



**City Council Agenda
Regular Meeting via Audio/Video Broadcast
05/05/2020**

Notice is hereby given in accordance with an order of the Office of the Governor issued March 16, 2020, of a Regular Meeting of the City Council of the City of San Angelo scheduled for May 5, 2020 at 8:30 a.m. The McNease Convention Center – South Meeting Room, 501 Rio Concho Drive, San Angelo, Texas will not be open to the public. Council members and staff will attend virtually in order to advance the public health goal of limiting face-to-face meetings (also called “social distancing”) to slow the spread of the Coronavirus (COVID-19). There will be no public access to the regular meeting location. A public, free-of-charge audio/video broadcast of the meeting will be available on the City’s YouTube channel at [youtube.com/CityofSanAngelo](https://www.youtube.com/CityofSanAngelo).

The Meeting Agenda and the Agenda Packet are posted online at <https://www.cosatx.us/government/city-council/agenda-minutes-and-agenda-packets>.

Members of the public who wish to submit **Public Comment** on agenda items must send their written comments via email to Julia.Antilley@cosatx.us by noon May 4, 2020.

The subject must be in the following format: “Public Comment, [item number] – May 5, 2020.”

All emails must include your name and addresses or SMD.

Please note all Public Comment emails relevant to posted agenda items received by the deadline will be published as part of the agenda packet prior to the meeting and are therefore public record. Call 325-657-4405 for staff assistance.

Anyone who wishes to speak remotely during **statutorily mandated Public Hearings for items 7c, 7d, and 7f** must send their request to Julia.Antilley@cosatx.us by noon May 4, 2020 to register as a speaker and obtain information regarding how to make public comment during the meeting.

A recording of the meeting will be available to the public in accordance with the Open Meetings Act upon written request.

1. Call to Order/Roll Call to Establish Quorum

2. Chaplain Prayer

3. Special Instructions

All members of the public, council, and staff should begin speaking by stating their full name and SMD/address, their SMD position, or role within the City.

4. Public Comment

At this time, Council Members may ask staff members questions regarding Public Comments submitted via email.

5. Special Agenda

- a. Administration of Oath of Office for Chief of Police and presentation of Certificate of Election

6. Consent Agenda

- a. Consider approving the April 21, 2020 City Council regular meeting minutes (Julia Antilley)
- b. Consider authorizing a Task Order under RFB: CFM-03-19/HVAC Maintenance and Repair Service with Clare's Heating and Air in the amount of \$91,383 budgeted for the replacement of the San Angelo Police Department's chiller system and authorizing the City Manager to negotiate and execute all related documents (Frank Carter)
- c. Consider awarding RFB: FS-03-20 Stationary Generator Maintenance and Repair to multiple vendors in the amount of \$70,000, budgeted per fiscal year, and authorizing the City Manager to negotiate and execute all related documents (Ryan Kramer)
- d. Consider ratifying COSADC's approval of additional funding to Ports to Plains in the amount of \$10,000 (Guy Andrews)
- e. Consider ratifying COSADC's resolution authorizing the use of Sales and Use Tax funds in an amount not to exceed \$70,000 to partially fund City of San Angelo cleanup, open space improvement, landscaping and related facilities necessary to enhance the Knickerbocker Rd. right of way and adjoining Bureau of Reclamation land as open space fronting the San Angelo Regional Airport—Mathis Field, a project authorized under Section 501.103 Infrastructure Improvements (street landscaping) and Section 505.152 of the Texas Local Government Code for open space improvements necessary to promote tourism and develop new or expanded business enterprises; and, authorizing the Board President to negotiate and execute a Memorandum of Understanding with the City of San Angelo providing terms for performance, and any other related documents (Guy Andrews)
- f. Consider accepting a WIC grant for October 1, 2019 through September 30, 2020 requiring the City of San Angelo provide certain services for the WIC program; authorizing the City Manager to execute a contract with Health and Human Services Commission for an award of \$825,070, for the fiscal year; authorizing the City Manager to negotiate and execute all related documents or addendums for grant funding for the balance of the fiscal year, and any related documents (Cristina Eureste)
- g. Consider a resolution allowing for funding of management services provided by the San Angelo Performing Arts Coalition as they relate to the Auditorium (Tina Dierschke)
- h. Second reading of an ordinance approving a rezoning from the Single Family Residential zoning district to Two Family Residential zoning district at 1718 Live Oak St. (Jon James)
- i. Second reading of an ordinance approving an amendment to the Master Thoroughfare Plan to remove or relocate a future minor arterial street being the westward extension of Lake View Heroes Dr. between N. Chadbourne St. and Grape Creek Rd. (Jon James)

7. Regular Agenda

Comments regarding items on the Regular Agenda may be made by the public when each item is discussed as outlined above. Applicants, proponents, and appellants are excepted from the time limit above and must limit their remarks to less than five minutes.

- a. Presentation of the Downtown San Angelo, Inc. biannual report (Presentation made by DSA

Executive Director Del Velasquez)

- b. Consider accepting the City's fiscal year 2019 Comprehensive Annual Financial Report (CAFR) and Single Audit (Presentation made by Armstrong, Backus & Company, LLC Partner Gayla Thornton)
- c. Consider a resolution and public hearing approving a substantial amendment to the 2019 Annual Action Plan for use of CARES Act 2020 CDBG-CV grant funds and authorizing the City Manager to execute the applications, required certifications, related documents, and annual funding agreement for the additional allocation of \$388,646 of CDBG-CV funding (Presentation made by Neighborhood Services Director Bob Salas)
- d. First reading and public hearing of an ordinance seeking abandonment of a portion of the Riverside Golf Club Rd. right-of-way from north of the access road at 3301 Riverside Golf Club Rd. to the street connection at Bryant Blvd., being approximately 675-ft long and 1.822 acres (Presentation made by Planning & Development Services Director Jon James)
- e. Discuss and consider adoption on first reading of an Ordinance authorizing the issuance and sale of City of San Angelo, Texas Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2020; levying an annual ad valorem tax and providing for the security for and payment of said Certificates; and enacting other provisions relating to the subject (Presentation made by Finance Director Tina Dierschke and Specialized Public Finance, Inc. Managing Director Vince Viaille)
- f. Second reading and public hearing of an ordinance amending the budget for the fiscal year beginning October 1, 2019, and ending September 30, 2020 for grants, capital items and projects (Presentation made by Finance Director Tina Dierschke)

8. Closed Session

Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

- a. 551.071- Consultation with Attorney regarding
 - 1. Ford Ranch

9. Follow Up and Administrative Issues

- a. Consider items discussed in Closed Session, if needed
- b. Announcements and consideration of Future Agenda Items

10. Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was published on the City of San Angelo's website on the 30th day of April 2020, at 5:10 p.m.



Julia Antilley, City Clerk

All agenda items are subject to action. The City Council reserves the right to consider business out of posted order and/or meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

In compliance with the Americans with Disabilities Act, the City of San Angelo will provide for reasonable accommodations for persons attending City Council meetings. To better serve you, requests should be received 48 hours prior to the meetings. Please contact the City Clerk's Office at 325-657-4405.

Citizen requests to display materials on the city's monitors must submit the request 96 hours prior to the meeting by email to Julia.Antilley@cosatx.us. Time limits for discussion are as stated above and materials cannot exceed 10-pages. Citizens bringing materials for distribution to City Council members during the meeting must bring a minimum of 12 copies.

City Council regular meetings are broadcast on SATV Channel 17-Government Access at 10:30 a.m. and 7:00 p.m. every day, beginning the evening of the meeting until the evening of the next meeting.

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Julia Antilley, City Clerk, City Clerk, 325-657-4405

Meeting Date: May 5, 2020

Item type: Consent Item

Caption:

Administration of Oath of Office for Chief of Police and presentation of Certificate of Election

Summary/History:

Unopposed candidate for Chief of Police, Frank H. Carter III, was declared duly elected to office March 3, 2020.

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | | |
|----|--|---|
| 1. | 2020-03-03 (7d3) Resolution May 2020 Election Cancellation | 2020-03-03 (7d3) Resolution 2020-029 _ 20-0192 Election Cancellation May 2020.doc |
| 2. | Form 2204 - Oath | Form 2204 - Oath.pdf |
| 3. | Form 2201 - Statement | Form 2201 - Statement.pdf |
| 4. | Code of Ethics | Code of Ethics.pdf |

Presentation:

Approvals/Reviews:

Julia Antilley
Theresa James
Julia Antilley

Created/Initiated
Approved
Final Approval

RESOLUTION #2020-029

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN ANGELO, TEXAS, RECEIVING THE CERTIFICATION OF UNOPPOSED CANDIDATE FROM THE CITY CLERK IN THE MAY 2, 2020 GENERAL CITY ELECTION FOR THE OFFICE OF CHIEF OF POLICE; DECLARING UNOPPOSED CANDIDATE TO BE ELECTED TO OFFICE; ORDERING CANCELATION OF THE CITY GENERAL ELECTION FOR MAY 2, 2020; PROVIDING FOR SEVERABILITY; AND, ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City Council of the City of San Angelo, Texas, on the 21st day of January, 2020 duly passed Resolution No. 2020-011 calling a general election to be held on the first Saturday in May, 2020, same being the 2nd day of May, 2020, for the purpose of electing one Chief of Police, and amended by Resolution No. 2020-021 of the City of San Angelo, Texas, on February 4, 2020, relating to the locations of designated polling places; and

WHEREAS, pursuant to Sections 143.007 and 146.054, Texas Election Code, the deadlines for filing applications for a place on the ballot and declaration of write-in candidacy for the City of San Angelo general election for May 2, 2020 have expired; and

WHEREAS, pursuant to Section 2.052 of the Texas Election Code, the City Clerk has certified in writing that Frank Carter is unopposed in the election for the respective office of Chief of Police; and

WHEREAS, pursuant to Section 2.053 of the Texas Election Code, on receipt of the certification, the governing body of the political subdivision by order or ordinance may declare an unopposed candidate elected to the office and cancel the election;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO:

SECTION 1: That the City Council, hereby receives the City Clerk's Certification of Unopposed Candidates for the May 2, 2020 city general election.

SECTION 2: The City Council hereby declares that the following unopposed candidate for the May 2, 2020 city general election is elected to the respective office:

FRANK CARTER, CHIEF OF POLICE

SECTION 3: That the declared elected candidate shall assume the duties of office when the certificate of election is issued as provided for at law.

SECTION 4: The City of San Angelo City Council hereby orders that the city general election scheduled to be held on May 2, 2020 is cancelled, in accordance with Section 2.053(a) of the Texas Election Code.

SECTION 5: That the written Certification of Unopposed Candidates prepared by the City Clerk and delivered to the City Council is attached hereto as **Exhibit A** and is made a part hereof for all purposes.

SECTION 6: That the written Order of Cancellation prepared by the City Clerk is attached hereto as **Exhibit B** and is made a part hereof for all purposes.

SECTION 7: That a copy of the Order of Cancellation shall be posted on May 2, 2020, the day on which the election was to be held, by the poll workers at each polling place used or that would have been used in the election.

SECTION 8: Should any section, provision, clause, or word of this Resolution be declared unconstitutional or invalid for any reason, the remainder of this ordinance shall not be affected thereby.

SECTION 9: That this Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED on this the 3rd day of March, 2020.

