunterscreek.org	713-465-2150	AFR, SA	2006-present	4,825
City of Spring Valley Village	Michelle Yi	myi@springvalleytx.com	713-465-8308	ACFR	2006-present	4,282
City of Nassau Bay	Csilla Ludanyi	csilla.ludanyi@nassaubay.com	281-333-4211	ACFR, SA	2005-present	4,048
City of Bunker Hill Village	Karen Glynn	kglynn@bunkerhilltx.gov	713-467-9762	AFR	2007-present	3,940
City of Taylor Lake Village	Stacey Fields	city_secretary@tlv-tx.us	281-326-2843	AFR	2006-present	3,639
City of Waller	Cynthia Ward	cward@wallertexas.com	936-372-3880	AFR	2004-present	3,584
City of Oak Ridge North	Eva Clawson	eclawson@oakridgenorth.com	281-381-3227	AFR	2009-present	3,149
City of Schulenburg	Tami Blaschke-Walker	t.walker@schulenburgtx.org	979-743-4126	AFR, SA	2010-present	2,899
City of Onalaska	Angela Stutts	cityadministrator@cityofonalaska.us	936-646-5376	AFR	2006-present	2,779
City of El Lago	Rachel Lewis	citysec@ellago-tx.gov	281-326-1951	AFR	2006-present	2,710
City of Hedwig Village	Kelly Johnson	kjohnson@thecityofhedwigvillage.com	713-465-6009	AFR	2014-present	2,671
City of Shoreacres	Troy D. Harrison	Tharrison@cityofshoreacres.us	281-307-1993	AFR, SA	2016-present	1,806
City of Montgomery	Susan Hensley	shensley@ci.montgomery.tx.us	936-597-6434	AFR	2017-present	1,575

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

Client	Contact Name	Email Address	Phone Number	Services Provided *	Term of Service	Population
City of Clear Lake Shores	Cheryl Hunter	CHunter@clearlakeshores-tx.gov	409-739-2001	AFR, SA	2004-present	1,190
City of Hilshire Village	Susan Blevins	susan.blevins@hilshirevillagetexas.com	713-973-1779	AFR, SA	2006-present	875
City of Morgan's Point	Brian Schneider	bschneider@morganspoint-tx.com	281-471-2171	AFR	2009-present	276

*ACFR = Award-Winning Annual Comprehensive Financial Report audit, AFR – Annual Financial Report audit, SA = Single Audit, AUP = Agreed-Upon Procedures, PFC – Passenger Facility Charge Compliance Report

b) References

First Engagement:

- **Agency:** City of Deer Park, Texas
- **Address:** 710 East San Augustine; Deer Park, Texas 77536
- **Contact Name:** Donna Todd – Finance Director
- **Telephone Number:** (281) 478-7225
- **Email:** dtodd@deerparktx.org
- **Scope of Work:** ACFR, SA
- **Date:** 2013-present

Second Engagement:

- **Agency:** City of Alvin, Texas
- **Address:** 216 W. Sealy Street; Alvin, Texas 77511
- **Contact Name:** Michael Higgins – Director of Administrative Services
- **Telephone Number:** (281) 388-4216
- **Email:** Mhiggins@cityhall.cityofalvin.com
- **Scope of Work:** ACFR, SA
- **Date:** 2007-present

Third Engagement:

- **Agency:** City of Pasadena, Texas
- **Address:** 1149 Ellsworth, 3rd Floor, Room 316; Pasadena, Texas 77502
- **Contact Name:** Julie St. Jean – City Controller
- **Telephone Number:** (713) 475-4804
- **Email:** jsjean@pasadenatx.gov
- **Scope of Work:** ACFR, SA, Compilation Reports
- **Date:** 2006-present

c) ACFR Experience

Members of our team have been preparing award-winning ACFRs receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting for over 30 years as shown in ***figure 7***. Most of our clients need extensive assistance in preparation of entries to record GASB 68 pension expense and complex debt entries, as well as government-wide closing entries. Additionally, with the exception of 4

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

out of 140 clients, we prepare their annual financial report turn-key, including management's discussion and analysis.

We prepare over 15 award-winning ACFRs per year. We proudly display the ACFR covers in our office corridor. In addition, we have both current and former members of the Special Review Committee on staff. We go above and beyond by preparing the City's responses to prior year ACFR comments, make sure the current report is in compliance with the program, and aid in implementing any new program requirements, as well as the implementation of new accounting standards.

Figure 7 Award-Winning ACFR Covers. *BHP prepares over 15 award-winning ACFRs per year and we proudly display the covers in our office corridor.*

Below and on the following page is a current list of our clients that have received the GFOA's Certificate of Achievement for Excellence in Financial Reporting:

- City of Alvin
- City of Angleton
- City of Bastrop
- City of Baytown
- City of Deer Park
- City of Fulshear
- City of Jersey Village
- City of Killeen
- City of La Marque
- City of League City
- City of Nassau Bay
- City of New Braunfels
- City of Pasadena
- City of Rosenberg
- City of Seabrook

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

- City of Spring Valley Village
- City of Webster
- Harris County Appraisal District
- La Porte Independent School District
- Polk County
- Wharton County

d) Quality Control Process for the ACFR

We have established both quality control and performance standards for all members of BHP. From the time an engagement letter is received to the issuance of final reports, there are built-in procedures to ensure the City receives the highest level of service, in addition to our own adherence to professional standards.

The audit work papers will be reviewed by the audit manager, engagement partner, a second partner, and our technical director for quality control purposes prior to submitting the final draft reports and letters to the City.

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

This page is left blank intentionally.

D. FIRM'S AUDIT APPROACH

BHP understands the work that is needed to perform audit services for the City. Please see below for our typical audit approach. Also, there will be more details of BHP's understanding of services to perform in our engagement letter in ***Exhibit 2 – Engagement Letter.***

Work Plan

Once BHP is awarded and has received the signed engagement letter back from the City, our Senior Project Coordinator, will reach out to the City to coordinate dates for the fieldwork. We would start as soon as possible, with a start date in January and finish in March with the assumption the City's staff gets back everything from our Needs List for FY2021 in a timely manner, as well as the quality of the books.

1. Proposed Segmentation of the Engagement

Our experience has been that most cities can better understand and measure the progress of the audit by thinking in terms of the natural audit cycle. Our audit cycle can be broken down into four area segments, as shown on the following pages.

i. **Client Onboarding and Engagement Setup –** We have a structured and thorough process to ensure that our clients have a trouble-free onboarding experience with minimum effort. We use a local government audit coordinator specifically dedicated to this task. This includes:

- Ensuring execution and delivery of engagement letters and client procurement documents.
- Scheduling audit field work.
- Collaborating on the auditor "Needs List," which establishes when and what types of documents will be needed by the auditor.
- Training on our AuditBox software to facilitate the two-way transmission of documents that all team members on both sides can view together.

ii. **Planning, Interim, and Final Audit –** Audit performance essentially occurs in three different steps: planning, interim, and final audit. Audit standards require that an audit program be developed and used to document the specific audit steps undertaken during the audit and document the time, date, and individual who performed the work.

- **Planning** includes following up on prior year audit matters, obtaining understanding of controls, and mitigating controls. In the City environments, many controls are imbedded within laws and regulations. Accordingly, our knowledge of the controls that should be in place is enhanced by our understanding of the supporting laws and regulations. We will develop a risk matrix and synthesize our risk assessment. Our audit program will then be developed based on this approach. The majority of the planning occurs during the interim process (if applicable) but is not finalized until final fieldwork.
- **Interim work** is visually evident to the client as we have auditors on site normally a month or more prior to the fiscal year end. In addition to planning, we normally perform much of the Single Audit work at this time (if applicable). We will interview key staff during this time and request and review sample selections consisting of batches of approximately 30 to 60 items for the different attributes being tested. This results in a heavy amount of accounts payable clerks,

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

accounting clerks, and in-house grant program administrators pulling records selected for testing.

- **Final field work** includes anything needed to complete the audit. It begins with following up on items that may have changed from interim. On occasion, we will discover the number of major programs required to be tested under Uniform Guidance has changed. However, the majority of the work is looking at the records developed by the City in its year end closing process to support its financial statements. The financial statements are drafted as we basically complete the respective sections of each element on the balance sheet: cash, investments, debt, etc. We will also review the work of our auditors as we go, working towards a final manager review, as well as final partner review. For audits deemed as high risk, which include all first-year engagements, these engagements will also be reviewed by a technical review partner.

iii. **Final Delivery –** Our "beginning with the end in mind" approach keeps our focus on this stage. We will hold a fieldwork exit conference and/or preliminary meetings with management to review audit issues and draft documents, as needed. We will also meet with a designated audit or finance committee. One of our partners will present our final report, all who have been trained in BHP protocols and have extensive experience on presenting in public open meetings and know precisely what to say and what not to say. This stage also includes our draft and final report review, proofing, printing, and client approval process, including our performance standards, to allow clients adequate time for review.

iv. **Post-Audit Assessment, Warranty, and Support –** Post-audit assessment comes from obtaining feedback from a survey and verbal assessments on both BHP and individual auditors' performance. This information is valuable in ensuring we have achieved the best personality fit for the next audit and ensuring that our auditors and BHP are meeting your needs and our high customer service standards. We will also assess and, if necessary, correct any issues that may be found within our work or to satisfy a regulator's request. While we strive for perfection and have extremely low error rates, we will take ownership of our mistakes and correct them in a timely and professional manner to present the City in the best possible light with regulators and oversight agencies. We will also provide post-audit services, including providing guidance in personnel search efforts and implementation of rules and regulations for audit, financial report, and general finance and business matters.

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

2. Number of Firm Personnel and Total Number of Hours

In the chart below are the number of audit personnel, their names, roles, and number of hours to work on the engagement for the first fiscal year for the City.

	Government Audit Experience	Hours by Audit Phase for FY 2021						
	Years of Experience	On-Boarding	Planning	Interim Fieldwork	Final Fieldwork	Final Delivery	Post Audit	Total Hours
Robert Belt, CPA, CGMA Quality Control Partner	30	-	4.11	4.11	4.11	27.86	6.56	46.75
Stephanie E. Harris, CPA, CGMA Engagement Partner	16	-	-	-	-	16.07	-	16.07
Ben Cohen, CPA Senior Audit Manager	8	-	4.27	8.15	8.15	20.57	-	41.14
Daniel Hebert Senior Associate	5	-	7.75	19.31	19.31	26.95	3.82	77.14
William Preston Professional Associate	3	-	-	38.57	34.83	3.74	-	77.14
Various Additional Staff	1	-	-	89.95	89.95	20.09	-	199.99
Total	63	-	16.13	160.09	156.35	115.28	10.38	458.23

***Hours are rounded**

3. Sample Sizes and Statistical Sampling

Throughout the audit, we sample specific account balances and transactions to get an appropriate understanding of the procedures used by the City without having to test every transaction throughout the fiscal year. There are some circumstances where a concern may arise, and additional sampling will need to occur. Audit sampling can be defined as the testing of less than 100% of the items within a population to obtain and evaluate evidence about some characteristic of that population and to form a conclusion concerning the population.

The sample sizes and use of the samples depend on several factors including population size and the inherent risks associated with the account. It also includes samples of transaction classes, controls, or compliance features. In the planning phases of the audit, we will thoroughly discuss the population sizes and the risk factors associated with significant financial statement accounts with the appropriate personnel.

4. Type and Extent of Analytical Procedures to be Used

Analytical procedures consist of information used to understand the City's business and changes in the business and to identify potential risk areas to plan for in other audit procedures. The analytical procedures are also used to anticipate the results of the entity, such as budgets, forecasts, or expectations for the auditor. The preliminary analytical procedures performed by our auditors use a comparison of current account balances in the working trial balances to similar accounts from the prior year's ending balance. We not only consider these relationships but compare them based on our knowledge and

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

experience with similar governmental entities and their operations. Our goal is to be effective and efficient throughout the entire audit process. In typical circumstances, analytical procedures bring immediate attention to large increases or decreases in the financial statement balances. The final analytical procedures are applied at the end of the audit to provide an overall review of the financial information presented by the City after the necessary adjustments have been made by the auditor. This procedure is intended to aid our staff in evaluating the conclusion reached. Although the procedures may vary by circumstantial event, the overall process of the analytical procedures will focus on the relationships within the financial statements. Our audit team will then inquire with the City about any unusual variances. In addition, analytical procedures are standard audit procedures for significant revenues and related receivables such as utility billing, permits, and various other governmental and business-type funding sources. Analytical procedures are also used for certain expenditures such as payroll-related expenditures.

Our first step is to review any documents the City has related to its controls. This will include City organizational charts, manuals, and programs, as well as the City budget documents. Due to our significant background with City audits, we know the state laws and the state control bid limits. This knowledge, combined with the legal requirements, normally indicates the type of controls present. We have a unique understanding of the controls in place, or commonly in place, and, if not, alternating or mitigating control structure.

5. Approach to be Taken in Determining Laws and Regulations

BHP has developed techniques and approaches that result in the least amount of disruption to our clients, a high-quality audit, and the lowest cost audit by performing dual purpose testing, highly targeted sampling for known problems based on our cumulative and ongoing audit experience (e.g., split payments to avoid bidding requirements), and random statistical based sampling.

Our first step is to review any documents the City has related to its controls. This will include City organizational charts, manuals, and programs, as well as the City budget documents. Due to our significant background with City audits, we know the state laws and the state control bid limits. This knowledge, combined with the legal requirements, normally indicates the type of controls present. We have a unique understanding of the controls in place, or commonly in place, and, if not, alternating or mitigating control structure.

6. Understanding the City's Internal Control Structure

Our approach in drawing audit samples for the purposes of compliance testing is to first clearly identify the audit objective. The specific compliance audit objectives differ for each type of compliance requirement necessitating a BHP tailored approach for each program. Next, we identify common and overlapping internal control and compliance items to avoid duplication of audit work. Third, we combine internal control and compliance testing (dual purpose testing) to achieve the same quality and audit confidence with fewer records and supporting documents being provided by our clients. When testing internal control over compliance, the auditor is primarily concerned about the rates of deviation from a prescribed control. Similarly, in tests of compliance, the auditor is concerned whether or not there is evidence of compliance (that is, the rate and likely magnitude of noncompliance). Our approach yields savings to our clients in the form of less City staff time spent retrieving records for the audit process and a high-quality audit at the lowest possible cost.

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

Our staff will be gathering the appropriate information needed for the sample testing and forward it on to the City as far in advance as possible to ensure that City staff is able to retrieve the information from their files in a timely manner. Unfortunately, there will be instances where the auditor will need access to samples without prior notice, but those circumstances are uncommon with majority of the audits.

All auditors are required to use a risk-based approach when auditing and generally the same basic methods are employed, such as confirming bank balances, and the resulting audit opinion letter will be the same. The difference from one audit to another is how it is done and who is doing it, which will define the value of the audit process.

We maximize the value of City audits with a method and approach that is distinctly BHP. We use a risk-based approach blended with our proprietary-knowledge approach. This comes from our managing partner's 30 years of experience, which was built on his mentor's, Earl Lairson, 60 years of experience auditing cities.

Our knowledge base can be broken down into three crucial areas, as follows:

City framework **–** You cannot be a City auditor without an understanding of state law and the importance of a charter in home rule versus general law cities. The laws and charter establish the basic budgeting, tax setting, bidding, and requirements that serve as the framework of internal controls. Our tests are predesigned to ensure controls, essentially established by laws, and best business practices are in place and operating as designed. When they are not, we work with management to implement.

City operations **–** City operations are highly unique and distinctive in the types of revenues and the underlying operational areas. Each revenue cycle of the City is substantially different from the others: property tax, franchise fees, sales tax, building permits, and utility billing. Each of these are uniquely different. Accordingly, it's important to step into a municipal court knowing that most fraud and the highest dollar fraud occur in this area and that most cities lack a process to track capias pro fine warrants. Similarly, the auditor must also be keenly aware that many cities lack a process of approving the write-off of utility bills, and many fraud schemes are perpetrated using this information. When looking at expenses, it's important to understand what sludge is and to also know how to identify capital leases hiding themselves as operating leases.

City irregularities **–** You need to know what has gone wrong in cities to properly audit them, to be alert to indicators of a problem, and to ensure safeguards are in place. Rita Crundwell became the nationwide poster child for City fraud a few years ago, but before her there were many stories and there have been many after. While we stay abreast of many failed audits by being on the front lines auditing 40 plus cities a year, we see firsthand where employees will be tempted and the different techniques they will use. The auditor must be aware of all the little indicators of potential problems and know when to dig a little deeper.

By blending our knowledge base and risk-based approach together, the City gets an impactful audit that provides the greatest value, not simply going through the motions and getting the same old report.

Our philosophy with respect to providing audit services is to perform all substantial work onsite at our client's office to enhance the communication process.

Our audit approach for the respective segments and staffing level will be dependent upon our risk assessment obtained at the planning stage of the engagement. The primary factors related to our risk model will be internal control, complexity of transactions, size and volume of transactions, and problems identified by the City and during our audit procedures.

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

We will obtain an understanding of the City's operations and consider aspects of the City that could affect the scope and approach of the audit. Consideration will be given to the following areas:

- Organizational structure
- Laws, statutes, and regulations governing the general operations of the City
- Types of funds
- Significant internal or external events that could include changes in management or key accounting personnel, policies and procedures, long-term debt, capital assets, legal requirements, economic consideration, and/or political environment
- Total annual budget
- Total population
- Total number of employees
- Services provided by the City
- Component units
- Factors affecting the financial condition (e.g., growth), change in the tax base, or economic development agreements (e.g., Chapter 380 agreements)
- City's primary sources of revenue (e.g., property taxes, sales taxes, utility revenues, grants, etc.)
- City's EDP arrangements
- Nature of compliance auditing requirements
- Accounting problems/issues
- Reporting/disclosure issues

BHP will coordinate an entrance conference with all key staff to ensure everyone is on the same page prior to interim work taking place in the field. During interim field work, we expect to have three to four auditors onsite for one to two weeks to complete our risk assessment, testing related to single audit major programs (when applicable), and walk-through of key controls within the City. At the end of interim work, we will conduct an exit conference discussing any of our preliminary findings with the expectation that the City will implement any changes needed prior to yearend.

Once interim work is complete, our team will return to our office to finalize the audit programs and procedures to be used during final field work. At the conclusion of final field work, our team will conduct an exit conference to ensure everyone is on the same page with regards to timing of the final audit report as well as any findings, if still applicable at that time.

The audit work papers will be reviewed by the audit manager, engagement partner, and a second partner for quality control purposes prior to submitting the final draft reports and letters to the City.

7. Approach to Be Taken in Drawing Audit Samples

We will use a variety of techniques to draw samples, including an experienced auditor judgmental sample based on auditor historical knowledge of risk by transaction type; weighted samples, such as sorted by total dollar amount or other criteria; threshold-targeted samples; and random samples.

- **"Prepared by Client" List**

  Upon award, we will provide a preliminary "Needs List" of "prepared by client" (PBC) documents. We do not request or require any special documents. The list will be adjusted throughout the engagement as more information becomes available, but the three categories of the Needs List will be:

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

1. Basic Documents

This listing will consist of basic audit items such as access to City council minutes, information for elected officials, and information to assess current and potential component units.

2. Interim Audit Work

Prior to interim work, we will request various transactional reports from which we will draw samples and we will provide listings of transactions in which we will need to review supporting information and the specific types of documents needed. Common areas where tests of transactions will be performed include disbursements, high dollar disbursements, payroll transactions, utility bills, municipal court transactions, and journal entries. We may change actual areas for testing based on our risk assessment. Most of the single audit work is typically completed at interim. A preliminary Schedule of Expenditures of Federal and State Awards will need to be provided as of interim (if applicable). The major programs to be tested as part of the single audit will determine the majority of the requested and required documentation for that area of the audit.

3. Final Fieldwork

This category includes anything needed to complete the audit. It begins with following up on items that may have changed from interim. On occasion, we will discover the number of major programs required to be tested under the Uniform Guidance has changed. However, most of the work is looking at the records developed by the City in its year end closing process to support its financial statements. The majority of the list will follow the balance sheet for accounts that have significant balances as determined by BHP.

8. Communications Through Secure File Sharing

Communications will largely be handled by email; however, traditional phones, faxes, and mail are also available. While not traditionally thought of as a communication tool, Auditbox (BHP's proprietary software that is a convenient file drop box service) will serve as a communication tool to the entire team. Through Auditbox, all members of the City's audit preparation team can see exactly what was submitted in prior years by all team members, as well as current files uploaded by other team members. Auditbox will help reduce the cost of the audit, such as time in transit and transportation costs.

Members on the City's engagement team will also be available for face-to-face meetings with advance scheduling at a minimum of a few days' notice.