CITY OF SAN ANGELO, TEXAS:

ATTEST:

Brenda Gunter, Mayor

Julia Antilley, City Clerk

APPROVED AS TO FORM:

Theresa James, City Attorney

EXHIBIT A

AW12-1
Prescribed by Secretary of State
Section 2.051 – 2.053, Texas Election Code
2/14

**CERTIFICATION OF UNOPPOSED CANDIDATES FOR
CHIEF OF POLICE**

To: Presiding Officer of Governing Body
Al: Presidente de la entidad gobernante

As the authority responsible for having the official ballot prepared, I hereby certify that the following candidates are unopposed for election to office for the election scheduled to be held on May 2, 2020

Como autoridad a cargo de la preparación de la boleta de votación oficial, por la presente certifico que los siguientes candidatos son candidatos únicos para elección para un cargo en la elección que se llevará a cabo el 2 de mayo de 2020.

List offices and names of candidates:
Lista de cargos y nombres de los candidatos:

Office(s) Cargo(s)
Chief of Police

Candidate(s) Candidato(s)
Frank Carter



Signature (Firma)

Julia W. Antilley
Printed name (Nombre en letra de molde)

City Clerk
Title (Puesto)

February 19, 2020
Date of signing (Fecha de firma)



(Seal) (sello)

EXHIBIT B

AW12-2
Prescribed by Secretary of State
Section 2.051 – 2.053, Texas Election Code
2/14

ORDER OF CANCELLATION
ORDEN DE CANCELACIÓN

The City of San Angelo City Council hereby cancels the election scheduled to be held on May 2, 2020 in accordance with Section 2.053(a) of the Texas Election Code.

The following candidates have been certified as unopposed and are hereby elected as follows:

El ciudad de San Angelo por la presente cancela la elección que, de lo contrario, se hubiera celebrado el 2 de Mayo, 2020 de conformidad, con la Sección 2.053(a) del Código de Elecciones de Texas. Los siguientes candidatos han sido certificados como candidatos únicos y por la presente quedan elegidos como se haya indicado a continuación:

Candidate (<i>Candidato</i>)	Office Sought (<i>Cargo al que presenta candidatura</i>)
Frank Carter	Chief of Police

A copy of this order will be posted on Election Day at each polling place that would have been used in the election.

El Día de las Elecciones se exhibirá una copia de esta orden en todas las mesas electorales que se hubieran utilizado en la elección.

Mayor (Alcalde)

City Clerk (Oficinista de la ciudad)

(seal) (*sello*)

March 3, 2020
Date of adoption (*Fecha de adopción*)

Submit to:
SECRETARY OF STATE
Government Filings Section
P O Box 12887
Austin, TX 78711-2887
512-463-6334
FAX 512-463-5569
Filing Fee: None



OATH OF OFFICE

IN THE NAME AND BY THE AUTHORITY OF THE STATE OF TEXAS,
I, _____, do solemnly swear (or affirm), that I will faithfully
execute the duties of the office of _____ of
the State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and laws
of the United States and of this State, so help me God.

Signature of Officer

Certification of Person Authorized to Administer Oath

State of _____

County of _____

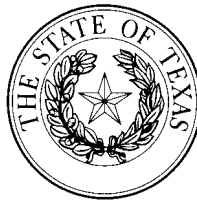
Sworn to and subscribed before me on this _____ day of _____, 20____.

(Affix Notary Seal,
only if oath
administered by a
notary.)

Signature of Notary Public or
Signature of Other Person Authorized to Administer An
Oath

Printed or Typed Name

Form #2201 Rev. 09/2017
Submit to:
SECRETARY OF STATE
Government Filings
Section P O Box 12887
Austin, TX 78711-2887
512-463-6334
512-463-5569 - Fax
Filing Fee: None



STATEMENT OF OFFICER

Statement

I, _____, do solemnly swear (or affirm) that I have not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or thing of value, or promised any public office or employment for the giving or withholding of a vote at the election at which I was elected or as a reward to secure my appointment or confirmation, whichever the case may be, so help me God.

Title of Position to Which Elected/Appointed: _____

Execution

Under penalties of perjury, I declare that I have read the foregoing statement and that the facts stated therein are true.

Date: _____

Signature of Officer

Code of Ethics

for members of San Angelo City Council and Boards and Commissions

(Adopted by the San Angelo City Council March 11, 2008, Amended June 17, 2008)

Preamble

The citizens and businesses of San Angelo are entitled to have fair, ethical and accountable local government which has earned the public's full confidence for integrity. In keeping with the City of San Angelo commitment to excellence, the effective functioning of democratic government therefore requires that:

public officials, both elected and appointed, comply with both the letter and spirit of the laws and policies affecting the operations of government; public officials be independent, impartial and fair in their judgment and actions; public office be used for the public good, not for personal gain; and public deliberations and processes be conducted openly, unless legally confidential, in an atmosphere of respect and civility.

To this end, the San Angelo City Council adopted this Code of Ethics for members of the City Council and of the City's boards and commissions to assure public confidence in the integrity of local government and its effective and fair operation. The members of the City Council and its boards and commissions shall be collectively referred to as "members" unless otherwise designated herein.

1. Act in the Public Interest

Recognizing that stewardship of the public interest must be their primary concern, members will work for the common good of the people of San Angelo and not for any private or personal interest, and they will assure fair and equal treatment of all persons, claims and transactions coming before the San Angelo City Council, boards and commissions.

2. Comply with the Law

Members shall comply with the laws of the nation, the State of Texas and the City of San Angelo in the performance of their public duties. These laws include, but are not limited to: the United States and Texas constitutions; the San Angelo City Charter; laws pertaining to conflicts of interest, election campaigns, financial disclosures, employer responsibilities, and open processes of government; and City ordinances and policies.

3. Conduct of Members

The professional and personal conduct of members must be above reproach and avoid even the appearance of impropriety. Members shall refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of other members of City Council, boards and commissions, the staff or public.

4. Respect for Process

Members shall perform their duties in accordance with the laws of the state and the processes and rules of order established by the City Council and board and commissions governing the deliberation of public policy issues, meaningful involvement of the public, and implementation of policy decisions of the City Council by City staff.

5. Conduct of Public Meetings

Members shall prepare themselves for public issues; listen courteously and attentively to all public discussions before the body; and focus on the business at hand. They shall refrain from interrupting other speakers; making personal comments not germane to the business of the body; or otherwise interfering with the orderly conduct of meetings.

6. Decisions Based on Merit

Members shall base their decisions on the merits and substance of the matter at hand, rather than on unrelated considerations.

7. Communication

Members shall publicly share substantive information that is relevant to a matter under consideration by the City Council or boards and commissions, which they may have received from sources outside of the public decision-making process.

8. Conflict of Interest

In order to assure their independence and impartiality on behalf of the common good, members shall comply with Texas Local Government Code Chapter 176.

In accordance with the law, members shall disclose investments, interests in real property, sources of income, and gifts; and they shall abstain from participating in deliberations and decision-making where conflicts may exist.

9. Gifts and Favors

Members will abide by state law, Charter provisions and City Ordinance with regard to accepting any gifts, favors or promises of future benefits which might compromise their independence of judgment or action or give the appearance of being compromised.

10. Confidential Information

Members shall respect the confidentiality of information concerning the property, personnel or affairs of the City. They shall neither disclose confidential information without proper legal authorization, nor use such information to advance their personal, financial or other private interests. They shall not reveal the contents of discussions in executive session to person not legally entitled to such information.

11. Use of Public Resources

Members shall not use public resources not available to the public in general, such as city staff time, equipment, supplies or facilities, for private gain or personal purposes.

12. Advocacy

Members shall represent the official policies or positions of the City Council, board or commission to the best of their ability when designated as delegates for this purpose. When presenting their individual opinions and positions, members shall explicitly state they do not represent their body or the City of San Angelo, nor will they allow the inference that they do.

13. Policy Role of Members

Members shall respect and adhere to the City Council-manager structure of San Angelo city government as outlined by the San Angelo City Charter. In this structure, the City Council determines

the policies of the city with the advice, information and analysis provided by the public, boards and commissions, and city staff.

Except as provided by the city charter, members therefore shall not direct or interfere with the administrative functions of the city or the professional duties of city staff; nor shall they impair the ability of staff to implement City Council policy decisions.

14. Independence of Boards and Commissions

Because of the value of the independent advice of boards and commissions to the public decision-making process, members of City Council shall refrain from using their position to unduly influence the deliberations or outcomes of board and commission proceedings.

15. Positive Work Place Environment

Members shall support the maintenance of a positive and constructive work place environment for city employees and for citizens and businesses dealing with the city. Members shall recognize their special role in dealings with city employees so that they in no way create the perception of inappropriate direction to staff.

16. Implementation

As an expression of the standards of conduct for members expected by the city, the San Angelo Code of Ethics is intended to be self-enforcing. It therefore becomes most effective when members are thoroughly familiar with it and embrace its provisions.

For this reason, ethical standards shall be included in the regular orientations for candidates for City Council, applicants to board and commissions, and newly elected and appointed officials. Members entering office shall sign a statement affirming they read and understood the City of San Angelo code of ethics. In addition, the Code of Ethics shall be annually reviewed by the City Council, boards and commissions, and the City Council shall consider recommendations from boards and commissions and update it as necessary.

17. Compliance and Enforcement

The San Angelo Code of Ethics expresses standards of ethical conduct expected for members of the San Angelo City Council, boards and commissions. Members themselves have the primary responsibility to assure that ethical standards are understood and met, and that the public can continue to have full confidence in the integrity of government.

The chairs of boards and commissions and the mayor have the additional responsibility to intervene when actions of members that appear to be in violation of the Code of Ethics are brought to their attention.

The City Council may impose sanctions on members whose conduct does not comply with the city's ethical standards, such as reprimand, formal censure, or loss of committee assignment. The city council also may remove members of boards and commissions from office as provided by the city ordinance.

A violation of this code of ethics shall not be considered a basis for challenging the validity of a City Council, board or commission decision.

NOTE: Member's Copy

Model of Excellence / Code of Ethics

San Angelo City Council and Boards and Commissions

MEMBER STATEMENT

As a member of the City of San Angelo City Council or of a board or commission, I agree to uphold the Code of Ethics for elected and appointed officials adopted by the City and conduct myself by the following model of excellence. I will:

- Recognize the worth of individual members and appreciate their individual talents, perspectives and contributions;
- Help create an atmosphere of respect and civility where individual members, City staff and the public are free to express their ideas and work to their full potential;
- Conduct my personal and public affairs with honesty, integrity, fairness and respect for others;
- Respect the dignity and privacy of individuals and organizations;
- Keep the common good as my highest purpose and focus on achieving constructive solutions for the public benefit;
- Avoid and discourage conduct which is divisive or harmful to the best interests of San Angelo; and
- Treat all people with whom I come in contact in the way I wish to be treated.

I affirm that I have read and understood the City of San Angelo Code of Ethics.

Name

Office

Signature

Date

City of San Angelo, Texas
Regular City Council Meeting via Audio/Video Broadcast
Tuesday, April 21, 2020

Present:

Mayor Brenda Gunter
Mayor Pro tem Harry Thomas, SMD 3
Council Member Tommy Hiebert, SMD 1
Council Member Tom Thompson, SMD 2
Council Member Lucy Gonzales, SMD 4
Council Member Lane Carter, SMD 5
Council Member Billie DeWitt, SMD 6

1. Call to Order/Roll Call to Establish Quorum

With a quorum of the City Council Members present, Mayor Gunter called the regular session of the San Angelo City Council to order at 8:30 a.m. on Tuesday, April 21, 2020, via Zoom livestreamed to the City's YouTube channel at [youtube.com/CityofSanAngelo](https://www.youtube.com/CityofSanAngelo).