9. Technology Capabilities

Software will be used extensively on the engagement to leverage the work performed by our professional staff. All audit procedures require the knowledge and skill of someone with substantial experience and professional judgment so, while the software is used as a significant tool, it only is used to complement the work performed. Client data and software we use are as follows:

Client data and access – During certain testing procedures, data will be extracted from the City's computer system in the form of ASCII, Excel spreadsheet, or similar format and sorted and/or searched for specified criteria. We generally do not request direct access to the City's EDP system; however, in some instances, when it is mutually beneficial to both the City and auditor, we will use "read" access only to examine certain records. With the exception of sending reports in an electronic format, the use of an EDP specialist or the City's personnel is not anticipated.

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

AuditBox – We will use our proprietary AuditBox software for exchange and storage of information between the City and BHP. This information will be retained online for the City's subsequent years' access of the information to verify the specific data provided in the prior year.

AuditBox360 – AuditBox360 is our proprietary database for tracking all aspects of the engagement. This information is the basis for a weekly partner and management team review – a "mission control" type of review of the ongoing status of the engagement and our performance.

ProSystem FX Engagement – CCH's software is used as the backbone of our paperless audit system. The specific layout and templates used within CCH's software are our proprietary products based on years of refinement for City audit engagements.

Checkpoint Tools for PPC – Our online resource for templates and forms is PPC, which is highly regarded as the industry standard resource for application of professional standards.

Microsoft Outlook, Word, and Excel – We will use Microsoft standard programs throughout the engagement for most basic business tasks and will use our proprietary templates.

CONFIDENTIAL – This document and attachments are not subject to open records request as protected under Section 552.021 of the Government Code, as knowledge of Belt Harris Pechacek LLLP's operating structure and organization, custom software and systems, approach and methodology of our audit, clientele information and contacts, and team members' professional accomplishments, would provide competitors with insight to gain competitive edge and solicit our clients and team members.

ROBERT BELT, CPA, CGMA

Managing Partner

Belt Harris Pechacek, LLLP

"My first job was loading and unloading curbside trash for the Memorial Point Subdivision in Livingston, so I learned at an early age what it meant to get your hands dirty. From that experience, I also learned the benefit of basic tools to get the job done, and now I manage our firm partly based on that same principle. Our most important tools are the people that make up our team. We provide them with a focused environment based on a niche market and they are able to gain concentrated experience that is passed along to our clients."

EXECUTIVE SUMMARY:

- Founder and managing partner, Belt Harris Pechacek, LLLP
- 30 years public accounting audit experience
- Certified Public Accountant and Chartered Global Management Accountant
- Recipient of AICPA's Certificate of Educational Achievement in audits of governments
- Founding member of AICPA Government Audit Quality Center
- GFOA Special Review Committee Certificate of Achievement in Excellence in Financial Reporting
- Eagle Scout, Order of Light, Order of Arrow, Philmont, World and National Jamboree

EXPERIENCE:

Belt Harris Pechacek, LLLP
Certified Public Accountants
1999 to Present

Education:

Bachelor of Business Administration - Stephen F. Austin State University - December 1988, Accounting Major

Accomplishments:

Governor Appointee to Texas State Securities Board

Recipient of the AICPA's Certification of Educational Achievement in Government Auditing

30-year member of GFOA

Five Year Board Member of the Houston Prayer Breakfast

Former Board Member of the Texas Pastors Council Association

University of Houston Alumni Audit Committee

Precinct Chairman

Delegate to State Convention

Election Judge

Women's Pageant Judge

Speaking Engagements:

Texas Association of Appraisal Districts
NCCPAP
GFOA
Council of Government
Olson and Olson
Region 6

Author:

Texas Municipal League
Maryland Municipal League

GOVERNMENTS SERVED:

Cities:

City of Alvin
City of Angleton
City of Bastrop
City of Baytown
City of Bellaire
City of Brookshire
City of Bunker Hill Village
City of Cedar Park
City of Clear Lake Shores
City of Conroe
City of Crocket
City of Dayton
City of Deer Park
City of Dickinson
City of El Lago
City of Freeport
City of Friendswood
City of Fulshear
City of Galena Park
City of Goodrich
City of Hedwig Village
City of Hilshire Village
City of Hillcrest
City of Hunters Creek Village
City of Humble
City of Jacinto City
City of Jersey Village
City of Katy
City of Kenedy
City of Killeen
City of La Porte
City of La Marque
City of League City
City of Liberty Hill
City of Mont Belvieu
City of Morgan's Point
City of Nassau Bay
City of Navasota
City of Nederland
City of Onalaska
City of Oak Ridge North
City of Pasadena
City of Pearland
City of Piney Point Village
City of Schulenburg
City of Splendora
City of Sugar Land
City of Taylor Lake Village
City of Seabrook
City of Shenandoah
City of Spring Valley Village
City of South Houston
City of Tomball
City of Waller
City of Wallis
City of Webster
City of West Lake Hills
City of West University Place
Village of Bear Creek

Educational Entities:

Bastrop ISD
Boerne ISD
Channelview ISD
Columbus ISD
Galveston ISD
Hardin ISD
Magnolia ISD
Montgomery ISD
Nacogdoches ISD
Navasota ISD
Needville ISD
New Braunfels ISD
San Felipe Del Rio CISD
Schulenburg ISD
Seguin ISD
South San Antonio ISD
Waco ISD
West Hardin ISD
Willis ISD
Woodville ISD

Higher Education

Alvin Community College
Lamar Institute of Technology
Lamar State College Orange
Lamar University
Midwestern State University Texas
Sam Houston State University
Stephen F. Austin State University
Texas Southern University
Texas Tech University
Texas Tech University Health Sciences Center at El Paso
University of Houston
University of Texas Elementary
University of Texas – Tyler
University of Texas – Permian Basin

Other Governmental Units:

Alabama-Coushatta Indian Housing Auth.
Alabama-Coushatta Tribe of Texas
Angelina and Neches River Auth.
Baytown Area Water Auth.
Capitol Area Council of Government Gulf Coast Waste Disposal Authority Greater Harris County 9-1-1 Network
Harris County-Houston Sports Authority
Harris Co. Improvement District No. 9
Harris County MUD 50
Harris Co. WCID Fondren Road
IAH Public Facility Corp.
Lakeview Police Department
Lone Star Groundwater District
Memorial Villages Police Dept.
Montgomery County MUD No. 2
Northwest Harris Co. MUD No.19
Pflugerville Improvement District
Pearland Industrial Dev. Corp.
Southeast Texas Regional Advisory Council
Shenandoah Economic Dev. Corp.
Sugar Land Economic Dev. Corp.
Sunbelt FWSD
Upper Kirby Management District

Appraisal Districts:
Chambers County Appraisal District
Harris County Appraisal District
Polk Central Appraisal District
Jefferson County Texas
Williamson Central Appraisal District

Counties:
Austin County
Brown County
Chambers County
Fort Bend County
Galveston County
Grimes County
Hardin County
Henderson County
Leon County
Liberty County
Polk County
San Jacinto County
Tyler County
Wharton County

SPECIAL PROJECTS PERFORMED:

TESTIMONY

Testified before the Southern Association of Colleges and Schools regarding Texas Southern University; in conjunction with our work, aided the University in regaining its accreditation

RACIAL DISPARITY STUDY

Evaluated racial disparity in the issuance of citations to motorists and the resulting arrests. This study was prompted by an unfavorable article that appeared in the Houston Chronicle. The report issued outlined deficiencies in the way in which data for the article was gathered and disproved the assertions made in the article with regard to racially biased arrests.

CITY MANAGER PURCHASES

Investigated unusual purchases made by management under allegations of improprieties.

OFFICIAL MISCONDUCT OF PUBLIC OFFICIALS

Testified regarding audit findings resulting in the successful prosecution of the Finance Director and Mayor.

MISAPPROPRIATIONS BY UTILITY CLERK

Conducted detailed review of utility collections resulting in the resignation of the billing clerk and restitution to the City of misappropriated funds.

INTERNAL CONTROL REVIEW

Performed detailed analysis of the internal controls and prepared a complete policy and procedures manual.

INTERNAL AUDIT FUNCTIONS

Conducted a turn-key project to develop and implement an internal auditing function in a rapidly growing city.

CAPITAL ASSET SYSTEM

Constructed a detailed database of all capital assets complete with bar code reading software (over 15,000 items).

CAPITAL ASSET INVENTORY SERVICE PROCUREMENT SERVICE

Assisted numerous entities in procuring services for capital asset inventory, preparing RFPs, reviewing bids, negotiating reduced fees, and verifying work performed.

CASH AND INVESTMENT MANAGEMENT SYSTEM

Designed turn-key cash and management system complete with cash forecasting models and policy and procedures manual for a $30,000,000 portfolio.

PUBLIC FUNDS INVESTMENT ACT

Wrote and updated numerous investment policies and procedures in compliance with PFIA.

LANDFILL MARKET ANALYSIS

Performed final review and acted as liaison in a special marketing analysis for a county (client) owned landfill.

MUNICIPAL COURT CLERK RETIREMENT

Performed agreed upon procedures for the municipal court to ensure the proper handling of transactions up to the Court Clerk's retirement, per the request of the municipal court clerk.

INVESTIGATION OF ALLEGED IMPROPRIETIES – POLICE DEPARTMENT

Performed detailed investigation of eight alleged improprieties regarding the police department's operations.

TCEQ / LANDFILL RESERVE ASSURANCE

Performed annual calculation of landfill reserve requirements in accordance with TCEQ and EPA regulations.

CASINO OPERATIONS MONTHLY INSPECTIONS

Performed monthly inspections of casino operations to determine if internal controls were operating as designed.

CASINO CLOSE OUT

Conducted final count of slot machine drop and cash cage of over $5,000,000 from close out to armored car pickup in continuous 36 hour operation.

RECOVERY OF CONSULTANT FEE

Recalculated a consultant fee in accordance with contract terms and negotiated a $1,000,000 recovery to the client.

DRUG FORFEITURE CASH ACCOUNT

Reviewed compilation and handling procedure of drug forfeiture cash account.

REVIEWED RISK ASSESSMENT PROCESS

Conducted a study of the risk assessment process of the appraisal operation for an organization with a $50,000,000 operating budget.

MUNICIPAL COURT OPERATIONS REVIEW

Performed numerous operational assessments of municipal court resulting in significant revenue enhancements to the City and increase in efficiencies and management control.

SALES TAX ALLOCATION TESTING

Performed numerous tests of the Comptrollers' allocation of sales tax to jurisdictions resulting in significant recoveries to clients.

HOTEL/MOTEL TAX AUDITS

Performed numerous tests of hotel/motel tax submissions.

CITIZEN SURVEY COMPILATION AND ANALYSIS

Compiled and summarized four separate surveys consisting of approximately 3,000 responses per survey.

RATE STUDIES

Performed numerous water and waste water rate studies.

FUND BALANCE STUDIES

Performed detailed study and report on optimum fund balance amounts for operating and debt service funds for numerous entities.

STEPHANIE E. HARRIS, CPA, CGMA

Partner

Belt Harris Pechacek, LLLP

"Becoming a parent while working a full-time job, going to night school, followed by studying and completing all parts of the CPA exam required an extremely efficient lifestyle. This need for efficiency also applies to the way we do business at Belt Harris Pechacek. We know that our clients are our greatest asset, and we are determined to exceed expectations by operating under the most efficient practices possible."

EXECUTIVE SUMMARY:

- 16 years government audit experience and 18 years government industry experience
- Certified Public Accountant and Chartered Global Management Accountant
- Performed numerous special projects – including sales tax engagements
- Numerous debt service & landfill covenant analysis
- Participated in municipal court fraud investigation
- Serves on Special Review Committee for Certificate of Achievement in Financial Reporting

Experience:

Partner
Belt Harris Pechacek, LLLP
Certified Public Accountants
2004 to Present

City Accountant
City of Clear Lake Shores, Texas
2002 to 2004

Education:

Bachelor of Business Administration
University of Houston Clear Lake
2003, Accounting, Cum Laude

Professional Organizations:

Government Finance Officers Association

Association of Certified Fraud Examiners

American Institute of Certified Public Accountants

Texas Society of CPAs

Speaking engagements:

GFOA
GASB 54

Accomplishments:

Serves on Government Finance Officers Association (GFOA) Special Review Committee

GOVERNMENTS SERVED:

Cities:

City of Alvin
City of Angleton
City of Baytown
City of Bellaire
City of Brookshire
City of Bunker Hill Village
City of Cedar Park
City of Clear Lake Shores
City of Converse
City of Dayton
City of Dickinson
City of El Lago
City of Galena Park
City of Hedwig Village
City of Hilshire Village
City of Hunters Creek Village
City of Jacinto City
City of Jersey Village
City of Killeen
City of La Porte
City of La Marque
City of League City
City of Liberty Hill
City of Magnolia
City of Mont Belvieu
City of Morgan's Point
City of Nassau Bay
City of Navasota
City of New Braunfels
City of Onalaska
City of Oak Ridge North
City of Pasadena
City of Seabrook
City of Shoreacres
City of Silsbee
City of Sealy
City of Spring Valley Village
City of Taylor Lake Village
City of Tomball
City of Waller
City of Webster
City of West University Place

Educational Entities:

Alief Montessori Community School
Alvin Community College
Cedars International Academy
Channelview ISD
Damon ISD
Danbury ISD
Draw Academy
Educational Leadership
Franklin ISD
Galveston ISD
Hitchcock ISD
La Porte ISD
NYOS Charter School
Odyssey Academy
Royal ISD
Seguin ISD
Smithville ISD
Stepping Stones Charter Elementary
Texas Southern University
University of Houston Charter School
University of Texas Elementary
University of Texas Tyler Charter School
Woodville ISD

Counties:

Leon County
Chambers County
Polk County
Hardin County
Tyler County

Other Governmental Units:

Alabama- Coushatta Tribe of Texas
Alabama- Coushatta Benefits Plan
Baytown Area Water Authority
Chambers County Appraisal District
Gulf Coast Waste Disposal Authority
Harris County Appraisal District
Harris County Mayors' and Councils' Assoc
Harris County MUD #50
Harris County W.C.I.D. Fondren Rd.
Lakeview Police Department
Memorial Villages Police Department
Montgomery County ESD 7
Polk Central Appraisal District
Silsbee EDC

Other Nonprofits:

Economic Alliance Houston Port Region
Safety Council of Texas City
San Jacinto Texas Historic District

SPECIAL PROJECTS PERFORMED:

INVESTIGATION OF ALLEGED FRAUD – MUNICIPAL COURT
Conducted detailed review of municipal court collections, determined misappropriations had been made, and outlined methods employed.

SALES TAX
Performed detailed review of sales tax records maintained by the Texas Comptroller's Office which resulted in significant recoveries of misappropriated sales tax dollars for:

- City of Baytown
- City of Galena Park
- City of Hilshire Village
- City of Pasadena

COMPLIANCE ANALYSIS WITH TCEQ
Performed compliance analysis on calculations made by Polk County to demonstrate compliance with the Texas Commission on Environmental Quality's (TCEQ) local government financial assurance test as outlined in Title 30 of the Texas Administrative Code Section 37.271(5) for its municipal solid waste facility for the last three years.

GOLF COURSE CONTRACT COMPLIANCE
Conducted review of revenues and services provided by City of Pasadena Municipal Golf Course to determine compliance with Contract for these services.

HOTEL OCCUPANCY TAX (HOT) AUDITS
Performed hotel occupancy tax compliance for Baytown, Texas, the fourth largest city in Harris County. In addition to traditional review procedures of tax compliance, the engagement covered the challenging times of hundreds of Hurricane Katrina evacuees who temporarily called Baytown's hotels their home. Additional exemptions were granted to the unprecedented destruction of Hurricane Katrina.

Performed hotel occupancy tax audit for the City of Bay City, Texas which recalculated taxes remitted from quarterly returns within a 12 month period for 15 hotels. Identified trends and significant variations and selected a sample of hotels for more in-depth review.

INVESTIGATION OF ALLEGED FRAUD - ECONOMIC DEVELOPMENT CORPORATION
Performed detailed investigation of an Economic Development Corporation for compliance with policies and procedures related to the City as well as applicable State laws.

INVESTIGATION OF ALLEGED MISCONDUCT BY CITY AND PUBLIC OFFICIALS
Investigated various actions including unusual purchases and personal use of City equipment by City management and public officials for compliance with laws and regulations.

EXECUTIVE SUMMARY:

- Employed by Belt Harris Pechacek in May of 2009 to May of 2016 and May of 2021 to present
- Employed by national firm in June of 2016 to April of 2021 (serving the north and west Texas region)
- Government Finance Officer Association Review Committee for Comprehensive Annual Financial Statements (2017 to present)
- Bachelor of Business Administration
- Master of Professional Accounting
- Magna Cum Laude Graduate from University of Houston
- May 2010 Certified Public Accountant

GOVERNMENTS SERVED:

Cities and Towns

City of Bay City
City of Baytown
City of Bellaire
City of Brookshire
City of Cedar Park
City of Coppell
City of Deer Park
City of Galena Park
City of Hunters Creek
City of Jacinto Village
City of Jersey Village
City of Keller
City of La Marque
City of Lewisville
Town of Little Elm
City of Mont Belvieu
City of Oak Ridge North
City of Odessa
City of Pasadena
City of Schulenburg
City of Springtown
City of Southlake
City of South Houston
City of Spring Valley Village
City of The Colony
City of Waller
Town of Westlake
City of West Lake Hills
City of Wylie
Town of San Felipe

Government-Regulated Educational Entities:

Burkeville ISD
Crowley ISD
Education Service Center – Region 6
Franklin ISD
Frisco ISD
Kilgore Community College
Highland Park ISD
Hitchcock ISD
Tarrant County Community College
Wayside School
Westlake Academy

Other Governmental Units

Bastrop Family Crisis Center
Baytown Water Authority
Burleson County
Capital Area Council of Governments
Deer Park Chamber of Commerce
Fort Bend County MUD 25
Green Trails Municipal Utility District
Grimes County
Harris County Appraisal District
Harris County Sports Authority
Memorial Village Police Department
Porter Special Utility District
Reeves County
Southeast Texas Regional Advisory Council (SETRAC)
Sunbelt Fresh Water Supply District
Texas Coalition for Affordable Power (TCAP)
Village Fire Department

MIKE BROTHERTON, CPA *Technical Director*

Belt Harris Pechacek, LLLP

EXECUTIVE SUMMARY:

- Bachelor of Science in Accounting, Cum Laude, Hope College, May 2010
- 9 years of government audit experience
- Performed and assisted with more than 60 city audits
- Performed and assisted with more than 60 educational entity audits
- More than 30 governmental audits that received the GFOA Certificate of Reporting Excellence
- Performed agreed upon procedures for municipal courts, hotel/motel taxes, human resources/payroll, TCEQ financial assurance, permits, and utility department procedures
- Serves on Special Review Committee for GFOA's Certificate of Achievement in Financial Reporting
- Employed by Belt Harris Pechacek since August 2011
- Member of AICPA
- Member of Texas Society of CPA's
- Member of GFOAT

GOVERNMENTS SERVED:

Cities:
City of Alvin
City of Angleton
City of Bay City
City of Brookshire
City of Bunker Hill Village
City of Cedar Park
City of Dayton
City of Deer Park
City of Dickinson
City of Giddings
City of Hunters Creek Village
City of Jersey Village
City of La Marque
City of Manvel
City of Nassau Bay
City of Oak Ridge North
City of Pasadena
City of Robinson
City of Schulenburg
City of South Houston
City of Tomball
City of Waller
City of Webster

Other Nonprofit Entities:
Houston Area Safety Council
U.S. Africa Energy Association

Educational Entities:
Alief Montessori
Alvin Community College
Alvin Community College Foundation
Anderson-Shiro CISD
Bellville ISD
Brazos School for Inquiry & Creativity
Brazos ISD
Brenham ISD
Burleson-Milam Special Services Cooperative
Cedars International Academy
Centerville ISD
Crowley ISD
DRAW Academy
Edna ISD
El Campo ISD
Galveston ISD
Grapeland ISD
Groveton ISD
Ki Charter Academy
Lovelady ISD
Lytle ISD
Madisonville ISD
Mainland Preparatory Academy
Needville ISD
New Braunfels ISD
Port Arthur ISD
Rockdale ISD
San Felipe Del Rio CISD
Seguin ISD
Snook ISD
Texas Southern University
Waller ISD
Wayside Schools
Willis ISD

Other Governmental Entities:
Capital Area Council of Governments
City of Alvin – Kendall Lakes TIRZ
City of La Marque Economic Development Corporation
City of Nassau Bay Economic Development Corporation
Dickinson Management District No. 1
Fort Bend County Municipal Utility District #25
Greater Harris County 9-1-1 Emergency Network
Green Trails Municipal Utility District
Grimes County
Harris County Appraisal District
Harris County-Houston Sports Authority
Harris County Improvement District No. 9
Leon County
Porter Special Utility District

DANIEL HEBERT, SENIOR ASSOCIATE

Belt Harris Pechacek, LLLP

EXECUTIVE SUMMARY:

- Bachelor of Business Administration in Accounting- Texas A&M University- Corpus Christi
- Masters of Science in Accountancy University of Houston
- Five years of governmental auditing experience
- Over six years of experience in public accounting
- Employed by Belt Harris Pechacek in July 2016

GOVERNMENTS SERVED:

Cities:

City of Seabrook
City of Liberty Hill
City of Converse
City of Webster
City of Dickinson
City of Bunker Hill Village
City of Woodcreek
City of El Lago
City of Waller
City of Hilshire Village
City of South Houston
City of Dayton
City of New Braunfels
City of Mont Belvieu
City of Bastrop
City of Killeen

Educational Entities:

Texas Tech University Health Science Center- El Paso
University of Houston
Alvin Community College
Lamar University
South San Antonio ISD
Odyssey Academy Charter School
Southwest Schools Charter
Magnolia ISD
Westhoff ISD
New Braunfels ISD
Channelview ISD
Boerne ISD
La Porte ISD

Other Governmental Entities:

Tyler County
Green Trails MUD
Leon County
Converse EDC
Liberty Hill EDC
Williamson County ESD #4
Memorial Villages Police Department
Fort Bend County ID #24
Fort Bend County MUD #25
Harris County Houston Sports Authority

Other NonProfit Entities:

United States African Energy Association

WILLIAM PRESTON, PROFESSIONAL ASSOCIATE

Belt Harris Pechacek, LLLP

EXECUTIVE SUMMARY:

- Master of Professional Accountancy (M.P.A.)- Stephen F Austin State University
- Four years of governmental auditing experience
- Employed by Belt Harris Pechacek in January 2018

GOVERNMENTS SERVED:

Cities:
City of Alvin
City of Angleton
City of Converse
City of Hedwig Village
City of Hempstead
City of La Marque
City of Morgan's Point
City of Navasota
City of Oak Ridge North
City of Pasadena
City of Robinson
City of Spring Valley Village
City of Waller

Educational Entities:
Alvin Community College
Alvin Community College Foundation
Ki Charter Academy
New Braunfels ISD
Odyssey Academy Charter School
Sweet Home ISD

Other Governmental Entities:
Burleson County
Converse EDC
Fort Bend County MUD No. 25
Harris County Mayors' and Councils' Association
Harris County Water Control & Improvement District – Fondren Road
La Marque EDC
Safety Council of Texas City

This page is left blank intentionally.