2. Chaplain Prayer

San Angelo Police Department Chaplain Ralph Dawkins provided an invocation.

3. Special Instructions

Mayor Gunter read special instructions for the virtual meeting.

4. Public Comment

Mayor Gunter read a statement thanking the citizens for adapting to a new normal and encouraged citizens to continue practicing all CDC guidelines.

City Manager Daniel Valenzuela encouraged citizens to contact the city with plans to address safety concerns within their industries and to provide solutions for review by Dr. Vretis to reopen certain businesses and activities within the city.

5. Consent Agenda

- a. Approval of the City Council April 1, 2020 emergency meeting and April 7, 2020 regular meeting minutes (Julia Antilley)
- b. Approval of the Concho Valley Council of Governments to take over the current lease through February 28, 2021 from West Texas Rehabilitation Center for the area occupied in Station 618 Senior Center for the continued use of the Retired Senior Volunteer Program (Brent Casey)
- c. Award of RFB AP-01-20 to American Road Maintenance in the amount of \$647,693 for the rehabilitation of Runway 18-36 at the San Angelo Regional Airport (FAA AIP: 3-48-0191-039-2019) and authorizing the City Manager to negotiate and execute all related documents (Jeremy Valgardson)
- d. Approval of Sourcewell Contract #110719-JDC for the purchase of a tractor and a shredder from Deere & Company (San Angelo, TX), in the amount of \$96,892.95, budgeted in fiscal year 2020 (Ryan Kramer)
- e. Approval of Task Order 4 of the professional services agreement with Killis Almond Architects, PC to continue waterproofing and reinstalling the original limestone facade of City Hall in the following amounts:
 1. Ratification of \$90,779.99
 2. Approval of \$25,000 (Ron Lewis)

- f. Adoption of a resolution authorizing the submission of the Department of Justice Assistance Grant application to the Office of the Governor requesting a vehicle for the Gang Suppression Unit (Frank Carter) (Pg. xxx, 2020-0xx)
- g. Adoption of a resolution finding that AEP Texas Inc.'s application to amend its distribution cost recovery factors to increase distribution rates within the city should be denied (Theresa James) (Pg. xxx, 2020-0xx)
- h. Second reading and adoption of an ordinance approving the abandonment and vacation of a portion of the Ben Ficklin Rd. right-of-way, being approximately 139-ft by 15-ft, for a total of 2,085-sq ft; generally located southwest of the Ben Ficklin Rd. and W. Ave. Y intersection along the east property line of Lot 28, Block 3 Monterrey Addition (Jon James) (Pg. xxx, 2020-0xx)

Motion: Council Member Gonzales made a motion, seconded by Council Member Hiebert, to approve the Consent Agenda, with the exception of item 5f. The motion carried unanimously (7) ayes to (0) nays.

Motion: Council Member DeWitt made a motion, seconded by Council Member Gonzales, to approve item 5f, as presented by Assistant Police Chief David Howard. The motion carried unanimously (7) ayes to (0) nays.

6. Regular Agenda

- a. Presentation on San Angelo's local small business recovery plan (Presentation made by ASU's Director of Small Business Development Center David Erickson)

No Action Taken on this Item.

- b. Termination of the month-to-month lease with Eggemeyer, Inc. for 15,002-sq ft of land out of Bart DeWitt Park (Presentation made by Parks & Recreation Director Carl White)

Motion: Council Member Thomas made a motion, seconded by Council Member Hiebert, to approve the item, as presented. The motion carried unanimously (7) ayes to (0) nays.

- c. Approval of a Change Order to the contract with Reece Albert, Inc. under RFB ES-02-18 in the amount of \$123,164.85 for additional pavement repair on the Bell St. project and authorizing the City Manager to execute all related documents (Presentation made by City Engineer Lance Overstreet)

Motion: Council Member DeWitt made a motion, seconded by Council Member Gonzales, to approve the item, as presented. The motion carried unanimously (7) ayes to (0) nays.

- d. First reading and public hearing of an ordinance approving an amendment to the Master Thoroughfare Plan to remove or relocate a future minor arterial street being the westward extension of Lake View Heroes Dr. between N. Chadbourne St. and Grape Creek Rd. (Presentation made by Planning & Development Services Director Jon James)

[No registered speakers for this Public Hearing.]

Motion: Mayor Gunter made a motion, seconded by Council Member Thompson, to approve Option 1, as presented, eliminating a future arterial connection between Grape Creek and Chadbourne from the Master Thoroughfare Plan. The motion carried unanimously (7) ayes to (0) nays.

- e. First reading and public hearing of an ordinance approving a rezoning from the Single Family Residential zoning district to Two Family Residential zoning district at 1718 Live Oak St. (Presentation made by Planning & Development Services Director Jon James)

[No registered speakers for this Public Hearing.]

Motion: Council Member Carter made a motion, seconded by Council Member Hiebert, to approve the item, as presented. The motion carried unanimously (7) ayes to (0) nays.

- f. Second reading and public hearing of an ordinance approving a request for approval of a rezoning from the Single-Family Residential and Ranch and Estate zoning districts to the General Commercial and Single-Family Residential zoning districts, being 14.880 acres located on W. Loop 306, 0.4 miles east of N. Bentwood Dr. and 0.3 miles west of Foster Rd. (Presentation made by Planning & Development Services Director Jon James) (Pg. xxx, 2020-0xx)

[No registered speakers for this Public Hearing.]

Motion: Council Member Hiebert made a motion, seconded by Council Member Thomas, to approve the item, as presented. The motion carried unanimously (7) ayes to (0) nays.

[Council Member Hiebert requested the minutes reflect the notes from the April 7, 2020 meeting regarding tying into sewer/water within 200-ft of the city's lines.]

[From April 7, 2020: Council Member Hiebert requested the minutes reflect homeowners will be financially responsible for tying into the city's sewer line at a later date. Planning & Development Services Director clarified the City Ordinance states if you are within 200-feet of a city sewer line anywhere in the city you must connect to the sewer rather than obtain a septic system permit.]

- g. First public hearing and introduction of an ordinance amending the budget for the fiscal year beginning October 1, 2019, and ending September 30, 2020, for grants, capital items, and projects (Presentation made by Finance Director Tina Dierschke)

[No registered speakers for this Public Hearing.]

Motion: Council Member Hiebert made a motion, seconded by Council Member Gonzales, to approve the item, as presented. The motion carried unanimously (7) ayes to (0) nays.

- h. Discussion regarding the issuance of \$17.5 million combination tax and revenue certificates of obligation to provide funds for street improvement projects (Presentation made by Finance Director Tina Dierschke and Specialized Public Finance, Inc. representative Vince Viaille)

Motion: Mayor Gunter made a motion, seconded by Council Member Hiebert, to approve the discussion item, as presented, with direction to proceed without using fund balance from the debt service fund. The motion carried unanimously (7) ayes to (0) nays.

7. Follow Up and Administrative Issues

- a. Approval of various Board nominations:
Public Art Commission: Ryan Dalgliesh (SMD2) to a second term and Suzanna Aguirre (SMD3) to a second term, both ending April 2022
Water Advisory Board: Kendall Hirschfeld (Former Government Official), Jonathon Jennings (Meteorologist), Ben Wiese (Rural Water), and Steve Floyd (TGC Representative) to a third term; Casey Barrett (Banker) and Todd Kolls (COSADC Representative) to a second term; and Scott McWilliams (UCRA Representative) to a first term, all ending April 2022

Motion: Council Member Hiebert made a motion, seconded by Council Member Carter, to approve the item, as presented. The motion carried unanimously (7) ayes to (0) nays.

- b. Announcements and consideration of Future Agenda Items

No Action Taken on this Item.

8. Adjournment

Motion: Council Member Hiebert made a motion, seconded by Council Member Gonzales, to adjourn the meeting. The motion carried unanimously (7) ayes to (0) nays.

There being no further business, the meeting adjourned at 9:43 a.m.

THE CITY OF SAN ANGELO, TEXAS:

Brenda Gunter, Mayor

ATTEST:

Julia Antilley, City Clerk

In accordance with Chapter 2, Article 2.300, of the Official Code of the City of San Angelo, the minutes of this meeting consist of the preceding Minute Record and the Supplemental Minute Record. Details on Council meetings may be obtained from the City Clerk's Office or a video of the entire meeting may be purchased from the Public Information Officer at 481-2727. (Portions of the Supplemental Minute Record video tape recording may be distorted due to equipment malfunction or other uncontrollable factors.)

Antilley, Julia

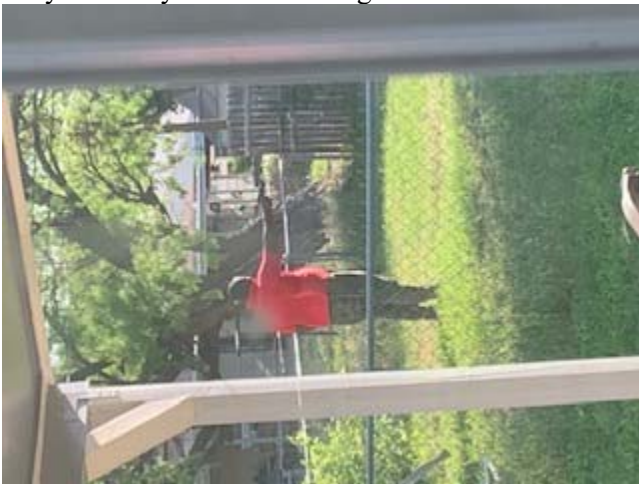
From: Sherrie Beckwith [REDACTED]
Sent: Monday, May 4, 2020 8:57 AM
To: Antilley, Julia
Subject: Livestock Slaughtering
Attachments: Video.mov

CAUTION: This email was received from an EXTERNAL source, use caution when clicking links or opening attachments.

I'd like the council to consider disallowing animals to be slaughtered in residential areas. I realize animals are eaten, (I eat meat), but neither I, nor anyone else should have to listen to the livestock for days while waiting to be killed (even though the windows and doors were closed) and neighborhood dogs barking all night at the livestock, and listen to the animals while they are being sliced into while still alive. We couldn't go outside all day because they were dressing them in the open. It should be mandated that wherever they were bought at, they should be cleaned and dressed there, not in our neighborhood.

Here's some pictures of them shooting with a pellet gun to test the strength of their hide. (I thought it was a real gun!...but nonetheless it was cruel). And a video.

Do you want your children or grandchildren to witness



Sent from my iPhone

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: David Howard, Assistant Chief / Support Services, Police, (325) 659-8011

Meeting Date: May 5, 2020

Item type: Consent Item

Caption:

Consider authorizing a Task Order under RFB: CFM-03-19/HVAC Maintenance and Repair Service with Clare's Heating and Air in the amount of \$91,383 budgeted for the replacement of the San Angelo Police Department's chiller system and authorizing the City Manager to negotiate and execute all related documents (Frank Carter)

Summary/History:

In 2019 it was a mild summer as far as high temperatures go and the police department HVAC system struggled to keep up. We had a major breakdown of the system during the heat of the summer. The daytime heat in the building resulted in such poor working conditions we had to send civilian employees home. Replacement parts were difficult to locate so it took four days to resolve the issue. The SAPD has previously utilized Clare's heating and cooling for maintenance and repairs on the system on 28 different occasions over the previous three years. The attached document details the previously mentioned repairs and dates. The repairs totaled \$25,225.00.