Engagement Letter - Single Audit

November 3, 2021

The Honorable Keith Bell, Mayor
City of La Marque
1111 Bayou Road
La Marque, Texas 77568-4160

We are pleased to confirm our understanding of the services we are to provide for the City of La Marque, Texas (the "City") for the years ended September 30, 2021 and 2022, with the option to renew for a term of two additional fiscal years.

Audit Services

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, the aggregate remaining fund information, and the disclosures, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City as of and for the years ended September 30, 2021 and 2022, with the option to renew for a term of two additional fiscal years.

The component units will be audited as part of the audit of the financial statements of the City as noted below:

1. La Marque Public Improvement District No. 1: Blended, No Separate Financial Statements
2. La Marque Economic Development Corporation: Discretely Presented, Separate Financial Statements

Accounting standards generally accepted in the United States of America (GAAS) provide for certain Required Supplementary Information (RSI), such as Management's Discussion and Analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with GAAS. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles (GAAP) and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Budgetary Comparison Schedule(s)
3. Pension Schedule(s) as applicable
4. OPEB Schedule(s) as applicable

Auditing Texas Governments with Excellence

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

1. Schedule of Expenditures of Federal Awards
2. Combining Statement(s) and Schedule(s)

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

1. Introductory Section
2. Statistical Section

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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 GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objective also includes reporting on---

1. Internal control over financial reporting and compliance with the provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

2. Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance").

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion.

Auditors' Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an avoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

Audit Procedures-Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

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, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses in internal control. Accordingly, we will express no such opinion. However, during the audit, we will

communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures-Compliance

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

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related disclosures of the City in conformity with GAAP and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards.*

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related disclosures services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Nonaudit Services

In connection with the engagement, we will perform services unrelated to our attest function. The additional services we will provide include:

1. **Preparation of Documents**
   We will assist in preparing the financial statements and related notes of the City in conformity with GAAP based on information provided by the City.
2. **Advisory Services**
   We will provide routine advisory services through phone calls, conferences, or otherwise, in connection with incidental matters arising during the year. We encourage open lines of communication throughout the year as part of our services.
3. **Correspondence**
   We will handle all normal correspondence from grantor, regulatory, or oversight agencies related to the audit.
4. **Professional Proofing**
   To ensure documents issued in connection with the audit engagement are professional in appearance, we will submit both client-prepared information, as well as documents created entirely by the auditor, to an independent professional proofreader for a cover-to-cover inspection. This review will include consistent formatting, grammar, logic, and any other items that may detract from the document. This process is over and above technical reviews performed.
5. **Printing and Binding**
   All final hard copy documents will be printed on a 1200 dpi or better resolution copier and bright white report paper. Reports will be bound with GBC-brand plastic combs with 30 mil oversized covers. We will manually inspect each page from one document and spot check remaining reports for printing errors. Our reports will be centered, properly aligned, and free of smudges and other detracting elements.

6. **Electronic Adobe Searchable PDF**
   In addition to providing hard copy documents, we will also provide all final documents in electronic image files in Adobe PDF format, suitable for posting in electronic agenda packages, posting on websites, or transmitting by email to regulatory agencies.
7. **Client Portal - Auditbox**
   We will provide the City access to our proprietary AuditBox online site to provide a central repository where both the City's personnel and audit team members can see documents being exchanged during the process to eliminate duplicate requests from audit team members. Both the City's documents, as well as final audit documents, will be hosted on the site providing an archive of information that new personnel may access in subsequent years, if information is needed regarding what was provided for a prior year audit or a copy of audit documents issued.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with GAAP; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making drafts of financial statements, all financial records and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

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

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review prior to the beginning of our audit

fieldwork.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

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

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

You agree to assume all management responsibilities for the financial statements preparation, schedule of expenditures of federal awards, related disclosures, and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

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

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

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

The audit documentation for this engagement is the property of Belt Harris Pechacek, LLLP and constitutes

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

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

Fees for our services are based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs such as report production, word processing, postage, etc. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Items that likely will increase the fee estimate include:

1. Assistance with addressing matters that were designated as management's responsibility, which include closing schedules and closing entries.

2. Submission of audit data within 60 days of a client requested completion date or filing deadline, requiring overtime hours to meet the deadline.

3. Changes in accounting pronouncements, professional standards, laws, and regulations not known to us as of the date of this letter that have a significant impact on time requirements.

4. Changes in the operations and significant matters that materially change the audit scope such as evaluation of the impact of joint ventures, debt issuance/refunding/advance extinguishment, forbearance agreements, notice of material events, enforcement actions, required corrective actions, self-insurance, environmental liabilities, going concern, and/or other postemployment benefits.

5. Significant increases in State or Federal funding requiring State and/or Federal Single Audits and/or increases to the number of grants classified as major programs by Office of Management and Budget (OMB) or State requirements.

6. Follow up on allegations or discovery of a) noncompliance with laws, regulations, and policies; b) fraud, waste, and abuse; c) significant deficiencies in internal control; d) nepotism; and e) related party transactions.

As customary in the industry, the price quoted is an estimate. In accordance with rules of the State Board of Public Accountancy, we cannot be bound to provide the audit for the amount estimated. However, in practice, we honor our fee quotes unless adverse conditions such as those described above are encountered.

Fee Estimates

	2021	2022	2023 (Optional)	2024 (Optional)
Financial Statement Audit	[redacted]	[redacted]	[redacted]	[redacted]
Additional Fees (If Required)*				
Single Audit-Base Fee	[redacted]	[redacted]	[redacted]	[redacted]
Single Audit-Per Major Program(non-FEMA)				
Single Audit-Per Major Program(FEMA)				

The proposed fee does not include any additional time related to COVID-19. The impact of COVID-19 is presently unknown and may result in additional compliance procedures, funding, or organizational problems, which may require additional time to address. Any additional time would be billed at our standard hourly rates.

Federal Single Audit Engagement

A federal single audit is required by the OMB's Uniform Guidance when federal funds over $750,000 are expended. Federal single audit fees vary based on the number of major programs as defined by OMB. Accordingly, the federal single audit fee consists of a 'Federal Single Audit-Base Fee' to cover basic fixed amounts and the 'Federal Single Audit-Per Major Program Fee', which is the scalable portion dependent on the actual number of major programs. The number of major programs is established by OMB criteria. If a federal single audit is required, there will be at least one major program. Prior year federal single audit reports will help plan for the number of major programs, but they will vary from year to year based on the level of federal funding. Should you not exceed OMB's federal single audit threshold, a federal single audit will not be required. If you anticipate exceeding the federal single audit threshold, please contact us as far in advance as possible so that we can begin doing preliminary federal single audit work.

Non-State Single Audit Engagement

A state single audit is required when grant funds that originated from the State of Texas (this does not include federal monies passed through the State) over $750,000 are expended. State single audit fees vary based on the number of major programs as defined by the *State of Texas Single Audit Circular*. The additional technical verbiage that is necessary when a state single audit is required is not included within this engagement letter, nor does the proposed engagement fee include additional fees related to a state single audit. Should you exceed the state single audit threshold, a new engagement letter will be required.

Billing Protocol

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Generally, 40 percent will be billed and payable upon completion of interim audit procedures (normally one to four months before year end) and 60 percent after a draft of the financial statements is issued. Accordingly, the fee will be split 40/60 between budget years. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Required Attachments

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2018 peer review accompanies this letter.

Reporting

We will issue a written report upon completion of our audit of the City's financial statements. Our report will be addressed to those charged with governance of the City. Circumstances may arise in which our report may differ from its expected form and content based on the results of the audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions or add an emphasis of matter or other matter paragraph to our auditors' report or, if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from the engagement.

Foreign Terrorists Organizations

Pursuant to Chapter 2252, Texas Government Code, we represent and certify that, at the time of execution of this letter, neither we nor any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the same (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code or Subchapter F of Chapter 2252 of the Texas Government Code or (ii) is a

company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term 'foreign terrorist organization' in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

Vendor Representation Regarding Israel

Pursuant to Chapter 2271, Texas Government Code, we represent that we do not boycott Israel and will not boycott Israel during the term of the contract. The term 'boycott Israel' shall have the meaning ascribed to this term in Section 808.001 of the Texas Government Code.

Required Non-Appropriation Clause

Notwithstanding anything contained in this engagement to the contrary, in the event no funds or insufficient funds are appropriated and budgeted or are otherwise unavailable in any fiscal period for fees due under this engagement agreement, the City will immediately notify us in writing of such occurrence and this agreement shall terminate on the last day of the fiscal period for which appropriations have been received or made.

Authorization of CPA's Disclosure

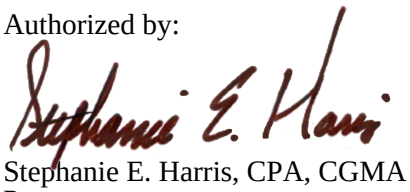
Any client certified public accountant involved with assisting us shall not be prohibited from disclosure of information required to be made available by the standards of the public accounting profession in reporting on the examination of financial statements. Management understands and provides permission to staff certificate or registration holders as required under the Rules of Professional Conduct, Texas Administrative Code, Title 22, Part 22, Chapter 501, Subchapter C, Section 501.75.

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

Sincerely,

Belt Harris Pechacek, LLLP
Certified Public Accountants

Authorized by:



Stephanie E. Harris, CPA, CGMA
Partner

RESPONSE:

This letter correctly sets forth the understanding of City of La Marque.

_____
The Honorable Keith Bell, Mayor

_____
Date

BUMGARDNERMORRISON

CPAs • Tax • Audit & Accounting

Empowering Peace of Mind

Report on the Firm's System of Quality Control

To the Partners of Belt Harris Pechacek, LLLP
And the Peer Review Committee of the Texas Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Belt Harris Pechacek, LLLP (the firm) in effect for the year ended June 30, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act;

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Belt Harris Pechacek, LLLP in effect for the year ended June 30, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass, pass with deficiency(ies) or fail.* Belt Harris Pechacek, LLLP has received a peer review rating of *pass.*

Bumgardner, Morrison + Company, LLP

BUMGARDNER, MORRISON & COMPANY, LLP
December 14, 2018

This page is left blank intentionally.

City of La Marque, Texas

SEALED DOLLAR COST PROPOSAL

RFP No. 002-2021

Professional Audit Services

Fiscal Years Ending September 30, 2021 and 2022,
With an Option to Renew for a Term of
Two Additional Fiscal Years

Submitted By:

Belt Harris Pechacek, LLLP

Robert Belt, CPA, CGMA-Managing Partner
rbelt@txauditors.com
3210 Bingle Road, Suite 300
Houston, Texas 77055
P: 713.263.1123 – F: 713.263.1550

November 3, 2021
10:00A.M.

Proud founding member of:

AICPA
GAQC Member

This page is left blank intentionally.

1. TOTAL ALL-INCLUSIVE MAXIMUM PRICES

A. Name of Firm

Belt Harris Pechacek, LLLP (BHP)

B. Certification That the Person Signing the Proposal is Entitled to Represent the Firm, Empowered to Submit the Fee Estimate and Authorized to Sign a Contract with the City

Representations for BHP can be made by me, Robert Belt – Managing Partner and Stephanie E. Harris – Partner.

C. Total All-Inclusive Maximum Price for Each of the Fiscal Years Ending September 30, 2021 and September 30, 2022

	2021	2022
Financial Statement Audit	$ 51,425	$ 46,680

	2021	2022
Financial Statement Audit	$ 51,425	$ 46,680
Additional Fees If Applicable:		
Federal Single Audit-Base Fee	3,850	3,995
Federal Single Audit-Per Major Program(non-FEMA)	4,875	5,060
Federal Single Audit-Per Major Program(FEMA)	6,500	6,745
TOTAL	**$ 66,650**	**$ 62,480**

E. Include a Time Budget by Employee Classification for the Audit

Below is a chart with our hours and rates for the first fiscal year for the City.

	Government Audit Experience	Hours by Audit Phase for FY 2021							Engagement Fees	
	Years of Experience	On-Boarding	Planning	Interim Fieldwork	Final Fieldwork	Final Delivery	Post Audit	Total Hours	Billing Rate	Gross Fees
Robert Belt, CPA, CGMA Quality Control Partner	30	-	4.11	4.11	4.11	27.86	6.56	46.75	$ 165.00	$ 7,713.75
Stephanie E. Harris, CPA, CGMA Engagement Partner	16	-	-	-	-	16.07	-	16.07	$ 160.00	$ 2,571.25
Ben Cohen, CPA Senior Audit Manager	8	-	4.27	8.15	8.15	20.57	-	41.14	$ 150.00	$ 6,171.00
Daniel Hebert Senior Associate	5	-	7.75	19.31	19.31	26.95	3.82	77.14	$ 120.00	$ 9,256.50
William Preston Professional Associate	3	-	-	38.57	34.83	3.74	-	77.14	$ 100.00	$ 7,713.75
Various Additional Staff	1	-	-	89.95	89.95	20.09	-	199.99	$ 90.00	$ 17,998.75
Total	63	-	16.13	160.09	156.35	115.28	10.38	458.23		$ 51,425.00
									Net Fee	$ 51,425.00

*Hours are rounded

F. Method to be Employed to Calculate Future Year Audit Costs.

BHP uses a standard 3.75% increase for each year. For more details, please refer to the engagement letter on the following pages.

2. Rates for Additional Professional Services

Rates for additional services would be our standard rates as listed in the chart above.

3. Method of Payment

Our services are billed 30% at completion of interim audit procedures and 70% on drafting the reports at the conclusion of final fieldwork. In some instances where the volume of work in process exceeds $10,000 at month end, progress billing may be utilized.

4. Insurance

BHP will provide certificates of insurance if awarded within 30 days.

Engagement Letter - Single Audit

November 3, 2021

The Honorable Keith Bell, Mayor
City of La Marque
1111 Bayou Road
La Marque, Texas 77568-4160

We are pleased to confirm our understanding of the services we are to provide for the City of La Marque, Texas (the "City") for the years ended September 30, 2021 and 2022, with the option to renew for a term of two additional fiscal years.

Audit Services

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, the aggregate remaining fund information, and the disclosures, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City as of and for the years ended September 30, 2021 and 2022, with the option to renew for a term of two additional fiscal years.

The component units will be audited as part of the audit of the financial statements of the City as noted below:

1. La Marque Public Improvement District No. 1: Blended, No Separate Financial Statements
2. La Marque Economic Development Corporation: Discretely Presented, Separate Financial Statements

Accounting standards generally accepted in the United States of America (GAAS) provide for certain Required Supplementary Information (RSI), such as Management's Discussion and Analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with GAAS. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles (GAAP) and will be subjected to certain limited procedures, but will not be audited:

1. Management’s Discussion and Analysis
2. Budgetary Comparison Schedule(s)
3. Pension Schedule(s) as applicable
4. OPEB Schedule(s) as applicable

Auditing Texas Governments with Excellence

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

1. Schedule of Expenditures of Federal Awards
2. Combining Statement(s) and Schedule(s)

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

1. Introductory Section
2. Statistical Section

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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 GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objective also includes reporting on---

1. Internal control over financial reporting and compliance with the provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

2. Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance").

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion.

Auditors' Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an avoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

Audit Procedures-Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

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, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses in internal control. Accordingly, we will express no such opinion. However, during the audit, we will

communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures-Compliance

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

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related disclosures of the City in conformity with GAAP and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards.*

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related disclosures services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Nonaudit Services

In connection with the engagement, we will perform services unrelated to our attest function. The additional services we will provide include:

1. **Preparation of Documents**
   We will assist in preparing the financial statements and related notes of the City in conformity with GAAP based on information provided by the City.
2. **Advisory Services**
   We will provide routine advisory services through phone calls, conferences, or otherwise, in connection with incidental matters arising during the year. We encourage open lines of communication throughout the year as part of our services.
3. **Correspondence**
   We will handle all normal correspondence from grantor, regulatory, or oversight agencies related to the audit.
4. **Professional Proofing**
   To ensure documents issued in connection with the audit engagement are professional in appearance, we will submit both client-prepared information, as well as documents created entirely by the auditor, to an independent professional proofreader for a cover-to-cover inspection. This review will include consistent formatting, grammar, logic, and any other items that may detract from the document. This process is over and above technical reviews performed.
5. **Printing and Binding**
   All final hard copy documents will be printed on a 1200 dpi or better resolution copier and bright white report paper. Reports will be bound with GBC-brand plastic combs with 30 mil oversized covers. We will manually inspect each page from one document and spot check remaining reports for printing errors. Our reports will be centered, properly aligned, and free of smudges and other detracting elements.

6. **Electronic Adobe Searchable PDF**
   In addition to providing hard copy documents, we will also provide all final documents in electronic image files in Adobe PDF format, suitable for posting in electronic agenda packages, posting on websites, or transmitting by email to regulatory agencies.
7. **Client Portal - Auditbox**
   We will provide the City access to our proprietary AuditBox online site to provide a central repository where both the City's personnel and audit team members can see documents being exchanged during the process to eliminate duplicate requests from audit team members. Both the City's documents, as well as final audit documents, will be hosted on the site providing an archive of information that new personnel may access in subsequent years, if information is needed regarding what was provided for a prior year audit or a copy of audit documents issued.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with GAAP; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making drafts of financial statements, all financial records and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

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

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review prior to the beginning of our audit

fieldwork.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

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

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

You agree to assume all management responsibilities for the financial statements preparation, schedule of expenditures of federal awards, related disclosures, and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

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

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

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

The audit documentation for this engagement is the property of Belt Harris Pechacek, LLLP and constitutes

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

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

Fees for our services are based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs such as report production, word processing, postage, etc. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Items that likely will increase the fee estimate include:

1. Assistance with addressing matters that were designated as management's responsibility, which include closing schedules and closing entries.

2. Submission of audit data within 60 days of a client requested completion date or filing deadline, requiring overtime hours to meet the deadline.

3. Changes in accounting pronouncements, professional standards, laws, and regulations not known to us as of the date of this letter that have a significant impact on time requirements.

4. Changes in the operations and significant matters that materially change the audit scope such as evaluation of the impact of joint ventures, debt issuance/refunding/advance extinguishment, forbearance agreements, notice of material events, enforcement actions, required corrective actions, self-insurance, environmental liabilities, going concern, and/or other postemployment benefits.

5. Significant increases in State or Federal funding requiring State and/or Federal Single Audits and/or increases to the number of grants classified as major programs by Office of Management and Budget (OMB) or State requirements.

6. Follow up on allegations or discovery of a) noncompliance with laws, regulations, and policies; b) fraud, waste, and abuse; c) significant deficiencies in internal control; d) nepotism; and e) related party transactions.

As customary in the industry, the price quoted is an estimate. In accordance with rules of the State Board of Public Accountancy, we cannot be bound to provide the audit for the amount estimated. However, in practice, we honor our fee quotes unless adverse conditions such as those described above are encountered.

Fee Estimates

	2021	2022	2023 (Optional)	2024 (Optional)
Financial Statement Audit	$ 51,425	$ 53,355	$ 55,355	$ 57,430
Additional Fees (If Required)*				
Single Audit-Base Fee	$ 3,850	$ 3,995	$ 4,145	$ 4,300
Single Audit-Per Major Program(non-FEMA)	$ 4,875	$ 5,060	$ 5,250	$ 5,450
Single Audit-Per Major Program(FEMA)	$ 6,500	$ 6,745	$ 7,000	$ 7,265

The proposed fee does not include any additional time related to COVID-19. The impact of COVID-19 is presently unknown and may result in additional compliance procedures, funding, or organizational problems, which may require additional time to address. Any additional time would be billed at our standard hourly rates.

Federal Single Audit Engagement

A federal single audit is required by the OMB's Uniform Guidance when federal funds over $750,000 are expended. Federal single audit fees vary based on the number of major programs as defined by OMB. Accordingly, the federal single audit fee consists of a 'Federal Single Audit-Base Fee' to cover basic fixed amounts and the 'Federal Single Audit-Per Major Program Fee', which is the scalable portion dependent on the actual number of major programs. The number of major programs is established by OMB criteria. If a federal single audit is required, there will be at least one major program. Prior year federal single audit reports will help plan for the number of major programs, but they will vary from year to year based on the level of federal funding. Should you not exceed OMB's federal single audit threshold, a federal single audit will not be required. If you anticipate exceeding the federal single audit threshold, please contact us as far in advance as possible so that we can begin doing preliminary federal single audit work.

Non-State Single Audit Engagement

A state single audit is required when grant funds that originated from the State of Texas (this does not include federal monies passed through the State) over $750,000 are expended. State single audit fees vary based on the number of major programs as defined by the *State of Texas Single Audit Circular*. The additional technical verbiage that is necessary when a state single audit is required is not included within this engagement letter, nor does the proposed engagement fee include additional fees related to a state single audit. Should you exceed the state single audit threshold, a new engagement letter will be required.

Billing Protocol

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Generally, 40 percent will be billed and payable upon completion of interim audit procedures (normally one to four months before year end) and 60 percent after a draft of the financial statements is issued. Accordingly, the fee will be split 40/60 between budget years. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Required Attachments

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2018 peer review accompanies this letter.

Reporting

We will issue a written report upon completion of our audit of the City's financial statements. Our report will be addressed to those charged with governance of the City. Circumstances may arise in which our report may differ from its expected form and content based on the results of the audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions or add an emphasis of matter or other matter paragraph to our auditors' report or, if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from the engagement.

Foreign Terrorists Organizations

Pursuant to Chapter 2252, Texas Government Code, we represent and certify that, at the time of execution of this letter, neither we nor any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the same (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code or Subchapter F of Chapter 2252 of the Texas Government Code or (ii) is a

company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term 'foreign terrorist organization' in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

Vendor Representation Regarding Israel

Pursuant to Chapter 2271, Texas Government Code, we represent that we do not boycott Israel and will not boycott Israel during the term of the contract. The term 'boycott Israel' shall have the meaning ascribed to this term in Section 808.001 of the Texas Government Code.

Required Non-Appropriation Clause

Notwithstanding anything contained in this engagement to the contrary, in the event no funds or insufficient funds are appropriated and budgeted or are otherwise unavailable in any fiscal period for fees due under this engagement agreement, the City will immediately notify us in writing of such occurrence and this agreement shall terminate on the last day of the fiscal period for which appropriations have been received or made.

Authorization of CPA's Disclosure

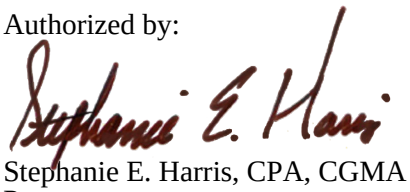
Any client certified public accountant involved with assisting us shall not be prohibited from disclosure of information required to be made available by the standards of the public accounting profession in reporting on the examination of financial statements. Management understands and provides permission to staff certificate or registration holders as required under the Rules of Professional Conduct, Texas Administrative Code, Title 22, Part 22, Chapter 501, Subchapter C, Section 501.75.

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

Sincerely,

Belt Harris Pechacek, LLLP
Certified Public Accountants

Authorized by:



Stephanie E. Harris, CPA, CGMA
Partner

RESPONSE:

This letter correctly sets forth the understanding of City of La Marque.

_____
The Honorable Keith Bell, Mayor

_____
Date

BUMGARDNERMORRISON

CPAs • Tax • Audit & Accounting

Empowering Peace of Mind

Report on the Firm's System of Quality Control

To the Partners of Belt Harris Pechacek, LLLP
And the Peer Review Committee of the Texas Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Belt Harris Pechacek, LLLP (the firm) in effect for the year ended June 30, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act;

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Belt Harris Pechacek, LLLP in effect for the year ended June 30, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass, pass with deficiency(ies) or fail.* Belt Harris Pechacek, LLLP has received a peer review rating of *pass*.

Bumgardner, Morrison + Company, LLP

BUMGARDNER, MORRISON & COMPANY, LLP
December 14, 2018

This page is left blank intentionally.

CITY COUNCIL AGENDA FORM

Meeting Date: November 8, 2021 Agenda item: **8b**
Prepared by: Chief Randall Aragon Reviewed by:
Department: Police

AGENDA ITEM DESCRIPTION: Discussion/possible action regarding authorizing the Mayor to execute an Interlocal Agreement (ILA) between the City of La Marque and the County of Galveston for the City's continued participation in the *Galveston County Auto Crimes Task Force* (GCACTF)

X

ATTACHMENTS FOR REFERENCE

1. Interlocal Agreement FY 2021/2022 between the City of La Marque and the County of Galveston for participation in the Galveston County Auto Crimes Task Force
2. Motor Vehicle Crime Prevention Authority Award Letter to Galveston County

STAFF BRIEFING:

- The LMPD is a current recipient of this grant
- This is a continuation of the current FY 2020/2021 grant
- The agents who are assigned to the Galveston County Auto Crimes Task Force (GCACTF) conduct investigations, both proactive and reactive, as assigned by the Task Force Commander
- The agent assigned to the Task Force by LMPD investigates auto crimes cases reported to the La Marque Police Department as well as working jointly with other agents
- Agents operate both overtly and covertly in the investigation of auto crimes.
- Agents also conduct public awareness programs; serve as liaison to their home agency sharing and gathering information related to motor vehicle crimes
- The GCACTF grant funds a vehicle and salary (does not include benefits)
- Salary expense will be reimbursed to the City based on City-issued invoices
- Expenses for gas, oil, and maintenance is the responsibility of the City of La Marque
- The ILA and program costs have been discussed with the Finance Director

HISTORY:

- City Council authorized the City's participation in the GCACTF in 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018, 2018-2019, 2019-2020, 2021-2022 (current.)

TARGET IMPLEMENTATION: Fiscal Year 2021-2022.

SIGNIFICANT ACTION DATES:

November 8, 2021 – Approval of the 2021-2022 Interlocal Agreement (ILA) by the La Marque City Council

CITY COUNCIL AGENDA FORM

ACTION:

- ☐ Ordinance
- ☐ Resolution
- ☐ Special Presentation
- ☐ Proclamation
- ☐ Finance Report
- ☐ Public Hearing
- ☒ Other - ILA
- ☒ Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures

Cost Details:	
Budgeted	$93,273.40
Actual Bid	
Estimated Expenditure	Fringe = $28,251 + $2,400 fuel + $1,200 maintenance and insurance for the grant funded vehicle $61,422.40 salary is grant funded.
Acct. Name(s)	
Line Items #	Various
Other Funding	

STAFF'S RECOMMENDATION: Motion to authorize the Mayor to execute an Interlocal Agreement (ILA) between the City of La Marque and the County of Galveston for the City's continued participation in the *Galveston County Auto Crimes Task Force* (GCACTF)

FISCAL IMPACT: $31,851 annually for benefits, and fuel, maintenance, and insurance for grant funded vehicle

County of Galveston
Grant Administration Department
James M. Gentile, Director

MEMORANDUM

To: **Galveston County Commissioners' Court**

From: **Betsy Thomas, Grants Administrator**

Court Date: **September 7, 2021**

RE: **Sheriff's Office – Auto Crimes Task Force**
Motor Vehicle Crime Prevention Authority Grant Award

BACKGROUND

The Galveston County Auto Crimes Task Force (ACTF) was formed in 1993 and since that time the County has seen almost a 70% reduction in auto theft as well as a reduction in burglaries to motor vehicles. The ACTF serves all cities and points within Galveston County as well as Brazoria, Matagorda and southern Harris Counties – by request.

The ACTF operates public awareness campaigns, LPR (License Plate Reader) patrols, surveillance programs, bait vehicle operations and auto crimes training for licensed peace officers in agencies across the county.

SUMMARY

Each year the County submits a budget proposal to assist in the operation of the Auto Crimes Task Force from the Automobile Burglary & Theft Prevention Authority. This formula grant allocation endeavors to provide reimbursable activities for the Galveston County Auto Crimes Task Force for FY 2022.

FINANCIAL SUMMARY

Grant Award	$518,201.00
Match	$152,829.00
Total Project Cost	**$671,030.00**

RECOMMENDATIONS

Grants Administration asks the Court to consider acceptance of the FY 2022 Motor Vehicle Crime Prevention Authority Grant award and authorize the County Judge's signature on contract documents.

ATTACHEMENTS

Required Documents for signature:

- ☐ FY22 Statement of Grant Award and Grantee Acceptance Notice

GALVESTON COUNTY, TEXAS
COMMISSIONERS COURT

Grant Award/Agreement

Court Date: 9.7.2021		**Department:** Sheriff's Department			
Grant Agency: Texas Department of Motor Vehicles			**Funding Source:** Motor Vehicle Crimes Prevention Authority		
Grant Start Date:	09/01/2021	**Program Year:** FY 2022		**Renewal Grant:**	YES
Grant End Date:	08/31/2022	**Program End Date:**	ongoing	**Contract #**	608-22-0840000
Description: Auto Crimes Task Force					
Grant Organization Keys: 2864 211126 ACTF State share 2864 211204 ACTF County share 2864 211206 ACTF Program Income			**Grant Type:** Formula Grant		

Expenditure Type	Grant (Other) Funded	County Funded	Total Budget
Salary & Benefit	$490,776.00	$152,829.00	$643,605.00
Non-Labor	$27,425.00		
Indirect/Admin Costs			
Not Yet Determined			
Totals:	$518,201.00	$152,829.00	$671,030.00

	FY18	FY19	FY20	FY21	After FY21	Total
County Funding History			$119,102	$128,961		

Assigned Department Contact	Gina Doolittle - ACTF Department Contact is responsible for the execution of the scope of work, programmatic reporting for the project and will serve as the point of contact for the Grants Administration Department.
County Funding Source:	**Fund:** County match is met through benefits and fringe. **Division:**

Approved By:	**Signature**	**Date**
Department Director:	Henry Trochesset	Digitally signed by Henry Trochesset Date: 2021.08.30 14:37:03 -05'00'
Grants Manager:	Betsy Thomas	Digitally signed by Betsy Thomas DN: cn=Betsy Thomas, o=Galveston County, ou=Grants Administration, email=elizabeth.thomas@co.galveston.tx.us, c=US Date: 2021.08.26 17:34:03 -05'00'
Chief Financial Officer:	Brent Hartzell	Digitally signed by Brent Hartzell Date: 2021.08.31 11:00:59 -05'00'
County Auditor:	Madeline Walker	Digitally signed by Madeline Walker DN: cn=Madeline Walker, o=Galveston County Auditor's Office, ou, email=Madeline.Walker@co.galveston.tx.us, c=US

FY22 Motor Vehicle Crime Prevention Authority
Statement of Taskforce Grant Award and Grantee Acceptance Notice

Grant Number:	**608-22-0840000**	Grant Award Amount:	**$518,201**
Grantee:	**Galveston County**	Total Cash Match Amount:	**$223,525**
Program Title:	**Galveston County Auto**	In-Kind Match Amount:	**$48,000**
Crimes Task Force		Reimbursement Percent*:	**69.86%**

Grant Term: **September 1, 2021 to August 31, 2022**

That whereas, **Galveston County** (hereinafter referred to as Grantee), has heretofore submitted a grant application in response to the Request for Application issued on May 3, 2021 to the Motor Vehicle Crime Prevention Authority, State of Texas, entitled **Galveston County Auto Crimes Task Force**, and further identified by grant number **608-22-0840000**; and

Whereas, the Motor Vehicle Crime Prevention Authority has approved the grant application as evidenced by this FY22 Statement of Grant Award and certain special requirements from the Motor Vehicle Crime Prevention Authority dated **August 20, 2021**>; and

Whereas, the Grantee desires to accept the FY22 grant award and use all funds for purposes and in compliance with the following requirements that are adopted in their entirety by reference:

- Texas Transportation Code Chapter 1006;
- Texas Administrative Code: Title 43; Part 3; Chapter 57;
- Texas Grant Management Standards (TxGMS) as promulgated by the Texas Comptroller of Public Accounts including TxGMS Standard Assurances by Local Governments and Standards for Financial and Program Management;
- The Request for Applications issued on May 3, 2021;
- The current Motor Vehicle Crime Prevention Authority Grant Administrative Manual and forms and subsequently adopted grantee instruction manuals and forms;
- The Final Adopted Application attached to this Statement of Grant Award; and
- The Approved Grant Budget Summary:

Grant Budget Summary: Galveston County (App ID: 175)				
Budget Category	**MVCPA Expenditures**	**Cash Match Expenditures**	**Total Expenditures**	**In-Kind Match**
Personnel	$348,844	$30,260	$379,104	$0
Fringe	$0	$122,569	$122,569	
Overtime				
Professional and Contract Services	$141,932	$65,122	$207,054	
Travel	$0	$5,574	$5,574	
Equipment				
Supplies and Direct Operating Expenses (DOE)	$27,425	$0	$27,425	$48,000
Totals	$518,201	$223,525	$741,726	$48,000
*Reimbursement Percent: 69.86% - $518,201-MVCPA Amt / ($741,726-MVCPA Amt. plus $223,525-Cash Match)				

Now, therefore, the Grantee accepts the FY22 Statement of Grant Award under the conditions

above including the special requirements in the grant application and the Statement of Grant Award as evidenced by this agreement, executed by the official authorized to sign the original grant application, or the official's designated successor, as presiding officer of and on behalf of the governing body of this grantee; and

The Motor Vehicle Crime Prevention Authority has awarded the above-referenced grant subject to the availability of state funds. The approved budget is reflected in the above Approved Grant Budget Summary. This grant is subject to and conditioned upon the acceptance of the MVCPA Grant Administrative Guide promulgated for this specific program fund (referenced above) by the Motor Vehicle Crime Prevention Authority. Applicable special conditions are listed below.

Special Conditions and Requirements (MVCPA will only apply special conditions to applicable jurisdictions):

__X__ **Border Security Report Requirement** – This Grantee is designated as a MVCPA Border Security Grant which is located along the United States of America border with the United States of Mexico and those that are adjacent to the Gulf Intracoastal Waterway. This designation requires grantee to provide additional report information required by the General Appropriations Act of the 87th Texas Legislature, Regular Session. The Governor or Legislative Budget Board may request additional information regarding the report data during the term of the grant.

__X__ **Intelligence Sharing** - The grantee is required to ensure that Law Enforcement personnel funded in whole or in part by this grant actively participate in Law Enforcement intelligence sharing webinars and Motor Vehicle Crime Investigator Virtual Command Centers organized and promoted on behalf of the MVCPA program operation and statewide collaboration.

__X__ **Multi-agency grant** - The grantee is required to complete and maintain interlocal agreement with all participating subgrantees as required by law and TxGMS. The grantee must complete a process to monitor and ensure grant compliance of subgrantees. The grantee must maintain the process locally and document compliance with that plan.

__X__ **Multi-agency Grant Operational Plan** – The grantee is required to provide an operational plan describing the communication process with participating and coverage jurisdictions. The operational plan must include how meetings are held, how often, and whether meetings are held in person or remotely. The grantee must report meetings in quarterly progress reports.

APPROVED AND ACCEPTED BY:

Authorized Official

Mark Henry, County Judge
Printed Name and Title

9/7/2021
Date Signed

FY22 Galveston County Final Adopted Application

Galveston County Taskforce Grant Negotiation for Fiscal Year 2022

Request for Application (RFA)

Primary Agency / Grantee Legal Name: *Galveston County*
Organization Type: *Law Enforcement*
Organization ORI (if applicable): *TX0840000: GALVESTON CO SO*

Program Title Please enter a short description of the proposed program that can be used as the title.
Galveston County Auto Crimes Task Force

Application Category (See **Request for Applications** [RFA] for category details and descriptions RFA Priority Funding Section):
New Grant - FY22 is the first year of the MVCPA Taskforce Grants. All FY22 grant applicants use the new grant category.

MVCPA Program Category (see **RFA** and TAC 43, 3 §57.14). Check all that apply.

- Law Enforcement, Detection and Apprehension
- Prevention, Anti-Theft Devices and Motor Vehicle Registration
- Reduction of the Sale of Stolen Vehicles or Parts
- Education Programs and Marketing

Taskforce Grant Participation and Coverage Area

Provide a General Description of the Participating and Coverage Area of this Grant Application

Galveston County Auto Crimes Task Force covers Brazoria, Matagorda, and Southern Harris County areas on a request basis. We currently conduct 68-A inspections for these areas, respond to complaints and assist on investigations. The geographical area has a population growth during the summer time. Our analyst offers support not only statewide, Nationally (Federal Agencies) but also internationally upon request.

Define in the tables below the grant relationships and geographic area of the taskforce:
Applicant will add the participating and coverage agencies from the ORI list below. If an agency is not in the ORI list, please include the agency and role in the general description above. Make sure to follow the definitions below and select an agency in the dropdown. Use the *Add as Participating Agency* or *Add as Coverage Agency* button to populate the list.

Participating Agencies are agencies that materially participate in the grant application through the exchange of funds for reimbursement and cash match. Participating agencies are defined after the grant award by interlocal/interagency agreements. Each applicant must select their own agency first. Then select agencies that will receive or provide funding and/or resources. [Note: Interlocal/interagency agreements do not need to be submitted with the application. Interlocal agreements will need to be executed prior to the first payment being made if selected for a grant. Letters of support with the application from the participating agencies are strongly recommended.]

Coverage Agencies are agencies that provided some level of coverage, assistance or support by this grant application but will not materially exchange funds as cash match or reimbursement. The coverage is not supported by an after the award with interlocal/interagency agreements. Coverage agencies as law enforcement agencies may have jurisdictional coverage agreements unrelated to the grant (Ex. City Y is within County X or vice versa). Agencies selected in this list include agencies that will be covered or where the agency indicates that their agency will coordinate or call upon the taskforce. Letters of support with the application from the participating agencies are strongly recommended.

Participating Agencies	Coverage Agencies
TX0840000 GALVESTON CO SO	TX0200000 BRAZORIA CO SO (MIP)
TX0840400 GALVESTON PD	TX0200100 ALVIN PD
TX0840700 LA MARQUE PD	TX0200200 ANGLETON PD
	TX0200300 CLUTE PD

TX0200400 DANBURY PD
TX0200500 FREEPORT PD
TX0200800 LAKE JACKSON PD
TX0200900 MANVEL PD
TX0201000 PEARLAND PD(MIP)(IBR)
TX0201100 RICHWOOD PD
TX0201200 SWEENY PD (AE)
TX0201400 WEST COLUMBIA PD
TX0201700 ALVIN COMMUNITY COLL PD
TX0201800 BRAZORIA PD
TX0201900 BROOKSIDE VILLAGE PD
TX0202700 JONES CREEK PD (AE)
TX0202800 SURFSIDE BEACH PD
TX0202900 OYSTER CREEK PD
TX0203200 ALVIN ISD PD
TX0203300 ANGLETON ISD PD (AE)
TX0203500 COLUMBIA-BRAZORIA ISD PD
TX0840200 DICKINSON PD
TX0840300 FRIENDSWOOD PD (AE)
TX0840500 HITCHCOCK PD
TX0840600 KEMAH PD
TX0840800 LEAGUE CITY PD
TX0840900 TEXAS CITY PD
TX0841000 UTMB-GALVESTON PD
TX0841200 TX A&M GALVESTON PD (AE)
TX0841900 JAMAICA BEACH PD (AE)
TX0842100 SANTA FE PD
TX0842200 BAYOU VISTA PD
TX0842300 COLL OF THE MAINLAND PD
TX0842800 Santa Fe ISD PD
TX0843100 GALVESTON ISD PD
TX1011300 LA PORTE PD
TX1011700 SEABROOK PD (AE)
TX1011800 SHOREACRES PD
TX1012500 WEBSTER PD
TX1012800 NASSAU BAY PD
TX1016600 LAKEVIEW PD
TX1610000 MATAGORDA CO SO
TX1610100 BAY CITY PD
TX1610200 PALACIOS PD
TX1610900 BAY CITY ISD PD

- **Other Coverage** (Use if ORI not listed or explanation is necessary.):
  Galveston Port Police Department ORI TX0842400, University of Texas UTMB TX0841000, Port of Freeport (Vehicle exports moved to Freeport from Galveston, Equipment imports/Exports remain in Galveston) No ORI

Resolution: Complete a Resolution and submit to local governing body for approval. *Sample Resolution* is found in the Request for Application or send a request for an electronic copy to *grantsMVCPA@txdmv.gov*. The completed and executed Resolution must be attached to this on-line application.