Early this year we had discussions with Ron Lewis and Kyle Henry regarding the PD HVAC system. Ron Lewis and Kyle Henry were both in agreement that the entire system needed replacing but after a lengthy discussion we determined that replacing the chiller portion of the unit would be effective this year.

Financial Impact:

This project is a planned expenditure in the General Fund operating budget for fiscal year 2019-20.

Other Information/Recommendation:

Attachments:

- | | |
|----------------------------------|-----------------------------------|
| 1. Chiller Maintenance Log | doc04031220200422112158.pdf |
| 2. CityofSanAngelo_Estimate_7215 | CityofSanAngelo_Estimate_7215.pdf |

Presentation:

Approvals/Reviews:

David Howard	Created/Initiated
Frank Carter	Approved
Theresa James	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Theresa James	Approved

Julia Antilley

Final Approval

Chiller Maintenance Log 2017-2019				Annual Repair Costs
Vendor	Date	Repair Description	Charges	
Clare's Heating & Cooling	7/26/2019	PD Terminal Kit/Freon	\$ 430.50	
Clare's Heating & Cooling	7/25/2019	PD 30V CRM Freon/Fuses	\$ 644.00	
Clare's Heating & Cooling	7/5/2019	PD AC Repairs	\$ 446.58	
Clare's Heating & Cooling	6/29/2019	PD AC Repairs	\$ 171.00	
Clare's Heating & Cooling	5/28/2019	PD Labor, solenoid coil	\$ 278.26	
Clare's Heating & Cooling	5/13/2019	PD Best on the blower	\$ 683.72	
Clare's Heating & Cooling	4/17/2019	PD Unit Maint/Labor	\$ 295.00	
Clare's Heating & Cooling	3/29/2019	PD Comm svc no cool	\$ 193.00	
Clare's Heating & Cooling	3/9/2019	PD replace monitor Labor	\$ 426.12	
Clare's Heating & Cooling	3/9/2019	PD replace thermostat/ labor	\$ 513.46	\$ 4,081.64
Clare's Heating & Cooling	12/13/2018	PD Labor, solenoid coil	\$ 111.00	
Clare's Heating & Cooling	10/10/2018	PD Condensor Fan motor/labor	\$ 273.32	
Clare's Heating & Cooling	9/21/2018	PD AC Repairs Thermostat	\$ 148.00	
Clare's Heating & Cooling	9/20/2018	PD AC Repair Blower Motor	\$ 3,497.67	
Clare's Heating & Cooling	7/16/2018	PD R&R Belt/Cap on Fan	\$ 245.00	
Clare's Heating & Cooling	6/25/2018	PD Replace Run Capacitor	\$ 295.00	
Clare's Heating & Cooling	6/14/2018	PD Diagnose Voltages of chiller	\$ 110.00	
Clare's Heating & Cooling	5/31/2018	PD EXV Board/Labor	\$ 148.00	
Clare's Heating & Cooling	5/31/2018	PD EXV Board/Labor	\$ 964.19	
Clare's Heating & Cooling	5/30/2018	PD Compressor/Freon/Drier	\$ 6,362.57	
Clare's Heating & Cooling	5/30/2018	PD Compressor/Freon/Drier	\$ 2,928.00	
Clare's Heating & Cooling	5/30/2018	PD Compressor/Freon/Drier	\$ 41.08	
Clare's Heating & Cooling	5/30/2018	PD Compressor/Freon/Drier	\$ 50.00	
Clare's Heating & Cooling	5/10/2018	PD Replace Condensor fan blade	\$ 390.63	
Clare's Heating & Cooling	5/4/2018	PD Replace chiller water pump	\$ 367.00	
Clare's Heating & Cooling	5/4/2018	PD Install Acculink Navigator	\$ 2,687.44	
Clare's Heating & Cooling	5/4/2018	PD Install Acculink Navigator	\$ 148.00	
Clare's Heating & Cooling	3/27/2018	PD Reset Phase Monitor	\$ 148.00	\$ 18,914.90
Clare's Heating & Cooling	9/12/2017	PD Diagnose Compressor Wiring	\$ 225.43	
Clare's Heating & Cooling	8/16/2017	PD Replace Blower Motor	\$ 824.53	
Clare's Heating & Cooling	8/14/2017	PD Diagnose unbalanced Load	\$ 185.00	
Clare's Heating & Cooling	7/17/2017	PD AC Repair/Fan Motor/Freon	\$ 605.17	
Clare's Heating & Cooling	7/5/2017	PD Repair Pump/Short	\$ 111.00	
Clare's Heating & Cooling	6/24/2017	PD Reset Monitor	\$ 166.50	
Clare's Heating & Cooling	5/11/2017	PD Reset Breaker/Condenser Fan	\$ 111.00	\$ 2,228.63
				\$ 25,225.17

CLARE'S
Heating & Air Conditioning
Commercial Refrigeration LLC
325-227-4179
clareshvac@yahoo.com

Mar 31, 2020

Estimate
7215

Customer

City of San Angelo
72 W College Ave
San Angelo, Texas 76903

Service Location

SAPD Central
401 E Beauregard Ave
San Angelo, Texas 76903

Item(s)				
Qty	Name	Description	Rate	Amount
1	Chiller	Carrier 30 RB Rotary Scroll 60 Ton 230V 3-phase Air Cooled Chiller	\$0.00	\$0.00
1	Pump.	Chill Water Pump	\$0.00	\$0.00
1	Misc.	Factory Start-up	\$0.00	\$0.00
1	Monitor	3-phase 600v, Phase Monitor	\$0.00	\$0.00
1	Electrical	Electrical Work	\$0.00	\$0.00
1	Copper	Copper Piping	\$0.00	\$0.00
1	Pipe.	Insulation Pipping	\$0.00	\$0.00
1	Commercial Labor	Contract Labor	\$0.00	\$0.00
1	Commercial Install	Commercial Instal Lead	\$0.00	\$0.00
1	Install Commercial Helper	(2) Commercial Install Helper	\$0.00	\$0.00
1	Crane Service	Crane Service for rigging, shipping and transfer	\$0.00	\$0.00
1	Bid	Bid Job	\$91,383.00	\$91,383.00

Subtotal	\$91,383.00
Tax	\$0.00
Total	\$91,383.00

Notes:

Bid is to change out the old chiller in place with a Carrier 30 RB Rotary Scroll 60 Ton 230V 3-phase Air Cooled Chiller and a new 150 GPM Pump. Chiller has a freeze protection, low ambient heat pressure control, minimum load control, BAC net communication capability, hail guards, 3-phase protection, new copper piping, strainer at chiller, new chill water pump with new valves and factory start-up. Removal and disposal of existing chiller and old chiller condenser according to state law.

Warranty: 1 Year Parts Warranty from Start Up

Regulated by the Texas Department of Licensing and Regulation

TACLA26551E / TACLA77049C

PO Box 12157, Austin, Tx 78711 www.tdlr.texas.gov

1.800.803.9202 - 1.512.463.6599

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Ryan Kramer, Sr. Fleet Manager, Fleet Services, (325) 657-4329

Meeting Date: May 5, 2020

Item type: Consent Item

Caption:

Consider awarding RFB: FS-03-20 Stationary Generator Maintenance and Repair to multiple vendors in the amount of \$70,000, budgeted per fiscal year, and authorizing the City Manager to negotiate and execute all related documents (Ryan Kramer)

Summary/History:

Bids were requested for maintenance and repair of stationary generators positioned throughout the City. This RFB was intended to identify vendors who have experience and abilities in the repair of critical backup generators for divisions such as Police, Fire, Emergency Management, Water and Wastewater plants and more. Additionally, maintenance to these stationary units will be performed as requested by the City under this contract to include engine servicing and electrical switching device testing.

Request for Bid was sent to multiple local and out-of-town vendors, with five responses received. One response did not conform to the requested bid format. If approved, contracts will be awarded to:

KW Power Services (Haslet, TX)
LarMar Services (Odessa, TX)
PowerGen Pro (Carrollton, TX)
Waukesha-Pearce Industries (Odessa, TX)

Financial Impact:

Staff recommends awarding RFB FS-03-20 Stationary Generator Maintenance and Repair to multiple vendors in the amount of \$70,000, budgeted per fiscal year, budgeted in FY20 and each additional term of the contract. Budgets span across various Funds.

Other Information/Recommendation:

Staff recommends awarding RFB FS-03-20 Stationary Generator Maintenance and Repair to multiple vendors (KW Power Services (Haslet, TX), LarMar Services (Odessa, TX), PowerGen Pro (Carrollton, TX), Waukesha-Pearce Industries (Odessa, TX)) for an initial one year term to include the option to renew for 4 additional years (5 year maximum).

Attachments:

- | | |
|--|---|
| 1. FS-03-20 Bid Tabulation - Update 042720 | FS-03-20 Bid Tabulation - Update 042720.pdf |
|--|---|

Presentation:

None

Approvals/Reviews:

Ryan Kramer
Patrick Frerich
Shane Kelton
Theresa James
Nolan Sosa
Tina Dierschke
Theresa James
Julia Antilley

Created/Initiated
Approved
Approved
Approved
Approved
Approved
Approved
Final Approval



City of San Angelo

RFB Bid Tabulation

FS-03-20 / Stationary Generator Maintenance and Repair

April 14, 2020 at 2:00 p.m.

Unit Number	Location	Unit Make	Genset Model	Generator Serial #	Engine Model	Engine Serial #	KW	H&S	
								Annual Service	Annual Inspection
11479	Coliseum	CAT	3306	9NR05121	3306	9NR05121	100	\$115/hr	\$115/hr
11547	Southland Water	CAT	SR-4B	4WN00541	4WN00541	1000	1000	\$115/hr	\$115/hr
11991	Terminal	CAT	3406	31DZ06531	31DZ06531	400	400	\$115/hr	\$115/hr
11992	Hanger	Onan	DGEA-3384724	A000041954	A000041954	125	125	\$115/hr	\$115/hr
18670	Lone Wolf Lift	John Deere	NA	NA	2360F 4.5L	PE4045D192105	NA	\$115/hr	\$115/hr
18671	South Concho	John Deere	NA	NA	2630F 4.5L	PE4045D262941	NA	\$115/hr	\$115/hr
18677	Shiloh	John Deere	NA	NA	2660F 6.8L	PE6068D237927	NA	\$115/hr	\$115/hr
22098	Abilene Tank	CAT	3456	G6B01819	3456	G6B01819	500	\$115/hr	\$115/hr
22127	Nasworthy Dam	KOHLER	80RE0ZJB	2023619	80RE0ZJB	2023619	80	\$115/hr	\$115/hr
22128	Twin Butte	KOHLER	20RE0ZJB	4WN00541	20RE0ZJB	4WN00541	20	\$115/hr	\$115/hr
22213	Station 8	Onan	DGDB-4960197	F010245470	DGDB-4960197	46112120	100	\$115/hr	\$115/hr
22478	City Hall	MTU	DS00150	338215-1-1-1011	DS00150	338215-1-1-1011	150	\$115/hr	\$115/hr
22479	EOC	Kohler	200ROZD	385876	200ROZD	385876	200	\$115/hr	\$115/hr
22538	Water Reclamation	Onan	DQKAB-7042855	H110235818	QSK60-G6	33187D12	2000	\$115/hr	\$115/hr
22539	Water Production	Onan	DQKAB	H110242496	DQKAB	H110235818	1000	\$115/hr	\$115/hr
22540	Water Production	Onan	DFEK	H110214295	DQKAB	H110242496	500	\$115/hr	\$115/hr
-	Sulfurdraw LS	Taylor	224E3P1	Tp33054	NL70981	B503199C	55	\$115/hr	\$115/hr
-	St. Ann IT Tower	Kohler	25REZG	SGM32FZZV	25REZG	SGM32FZZV	25	\$115/hr	\$115/hr
-	Southland IT Tower	Kohler	25REZG	SGM32FZZW	25REZG	SGM32FZZW	25	\$115/hr	\$115/hr
23038	Dispatch	Kohler	100RE0ZJF	3346GMGJ0010	100RE0ZJF	3346GMGJ0010	100	\$115/hr	\$115/hr
-	Water Plant	MTU	DS00100	373029-1-1-0414	DS00100	373029-1-1-0414	100	\$115/hr	\$115/hr
-	Northside IT Tower	Kohler	50REZG	2317301	50REZG	2317301	50	\$115/hr	\$115/hr
23022	Central Fire Station	Kohler	80RE0ZJF	33JVGGMGN0018	80RE0ZJF	PE4045N024243	83	\$115/hr	\$115/hr
TOTAL								\$ -	\$ -