Grant Budget Form

MVCPA recommends that the applicant complete the total costs (MVCPA and Cash Match combined) for this program. The applicant can then enter the desired amount of Cash Match (not less than 20% per TAC Title 43, Â§57.36). The system will then calculate the correct grant and match amounts.

Budget Entry Option:
Enter MVCPA and Cash Match Amounts

Budget Category	MVCPA Expenditures	Cash Match Expenditures	Total Expenditures	In-Kind Match
Personnel	$348,844	$30,260	$379,104	$0
Fringe	$0	$122,569	$122,569	
Overtime				
Professional and Contract Services	$141,932	$65,122	$207,054	
Travel	$0	$5,574	$5,574	
Equipment				
Supplies and Direct Operating Expenses (DOE)	$27,425	$0	$27,425	$48,000

Budget Category	MVCPA Expenditures	Cash Match Expenditures	Total Expenditures	In-Kind Match
Total	$518,201	$223,525	$741,726	$48,000
Cash Match Percentage		43.13%		

Description	Subcategory	Pct Time	MVCPA Funds	Cash Match	Total	In-Kind Match
Personnel						
Lt./Commander (Position # 401)	Investigator/LEO	100	$82,152	$9,620	$91,772	$0
Investigator (Position #404)	Investigator/LEO	100	$75,846	$5,910	$81,756	
Investigator (Position #405)	Investigator/LEO	100	$71,849	$7,180	$79,029	
Investigator (Position #402)	Investigator/LEO	100	$71,849	$5,950	$77,799	
Analyst (Position #403)	Crime Analyst/LE Professional	80	$47,148	$1,600	$48,748	
Total Personnel		480	$348,844	$30,260	$379,104	$0
Fringe						
Lt./Commander (Position # 401)	Investigator/LEO		$0	$28,459	$28,459	
Investigator (Position #404)	Investigator/LEO		$0	$26,095	$26,095	
Investigator (Position #405)	Investigator/LEO		$0	$25,565	$25,565	
Deputy II (Position #402)	Investigator/LEO		$0	$25,287	$25,287	
Analyst (Position #403)	Crime Analyst/LE Professional		$0	$17,163	$17,163	
Total Fringe			$0	$122,569	$122,569	
Overtime						
Total Overtime						
Professional and Contract Services						
Galveston PD - Sr Police Officer	Investigator/LEO - personnel	100	$78,667	$5,796	$84,463	
Galveston PD - Sr Police Officer	Investigator/LEO - fringe	100	$0	$34,302	$34,302	
La Marque PD - Detective	Investigator/LEO - personnel	100	$63,265	$3,990	$67,255	
La Marque PD - Detective	Investigator/LEO - fringe	100	$0	$21,034	$21,034	
Total Professional and Contract Services		400	$141,932	$65,122	$207,054	
Travel						
MVCPA Meetings and Workshops	Administrative In-state		$0	$340	$340	
Advanced/Specialized Auto Theft	Training In-State		$0	$194	$194	
TAVTI	Training In-State		$0	$4,840	$4,840	
Other Investigative Training	Training In-State		$0	$50	$50	
Investigations	Law enforcement In-State		$0	$50	$50	
Investigations	Law enforcement Out-of-State		$0	$50	$50	
Other Investigative Training	Training Out-of-State		$0	$50	$50	
Total Travel			$0	$5,574	$5,574	
Equipment						
Total Equipment						
Supplies and Direct Operating Expenses (DOE)						
Service Contracts (Hardware/Software)			$17,500	$0	$17,500	
Fuel					$0	$16,800
Vehicle Maintenance			$1,500	$0	$1,500	$7,200
Wireless Communications/Cell Phones			$4,025	$0	$4,025	
Administrative Supplies			$1,000	$0	$1,000	

Description	Subcategory	Pct Time	MVCPA Funds	Cash Match	Total	In-Kind Match
Operating Supplies			$2,000	$0	$2,000	
Training			$1,400	$0	$1,400	
Utilities/Building Maintenance/Alarm					$0	$24,000
Total Supplies and Direct Operating Expenses (DOE)			$27,425	$0	$27,425	$48,000

Budget Narrative

A. Personnel

Personnel: Lt/Commander (Galveston County Sheriff's Office): Commander supervises daily operations of the Task Force including strategy development and case assignment/review. Maintains communication with the Project Director, investigators, and office personnel. The Unit Commander stays in contact with the County Auditor and Purchasing Agent to ensure compliance with the appropriate state and county regulations. Commander provides both tactical and strategic analytical support to all local, county, state, and federal agencies. Commander coordinates with the Analyst concerning appointments, travel, training, and monitoring grant and financial records. Attends and conducts peace officer training and public awareness programs as needed. 100% assigned to Auto Crimes Task Force. Investigators (Galveston County Sheriff's Office): Conduct investigations, both pro-active (self-initiated) and reactive; operates both overtly and covertly as deemed necessary by the Commander. Attends and conducts peace officer training. Conducts public awareness programs as directed. Serve as liaison to assigned districts sharing and gathering information related to motor vehicle crimes. Assist all local, county, state, and federal agencies when requested related to Auto Crimes Task Force stated mission assignments. 100% assigned to Auto Crimes Task Force. Analyst (Galveston County Sheriff's Office): Performs intelligence analysis including research, crime mapping, link analysis, VIN decoding, secondary identification methods, and any other vehicle-related requests for local, state, and federal investigators. 80% assigned to Auto Crimes Task Force. Personnel not listed in funding tables include 2 part time reserve deputies assigned to the Auto Crimes Task Force. Their duties may include: conducting investigations, both pro-active (self-initiated) and reactive; operating both overtly and covertly as deemed necessary by the Commander. Attends and conducts peace officer training. Conducts public awareness programs as directed. Serve as liaison to assigned districts sharing and gathering information related to motor vehicle crimes. No grant funds requested for salaries; nor matches used in grant application; however, some costs may be incurred to provide training or equipment necessary to conduct ACTF business. Note: Salaries listed are based on proposed position steps/grades (with respect to percentage of time spent on Auto Crimes Task Force grant activities) for the coming fiscal year. Cash match amounts reflected include Law Enforcement Career Path Program costs (for sworn personnel) as follows: Certification Pay (based on level of certification as follows: $100 per month for intermediate certification; $200 per month for advanced certification; and $300 per month for master certification); and Longevity Pay: $10.00 per each year of time in service per month. Also included is a one-time bonus of $2,000 per employee typically given to County employees in the second pay period in November.

B. Fringe

Fringe: Cash Match Amounts reflected above include the following benefits for all county employees with respect to percentage of time spent on Auto Crimes Task Force grant activities: Pension -Texas County District and Retirement System (TCDRS) at 12.46%; Alternate Plan (County does not participate in Social Security) at 8.645%; Medicare at 1.450%; Unemployment Insurance at 0.140%; Health Insurance at $630/month. No overtime costs included in these fringe amounts.

C. Overtime

No overtime requested for FY2022

D. Professional and Contract Services

Galveston Police Department (Sr Police Officer): Conduct investigations, both pro-active (self-initiated) and reactive; operates both overtly and covertly as deemed necessary by the Commander. Attends and conducts peace officer training. Conducts public awareness programs as directed. Serve as liaison to assigned districts sharing and gathering information related to motor vehicle crimes. Assist all local, county, state, and federal agencies when requested related to Auto Crimes Task Force stated mission assignments. 100% assigned to Auto Crimes Task Force. The Galveston Municipal Police Association and the City of Galveston are currently negotiating a new Collective Bargaining Agreement. GPD Salary total calculated at current base with a potential 3% COLA although it is unknown at this time if there will be any changes; plus the following Cash Match for incentive pay: Certification Pay (based on TCOLE certification - Intermediate: $100/month; Advanced: $167/month; and Masters: $208/month); Longevity Pay ($75.01 /month); and Education Pay (based on degree held from nationally accredited college or university - Associates: $75/month; Bachelors: $200/month; Masters: $250/month). GPD Benefits/Fringe Cash Match include: Pension (12%); Social Security (6.20%); Medicare (1.450%); Workers Comp (9.250%); Health Insurance ($790/month); Dental Insurance ($24/month): and Life Insurance ($15/month). No GPD overtime requested for FY 2022. La Marque Police Department (Detective): Conduct investigations, both pro-active (self-initiated) and reactive; operates both overtly and covertly as deemed necessary by the Commander. Attends and conducts peace officer training. Conducts public awareness programs as directed. Serve as liaison to assigned districts sharing and gathering information related to motor vehicle crimes. Assist all local, county, state, and federal agencies when requested related to Auto Crimes Task Force stated mission assignments. 100% assigned to Auto Crimes Task Force. The La Marque Municipal Police Association and the City of La Marque are currently negotiating a new Collective Bargaining Agreement. LMPD Salary total calculated at current base with a potential 3% COLA although it is unknown at this time if there will be any changes; plus the following Cash Match for incentive pay: Certification Pay: up to $205/month; Longevity Pay: $750 one-time annual payment received in November; an Equipment Allowance: $65/month. LMPD Benefits/Fringe Cash Match include: Pension (14.76%); Social Security (6.20%); Medicare (1.450%); and Health Insurance ($496.87/month). No LMPD overtime requested for FY 2022.

E. Travel

Budget Narrative

All proposed travel would be funded by Cash Match using Program Income Funds. All proposed travel would be funded by Cash Match using Program Income Funds. The current per diem rate for the county is $45 per day and the mileage rate is in conjunction with the IRS standard mileage rate. Each investigator assigned by contract will follow the travel policies of their home agencies respectively and will bill ACTF for reimbursement of travel costs incurred. An average general per diem of $55 per day used in below calculations to account for City rates. Administrative (In-State): ACTF anticipates travel to MVCPA Board Meetings plus one grant workshop per year for Commander and Analyst. Calculated an overnight stay once per year: $125/night x 2 people - $250 hotel estimate; plus per diem: $45/day x 2 people - $90 = total $340 Training: Travel expenses following are listed schools and others as yet to be announced to expand the level of training and knowledge of personnel assigned to Auto Crimes Task Force. Advanced/Specialized Auto Theft (In-State): Not determined yet for FY 2022 but $194 set aside to establish line item in case of any employee turnover. TAVTI -Texas Association of Auto Theft Investigators (In-State): To be held in San Marcos in FY 2022 and estimated funds include: 7 hotel rooms at $125/night for 4 nights - $3,500; per diem: $55/day x 4 days x 2 city employees =$440 plus $45/day x4 days x 5 employees = 900 for a total estimated per diem of $1,340 = total $4,840 Investigative Training (In-State): Could include New Detective and Criminal Investigator Training; Interview and Interrogation Training, etc. and will be scheduled locally where available. $50 set aside to establish line item in case non-local travel necessary for investigative training opportunities. Investigative Training (Out-of-State): Not determined at this time but $50 set aside to establish line item in case out-of-state investigative training, such as NICB or other training opportunities arise. Investigative (In-State): Not determined at this time but $50 set aside to establish line item in case of in-state travel needed to conduct investigation or follow up on leads (non-training funds). Investigative (Out-of-State): Not determined at this time but $50 set aside to establish line item in case of in-state travel needed to conduct investigation or follow up on leads (non-training funds) in Louisiana or in another state.

F. Equipment

No equipment funds requested for FY 2022.

G. Supplies and Direct Operating Expenses (DOE)

Service Contracts: $17,500 for Software Licensing and Maintenance costs of $11,500 to renew annual contract with Vigilant Solutions for Law Enforcement Archival and Reporting Network (LEARN) and National Vehicle Location System (NVLS) access to LPR data (including private data) and Facial Recognition System; Software Licensing and Maintenance costs of $3,000 to CovertTrack to renew annual contract to access mapping for tracking devices; Hardware Maintenance Contract annual renewal with Vigilant Solutions for $3,000 to provide upgrades to the existing License Plate Reader camera system. Fuel: The county and cities provide fuel for ACTF vehicles including investigator vehicles and LPR. All amounts shown as in-kind match are based on estimate of $200/month. Quarterly expenditure reports will document actual match by each entity. Vehicle Maintenance: $1,500 to cover any cost for maintenance or repair to bait vehicles (cargo trailer, all-terrain vehicles and personal water craft); License Plate Reader vehicle; ACTF Polaris UTV; and ACTF crime prevention trailer; and $7,200 In-Kind from the County and Cities to repair and maintain agent's vehicles (6 total) estimated at $1,200/agent. Wireless Communications: $4,025 for cell phones used by ACTF staff; cellular data links in bait vehicles, LPR, tracking units to operate GPS systems, and IP video cameras used for surveillance. Also includes costs of air cards for laptop computers to send/receive data to identify motor vehicles, suspects, or relay information in surveillance situations in a timely and secure method. Current cell phone bills average $335.42/month. Administrative Supplies: $1000 for Routine office supplies, paper, batteries for electronics, audio/videotapes, and blank CDs/DVDs, etc. These items assist personnel to perform efficiently and professionally. Operating Supplies: Estimated $1,000 for Departmental Supplies such as cleaners and degreasers for use in identifying vehicles/parts, small hand tools, VIN etching supplies; finger print supplies; and other items used by Auto Crimes Task Force Agents in the course of their assigned duties; and $1,000 for Crime Prevention Supplies to allow the purchase and replenishment of popular give-away promotional items. Training: $1,400 to allow for training opportunities to attend Texas Association of Vehicle Theft Investigators (TAVTI) conference at $200/person for 7 people Utilities/Building Maintenance/Alarm: In-kind match shown for County provided utility services (electrical, water, sewer, garbage disposal, etc) and maintains/repairs the building for the Auto Crimes Task Force. 24-hour monitoring and call-out service for our office building (alarm systems) are also provided by Galveston County. Cost of utilities estimated at $2000/month, however quarterly expenditure reports will document actual utility bill amounts.

Revenue

Indicate Source of Cash and In-Kind Matches for the proposed program. Click on links to go to match detail pages for entry of data.

Source of Cash Match

Galveston County	Grantee	$152,829
City of Galveston	Subgrantee	$40,098
City of La Marque	Subgrantee	$25,024
Program Income	Program Income	$5,574
Total Cash Match		$223,525

Source of In-Kind Match

Galveston County	Grantee	$40,800.00
City of Galveston	Subgrantee	$3,600.00
City of La Marque	Subgrantee	$3,600.00
Total In-Kind Match		$48,000.00

Statistics to Support Grant Problem Statement

Reported Cases		2019			2020	
Jurisdiction	Motor Vehicle Theft (MVT)	Burglary from Motor Vehicle (BMV)	Fraud-Related Motor Vehicle Crime (FRMVC)	Motor Vehicle Theft (MVT)	Burglary from Motor Vehicle (BMV)	Fraud-Related Motor Vehicle Crime (FRMVC)
Galveston County	782	1,653	12	891	1,689	3

Application Narrative

Grant Introduction (Executive Summary) and General Information

1.1 Briefly describe the organization and program operation. Provide a high level summary to the application and how it will affect the local community. (500 words or less)

Galveston County is the grantee and is governed by county commissioners' court. The court appointed Galveston County Sheriff to oversee this project. Galveston County Auto Crimes Task Force command structure has a Director (appointed by Sheriff), Commander, Assistant Commander, Analyst and four Investigators. The task force follows the command structure of the Sheriff's Office.

Galveston County Auto Crimes Task Force is a multi-agency and multi-jurisdictional task force with extensive training in auto theft and vehicle financial fraud. The task force coordinates responses both pro-actively and re-actively to multifaceted motor vehicle crimes throughout the region. Motor vehicle crimes are often tied to organized crime and patterns of crime that require the task force to proactively communicate across jurisdictional boundaries. Economic enterprises and individuals sustaining illegal behavior, including theft by fraud, are causing harmful losses to Texas communities.

Galveston County Auto Crimes Task Force proposes to reduce auto crimes throughout Galveston County and the surrounding areas by collaborating with law enforcement agencies within Galveston County and the surrounding counties by conducting covert operations, surveillance, vehicle identification, agency assistance, and intelligence sharing.

Crime mapping and analytical research is an integral part of fighting the varied array of criminal enterprises across multiple jurisdictions. We develop strategies and utilize crime statistics to assign personnel to operations to pro-actively combat thefts and burglaries of motor vehicles/parts. We utilize available resources (license plate reader, bait vehicles, and covert/undercover equipment) to target and reduce the rate of burglaries of motor vehicles/parts and thefts of motor vehicles. Investigators also work re-actively, investigating assigned follow up cases from participating agencies to help identify prolific offenders and potential suspects and/or actors. We further conduct vehicle inspections for port operations and DMV 68-A forms.

Galveston County Auto Crimes Task Force will conduct vehicle theft/burglary of a vehicle public education/awareness events that will influence the community to safeguard their vehicles and personal property through the use of practical prevention methods.

Galveston County Auto Crimes Task Force provides an Analyst who assists officers from any requesting Local, County, State, or Federal Agency.

Task Force funding is crucial to combat, burglary of motor vehicles/parts, theft of motor vehicles, boat theft, boat trailer theft, and heavy equipment crimes within the coverage areas and the Port of Galveston and Port of Freeport.

1.2 Describe the taskforce governing, organization and command structures. Include a description of the nature of support and agreements that will be in place if the grant is awarded. Provide any details unique to the taskforce organization or geographical target area. Describe whether any part of this grant will be directed to serve a specific target population (or subset of the community)?

Galveston County Auto Crimes Task force is governed by Galveston County Commissioners' Court which has assigned Galveston County Sheriff as being responsible for task force operations. Galveston County Sheriff has a designated a Galveston County CID Captain as Director of the task force. The Director assigned a Galveston County Sheriff's Office CID Lieutenant as the Commander of the task force.

Galveston County Auto Crimes Task Force is a multi-agency task force which has interlocal agreements with participating agencies. These agencies agreed to set conditions in the agreement to participate.

Galveston County Auto Crimes Task Force covers all of Galveston County law enforcement agencies including State, and Federal agencies. We further cover southern Harris County agencies, Brazoria County agencies and Matagorda County by request. We also include the Port of Galveston and Port of Freeport in Brazoria County.

Galveston County Auto Crimes Task Force provides an Analyst who is 80% funded by MVCPA. The remaining 20% funding is carried by the Sheriff's Office to allow analytical assistance to other divisions in the Galveston County Sheriff's Office outside the realm of auto theft/burglaries to automobiles. It should be noted that while not fully dedicated to GCACTF or MVCPA, due to funding shortages statewide, this analyst is also providing assistance to other MVCPA funded task forces as well as to any requesting Local, County, State or Federal Agency. Some of the operational costs listed in this grant application are used to provide this statewide assistance as well. Galveston County Auto Crimes Task Force only targets criminal populations and/or hotspots and areas as identified through crime mapping and analysis, or upon request by law enforcement agencies within our coverage area.

Grant Problem Statement

2.1 Provide an assessment of the burglary from a motor vehicle (including theft of parts) problem in the coverage area of this application. Include loss data consistent with the reported incident numbers above.

Galveston County Auto Crimes Task Force provides full service to Galveston County (population 355,654 per UCR reports 2020) (Note: Summer population triples). Additionally, Brazoria, Southern Harris and Matagorda counties are served on a request basis. Recently there has been an increase in requests from Brazoria County agencies.

Two areas in the county have seen dramatic increases in burglaries of motor vehicles, jugging, which we intend to address. The north end of Galveston County and eastern Brazoria County is ever-growing in population and retail businesses creating a target rich environment; and the tourist industry in the southern part of Galveston County has seen record increases since the growth of the economy. Both areas have increased incidents of violence associated with motor vehicle crimes.

Galveston County suffered losses of 1.8 million dollars in 2019 due to motor vehicle burglaries and thefts. Victims also suffer an array of losses well beyond economic, such as lost time, lost business, and lost wages and overall diminishment of community well-being. In CY 2019, there were 1653 burglaries of motor vehicles/stolen parts with a value loss of $1,843,095 and an average loss $1,115.

Since 2019 (1653) compared to 2020 (1689) there has been a 2.17% increase in vehicle burglaries in Galveston County overall but Northern parts of the county have drastically increasing. These increases are attributed to lack of public awareness. Joining forces and collaborating with other state and local law enforcement agencies has can help significantly. Providing local law enforcement training may assist in the decline of vehicle part thefts and burglaries. Despite the increase, Galveston County has experienced incidences of violence associated with motor vehicle crimes. Much of this is due to increased gang activity throughout the region. There are multiple trends occurring which involve motor vehicle burglaries/parts (Catalytic converters), including victim assisted crime; organized crime; gang crime, firearms being stolen; drug related; assorted frauds and vehicle thefts from dealerships.

2.2 Provide an assessment of the motor vehicle theft problem in the coverage area of this application. Include loss data consistent with the reported incident numbers above.

Since 1993 GCACTF has provided full service targeting vehicle thefts in Galveston County (population 355,364 per UCR reports 2019). Additionally, Brazoria, Southern Harris and Matagorda counties are served on a request basis. Recently there has been an increase in requests from Brazoria County agencies.

Galveston, Southern Harris, Brazoria, and Matagorda Counties have reported increases in motor vehicle thefts. There are multiple trends occurring which involve motor vehicle thefts including victim assisted crime; organized crime; drug related; trafficking in humans and narcotics; theft of rental cars through fraud; gang motor vehicle thefts, chop shops; internet scams; and dealership burglaries and theft of vehicles. In CY 2019 there were 782 vehicle thefts totaling $12,588,784, with an average loss of $16,696 bringing the total loss due to motor vehicle theft and burglary in Galveston County to $13,090,996.

The City of Galveston typically experiences a significant increase in motor vehicle thefts in the summer months (Summer population increase). This can almost surely be attributed to the increase in visitors due to the beaches and tourism industry combined with schools being on summer break. The international seaport in Galveston/Freeport has increase vehicle import/export traffic involving human trafficking, narcotics, and U.S. Currency. We have seen a increase in stolen heavy equipment being hauled to the southern border to be taken out of the United States of America.

Galveston County reported approximately 782 incidents of motor vehicle thefts to police with an increase to 3.71% vehicles a day in 2019. While 2019 MVT (782) compared to 2020 (891) a 13.93% increase, current trends so far for CY 2021 are showing spikes in thefts in Galveston county.

According to a National Insurance Crime Bureau (NICB)the largest rise in total vehicle thefts with keys reported by year was between 46,695 in 2014 and 57,096 in 2015, an increase of 22% (10,401 thefts). The 21% increase (12,255 thefts) between 2015 and 2016 and the 13% increase (8,726 thefts) between 2016 and 2017 is also notable. Though there were double digit increases in the total vehicle thefts with keys reported each year between 2014 and 2017, the increase in thefts reported between 2017 and 2018 was only 5% (3,834 thefts). (NICB "Forecast Report" March 19, 2019)

The auto theft issue defies all boundaries: jurisdictional, political, geographical or administrative. Because of the changing trends and complexity of the issue, the auto theft fight requires the cooperation. collaboration, and involvement of many stakeholders including the State of Texas. As the vehicle theft landscape continues to evolve, so must the search for innovative solutions to combat the activities of determined vehicle thieves.

2.3 Provide an assessment of the fraud-related motor vehicle crime problem in the coverage area of this application. Include loss data consistent with the reported incident numbers above.

Galveston County Auto Crimes Task Force has always worked assorted frauds involving vehicles. Certain types of fraud are increasing like title fraud from vehicles being stolen from dealerships and then they conduct a vin switch to sell with a bogus title. The vehicle is listed on various social media sites and a sale is made for thousands of dollars. The targeted victims are usually immigrants due to them dealing in cash. We have seen financial fraud from wrecker services selling vehicles, Insurance fraud, Odometer fraud, and Identity fraud or synthetic identity sales. Note: This is a new category to begin tracking for FY22 to be able to provide supporting data.

2.4 Provide an assessment of motor vehicle crime not covered above like insurance fraud, preventing stolen vehicles from entering

Mexico, bridge/port stolen vehicle export crime, disruption of cartels and organized criminal enterprises related to motor vehicle crime, etc...

Galveston County Auto Crimes Task Force has worked operations involving various gang organizations conducting thefts at numerous motor vehicle dealerships throughout Galveston and surrounding counties. The actors will go look at a vehicle and either copy keys or switch out key fobs to later return and steal the vehicle. Once they steal the vehicle they will list it on social media for sale and sell it before the dealership even knows it is stolen. They may also use it to go across the southern border for human smuggling or narcotic transport, commit other crimes, strip it for parts, or conduct a vin switch on it to resell. We have conducted inspections and recovered vin switches at the international ports on vehicles and heavy equipment. These vin switches are also related to insurance fraud cases involving vehicles.

Grant Goals and Activities

There are two parts to this section: 1) Functions of Proposed Program and 2) Goals Strategies and Activities (GSA). In the following boxes, describe the functions of the proposed program and then complete a fillable form called GSA.

MVCPA programs must completely describe the actions, methods and tactics that law enforcement and civilian staff will perform for each of the categories below. Describe the reliance on technology or other program elements to solve the problem statement above and goals below. Functions must be detailed and consistent with the requested budget. If a grant is awarded, funds expended towards activities not described in this section will result in the reimbursement being denied.

Part 1

3.1 Functions of the proposed program related to burglary from a motor vehicle (including theft of parts)

Objective

Through increased communication and collaboration with law enforcement agencies and interaction directly with citizens and civic groups, along with increased visibility through the LPR and crime prevention displays, we shall see a renewed reduction in the numbers of motor burglaries. Increased TCOLE training for officers should increase awareness of burglary interdiction shall have a positive impact.

Approaches

Functions Of Proposed Project

Operations and services are provided to all law enforcement agencies and citizens of Galveston County, and to areas outside of Galveston County on a request basis.

Since 2007, GCACTF has continually thought outside the box to enact new and innovative programs to combat motor vehicle burglary/parts. Investigators are specially trained in vehicle identification and investigations, cell phone examinations and standard and electronic surveillance measures, in addition to traditional burglary investigation methods. Our experience originated before the first task force was ever formed. The ABTPA concept originated in Galveston County and we were one of the first projects in 1993. GCACTF was the first to have a stripped vehicle display, crime prevention trailer, and has hosted five grantee conferences. We have also hosted four International Law Enforcement Conferences with a focus on vehicle and marine theft. GCACTF was one of the first programs to initiate bait vehicle operations. We also operate a highly successful LPR program. GCACTF strives to be at the forefront of technical advances in vehicle theft interdiction and have incorporated crime analysis and crime mapping to streamline operations and resources effectively.

Actions

Galveston County Auto Crimes uses various combinations of the following eight methods to combat burglary of motor vehicles and parts:

1) Investigation: Officers funded under MVCPA generally operate in specialized units that require both proactive and reactive experience in motor vehicle burglary/parts investigative skills. The officers examine reports, review intelligence, develop leads and witnesses, identify offenders, identify and track criminal organizations, and develop sources of information from victims, informants and community members.

2) Analysis: Galveston County Auto Crimes Task Force employs an Analyst who provides analytical support to investigators and assists officers from any requesting Local, County, State, and Federal Agencies. She utilizes available resources to provide crime mapping, analytical research, strategies and statistics to identify trends and areas with high rates of burglaries of motor vehicles/parts and assists investigators with research to identify prolific offenders and potential suspects and/or actors involved with burglaries of motor vehicles.

3) Identification: Motor vehicle burglary and theft investigators receive specialized training to identify vehicles and parts of vehicles. Certain title transactions require these specially trained officers to certify the proper vehicle identification number prior to completion. This skill is critical to not only establishing the elements of motor vehicle crime for prosecution purposes but also in recovering vehicles/parts and clearing cases. The specialized skill in vehicle identification is often used to assist other departments and agencies in critical moments. The specialized training and skill set promoted by MVCPA allows task force officers the means to identify most manufactured vehicles and trailers and their parts.

4) Collaboration: GCACTF collaborates across local, state and federal departments and jurisdictions to identify criminal enterprises. Additionally, task forces are seeing motor vehicle burglary/parts with highly organized criminal networks using illegal methods to convert the vehicles into economic value through title fraud, insurance fraud, or exportation. The MVCPA funded task force works across all levels of government and across all boundaries to be effective in reducing motor vehicle burglary/parts.

5) Motor Vehicle Business Support: Task force conducts inspections of salvage yards, recycling centers, rebuilders and other motor vehicle related businesses. When vehicle parts are identified the task force works with local businesses to identify and interrupt the criminal network that brought the stolen items into the system. The task force also works to shut down illegal operations that render stolen motor vehicle parts, which are often referred to as "chop shops". These illegal operations undermine legitimate businesses throughout the state.

6) Port Coordination: GCACTF coordinate efforts along the port of Galveston to interdict criminal networks moving stolen vehicles and parts to and from the country. The port (HAMOC) monthly team meetings discussions coordinated by Homeland Security, have increased the communication between jurisdictions where vehicles are stolen and/or parted out for international transport through ports. Not all stolen vehicles are taken to Mexico. The coordination promoted by GCACTF/Homeland Security has helped agencies think more regionally to solve motor vehicle theft/parts.

7) Technology: Task force Investigators have developed sophisticated techniques to identify and arrest offenders who burglarize and steal motor vehicles/parts. The task force uses bait cars and trailers, license plate readers, surveillance equipment, and tracking equipment when authorized by courts. This technology and the expertise needed to successfully utilize it is critical to GCACTF task force to decrease incidents of thefts/burglaries and meet the statutory measures to increase recoveries of stolen vehicles/parts; increase clearance of cases; and increase arrests.

8) Identify Prolific Offenders: The task force works diligently to identify prolific offenders. Many motor vehicle burglary/parts and theft cases are committed by the same individuals or groups. GCACTF works with Texas Department of Criminal Justice-Office of Inspector General and other law enforcement agencies and utilizes a law enforcement confidential system, FUGINET (a database of inmate and parolee information) to conduct roundups of parolees convicted of motor vehicle burglary/parts and theft. FUGINET provides special coordinated access to incarcerated persons, and intelligence gathering specially crafted for motor vehicle burglary/parts and theft.

9) Communication and collaboration: GCACTF spends a great deal of effort in communicating with each other, other law enforcement agencies, vehicle manufacturers, and our communities. We work with command structures and regional DPS Crime Information Centers on receiving and providing intelligence. The task force issues BOLOs (be-on-the-lookouts) through the TCIC/NCIC centers and direct communications. The task force uses all communication means necessary, including social media platforms, to clear cases, arrest offenders and recover vehicles and property.

The following services are provided to participating agencies within Galveston County, as well as to the agencies in our coverage area when requested:

Conduct investigations regarding auto burglaries, including stripped vehicles/parts, salvage switch parts, insurance fraud, and assorted fraud cases.

Provide direct and indirect investigative assistance to all law enforcement agencies regarding burglaries of vehicles/parts.

Provide assistance regarding patterns of criminal activity relating to burglaries of motor vehicle/parts.

Provide investigative assistance in any criminal activity committed in conjunction with burglaries of motor vehicles/parts to include gang activity, narcotics trafficking, etc.

Provide assistance to citizens and law enforcement agencies concerning complaints regarding burglaries of motor vehicles (this may include implementing operations, conducting surveillance and/or using bait to combat the activity)

Conduct inspections of vehicle related businesses (recycling facilities, storage facilities, tow yards, salvage dealers, etc.) to ensure compliance with appropriate state and federal statutory and regulatory laws/rules. Additionally, ACTF will provide assistance in the investigation of citizen complaints involving Vehicle Storage Facilities in coverage area.

Assist requesting law enforcement agencies in coverage area regarding the execution of search warrants, arrest warrants, motions to revoke probation, and parole revocations regarding burglaries of motor vehicles.

Provide analytical assistance to all requesting law enforcement agencies pertaining to burglaries of motor vehicles.

Provide instructors and/or speakers to area civic organizations, school districts, Citizen Police Academies, In-service training, and Basic Police Academies, and law enforcement agencies in the areas of crime prevention and probable cause development regarding burglaries of motor vehicles.

Provide electronic and technical equipment and assistance to requesting law enforcement agencies relating to burglaries of motor vehicles.

Assist in processing of recovered stolen evidence/parts related to burglaries of motor vehicles and/or provide assistance/training to requesting agencies regarding the processing of recovered evidence/parts.

Provide On-Call Agent 24 hours a day/7 days a week to assist law enforcement agencies in coverage area regarding burglaries of motor vehicles.

3.2 Functions of the proposed program related to motor vehicle theft.

Objectives

Changing trends in our area dictate that we must place a higher priority on crime prevention education and training initiatives, combined with crime analysis and mapping to reinforce operations targeting vehicles left with keys in them. Partnerships and presentations to apartments and neighborhood watch associations; homeowners associations; local businesses; and citizens police and sheriff's academy associations are made to educate and assist in crime prevention. Galveston County Auto Crimes Task Force will increase communication and training of crime prevention to law enforcement personnel. We will continue the increased visibility through static display of stripped vehicle displays.

Approaches

Functions Of Proposed Project

Since 1993 the GCACTF has continually thought outside the box to enact new and innovative programs to combat motor vehicle theft. Currently ACTF agents are specially trained in vehicle inspections/investigations, cell phone examinations and standard and electronic surveillance measures, in addition to traditional auto theft investigative methods. Operations and services are provided to all law enforcement agencies and the citizens of Galveston County as well as the counties serviced on a request basis. Our experience originated before the first task force was ever formed. The ABTPA concept originated in Galveston County and we were one of the first projects in 1993. GCACTF was the first to have a stripped vehicle display, crime prevention trailer, and has hosted four grantee conferences. We have also hosted four International Law Enforcement Conferences with a focus on vehicle and marine theft. GCACTF was one of the first programs to initiate bait vehicle operations. We also operate a highly successful LPR program. GCACTF strives to be at the forefront of technical advances in vehicle theft interdiction and has incorporated Crime analysis and crime mapping to streamline operations and resources effectively. Members of our task force remain vigilant in the fight against motor vehicle theft.

Actions

The task force uses various combinations of the following eight methods to combat motor vehicle theft:

1) Investigation: Officers funded under MVCPA generally operate in specialized units that require both proactive and reactive experience in motor vehicle theft investigative skills. The officers examine reports, review intelligence, develop leads and witnesses, identify offenders, identify and track criminal organizations, and develop sources of information from victims, informants and community members.

2) Analysis: Galveston County Auto Crimes Task Force employs an Analyst who provides analytical support to investigators and assists officers from any requesting Local, County, State, and Federal Agencies. She utilizes available resources to provide crime mapping, analytical research, strategies and statistics to identify trends and areas with high rates of vehicle thefts and assists investigators with research to identify prolific offenders and potential suspects and/or actors involved with motor vehicle thefts and associated gateway crimes. She regularly assists other MVCPA task forces and DPS auto theft investigators with secondary VIN locations, VIN decoding, rebuilding VINs and cross-referencing vehicles and components for positive identification of altered, burned, stolen and partially identified vehicles for investigations and 68A inspections.

3) Identification: Motor vehicle burglary and theft investigators receive specialized training to identify vehicles. Certain title transactions require these specially trained officers to certify the proper vehicle identification number prior to completion. This skill is critical to not only establishing the elements of motor vehicle crime for prosecution purposes but also in recovering vehicles and clearing cases. The specialized skill in vehicle identification is often used to assist other departments and agencies in critical moments. The specialized training and skill set promoted by MVCPA allows task force officers the means to identify most manufactured vehicles and trailers as well as ATVs, boats, and heavy equipment.

4) Collaboration: GCACTF collaborates across local, state and federal departments and jurisdictions to identify criminal enterprises. Additionally, task forces are seeing motor vehicle theft cases with highly organized criminal networks using illegal methods to convert the vehicles into economic value through title fraud, insurance fraud, or exportation. The MVCPA funded task force works across all levels of government and across all boundaries to be effective in reducing motor vehicle theft.

5) Motor Vehicle Business Support: Task force conducts inspections of salvage yards, recycling centers, rebuilders and other motor vehicle related businesses. When stolen vehicles are identified the task force works with local businesses to identify and interrupt the criminal network that brought the stolen items into the system. The task force also works to shut down illegal operations that render stolen motor vehicles and parts, which are often referred to as "chop shops". These illegal operations undermine legitimate businesses throughout the state.

6) Port Coordination: GCACTF coordinate efforts along the port of Galveston to interdict criminal networks moving stolen vehicles to and from the country. The port (HAMOC) monthly team meetings discussions coordinated by Homeland Security, have increased the communication between jurisdictions where vehicles are stolen. Not all stolen vehicles are taken to Mexico. The coordination promoted by GCACTF/Homeland Security has helped agencies think more regionally to solve motor vehicle theft.

7) Technology: Task force Investigators have developed sophisticated techniques to identify and arrest offenders who and steal

motor vehicles. The task force uses bait cars and trailers, license plate readers, surveillance equipment, and tracking equipment when authorized by courts. This technology and the expertise needed to successfully utilize it is critical to GCACTF task force to decrease incidents of motor vehicle thefts and meet the statutory measures to increase recoveries of stolen vehicles; increase clearance of cases; and increase arrests.

8) Identify Prolific Offenders: The task force works diligently to identify prolific offenders. Many motor vehicle theft cases are committed by the same individuals or groups. GCACTF works with Texas Department of Criminal Justice-Office of Inspector General and other law enforcement agencies and utilizes a law enforcement confidential system, FUGINET (a database of inmate and parolee information) to conduct roundups of parolees convicted of motor vehicle theft. FUGINET provides special coordinated access to incarcerated persons, and intelligence gathering specially crafted for motor vehicle theft.

9) Communication: GCACTF spends a great deal of effort in communicating with each other, other law enforcement agencies, vehicle manufacturers, and our communities. We work with command structures and regional DPS Crime Information Centers on receiving and providing intelligence. The task force issues BOLOs (be-on-the-lookouts) through the TCIC/NCIC centers and direct communications. The task force uses all communication means necessary, including social media platforms, to clear cases, arrest offenders and recover vehicles and property.

The following services are provided to participating agencies within Galveston County, as well as to the agencies in our coverage area when requested:

Conduct investigations regarding commercial auto theft in coverage area to include stripping operations, salvage switch operations, and insurance fraud cases.

Provide direct and indirect investigative assistance to requesting law enforcement agencies regarding carjacking and vehicle arson incidents.

Provide assistance regarding patterns of criminal activity relating to vehicle crimes including unauthorized use of a motor vehicle, theft of motor vehicles including trailers, ATVs, 4 wheelers, boats/personal watercraft, and heavy equipment.

Provide investigative assistance in any criminal activity involving the use of stolen vehicles to include gang activity, narcotics trafficking, smuggling of persons and/or property, etc.

Assist citizens and law enforcement agencies concerning complaints regarding new and used car dealers in coverage area

Inspect vehicle related businesses (recycling facilities, storage facilities, tow yards, salvage dealers, etc.) to ensure compliance with appropriate state and federal statutory and regulatory laws/rules. Additionally, ACTF will provide assistance in investigation of citizen complaints involving vehicle related business

Inspect in-bound and out-bound vehicles and heavy equipment at Port of Galveston and Port of Freeport in cooperation with the US Customs Service. Inspections will include Cargo Containers and RORO ships being used to export vehicles through the Port of Galveston and Port of Freeport.

Assist law enforcement agencies in coverage area regarding execution of search warrants, arrest warrants, motions to revoke probation, and parole revocations regarding vehicle crimes and other violations involving persons with a history of engaging in vehicle crimes.

Provide analytical assistance to all requesting law enforcement agencies pertaining to vehicle crimes, organized criminal activity, and crimes involving serious bodily injury/death or the potential for serious bodily injury/death to any person [i.e. sexual assaults, kidnapping, murder, and serial offenses]

Provide electronic and technical equipment and assistance to requesting law enforcement agencies relating to vehicle crimes.

Assist in processing of recovered stolen vehicles for evidence recovery where the recovering agency does not have sufficient personnel or additional circumstances exist limiting available personnel. ACTF will provide training to requesting agencies regarding the processing of recovered vehicles.

Provide on-call agent 24 hours a day / 7 days a week to assist requesting law enforcement agencies with investigating auto theft and/or surveillance of located vehicles, interviewing and processing of persons arrested in motor vehicle crimes, Lo-Jack tracking of stolen vehicle

3.3 Functions of the proposed program related to fraud-related motor vehicle crime (such as title and registration fraud)

Objectives

Galveston County Auto Crimes Task Force will continue taking referrals of title fraud, registration fraud, Insurance fraud, Odometer fraud, Vin fraud including vin switches and vin cloning, and Identify fraud sales and synthetic identity sales cases. We will also work with TxDMV Investigators in reference to fraudulent cases which are referred to GCACTF.

Approaches

1) Galveston County Auto Crimes Task Force will contact the the surrounding tax offices and assist them in any fraud related crimes are reported.

2) We will pursue title and registration fraud cases which come in on 68-A inspections which leaves unsuspecting victims due to dealing in cash sales.