Regular Labor Rate (per person)

After Hours Labor Rate (per person)

Maintenance Labor Rate

Travel Charges

Parts Mark-up %

\$	115.00	
\$	172.50	
\$	115.00	
\$	-	per mile
	35%	

Does vendor agree to allow piggy-back procurements? (Y/N)

Are these prices based on a purchasing cooperative contract? (Y/N)

Payment Terms/Discounts (if any):

Yes
No
Net 30



City of San Angelo
RFB Bid Tabulation
 FS-03-20 / Stationary
 April 14, 2020 at 2:00

Unit Number	Location
11479	Coliseum
11547	Southland Water
11991	Terminal
11992	Hanger
18670	Lone Wolf Lift
18671	South Concho
18677	Shiloh
22098	Abilene Tank
22127	Nasworthy Dam
22128	Twin Butte
22213	Station 8
22478	City Hall
22479	EOC
22538	Water Reclamation
22539	Water Production
22540	Water Production
-	Sulfurdraw LS
-	St. Ann IT Tower
-	Southland IT Tower
23038	Dispatch
-	Water Plant
-	Northside IT Tower
23022	Central Fire Station

KW Power Services	
Annual Service	Annual Inspection
\$ 600.00	\$ 125.00
\$ 2,000.00	\$ 125.00
\$ 800.00	\$ 125.00
\$ 500.00	\$ 125.00
\$ 400.00	\$ 125.00
\$ 400.00	\$ 125.00
\$ 400.00	\$ 125.00
\$ 900.00	\$ 125.00
\$ 500.00	\$ 125.00
\$ 500.00	\$ 125.00
\$ 600.00	\$ 125.00
\$ 600.00	\$ 125.00
\$ 700.00	\$ 125.00
\$ 3,500.00	\$ 125.00
\$ 2,000.00	\$ 125.00
\$ 900.00	\$ 125.00
\$ 500.00	\$ 125.00
\$ 500.00	\$ 125.00
\$ 500.00	\$ 125.00
\$ 600.00	\$ 125.00
\$ 600.00	\$ 125.00
\$ 500.00	\$ 125.00
\$ 500.00	\$ 125.00
\$ 19,000.00	\$ 2,875.00

LarMar	
Annual Service	Annual Inspection
\$ 1,081.00	\$ 250.00
\$ 3,680.00	\$ 250.00
\$ 1,633.00	\$ 250.00
\$ 1,200.00	\$ 250.00
\$ 875.00	\$ 250.00
\$ 1,080.00	\$ 250.00
\$ 1,080.00	\$ 250.00
\$ 1,792.00	\$ 250.00
\$ 1,050.00	\$ 237.57
\$ 800.00	\$ 237.57
\$ 1,100.00	\$ 250.00
\$ 1,400.00	\$ 250.00
\$ 1,500.00	\$ 250.00
\$ 4,879.00	\$ 250.00
\$ 3,680.00	\$ 250.00
\$ 1,800.00	\$ 250.00
\$ 875.00	\$ 237.57
\$ 800.00	\$ 237.57
\$ 1,100.00	\$ 250.00
\$ 1,100.00	\$ 250.00
\$ 860.00	\$ 237.57
\$ 1,050.00	\$ 237.57
\$ 35,215.00	\$ 5,662.99

PowerGen Pro	
Annual Service	Annual Inspection
\$ 1,545.00	\$ 100.00
\$ 3,730.00	\$ 200.00
\$ 1,680.00	\$ 150.00
\$ 1,680.00	\$ 100.00
\$ 1,620.00	\$ 150.00
\$ 1,440.00	\$ 150.00
\$ 1,610.00	\$ 150.00
\$ 1,426.00	\$ 150.00
\$ 2,520.00	\$ 200.00
\$ 2,180.00	\$ 200.00
\$ 1,750.00	\$ 200.00
\$ 1,820.00	\$ 250.00
\$ 2,320.00	\$ 300.00
\$ 3,640.00	\$ 300.00
\$ 3,000.00	\$ 200.00
\$ 1,800.00	\$ 150.00
\$ 900.00	\$ 150.00
\$ 830.00	\$ 100.00
\$ 830.00	\$ 100.00
\$ 1,540.00	\$ 100.00
\$ 1,540.00	\$ 100.00
\$ 980.00	\$ 100.00
\$ 980.00	\$ 100.00
\$ 41,361.00	\$ 3,700.00

Wakuesha-Pierce	
Annual Service	Annual Inspection
\$ 776.97	\$ 275.00
\$ 2,600.00	\$ 310.00
\$ 1,008.51	\$ 310.00
\$ 1,297.33	\$ 275.00
\$ 852.09	\$ 275.00
\$ 852.09	\$ 275.00
\$ 852.09	\$ 275.00
\$ 1,335.65	\$ 310.00
\$ 636.33	\$ 275.00
\$ 575.00	\$ 275.00
\$ 636.33	\$ 275.00
\$ 958.81	\$ 275.00
\$ 1,006.58	\$ 275.00
\$ 2,875.00	\$ 310.00
\$ 2,600.00	\$ 310.00
\$ 2,275.00	\$ 310.00
\$ 575.00	\$ 275.00
\$ 535.81	\$ 240.00
\$ 535.81	\$ 240.00
\$ 784.55	\$ 275.00
\$ 934.81	\$ 275.00
\$ 535.81	\$ 275.00
\$ 784.55	\$ 275.00
\$ 25,824.12	\$ 6,465.00

\$ 75.00	
\$ 110.00	
\$ 75.00	
\$ 1.25	per mile
20%	

\$ 80.00	
\$ 120.00	
\$ 75.00	
\$ 1.45	per mile
25%	

\$ 50.00	
\$ 100.00	
\$ 70.00	
\$ 1.00	per mile
10%	

\$ 80.00	
\$ 120.00	
\$ 80.00	
\$ 1.50	per mile
25%	

Yes _____
 No _____
 - _____

Yes _____
 No _____
 Net 30 / All discounts applied

Yes _____
 No _____
 Paid in full within 30 day completion of

Yes _____
 No - Buyboard - 515-16
 Net 30

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Robert Schneeman, Economic Development Coordinator, Economic Development, 325.653.7197

Meeting Date: May 5, 2020

Item type: Consent Item

Caption:

Consider ratifying COSADC's approval of additional funding to Ports to Plains in the amount of \$10,000 (Guy Andrews)

Summary/History:

A commitment has been made to the Ports-to-Plains organization to provide an additional \$10,000 in funding from the City of San Angelo Development Corporation (COSADC). The Ports-to-Plains organization will use \$50,000 in reserve funds, along with additional funding of \$20,000 each from Lubbock and Amarillo, and the \$10,000 from San Angelo to contract with Hance Scarborough for consultation at the Federal level. With the HB 1079 mandated study of the I-27 Corridor, it is necessary to also involve Federal legislators and agencies in the Ports-to-Plains efforts. The COSADC Board approved this item at their meeting on April 22, 2020 by a 5-0 vote.

Financial Impact:

\$10,000 from 711-0700-800.07-50 Contingencies to Acct. No. 700-0700-411.05-94 Partner Affiliations; Budget amendment required.

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Robert Schneeman	Created/Initiated
Guy Andrews	Approved
Theresa James	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Theresa James	Approved
Julia Antilley	Final Approval

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Robert Schneeman, Economic Development Coordinator, Economic Development, 325.653.7197

Meeting Date: May 5, 2020

Item type: Consent Item

Caption:

Consider ratifying COSADC's resolution authorizing the use of Sales and Use Tax funds in an amount not to exceed \$70,000 to partially fund City of San Angelo cleanup, open space improvement, landscaping and related facilities necessary to enhance the Knickerbocker Rd. right of way and adjoining Bureau of Reclamation land as open space fronting the San Angelo Regional Airport—Mathis Field, a project authorized under Section 501.103 Infrastructure Improvements (street landscaping) and Section 505.152 of the Texas Local Government Code for open space improvements necessary to promote tourism and develop new or expanded business enterprises; and, authorizing the Board President to negotiate and execute a Memorandum of Understanding with the City of San Angelo providing terms for performance, and any other related documents (Guy Andrews)

Summary/History:

In an effort to improve the visual appeal to tourist and others arriving at the San Angelo Regional Airport (Mathis Field), City crews have cleared unsightly brush from approximately 14 acres of mesquite brush across Knickerbocker Road from the airport entrance. This has resulted in the formation of approximately 58 brush piles and the removal of approximately 3,900 linear feet of fencing. This project is intended to remove brush piles, re-grade area, replace fencing and reseed area with native plant materials. The estimated cost of all repairs is estimated to be \$70,000. At its meeting of April 22, 2020 the COSADC Board members approved the resolution with 3 voting "Aye" and 2 voting "Nay".

Financial Impact:

\$70,000 from Prop / Contingencies, Acct No. 700-0700-800-0750 to a new project; Budget amendment required

Other Information/Recommendation:

Attachments:

- | | | |
|----|--|--|
| 1. | Airport Gateway Clearing Exhibit-Layout1 | Airport Gateway Clearing Exhibit-Layout1.pdf |
|----|--|--|

Presentation:

Approvals/Reviews:

Robert Schneeman	Created/Initiated
Guy Andrews	Approved
Theresa James	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Theresa James	Approved

Julia Antilley

Final Approval

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Cristina Eureste, WIC Manager, WIC,

Meeting Date: May 5, 2020

Item type: Consent Item

Caption:

Consider accepting a WIC grant for October 1, 2019 through September 30, 2020 requiring the City of San Angelo provide certain services for the WIC program; authorizing the City Manager to execute a contract with Health and Human Services Commission for an award of \$825,070, for the fiscal year; authorizing the City Manager to negotiate and execute all related documents or addendums for grant funding for the balance of the fiscal year, and any related documents (Cristina Eureste)

Summary/History:

City of San Angelo acts as a contractor, executing HHSC WIC Contract annually accept federal funds through Health and Human Services Commission to operate Women, Infants and Children's Nutrition Program locally.