3) Vin switches and vin cloning will be pursued which are located in 68-A inspections.

4) Identity fraud and synthetic fraud cases reported will be investigated.

5) Odometer fraud cases will be investigated which are referred by Tax offices.

Actions

All fraud cases will be investigated by Investigators which are referred or reported.

3.4 Functions of the proposed program related to preventing motor vehicle crime (motor vehicle theft, burglary from a motor vehicle and fraud-related motor vehicle crime)

Galveston County Auto Crimes Task Force will spend a great deal of time and effort conducting prevention and public awareness programs. We communicate with citizen and neighborhood groups and home owners associations, make appearances and presentations with our LPR, stripped vehicle display or crime prevention trailer at stock shows, county fairs, civic organizations, racing events, social media, and other public events; and provide public service announcements all in an effort to harden citizen targets against motor vehicle crimes through increased education and awareness. The task force provides brochures, give-aways and other printed material with MVCPA logos and Galveston County Auto Crimes Task Force identifiers for reference.

Galveston County Auto Crimes Task Force will provide instructors and/or speakers to area civic organizations, school districts, and law enforcement agencies in the areas of crime prevention, probable cause development regarding vehicle crimes, citizen police academies, in-service training, and basic police academies.

3.5 Functions of the proposed program for other motor vehicle crimes investigations and activities consistent with the statutory requirements (preventing stolen vehicles from entering Mexico, stopping illegal export of stolen vehicle from bridge/ outbound port operations, disruption of cartel or organized criminal enterprises using stolen motor vehicles or fraud related motor vehicle crime, insurance fraud, etc...)

The techniques utilized will be as follows:

Investigation:

Investigators will conduct investigations into proactive and reactive crimes by writing reports, examine reports, review and provide intelligence briefings, develop leads and witnesses, identify offenders and networks, identify and track organize criminal organizations, inform prosecutors and other agencies, develop sources of information from victims, informants and community members . These methods will result in recovered motor vehicles, arrest of actors, and clearance of active cases.

Identify vehicles:

Specialized trained auto theft investigators will use contacts and databases through the National Insurance Crime Bureau to identify vehicles which have been altered and unidentifiable. This collaborative effort will help in title transactions, motor vehicle crime prosecution, and recovery of stolen vehicles where criminals have worked to remove, conceal or change the vehicles identity.

Communicate and collaborate across jurisdictions:

Galveston County Auto Crimes Task Force perform investigations across local, state, jurisdictions. Investigators collaborate with local, state, federal law enforcement agencies, vehicle manufactures, industry professionals, and TxDPS crime information centers. If crime patterns or suspects are identified the information is shared through intelligence briefings. Communication and Collaboration through the International Association of Auto Theft Investigators and Texas Association of vehicle theft Investigators, and Auto Burglary Theft prevention Authority has improved the effectiveness of the Task Forces to identify new trends by criminal enterprises.

Identify prolific offenders:

Prolific offenders are identified through analyzing data and offense reports, witness statements and intelligence briefings. Once identified it is found that prolific offenders commit a large proportion of thefts or burglaries of motor vehicles. Through collaboration with other agencies it can reduce thefts and burglaries of motor vehicles.

Technology:

Advancement in technology for bait vehicles, trailers, computer systems, and GPS trackers have giving the edge to law enforcement with this specialized surveillance equipment. These systems have increase the clearance rate of cases, recoveries of vehicles, and arrest of actors.

Port Enforcement:

Port inspections are crucial part of reducing auto theft from crossing international borders. Vehicles are transported to the international sea ports to be exported by Criminal organizations. These vehicles can be stolen containing U.S. Currency, weapons, and narcotics. Coordination and collaboration with Customs and U.S. Coast Guard have reduced the impact of such crimes by stopping the export of such items.

Public awareness and crime prevention

Educational and informational classes are put on throughout the year to educate the consumers on auto theft and motor vehicle burglary prevention.

3.6 Collaboration Effort -- Describe the taskforce method to collaborate, and not duplicate existing activities. Describe the cross boundaries regional approach to grant activity implementation. Describe how the applicant staff and jurisdiction will coordinate with other taskforces and law enforcement agencies to implement this program.

Galveston County Auto Crimes Task Force investigators are assigned liaison areas throughout Galveston County and into surrounding and adjacent territories. Each area has several cities in the assignment. We conduct daily briefings to evaluate the current trends of motor vehicle burglary/parts and motor vehicle theft cases.

We will collaborate with participants including detectives and crime analysts from virtually each agency in our coverage area, and further covering the entire southeast region of Texas. ACTF and other MVCPA task forces and auto theft units in our region utilize this media to communicate activities in adjacent coverage areas, share intelligence, overlapping investigations, 68-A's for all adjacent counties and any requests for assistance. This collaboration method is invaluable in the fight against motor vehicle burglary/parts and motor vehicle theft.

We further have weekly briefings with our in-house NICB Agent who works from our office one day per week. They notify us of activities and trends they see/work in surrounding areas which may cross into our coverage areas. They coordinate meetings, conference calls, and other communications with all affected jurisdictions in order to keep us all notified and corroborating efforts. Additionally, we participate in monthly meetings with Homeland Security (HAMOC) in LaPorte, Texas in reference to port activities involving motor vehicle, heavy equipment, imports and exports.

We will continue to follow up with reporting agencies and recovery agencies when working investigations where vehicle theft/burglaries were reported and/or recovered by another agency. These collaborations are vital to successfully investigate and prosecute.

Our analyst receives requests and provides assistance to other auto theft task forces, investigators, patrol officers, commercial vehicle enforcement officers, US marshals, federal agents, DPS troopers and other local, state, and federal agencies on a daily basis. These Analyst contacts/collaborations are invaluable due to receiving emerging motor vehicle theft trends found though out the State of Texas an beyond.

To prevent overlapping of contiguous taskforces to Galveston county we coordinate and collaborate with the area of jurisdictions. This is done by email, two way radio, phones and in person meetings. These activities are done on a daily, weekly, monthly basis as needed. We have collaboration meetings in reference to strategies for working complex cases which overlap in other jurisdictions so that overlapping does not occur.

3.7 If the proposed application requests any exceptions or deviation from any general grant rules, RFA conditions or grant administrative policy, please indicate in the section below. Indicate the section of the specific issue and citation that you are asking the MVCPA to consider and the rational for the request.

None

Part II

Goals, Strategies, and Activities

Select Goals, Strategies, and Activity Targets for the proposed program.

Click on the link above and select the method by which statutory measures will be collected. Law Enforcement programs must also estimate targets for the MVCPA predetermined activities. The MVCPA board has determined that grants programs must document specific activities that are appropriate under each of the three goals. Applicants are allowed to write a limited number of user defined activities.

ID	Activity	Measure	Target
		Statutory Motor Vehicle Theft Measures Required for all Grantees.	
1.1.15	Increase the recovery rate of stolen motor vehicles	Report the number of vehicles recovered by taskforce	
1.1.16	Increase the clearance rate of motor vehicle thefts	Report the number of motor vehicle theft cases cleared	
1.1.17	Increase the number of persons arrested for motor vehicle theft	Report the number of persons arrested for motor vehicle theft by taskforce	
		Statutory Burglary of a Motor Vehicle Measures Required for all Grantees	

ID	Activity	Measure	Target
2.1.12	Increase the clearance rate of motor vehicle burglaries	Report the number of burglary cases cleared	
2.1.13	Increase the number of persons arrested for motor vehicle burglary	Report the number of persons arrested for burglary by taskforce	
	Statutory Fraud-Related Motor Vehicle Crime Measures Required for all Grantees		
8.1.1	Increase the clearance rate of fraud-related motor vehicle crime cases.	Report the number of fraud-related motor vehicle cases cleared	
8.1.2	Increase the number of persons arrested for fraud-related motor vehicle crimes.	Report the number of persons arrested for fraud-related motor vehicle crimes	
	Measures for Grantees. Add Target values for those that you will measure.		
1	**Goal 1: Reduce the Incidence of Motor Vehicle Theft through Enforcement Strategies**		
1.1	**Strategy 1: Conduct Activities that Result in the Arrest, Clearance, and Recoveries of Motor Vehicle Theft**		
1.1.1	Identify groups of auto theft offenders through intelligence gathering, crime analysis and the use of informants	Number of groups identified	*6*
1.1.2	Identify and document/record prolific motor vehicle theft offenders [Prolific is defined as "linked to MVT offenses three or more times"]	Number identified/documented offenders	*13*
1.1.5	Conduct inspections of local businesses related to vehicle enterprise (transportation code or occupation code authorized companies such as salvage yard, repair shop, parts recycling center, used car dealership, salvage rebuilder, title service company, other). (see 1.3 for number of vehicles inspected in these businesses)	Number of businesses inspected	*0*
1.1.6	Conduct bait vehicle operations that target motor vehicle theft offenders	Number of bait vehicle deployments	*0*
1.1.8	Deploy license plate readers (LPR)	Number of times LPR deployed. Deploy: If stationary unit then total number of days or partial days unit was operable and on. Mobile unit number of days the unit was on and operable.	*60*
1.1.9	Respond to taskforce license plate reader (LPR) alert notifications	Number of times investigators responded to taskforce LPR alert notifications regardless of whether vehicle was located	*100*
1.1.12	Conduct covert operations targeting motor vehicle theft offenders	Number of covert operations	*12*
1.1.13	Conduct warrant "round-up" operations targeting motor vehicle crime offenders, including people wanted for motor vehicle thefts, motor vehicle burglaries, theft of vehicle parts and motor vehicle fraud related crime.	Number of operations	*2*
1.2	**Strategy 2: Conduct Collaborative Efforts that Result in Reduction of Incidents of Motor Vehicle Theft**		
1.2.1	Provide Agency Assists for MVT and motor vehicle related fraud	Number of agency assists related to MVT. **Assist means responding or answering questions via phone, e-mail, or in person. Providing recommendation, guidance, strategy, support or information that other LEOs will use to resolve their cases. The assist generally does not have the direct responsibility for an investigation nor uses LEO authority. The assist helps another LEO or agency investigate cases. Analysts and civilian employees will record their assists to outside LEOs and agencies met here along with officers.**	*1000*
1.2.2	Collaborate with other units or divisions (i.e. homicide, vice, narcotics, etc.) **within the taskforce department(s)** where a motor vehicle was used in the commission of the crime (includes identification of vehicles). Include all participating jurisdiction departments here.	Number of times collaborated within departments or SOs participating in taskforce related to MVT. **Collaboration means physically using law enforcement resources, tactics and authority to perform activity on cases that draw upon or aid in the investigation intended to further the resolution of any case, identify parties to crime, identify vehicles, interview witnesses/suspects and apprehend suspects. Collaboration will include any help, recommendation, contribution or support requested from or provided to another unit or offered by the taskforce that aids in the furtherance of auto theft investigations.**	*350*

ID	Activity	Measure	Target
1.2.3	Collaborate with all other outside LE agencies and other organizations that assist in the reduction of motor vehicle thefts. Include all coverage jurisdictions here.	Number of times collaborated with coverage area agencies or other law enforcement agencies and organizations that assist in the reduction of motor vehichle thefts. **Collaboration means physically using law enforcement resources, tactics and authority to perform activity on cases that draw upon or aid in the investigation intended to further the resolution of any case, identify parties to crime, identify vehicles, interview witnesses/suspects and apprehend suspects. Collaboration will include any help, recommendation, contribution or support requested from or provided to another unit or offered by the taskforce that aids in the furtherance of auto theft investigations.**	*500*
1.2.5	Conduct intelligence information-sharing (Personal attendance)	Number of intelligence meetings attended **(include attending as presenter, participant or attendee)**	*50*
1.2.6	Conduct intelligence information-sharing (Written information)	Crime analysis bulletins disseminated **(include information distributed to law enforcement agencies via text, e-mail, or intra-net communications)**	*15*
1.3	**Strategy 3: Prevent and Reduce the Incidence of Motor Vehicle Related Fraud Activities**		
1.3.1	Collaborate with agencies relating to investigation and enforcement of vehicle insurance fraud	Number of collaborations	*100*
1.3.2	Conduct 68(A) inspections (for TxDMV assignment or reassignment of VIN)	Number of vehicles inspected to complete a 68A inspection form per TxDMV (VIN assignment, reassignment, bonded title)	*150*
1.3.3	Conduct VIN verification inspections. (All other reasons except bridge or port)	Number of vehicles inspected	*990*
1.3.4	Coordinate with TxDMV/Tax Offices relating to investigation and enforcement of fraudulent titles and registration of stolen vehicles	Number of collaborations with TxDMV HQ, TxDMV Regional Service Centers or County Tax Assessor Collector offices.	*50*
2	**Goal 2: Reduce the Incidence of Theft from Motor Vehicles through Enforcement Strategies**		
2.1	**Strategy 1: Conduct Activities that Result in the Arrest, Clearance, and Recoveries of Burglary of Motor Vehicles and Theft of Vehicle Parts and Accessories**		
2.1.1	Conduct bait vehicle operations that target vehicle burglary offenders	Number of bait vehicle burglary deployments	*20*
2.1.2	Identify "prolific BMV offenders" through informants and intelligence [Prolific is defined as "linked to BMV and theft of vehicle parts and accessories offenses three or more times"]	Number of offenders identified	*4*
2.1.4	Conduct inspections of local businesses related to vehicle enterprise (transportation code or occupation code authorized companies such as salvage yard, repair shop, parts recycling center, used car dealership, salvage rebuilder, title service company, other).	Number of businesses inspected (see Goal 5 for number and value of parts recovered)	*20*
2.1.7	BMV related cases presented to prosecutor	Report the total number of BMV related cases presented to prosecutor(s) where there was an incidence of theft from motor vehicles (includes criminal complaints for BMV, Theft, theft of parts or other cases directly tied to MVCPA statute of motor vehicle burglary and economic motor vehicle theft as defined in MVCPA statute)	*10*
2.2	**Strategy 2: Conduct Collaborative Efforts that Result in the Reduction of Incidents of Theft From a Motor Vehicle**		
2.2.1	Provide Agency Assists BMV.	Number of agency assists related to BMV or stolen parts. **Assist means responding or answering questions via phone, e-mail, or in person. Providing recommendation, guidance, strategy, support or information that other LEOs will use to resolve their cases. The assist generally does not have the direct responsibility for an investigation nor uses LEO authority. The assist helps another LEO or agency investigate cases. Analysts and civilian employees will record their assists to outside LEOs and agencies met here along with officers.**	*150*

ID	Activity	Measure	Target
2.2.2	Collaborate with other units or divisions **within the taskforce department(s)** (i.e. homicide, vice, narcotics, etc.) where **burglary of** a motor vehicle or theft of parts **occurred** in the commission of the crime (includes identification of vehicle). Include all participating jurisdiction departments here.	Number of times collaborated within departments or SOs participating in taskforce related to BMV or stolen parts. **Collaboration means physically using law enforcement resources, tactics and authority to perform activity on cases that draw upon or aid in the investigation intended to further the resolution of any case, identify parties to crime, identify vehicles, interview witnesses/suspects and apprehend suspects. Collaboration will include any help, recommendation, contribution or support requested from or provided to another unit or offered by the taskforce that aids in the furtherance of auto theft investigations.**	*70*
2.2.3	Collaborate with all other outside LE agencies and other organizations where **burglary of** a motor vehicle or theft of parts **occurred** in the commission of the crime (includes identification of vehicle). Include all coverage jurisdictions here.	Number of times collaborated with coverage area agencies or other law enforcement agencies and organizations that assist in the reduction of BMV or stolen parts. **Collaboration means physically using law enforcement resources, tactics and authority to perform activity on cases that draw upon or aid in the investigation intended to further the resolution of any case, identify parties to crime, identify vehicles, interview witnesses/suspects and apprehend suspects. Collaboration will include any help, recommendation, contribution or support requested from or provided to another unit or offered by the taskforce that aids in the furtherance of auto theft investigations.**	*120*
3	**Goal 3: Educate/Train Citizens and Qualified Personnel in Detection and Prevention of Motor Vehicle Theft, Burglary of Motor Vehicles and Theft of Vehicle Parts and Accessories**		
3.1	**Strategy 1: Conduct Public Awareness Related Activities Used to Educate Citizens**		
3.1.1	Conduct educational outreach events (include trade show, exhibits, booths at community events, vehicle displays, brochures, etc.)	Number of outreaches	*12*
3.1.2	Conduct educational presentations to the public	Number of presentations. Presentation means in person, on-line, original written document, article, or webpage.	*10*
3.1.4	Conduct vehicle identification initiative/event	Number of etching events	*10*
3.1.4.1	Conduct vehicle identification initiative/event	Number of Participants/Attendees (Vehicles Marked)	*6*
3.1.5	Purchase advertisements in local outlets	Number of advertisements purchased	*0*
3.1.6	Conduct vehicle report card initiatives.	Number report cards issued	*0*
3.1.7	Utilize social media outlets (Facebook, Twitter, Instagram, etc.)	Number of postings in social media outlets	*6*
3.1.8	Deploy outdoor public notification signage	Number of deployments per month (if sign remains several months, count as 1 deployment per month)	*0*
3.1.10	Conduct media outreach, including, public service announcements, press releases, and interviews	Number of outreaches	*4*
3.2	**Strategy 2: Conduct Law Enforcement Training Activities to Educate Officers on Recognition and Apprehension of Stolen Vehicles and Property**		
3.2.1	Conduct law enforcement training (TCOLE)	Number of classes	*2*
3.2.3	Conduct vehicle crimes presentations to law enforcement agencies (non TCOLE)	Number of classes or presentations. Presentations may include electronic roll call documents, shift BOLOs and other written or presented materials based on local practices.	*50*

Grant Evaluation

4.1 Describe the local method and/or practice used to collect the data for reporting Goals, Strategies, and Activities and to evaluate the grant program effectiveness. Describe management and staff participation. Include descriptions of systems (forms and software) that will be used to ensure reliable and accurate data is collected and reported. Describe any other evaluation methods used in the applicant agency to determine effectiveness or cost efficiency of the program.

An overall monthly report will be compiled and sent to the Sheriff to be available to the commissioners' court. This will be provided to MVCPA on a quarterly basis.

We maintain an in-house electronic long term calendar which we tentatively schedule operations, crime prevention activities, training events, 68-A Inspections and special projects outlined in our grant activities. We compile numbers of auto thefts and auto burglaries/parts monthly from each agency in our direct project area. These numbers are added to an excel spreadsheet that documents the historical rise and fall of auto theft trends since 1991 and burglary trends since 2007. In FY22 we will be adding assorted frauds to this tracking method. We will continue to use this method to instantly evaluate whether we are meeting our goals to reduce auto theft and burglary, and also to note rising trends in specific areas.

We will use our goals, strategies and activities for monthly progress reports to evaluate if we are reaching our projected target activities. This will allow monthly assessment as to whether our activities are effective in our goal so that we can re-evaluate how we target the auto theft, assorted fraud, and burglary problems in our area. The data collected will be evaluated so criminal activity can be targeted so we can be more effective in crime reduction. The GCACTF will continue to document vehicle theft and burglary statistics to allow for easy and quick identification of statistical trends and comparisons to previous time periods and/or locations.

4.2 Provide any other suggested measures that would better reflect the law enforcement or prevention work that the proposed program will perform. If the suggested measure fits into one of the stated goals above please indicate.

Our analyst is called upon by officers and investigators with other agencies on a regular basis. As one of, if not the last auto theft analyst in the state, she is many times a last resort left to help identify vehicles, trailers, equipment, ATVs, boats and component parts. Although the assists provided do not directly affect the burglary and theft rates, they do sometimes help with the recovery rates and returning stolen property to rightful owners. Assists leading to recoveries is tracked through quarterly progress reports in the narrative sections. Other data being tracked pertains to the types of assistance calls received; for what kinds of agencies; and whether they are MVCPA funded. However a more targeted reporting method may be considered if more analysts become available with more funding, or if the data could prove useful to MVCPA administration.

TxGMS Standard Assurances by Local Governments

☐ We acknowledge reviewing the *TxGMS Standard Assurances by Local Governments* as promulgated by the Texas Comptroller of Public Accounts and agree to abide by the terms stated therein.

Current Documents in folder

Grant Review and Negotiation Document.pdf (8/17/2021 12:01:16 PM)
Resolution.pdf (6/15/2021 7:39:27 PM)

Certifications

The certifying official is the authorized official, Mark Henry, County Judge.

By submitting this application I certify that I have been designated by my jurisdiction as the authorized official to accept the terms and conditions of the grant. The statements herein are true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties.

By submitting this application I certify that my jurisdiction agrees to comply with all terms and conditions if the grant is awarded and accepted. I further certify that my jurisdiction will comply with all applicable state and federal laws, rules and regulations in the application, acceptance, administration and operation of this grant.

TxGMS - eGMS, gprd.tamu.edu © 2017

Interlocal Agreement
State of Texas

This Agreement is entered into by and between the **County of Galveston**, a political subdivision of the State of Texas, hereinafter referred to as **"County"** and the **City of La Marque**, a municipal corporation situated in County, Texas, hereinafter called **"City"** pursuant to the Interlocal Cooperation Act, Texas Government Code, Chapter 791.

WITNESSETH

WHEREAS, the County of Galveston and City of La Marque have the objective to participate in a combined task force funded by the Motor Vehicle Crime Prevention Authority of the State of Texas, in the amount of $518,201 for the Galveston County Auto Crimes Task Force, and,

WHEREAS, the City has agreed to contribute the total of $28,625 in matching funds if said grant application is approved; and,

WHEREAS, the source of funds would not normally be used for this purpose; and,

WHEREAS, the County and City believe it to be in their best interests to continue a *multijurisdictional MVCPA Task Force*; and

WHEREAS, the County and City agree to each accept the responsibility and to adhere to all applicable federal, state, and local laws or regulations

NOW THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

ARTICLE I. PURPOSE
1 .01 The purpose of this Agreement is to allow the County to file an application for a grant with the Motor Vehicle Crime Prevention Authority, which extension is attached hereto as Exhibit "A" and made a part hereof for all purposes.

ARTICLE II. TERM
2 .01 The term of this Agreement is to commence on September 1, 2021 and to end: August 31, 2022.

ARTICLE III. CONSIDERATION
3 .01 As consideration for this Agreement, the City agrees to contribute a total of $28,625 in matching funds for the enhancement of the funded grant program in the amounts and methods as follows:

Item Description	Amount	Method (Cash Paid/In Lieu of/In kind)
Agent Benefits (City employee)	$25,025	Fringe paid by City in lieu of match (Professional and Contractual Services)
Fuel for Agent's Vehicle (City employee)	$2,400	In-Kind Match by City (Supplies and Direct Operating Expenses)
Maintenance/Insurance for Agent's Vehicle (City employee)	$1,200	In-Kind Match by City (Supplies and Direct Operating Expenses)

ARTICLE IV. ALLOCATION OF FUNDS

4 .01 The specific allocation of the County and City fund is set out in the attachment to this Agreement, marked as **Exhibit "A"**, and made a part hereof for all purposes.

ARTICLE V. EQUIPMENT

5 .01 Upon termination of this Agreement, equipment including vehicles, hardware, and other non-expendable items will revert back to the applicant. The Motor Vehicle Crime Prevention Authority of the State of Texas will be notified and inventory records will be updated.

ARTICLE VI. AMENDMENTS

6 .01 This Agreement may be amended by the mutual agreement of the parties hereto in writing to be attached to and incorporated into this agreement.

ARTICLE VII. LEGAL CONSTRUCTION

7 .01 In the event any one or more of the provisions contained in this Agreement shall be held to be invalid, illegal, or unenforceable in any respect such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

ARTICLE VIII. ENTIRE AGREEMENT

8 .01 This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter hereof, and no other agreement, statement, or promise relating to the subject matter of this Agreement which is not contained herein shall be valid or binding upon all parties.

EXECUTED IN DUPLICATE ORIGINALS, EACH OF WHICH SHALL HAVE THE FULL FORCE AND EFFECT OF AN ORIGINAL, EFFECTIVE SEPTEMBER 1, 2021.

County of Galveston by:	City of La Marque by:
_____	_____
Mark Henry, County Judge	Keith Bell, Mayor
_____	_____
Date Signed	Date Signed
ATTEST:	ATTEST:
_____	_____
Dwight D. Sullivan, County Clerk	Robin Eldridge, City Clerk

CITY COUNCIL AGENDA FORM

Meeting Date:	November 8, 2021	Agenda item:	**9a**
Prepared by:	Robin Eldridge	Reviewed by:	
Department:	Mayor & City Council		

AGENDA ITEM DESCRIPTION: Discussion/possible action regarding appointments and/or reappointments to fill various positions of the Boards and Commissions

[X]

ATTACHMENTS FOR REFERENCE

1. Vacant or expiring members Boards and Commissions
2. Current applications on file

STAFF BRIEFING:

- Appointments and reappointments have been on the City Council agenda and a few vacancies have occurred within this time period that are critical to have full boards / commissions present to conduct business
- Yellow highlighted names and terms have expired OR the position is VACANT
- Green highlighted names will be expiring at the end of this year
- **BOARD OF ADJUSTMENTS** - District "A" and District "B" each have one appointment and District "C" has an alternate appointment
- **BUILDING STANDARDS COMMISSION** -District "B" and District "D" have one appointment each
- **CEMETERY** – Districts "B" and "C" each have one appointment; Mayor and District "D" each have one appointment
- **CIVIL SERVICE COMMISSION** – City Manager has one appointment
- **KEEP LA MARQUE BEAUTIFUL COMMISSION** - District "B" has two appointments, District "C" and "D" have one appointment each
- **PARKS BOARD** – Mayor has one appointment, District "C" has one appointment
- **PLANNING & ZONING COMMISSION** – Districts "A", "B" and "C" and "D" have appointments and District "B" has and alternate position

HISTORY:

- Historically, appointments are made as vacancies occur (if possible) and as members reach the end of their terms, based on applications on file, and in accordance with ordinance
- The ordinance that establishes each Board and Commission requires that the positions be staggered; this is the reason that there are different years for terms ending

TARGET IMPLEMENTATION: As soon as possible, as to fill each Board or Commission with the number of members required to conduct City business

SIGNIFICANT ACTION DATES:
Some terms have ended and several more will expire at the end of this year

ACTION:

☐	Ordinance	☐	Resolution
☐	Special Presentation	☐	Proclamation
☐	Finance Report	☐	Public Hearing
☒	Other - appointments/or reappointments to Boards & Commissions		
☒	Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures		

Cost Details:	
Budgeted	N/A
Actual Bid	N/A
Estimated Expenditure	N/A
Acct. Name(s)	N/A
Line Item #	N/A
Other Funding	N/A

STAFF'S RECOMMENDATION: Motion to approve appointments and/or reappointments to fill various positions of the Boards and Commissions

FISCAL IMPACT: **N/A (Boards and Commission members serve without pay)**

BUILDING STANDARDS COMMISSION

BUILDING STANDARDS COMMISSION ORD. #449		**Appointed**	**Expires**	**Appoints**
Maggie Manuel	1706 Crockett	20	23	C
Kaleb Smith	614 Benson St.	19	21	D
Diane Winston	1501 Colorado	19	21	B
Trina Phillips	1222 Kirsten	20	22	M
Billy Jefferson	89 Borondo Reach	20	22	A
ALTERNATES				
Delon Delafosse	222 Edgar	20	22	A
Daniel Brown	716 Amatto	21	23	M
Joy Blackburn	2219 Scott	21	23	M
Ex-officio-District A				

The Building Standards Commission for the City of La Marque, Texas shall consist of five (5) members to be appointed by City Council; and a number of alternate members not to exceed eight.

Commission members shall serve for two (2) year terms.

E- Expired Term
U- Unexpired Term

KEEP LA MARQUE BEAUTIFUL COMMISSION

KLMBC- ORDINANCE # O-2017-0021		**Appointed**	**Expires**	**Appoints**
1. VACANT		19	21	B
2. Alanah Brown	716 Amato St.	19	21	D
3. Re'Chard Loftis (E)	309 Johnson	21	22	A
4. Terry Pettijohn	41 Borondo Pines	20	22	M
5. Kathy Herrin	56 Borondo Pines	19	21	B
6. Tracie Steans	2101 Jeridona	21	23	M
7. VACANT		20	21	C
8. Ashley Gooden	3229 Taylor	21	23	D
Ex-officio- District D				

All seven (7) Commissioners appointed by the City Council serve two (2) year staggered terms, except that appointment to vacancies shall be for the unexpired term of the position to which the appointment is made.

E- Expired
U- Unexpired

CEMETERY BOARD

CEMETERY BOARD – ORD. 1033		**Appointed**	**Expires**	**Appoints**
1. Eligh Johnson (U)	406 Branch Oak Ct.	21	22	A
2. VACANT (E)		18	20	C
3. Kurt Koopman	1004 Lilac	18	20	B
4. Bim Crowder (CHAIR)	401 Texas Avenue	19	21	D
5. Alanah Brown (U)	716 Amato St.	20	21	M
Ex-officio- OPEN				

The Cemetery Board for the City of La Marque, Texas shall consist of five (5) members to be appointed by City Council; and one ex-officio member of City Council.

Board members shall serve for two (2) year terms.

U- Unexpired Term

E- Expired Term

BOARD OF ADJUSTMENT

BOARD OF ADJUSTMENT- ORD. 953		**Appointed**	**Expires**	**Appoints**
1. Helen Kee	3103 Mc Arthur	21	23	D
2. David Pennington (Chairperson)	924 Cypress	20	22	C
3. Herman Harper	102 Union	19	21	A
4. Crystal Cooper (U)	521 Waterside Ridge Lane	21	22	M
5. Lois M. Jones	2602 Meadow Lane	19	21	B
ALTERNATES				
1. Shelia Brown	1125 Lake Road	21	23	D
2. VACANT (E)		20	22	C
Ex-officio- Open				

The Board shall consist of five (5) members who are residents of the City, each to be appointed by the City Council for a term of two years and removable for cause by the appointing authority upon written charges and after public hearing.

The City Council may appoint two (2) alternate members of the Board who shall serve in the absence of one (1) or more of the regular members.

These alternate members, when appointed, shall serve for the same period as the regular members, which are for a term of two (2) years, and any vacancy shall be filled in the same manner, and they shall be subject to removal the same as the regular members.

Each position on the Board shall be given a numerical designation with the designations beginning with the number 1 and ending with the number 5.

The terms of the odd-numbered positions (1, 3 & 5) will expire in odd-numbered years and the terms of even-numbered years (2 & 4) shall expire in even-numbered years. Board members may be appointed to successive terms.

E- Expired Term
U- Unexpired Term

CIVIL SERVICE COMMISSION

CIVIL SERVICE COMMISSION Local Govmt. Code & ORD. 821		**Appointed**	**Expires**	**Appoints**
1. Lucy Glenn	824 Laurel	19	22	CM
2. Morris Martin, Jr.	725 Lilac	18	21	CM
3. Samuel Swain (U)	1209 Foreman	20	23	CM
Patty Rees				

The Civil Service Commission shall consist of three (3) members appointed by the City Manager.

Each January, the Commission must appoint a Chair and Vice Chair.
2019- Vice Morris, Lucy- VC

Chapter 143.006 and 007 - Local Government Code –Terms of Office

The terms of office shall be for three (3) year terms, with no more than one member appointed each year, with the exception of the initial appointments.

PARKS BOARD

PARKS BOARD ORD. #758		**Appointed**	**Expires**	**Appointment**
1. Al Reida	2621 Meadow Lane	19	21	C
2. Tamara Smith	614 Benson	20	22	B
3. Michael Bock	106 Longridge	21	23	M
4. Bo Hunter	2613 Lake Park Drive	20	22	A
5. VACANT		19	21	M
6. Larry Walker	P.O. Box 1785	21	23	D
7. Herbert Franklin	8017 Big Oak Dr. - TX City	20	22	A
8. Tonia Griffin	2619 Bellview	20	22	M
Ex-officio - District B				

There is hereby established a Parks Board to consist of eight (8) members who shall be appointed by the City Council and shall serve for two-year terms.

The members shall serve staggered terms, that is, four (4) members' terms shall expire on odd numbered years and four members' terms shall expire on even number years.

PLANNING & ZONING COMMISSION

PLANNING & ZONING ORD. # 2014-0023		**Appointed**	**Expires**	**Appoints**
1 Augustino Molis	741 Spoonbill	20	22	A
2 Alan Waters	#1 Pin Tail	19	21	B
3 Greg Cornett	1310 Cedar	19	21	C
4 Chris Columbo	1206 Veronica	20	22	M
5 Douglas Hobgood	406 Edgar	19	21	D
ALTERNATES				
#1 Stephanie Gordon (U)	105 Lake Rd.	20	21	A
#2 VACANT		19	22	B
Ex-officio- District C				

The City Council shall appoint a Planning and Zoning Commission which shall consist of five (5) members, each member being a resident and a real property taxpayer of the City of La Marque, and none of whom shall hold any other position in the City Government.

Three members of the **first** Commission shall be appointed for a term of two years and two for a term of one year. Thereafter, new members shall be appointed for a term of two years. Ordinance No. O-2014-0023, allows for City Council to appoint two (2) alternates to the Planning & Zoning Board.

*__Alternates__ are required to attend and review packets as the regular Commission members. In the case that an alternate is present to make a quorum, in the absence of a member, they will be allowed to vote. If all members are present, alternates votes will not be allowed to vote.

U- unexpired term

Robin Eldridge

From: noreply@civicplus.com
Sent: Saturday, June 12, 2021 5:24 PM
To: Robin Eldridge
Subject: Online Form Submittal: CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

Board Preference 1	Economic Development Corporation
Board Preference 2:	Keep La Marque Beautiful Commission
First Name	Alexa
Last Name	Cross
Address1	633 Sable Terrace Lane
Address2	*Field not completed.*
City	La Marque
State	Texas
Zip	77568
Are you a resident of La Marque?	Yes
Phone Number	713-724-6105
Profession	Senior IT Analyst, Healthcare (Retired)

Robin Eldridge

From: noreply@civicplus.com
Sent: Monday, August 23, 2021 6:28 PM
To: Robin Eldridge
Subject: Online Form Submittal: CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

Board Preference 1	Keep La Marque Beautiful Commission
Board Preference 2:	Parks Board
First Name	Sarah
Last Name	Dougherty
Address1	2503 CEDAR DR
Address2	Apt, suite, floor, etc.
City	La Marque
State	TX
Zip	77568-3917
Are you a resident of La Marque?	Yes
Phone Number	4097951366
Profession	Vice CEO at Six Brothers Concrete Pumping

Special Knowledge or Experience applicable to City Board/Commission function:	I am aware of Code of Ordinances, and if I do not know, I will find out. I also get a long with everyone, and I enjoy making others smile.
Other Civic Activities:	Voting, volunteering, and giving back.
Disclaimer	I understand and agree,
Disclaimer	I understand and agree.
Today's Date	8/23/2021 6:30 PM

Email not displaying correctly? View it in your browser.

Robin Eldridge

From: noreply@civicplus.com
Sent: Thursday, August 12, 2021 6:23 PM
To: Robin Eldridge
Subject: Online Form Submittal: CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

Board Preference 1	Keep La Marque Beautiful Commission
Board Preference 2:	Parks Board
First Name	Kimberly
Last Name	Hall
Address1	1412 Goliad Ave
Address2	*Field not completed.*
City	La Marque
State	TX
Zip	77568
Are you a resident of La Marque?	Yes
Phone Number	281-905-1233
Profession	Tech Support

Special Knowledge or Experience applicable to City Board/Commission function:	N/a
Other Civic Activities:	*Field not completed.*
Disclaimer	*Field not completed.*
Disclaimer	*Field not completed.*
Today's Date	*Field not completed.*

Email not displaying correctly? View it in your browser.

Special Knowledge or Experience applicable to City Board/Commission function:	40+ years of experience as a Director and Manager of Health Information Management in 5 Major Health Systems in Houston and Galveston. Excellent people skills working with employees, patients and physicians. Managed Budgets for departments with 80+ employees. Worked as a consultant in semi-retirement including a 2 month project in Beijing, China requiring diplomacy in addition to technical skills. Masters Degree in Human Relations and Supervision from Louisiana Tech University. Resume available on request.
Other Civic Activities:	14+ years as a Core Team Member and School Captain for CYCLE Houston, a 501C(3) Charity that rewards children in Title 1 schools who improve their reading skills(in a 4+ county program). Have held postiions in professional organizations at a local, area and state level in both Texas and Louisiana.
Disclaimer	I understand and agree,
Disclaimer	I understand and agree.
Today's Date	6/12/2021 4:45 PM

Email not displaying correctly? View it in your browser.

Robin Eldridge

From: noreply@civicplus.com
Sent: Wednesday, June 2, 2021 9:24 PM
To: Robin Eldridge
Subject: Online Form Submittal: CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

Board Preference 1	Planning & Zoning Commission
Board Preference 2:	Civil Service Commission
First Name	christopher
Last Name	ovalle
Address1	2401 BELUCHE DR
Address2	2307 59th street
City	Galveston
State	TX
Zip	77551
Are you a resident of La Marque?	No
Phone Number	4096827658
Profession	Security

Special Knowledge or Experience applicable to City Board/Commission function:	i have a lot of experince
Other Civic Activities:	anything and everything
Disclaimer	I understand and agree,
Disclaimer	I understand and agree.
Today's Date	6/2/2021 9:30 PM

Email not displaying correctly? View it in your browser.

Robin Eldridge

From: noreply@civicplus.com
Sent: Tuesday, May 11, 2021 3:35 PM
To: Robin Eldridge
Subject: Online Form Submittal: CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

Board Preference 1	Cemetery Board
Board Preference 2:	Keep La Marque Beautiful Commission
First Name	Joel
Last Name	Camacho
Address1	25 Borondo Stretch
Address2	*Field not completed.*
City	La Marque
State	Texas
Zip	77658
Are you a resident of La Marque?	Yes
Phone Number	409-762-0148
Profession	Academic Advisor College of the Mainland

Special Knowledge or Experience applicable to City Board/Commission function:	Being professional in attitude and ambition, my desire is to utilize my knowledge and skills by being of service in my profession and to my community. I offer outstanding communication skills with attention to detail.
Other Civic Activities:	Current and Past Civic Activities: Coastal Community Federal Credit Union Board Of Director, Real Estate Adjunct Instructor, Head Start , Policy Council Member.
Disclaimer	I understand and agree,
Disclaimer	I understand and agree.
Today's Date	5/5/2021 2:00 PM

Email not displaying correctly? View it in your browser.

Robin Eldridge

From: noreply@civicplus.com
Sent: Wednesday, May 5, 2021 10:19 AM
To: Robin Eldridge
Subject: Online Form Submittal: CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

Board Preference 1	Parks Board
Board Preference 2:	Keep La Marque Beautiful Commission
First Name	Grayling
Last Name	Alexander
Address1	623 Catalina Cove Lane
Address2	*Field not completed.*
City	La Marque
State	Texas
Zip	77568
Are you a resident of La Marque?	Yes
Phone Number	4095020192
Profession	Coordinator

Special Knowledge or Experience applicable to City Board/Commission function:	Director for non profit programs in Galveston County for over 25 years. Taught at both junior colleges and work with high risk youth and families in developing community based programs.
Other Civic Activities:	past President for YMCA, Boys and Girls Club, various youth base programs...
Disclaimer	I understand and agree,
Disclaimer	I understand and agree.
Today's Date	5/5/2021 10:15 AM

Email not displaying correctly? View it in your browser.

Robin Eldridge

From: noreply@civicplus.com
Sent: Tuesday, January 5, 2021 9:43 AM
To: Robin Eldridge
Subject: Online Form Submittal: CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

Board Preference 1	Keep La Marque Beautiful Commission
Board Preference 2:	Board of Adjustment
First Name	Raushida
Last Name	Robinson
Address1	2306 Downey drive
Address2	*Field not completed.*
City	la marque
State	texas
Zip	77568
Are you a resident of La Marque?	Yes
Phone Number	3469019943
Profession	Vocational Guidance Specialist

Special Knowledge or Experience applicable to City Board/Commission function:	2020 City Council candidate, Community cleanup,
Other Civic Activities:	Community Development, Leadership, Volunteer deputy registrar (VDR)
Disclaimer	I understand and agree,
Disclaimer	I understand and agree.
Today's Date	1/5/2021 9:45 AM

Email not displaying correctly? View it in your browser.

Robin Eldridge

From: noreply@civicplus.com
Sent: Friday, January 29, 2021 11:56 AM
To: Robin Eldridge
Subject: Online Form Submittal: CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

Follow Up Flag: FollowUp
Flag Status: Flagged

CANDIDATE APPLICATION FORM FOR COUNCIL-APPOINTED BOARDS & COMMISSIONS

Board Preference 1	Economic Development Corporation
Board Preference 2:	Keep La Marque Beautiful Commission
First Name	veverly
Last Name	sumlin
Address1	1712 Rosealee St
Address2	*Field not completed.*
City	LaMarque
State	tx
Zip	77568
Are you a resident of La Marque?	Yes
Phone Number	8326632950
Profession	accounting
Special Knowledge or Experience applicable to City Board/Commission function:	30 years of work experience in accounting able to lead with impartiality ,straightforwardness. I value the city of lamarque and will use discreation and confidentiality in a professional way. I will bring diversity to the board. I serve in my community and would love to expand my knowledge of government
Other Civic Activities:	M&D Social and Riding Club- Heroines of jericho-NAACP
Disclaimer	I understand and agree.

Disclaimer	I understand and agree.
Today's Date	1/29/2021 11:45 AM

Email not displaying correctly? View it in your browser.