WIC is a federally funded program and San Angelo WIC Local Agency 056 is allocated \$825,020 for the federal fiscal year 2020. No local tax dollars are used.

Financial Impact:

WIC is a federally funded program and San Angelo WIC Local Agency 056 is allocated \$825,020 for the federal fiscal year 2020. No local tax dollars are used.

Other Information/Recommendation:

Staff recommends approval.

Attachments:

Presentation:

Approvals/Reviews:

Cristina Eureste
Theresa James
Bob Salas
Tina Dierschke
Theresa James
Julia Antilley

Created/Initiated
Approved
Approved
Approved
Approved
Final Approval

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Tina Dierschke, Finance Director, Finance, 325-657-4268

Meeting Date: May 5, 2020

Item type: Consent Item

Caption:

Consider a resolution allowing for funding of management services provided by the San Angelo Performing Arts Coalition as they relate to the Auditorium (Tina Dierschke)

Summary/History:

Per the attached agreement with the San Angelo Performing Arts Coalition (SAPAC), the City has agreed to fund management services provided by SAPAC for the City Auditorium in the amount of \$50,000 per year for the first three years and then for a negotiated amount for years four and forward once those services have commenced.

SAPAC began management of the Auditorium in August of fiscal year 2017 and is seeking payment as agreed upon in the agreement. The first partial year of payment was prorated for August and September in the amount of \$8,333. In fiscal years 2018 and 2019, the City remitted \$50,000 for each year. This will be final payment allowable per the existing contract and will be prorated for the remaining ten months of the third full year at \$41,667. The attached resolution will serve as authorization for that expenditure.

Financial Impact:

\$41,667 in expenses related to the management of the Auditorium for the current fiscal year which is budgeted in the Hotel Occupancy Tax fund (prorated for the remaining ten months of the third year of the services provided).

SAPAC's current year budget is attached for approval by Council as is required by the agreement with them.

Other Information/Recommendation:

Attachments:

- | | | |
|----|--|--|
| 1. | SAPAC Agreement | SAPAC-City first amended operating agreement signed copy 4-15-2014.pdf |
| 2. | SAPAC Annual Report FY 2018-2019 | SAPAC Annual Report FY 2018-2019.pdf |
| 3. | SAPAC Finl Summary for CoSA 2018-2019 w SAAF edits | SAPAC Finl Summary for CoSA 2018-2019 w SAAF edits.pdf |
| 4. | 5.5.20 Resolution releasing HOT funding to SAPAC | 5.5.20 Resolution releasing HOT funding to SAPAC.docx |

Presentation:

Approvals/Reviews:

Tina Dierschke
Theresa James
Tina Dierschke
Theresa James
Julia Antilley

Created/Initiated
Approved
Approved
Approved
Final Approval

**FIRST AMENDED AND RESTATED DEVELOPMENT AND
OPERATING AGREEMENT FOR PERFORMING ARTS CAMPUS BY
AND BETWEEN THE CITY OF SAN ANGELO AND THE SAN ANGELO
PERFORMING ARTS COALITION**

This First Amended and Restated Development Agreement for Performing Arts Campus ("Agreement") by and between The City of San Angelo, Texas, a Texas home-rule municipal corporation situated in Tom Green County, Texas ("City"), and the San Angelo Performing Arts Coalition ("SAPAC"), a Texas non-profit corporation, which is made up of the following members: San Angelo Symphony Society, Inc., a Texas non-profit corporation ("Symphony"), San Angelo Civic Theatre (d/b/a Angelo Civic Theatre), a Texas non-profit corporation ("Civic Theatre"), San Angelo Civic Ballet, Inc., a Texas non-profit corporation ("Ballet"), and the San Angelo Cultural Affairs Council, Inc., a Texas non-profit corporation ("SACAC"), collectively referred to herein as "the Parties", shall be effective **April 15, 2014**, and restates and supersedes the DEVELOPMENT AND OPERATING AGREEMENT FOR PERFORMING ARTS CAMPUS BY AND BETWEEN THE CITY OF SAN ANGELO AND THE SAN ANGELO PERFORMING ARTS COALITION by and between the parties, effective October 16, 2012.

WHEREAS, the Parties recognize that a need exists for a suitable performing arts center in San Angelo, Texas, to provide facilities to meet the needs of the community for performing arts (music, theater and dance) productions, as well as to provide a place for film and multi-media exhibitions and other cultural events; and,

WHEREAS, City and SAPAC desire to jointly undertake the planning and development of performing arts facilities that include restoration, reconstruction and possible expansion of the City Auditorium at 72 W. College, complemented with tentative plans for SAPAC to construct a Performing Arts Center (PAC) at 25 W. Second Street, the location of the former Coca-Cola warehouse, and the parties to develop and construct a plaza and performing arts campus encompassing those facilities (hereinafter "the Project"); and,

WHEREAS, the Municipal Auditorium in its present configuration and condition cannot accommodate the current and future cultural, civic, political and social needs of the community. To meet these needs and to serve as the anchor of a Performing Arts Center and campus, the City Auditorium will require extensive renovation and modernization, to potentially include the addition of an Annex; and,

WHEREAS, a feasibility study has been completed by Janis A. Barlow & Associates, which recommends that: a Project be jointly developed by the City and SAPAC; that the anchor of a Performing Arts Center and Campus should be the City Auditorium located in the historic City Hall Building in Downtown San Angelo, Texas; and that after completion of the City Auditorium renovations, the City Auditorium should be managed by SAPAC through a contract with the City;

NOW THEREFORE, the City of San Angelo and the San Angelo Performing Arts Coalition, in consideration of the mutual covenants, terms and conditions contained in this Agreement, and for other good and valuable consideration do hereby agree as follows:

I. DEFINITIONS, TERM AND STATED INTENTIONS

Section 1.1 Definitions: Unless the context clearly indicates otherwise, the following words and phrases used in this Agreement shall have the meanings indicated:

- a) "Annex" shall mean the planned addition to the City Auditorium located in the historic City Hall building in downtown San Angelo.
- b) "Auditorium" shall mean the portion of the historic City Hall building in downtown San Angelo commonly known as the City Auditorium, including lobby and restrooms utilized therewith, owned by the City of San Angelo.
- c) "Lease" shall mean any lease effective during the term of this Agreement pursuant to which the City leases municipal building space to SAPAC, or any of its members or their successors in interest, for office use and management services for Project facilities.
- d) "Performing Arts Campus" or "Campus" shall mean the grounds of the Project.
- e) "Performing Arts Center" shall mean the new performing arts facility planned to be designed, built, and owned by SAPAC on the site of the property known as the former Coca-Cola Warehouse, located at 25 W. Second Street in downtown San Angelo.
- f) "Performing Arts Plaza" or "Plaza" shall mean the grounds incorporating City Hall, the Auditorium, and the neighboring grounds of the Performing Arts Center uniformly developed into an integrated plaza. The area of the Plaza grounds are depicted on **Exhibit "D"**, attached hereto.
- g) "Project" shall mean collectively: the Auditorium and possible Annex, and the Performing Arts Plaza incorporating the Auditorium and Annex, City Hall and the Performing Arts Center.
- h) "Project Plans" shall mean plans and specifications for the restoration, reconstruction and possible expansion of the Auditorium with construction of an Annex and plans and specifications for development of the Performing Arts Plaza.
- i) "Property" shall mean that certain real property upon which is located the historic City Hall building and Auditorium, and the site for the Performing Arts Center formerly known as the Coca-Cola warehouse facilities, each more particularly described on **Exhibit "A"** (Historic City Hall, Auditorium and grounds) and **Exhibit "B"** (site for the Performing Arts Center).

Section 1.2 Commencement and Initial Term: The term of this Agreement shall commence on the effective date first hereinabove provided and shall terminate twenty (20) years after the record of completion date for the planned restoration and reconstruction of the City Auditorium, including any expansion thereof. The record of completion date shall be the date set by the City certifying completion of the restoration and reconstruction of the City Auditorium, including any

expansion thereof, at which time the restored and reconstructed City Auditorium shall be available for public performing arts presentations.

Section 1.3 Renewal Term: SAPAC, at its option, may renew this Agreement on the same terms and conditions hereof, for up to three additional terms of ten (10) years each on condition that SAPAC is not then in default of any of its obligations under this Agreement or under the terms of any lease, facilities management and operating agreement or other agreement that SAPAC now has or may have with City at the time of renewal. SAPAC shall exercise the renewal options by providing City with written notice of renewal not less than twelve (12) months, but not earlier than twenty-four (24) months, prior to the termination of the Initial Term, or first extended or second extended terms as applicable.

Section 1.4 Annual Renewal of Term: Subject to termination as herein provided, this Agreement shall automatically renew annually pursuant to the same provisions and conditions hereof if:

- a) SAPAC is entitled to renew this Agreement for an additional ten (10) year term as provided at Section 1.3 hereof, and elects not to do so; or
- b) Upon expiration of the renewal terms described in Section 1.3 above if this Agreement is in fact so renewed.

Section 1.5 Termination: This Agreement under Sections 1.2 and 1.3 above may be terminated at any time by mutual agreement of the Parties. This Agreement may be terminated by either party hereto during any Annual Renewal Term described under Section 1.4 above, upon ninety (90) days written notice given to the other party.

Section 1.6 Intention of the Parties: The Parties agree to be bound by the following stated intentions:

- a) SAPAC shall contract with an architect for the design, plans and specifications for reconstruction and potential expansion of the City Auditorium (hereinafter "Architectural Services Contract") subject to City Council approval by written resolution in the selection of an architect by SAPAC and approval of the contract price as herein provided.
- b) SAPAC shall include within the Architectural Services Contract certain "essential provisions" as required by City and set forth in Exhibit "C", attached hereto and made a part of this Agreement for all purposes. City shall be designated by SAPAC and the architect as an intended third party beneficiary to the Architectural Services Contract. The plans and specifications shall be subject to City Council approval by written resolution. Change orders for budgeted items less than Twenty-Five Thousand Dollars (\$25,000.00) shall be subject to the prior approval of the City Manager or his designee. All other change orders shall be subject to approval by written resolution of City Council.
- c) City shall contract with a CONSTRUCTION MANAGER AT RISK (CMAR) general contractor in the form of a Guaranteed Maximum Price Contract (G-MAX) for restoration and reconstruction of the City Auditorium, and potential expansion of the

Auditorium with the addition of an Annex, pursuant to plans and specifications approved by both City and SAPAC.

- d) Costs savings under the CMAR G-MAX contract from the projected maximum contract price shall be designated for additional construction services for the Auditorium and any annex as may then be agreed to by the parties.
- e) Except as may otherwise be agreed to in writing by the parties and approved by City Council by written resolution, notwithstanding any other provision in this Agreement to the contrary, City's financial obligation under this Agreement shall not exceed TWO MILLION ONE HUNDRED THOUSAND DOLLARS (\$2,100,000.00). The financial obligation of SAPAC under this Agreement shall be TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000.00), inclusive of its expenses under the Architectural Services Contract and its contributions into the Construction Account for prorated reimbursement of expenses incurred by City under the CMAR G-MAX contract.
- f) SAPAC shall be solely responsible for draws and expenses as they are incurred by SAPAC under the Architectural Services Contract.
- g) The obligations of the Parties with respect to payments due or draws to be made under the CMAR G-MAX contract shall be as follows:
 - i.) City shall establish and maintain a designated construction account (hereinafter "Construction Account") for the deposit of funds by each of the parties necessary to meet the payment obligations of City under the CMAR G-MAX contract. SAPAC shall make periodic deposits of funds into the Construction Account for reimbursement of its proportionate share of expenses incurred by City under the contract on request of City at such times as may be necessary for payments or draws to be made when due under the contract.
 - ii.) SAPAC shall share in construction expenses as they are incurred by City under the CMAR G-MAX contract in proportion to the obligations of the parties as described in Section 1.6, subsection "e" above.
 - iii.) Except as otherwise may be agreed to by the parties and approved by City Council by written resolution, SAPAC shall be responsible for deposits into the Construction Account for reimbursement of expenses incurred by City under the CMAR G-MAX contract, exceeding the City's obligation to expend a proportionate share of the expenses up to a total sum not to exceed Two Million One Hundred Thousand Dollars (\$2,100,000.00).
- h) SAPAC shall independently, at its sole cost and expense, develop plans and specifications for the Performing Arts Center (PAC) to be constructed by SAPAC at the former Coca-Cola Warehouse located at 25 W. Second Avenue, San Angelo, Tom Green County, Texas.

- i) At such time as the PAC shall be constructed, SAPAC shall improve and landscape that portion of the Performing Arts Plaza on the PAC site (**Exhibit "B"**) so as to complete a unified Performing Arts Plaza.
- j) City and SAPAC shall work together to provide for the management of the Auditorium as provided under Part V "Management Phase" of this Agreement.

II. PLANNING PHASE

Section 2.1 Planning Phase-Auditorium: SAPAC shall diligently proceed to negotiate a contract with an architect for professional services necessary for plans and specifications in the restoration and reconstruction of the Auditorium that maintain the architectural integrity and theme of the Auditorium in conformity with the current restoration of the historic City Hall building, which may include plans for expansion of the Auditorium by addition of an Annex. The selection of an architect and the Architectural Services Contract price shall be subject to the mutual approval of City Council by written resolution and SAPAC. The plans and specifications shall be subject to the prior approval of City Council by written resolution. The planning phase for the Auditorium shall include that period of time commencing with the effective date of this Agreement and continuing to an award of a contract by City for CMAR general contracting services for restoration and reconstruction of the Auditorium, which may include expansion of the Auditorium.

Section 2.2 Default at Planning Stage: City may deem a failure of SAPAC to timely perform any of the conditions precedent under Section 2.4 below to be a default by SAPAC of the terms of this Agreement; and, if after giving thirty (30) days written notice to cure specifying the default the default continues, City may terminate this Agreement notwithstanding any provision to the contrary relating to default in the Agreement.

Section 2.3 Planning Phase of Performing Arts Plaza: SAPAC and City will endeavor to coordinate their planning efforts for improvements and landscaping to create a Performing Arts Plaza that unifies the grounds encompassing the restored and reconstructed Auditorium, any expansion thereof by addition of an Annex, and the planned Performing Arts Center grounds into an integral plaza.

Section 2.4 Condition Precedent to the Restoration and Reconstruction of the Auditorium:
The Construction Phase of the Auditorium improvements, including any Annex, shall not commence until SAPAC satisfies the following preconditions:

- a) Secure City Council approval by written resolution of the selection of an architect and Architectural Services Contract price, and secure approval of City by written resolution of Council of plans and specifications for reconstruction and any expansion of the Auditorium;
- b) substantiate the availability of Project funds as provided at Sections 3.2 and 3.5; and,
- c) provide to City a five (5) year plan for the operation and utilization of the reconstructed and restored Auditorium, which shall include at a minimum:
 - i. anticipated sources and estimated amounts of revenue, on an annual basis;

- ii. estimated expenses on an annual basis; and
- iii. names and curricula vitae of all officers of SAPAC and persons anticipated to be employed by SAPAC to manage the Auditorium at commencement of the Management Phase of this Agreement.

III. FUNDING OBLIGATIONS OF SAPAC

Section 3.1 Grant Writing and Funding: SAPAC will be responsible for conducting grant applications and fundraising from the private sector necessary to fund the capital costs for the portion of costs relating to restoration and reconstruction of the Auditorium, including any Annex thereto, not covered by the City's half cent sales tax revenues. SAPAC shall provide sufficient staff and consultant services reasonably necessary to accomplish its fundraising responsibilities under this Agreement.

Section 3.2 Funding for Restoration and Reconstruction of Auditorium, including Annex: Current construction cost estimates available to the Parties indicate that completion of renovation and reconstruction of the Auditorium, including any construction of an Annex to the Auditorium, will require of TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000.00) in addition to the funds available to the City for restoration of the Auditorium and Plaza from its half cent sales tax revenues. SAPAC shall be responsible for fundraising efforts to obtain TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000.00) as provided under this Agreement. SAPAC shall provide City with proof of said funds when they are raised, through its agency relationship with San Angelo Area Foundation. SAPAC will provide the San Angelo Area Foundation with authorization to allow verification of said funds by the City sufficient for SAPAC to proceed with the Construction Phase of the Auditorium restoration and reconstruction, and any Annex construction.

Section 3.3 Funding for Construction of the PAC:

SAPAC will be solely responsible for raising the funds necessary to plan and construct the Performing Arts Center (PAC).

Section 3.4 Commemorative Naming of the Auditorium: To the extent not in conflict with the agency contract that the City has with Citywise Marketing, LLC, or its successors in interest, or with any other third party, in the sole determination of the City, and for purposes of assisting SAPAC in funding the Project, the City will endeavor to negotiate an agreement with SAPAC pursuant to which SAPAC may authorize commemorative naming of the City Auditorium in recognition of financial support for the Project, subject to City Council approval by written resolution. Said commemorative naming shall not include the marketing for sale or sale of naming rights. However, in the event SAPAC determines that it may have a party interested in the purchase of naming rights for the Auditorium, the City and SAPAC may negotiate with Citywise Marketing, LLC, or its successor in interest, or any third party then having such agency rights, to agree to terms for sale of the naming rights, subject to approval of the City Council by written resolution.

Section 3.5 Funding for Operational Endowment: In addition to the foregoing funding obligations assumed by SAPAC, SAPAC will be responsible for conducting all grant

applications and fundraising from the private sector necessary to fund an operational endowment of One Million Dollars (\$1,000,000.00) or more for purposes of providing revenue necessary to support SAPAC's operational expenses relating to its ongoing future operation. SAPAC shall present evidence prior to commencement of the Construction Phase of the restoration and reconstruction of the City Auditorium: (1) that validates that SAPAC has or will have the operational endowment fully funded or pledged at the time of completion of renovation of the Auditorium; or (2) that SAPAC has in its operational reserves a minimum of Two Hundred Fifty Thousand Dollars (\$250,000.00) available for SAPAC operational expenses that would otherwise be payable out of said endowment. On completion of the Construction Phase as provided at Section 4.1 herein, should any portion of said One Million Dollar (\$1,000,000.00) endowment not be funded, SAPAC shall establish that it has in its operational reserves a minimum of Two Hundred Fifty Thousand Dollars (\$250,000.00) available for SAPAC operational expenses that would otherwise be payable out of said endowment. If this Agreement is terminated as herein provided prior to five (5) years from its effective date, funds uncommitted and remaining in the operational endowment shall be deemed to be property of SAPAC or its assignee.

IV. CONSTRUCTION PHASE

Section 4.1 Construction Phase Defined for Restoration and Reconstruction of the Auditorium and Construction of an Annex : The Construction Phase for the restoration and reconstruction of the Auditorium and any construction of an Annex to the Auditorium is the period of this Agreement beginning upon an award of a contract by City for construction manager at risk (CMAR) guaranteed maximum price (G-MAX) general contracting services for restoration and reconstruction of the Auditorium, including any expansion thereto, and ending upon completion of construction of those improvements and the opening to the public of the restored and reconstructed Auditorium and any Annex thereto for performing arts activities.

Section 4.2 Construction of the PAC: SAPAC has tentative plans to finance and construct a Performing Arts Center (PAC) on real property formerly known as the Coca-Cola warehouse facilities in downtown San Angelo. The PAC shall be planned, designed, managed and operated by SAPAC as a facility for public performances for performing arts and other cultural events that enhance the quality of life for the citizens of the San Angelo community.

Section 4.3 Construction and Landscaping of the Performing Arts Plaza: SAPAC and City shall jointly plan and construct improvements and landscaping for development of the Performing Arts Plaza. City shall construct improvements for the Plaza on City property surrounding the Auditorium and any expansion of the Auditorium by addition of an Annex. SAPAC shall finance, construct, and landscape land owned by SAPAC included within the Performing Arts Center grounds, pursuant to plans approved by SAPAC so as to complete a unified, integrated Performing Arts Plaza.

Section 4.4 Cooperative Efforts During Construction: SAPAC and the City will endeavor to keep construction and related costs as low as is reasonably practicable through cooperative efforts in the retention of and communications with construction management contractors and personnel.

V. MANAGEMENT PHASE

Section 5.1 SAPAC Management, Marketing, and Ticket Sales Services:

- a) The Management Phase of this agreement shall commence at the end of the Construction Phase under Part IV herein, and shall continue during the balance of the term of this agreement and of any supplemental facility management and operating agreement to be agreed to.
- b) SAPAC will be responsible for management of the City Auditorium and the PAC pursuant to terms of this Agreement, with such additional terms as the parties may agree to. SAPAC will perform services that include marketing, scheduling of events and contracting for the use of the City Auditorium as well as for the Performing Arts Center when completed. With respect to the Auditorium, SAPAC management services will be limited to the extent not in conflict with any advertising agency, promotional agency or ticketing service contracts which the City may have. SAPAC shall include in any commitment, agreement or contract for the marketing, scheduling, use, production, presentation, conduct, or ticketing of an event at the City Auditorium, provision relating to minimum insurance requirements which shall include commercial general liability coverage naming the City as an additional insured. The policy shall be an occurrence-type policy and shall protect the party contracting with SAPAC (Contracting Party) for use of the City facility and additional insureds (City and SAPAC) against all claims arising from bodily injury, sickness, disease or death of any person (other than the Contracting Party's employees) and damage to property of the City or others arising out of the act or omission of the Contracting Party or its agents and employees. This policy shall also include protection against claims for the contractual liability assumed by Contracting Party under an agreement for "Indemnification," including completed operations, products liability, contractual coverage, broad form property coverage, explosion, collapse, underground, premises/operations, and independent contractors (to remain in force for two years after final payment). Coverage shall not be less than:

\$ 2,000,000.00	General Aggregate
\$ 1,000,000.00	Products- Completed Operations
\$ 1,000,000.00	Personal & Advertising Injury
\$ 1,000,000.00	Each Occurrence
\$ 100,000.00	Fire Damage (any one fire)

- (c) This minimum insurance requirement may, at the discretion of City, be subject to renegotiation and adjustment once every five (5) years during the term of this Agreement.
- (d) SAPAC shall annually negotiate with each of its member entities and the City to determine user rates and a fixed number of days for programs or events planned by SAPAC member entities or City, both of which shall be given priority before allocating days for any other users. Annual recurring events shall be given scheduling priority.

Section 5.2 Allocation of Hotel Occupancy Tax Revenue:

- (a) From commencement of the Management Phase under Section 5.1 herein, the City will contribute to the funding of the management services delegated to SAPAC under this Agreement pursuant to act of City Council as authorized under Article 5.800 “Hotel Occupancy Tax”, Section 5.805 “Use of Revenue”, of the City of San Angelo Code of Ordinances. The allocation of Hotel Occupancy Tax revenues for distribution to SAPAC should be awarded annually by City Council for fiscal years that management services are rendered by SAPAC, prorated for any part of a fiscal year that such services are rendered, as follows:

Fiscal Years 1-3: An award of Fifty Thousand Dollars (\$50,000.00) of the City’s Hotel Occupancy Tax revenues.

Fiscal Year 4 and for fiscal years thereafter: SAPAC will negotiate with City for an amount of City’s Hotel Occupancy Tax revenues to be awarded by City Council. City Council shall consider reports submitted by SAPAC of its management and marketing services performed, and expenses incurred, when awarding a grant of Hotel Occupancy Tax revenues under this Section 5.2, such award not to vary from the award for the previous fiscal year by more than ten percent (10%).

- (b) Such allocation and distribution of Hotel Occupancy Tax revenues shall be subject to the approval by the City Council of the annual budget of SAPAC for the year in which the allocation and distribution is made. The approval must be in writing in advance of the distribution. A failure by the City Council to timely act to provide for the allocations of Hotel Occupancy Tax revenues as hereinabove provided shall entitle SAPAC to terminate this Agreement. Notwithstanding the foregoing, City reserves the right to terminate distribution of Hotel Occupancy Tax revenues, or redirect or re-designate how SAPAC shall utilize the revenues if it is determined that there has been a misuse or misapplication of Hotel Occupancy Tax revenue in violation of City Ordinances or Texas State law. SAPAC shall submit annual reports to the City Council listing the expenditures made by SAPAC of revenues distributed to it by City. Any misuse or misapplication of Hotel Occupancy Tax revenue by SAPAC in violation of City ordinances or Texas State Law shall be grounds for termination of this Agreement by City.

Section 5.3 Box Office and Ticketing Services: SAPAC will provide box office and ticketing services for events scheduled by its members and City at the Auditorium or PAC, including box office manager, hardware, software, and web portal. SAPAC will set and collect a ticketing fee toward the recovery of costs associated with this service. SAPAC may provide the same box office and ticketing services for events scheduled by the City or other entities or members of the public.

Section 5.4 City Auditorium Maintenance and Improvement Fee: SAPAC will collect a Facility Maintenance and Improvement Fee (FMIF) for every ticket sold for each ticketed event

in the City Auditorium. SAPAC is not required to collect the FMIF for tickets gratuitously distributed by SAPAC, up to but not exceeding ten percent (10%) of tickets issued for events at the Auditorium during each annual year of this Agreement. The FMIF shall be Two Dollars (\$2.00) per ticket. Annually, SAPAC and City staff shall review the FMIF and make a presentation to City Council regarding recommendation for any adjustment in the amount of the fee. An adjustment in the FMIF shall not become effective until approved by the City Council by written resolution. Proceeds from the collection of said fee will be turned over to the City of San Angelo by the end of the month following the month of collection. The City shall deposit and hold the proceeds in a designated fund for purposes of equipment and facility maintenance and improvements to the Auditorium and Annex. Expenditures shall not be made from the fund except upon authorization by vote of a majority of a FMIF committee made up of three (3) SAPAC board officers and three (3) City Council appointees. Expenditures from the FMIF fund in excess of Forty Thousand Dollars (\$40,000.00) shall not be made without approval of the San Angelo City Council by written resolution. Should the FMIF committee become deadlocked in a tie vote on any such request for approval of expenditure under Forty Thousand Dollars (\$40,000.00), the San Angelo City Council shall decide the matter by vote of a majority of a quorum of the Council members present.

Section 5.5 City Support for the Maintenance and Operation of the Auditorium: City shall negotiate with SAPAC pursuant to which City may provide support for the maintenance and operation of the Auditorium, including but not limited to:

- a) utilities and information technology and telecommunications services, said services being reimbursable to the City for costs at the rate the City charges via internal service funds for the City Auditorium;
- b) facility operations, maintenance and janitorial services for the City Auditorium, reimbursable to the City at 100% of actual cost (City shall provide SAPAC with the detail utilized to determine the actual cost of service.);
- c) City will provide property insurance for the City Auditorium space. SAPAC will provide commercial general liability coverage naming the City as an additional insured. This policy shall be an occurrence-type policy and shall protect SAPAC and additional insureds (City) against all claims arising from bodily injury, sickness, disease or death of any person (other than the SAPAC's employees) and damage to property of the City or others arising out of the act or omission of SAPAC or its agents and employees. This policy shall also include protection against claims for the contractual liability assumed by SAPAC under the paragraph of this Contract entitled "Indemnification," including completed operations, products liability, contractual coverage, broad form property coverage, explosion, collapse, underground, premises/operations, and independent contractors (to remain in force for two years after final payment). Coverage shall not be less than:

\$ 2,000,000.00	General Aggregate
\$ 1,000,000.00	Products- Completed Operations
\$ 1,000,000.00	Personal & Advertising Injury
\$ 1,000,000.00	Each Occurrence
\$ 100,000.00	Fire Damage (any one fire)

- d) Extension of the term of the Lease of space as may become necessary to be concurrent with the term of this Agreement, or any extension of this Agreement, pursuant to the provisions of Section 5.6(c) below;
- e) landscaping, maintenance and upkeep of all landscaped areas of the City Hall and adjoining landscaped property owned by City, except with respect to maintenance necessitated from events taking place on premises of the City.

Section 5.6 Lease of Office Space at City Hall for SAPAC: City, as Landlord, and SAPAC, as Tenant, have entered into a Lease Agreement dated December 4, 2012, of office space in the restored City Hall building (Lease) to accommodate SAPAC in the performance of its responsibilities under this Agreement, which Lease has been assigned by SAPAC to the San Angelo Symphony Society (Symphony) with City's consent. SAPAC, as guarantor of Symphony's performance under the Lease, and City agree that:

- a) SAPAC will be solely responsible for the costs of planning and construction of improvements relating to building out of the agreed to space for purposes of office use. The Lease space consists of the open area on the mezzanine level at the west end of the City Hall building. The plans and construction of all such improvements must be approved by City and must maintain the architectural integrity and theme of the Auditorium and City Hall in conformity with the current restoration.
- b) Rent for the improved Lease space will be a nominal One Dollar (\$1.00) annual rental rate plus credit for management services provided by SAPAC that include marketing, operating, scheduling of events, ticket sales and contracting for the use of the City Auditorium and PAC, and the funding obligations assumed by SAPAC hereunder.
- c) The Lease term shall be concurrent with the term set forth hereinabove at Section 1.2 and as the term may be extended under Section 1.3.
- d) Annually, upon each anniversary of the effective date of the Lease Agreement, from and after occupancy of the Leased premises by SAPAC or Assignee of the Lease, SAPAC shall provide City with a comprehensive written report regarding its activities and utilization of the City Hall Auditorium, including revenues generated, expenses incurred, ticket sales, tickets distributed gratuitously, marketing activities, management activities, and other services rendered pursuant to this Agreement. In addition, SAPAC shall submit, annually its budget with projected revenues and expenses relating to its management of the Auditorium.
- e) All equipment and trade fixtures installed on the Leased premises by SAPAC or Assignee of the Lease, excluding permanent improvements to the building or real estate, shall remain the property of SAPAC or Lease Assignee and shall be removed within thirty (30) days after termination of the Lease provided that any damage to the realty or building from their removal is fully repaired by SAPAC at time of removal. Notwithstanding the foregoing, all property remaining on the Leased premises from and after the expiration of sixty (60) days following the termination of the Lease shall be deemed abandoned by SAPAC or Lease Assignee and shall become the property of City to be disposed of as City in its sole discretion may deem fit without compensation to SAPAC or Assignee of the Lease.

Section 5.7 City Support for Operation of the PAC: This Agreement does not preclude the City from assisting SAPAC in operating expenses relating to operation of the PAC, or from facilitating the PAC in securing the lowest rates for utilities and other services necessary to operation of the PAC.

VI. ASSURANCES

Section 6.1 Assurances Given by City to SAPAC: The City agrees that it shall:

- a) cooperate in good faith with SAPAC in the implementation of this Agreement;
- b) use all reasonable best efforts to maintain public access to the Auditorium for performing arts events scheduled by SAPAC on behalf of its member entities;
- c) cooperate in good faith with SAPAC to perform City's obligations under the Lease Agreement dated December 4, 2012, by and between City, Landlord, and SAPAC, Tenant, of office space in the restored City Hall building necessary for SAPAC to conduct its responsibilities under this Agreement, which Lease has been assigned by SAPAC to the San Angelo Symphony Society with City's consent;
- d) cooperate in good faith with SAPAC to negotiate and enter into an agreement pursuant to which City may assist SAPAC in the maintenance and operation expenses of the PAC or facilitate the PAC in securing the lowest rates for utilities and other services necessary to operation of the PAC.
- e) Maintain the roof, foundation, and exterior walls of the Auditorium and Annex, and HVAC servicing the Auditorium and Annex, all or portions of which maintenance may be funded with FMIF funds as provided at Section 5.4 hereinabove.

Section 6.2 Assurances Given by SAPAC to City: SAPAC agrees that it shall:

- a) manage and operate the restored, renovated and expanded Auditorium and PAC in a well maintained and professional manner for the presentation of performing arts and cultural events for the San Angelo community;
- b) cooperate with the City to use reasonable efforts to encourage, promote and maintain the regular presentation of performing arts and cultural events at the Auditorium;
- c) provide and set up required equipment for presentations at the Auditorium and maintain the same in good working order;
- d) subject to the maintenance obligations of the City under this part VI. "Assurances", Section 6.1, undertake and complete repairs and maintenance necessary to maintain the Auditorium and Annex, and fixtures and equipment utilized in conjunction therewith, in a well maintained and professional manner; and,
- e) Demonstrate its charitable mission as a non-profit entity by making the Performing Arts Campus, Auditorium and Performing Arts Center facilities and events accessible to a broad range of the public to include individuals who may not otherwise be able to utilize the facilities or participate in sponsored cultural events. As a goal, ten percent (10%) to fifteen percent (15%) of Auditorium use or Auditorium event access should be devoted to serve this purpose.

VII. GENERAL PROVISIONS

Section 7.1 Status of Employees: Each Party hereto and each entity member of SAPAC shall retain supervision and control of its regular employees at all times while performing any activity relating to this Agreement and no regular employee of SAPAC or of any one of its entity members shall be considered or deemed to be a borrowed servant of City for Workers' Compensation purposes or for any other purpose. The City agrees that all persons regularly employed by it to furnish services hereunder shall be deemed at all times to be employees or agents of the City and not of SAPAC or of a member entity of SAPAC. Regular employees of SAPAC and regular employees of each entity member of SAPAC performing any activity relating to this agreement shall be deemed at all times to be employees or agents only of their regular employing entity and not employees or agents of the City. No employee of the City, SAPAC or an entity member of SAPAC shall become entitled to the benefits of employees of any Party not the regular employer of such employee.

SECTION 7.2 SAPAC TO INDEMNIFY AND HOLD CITY HARMLESS:

SAPAC AGREES TO INDEMNIFY, DEFEND AND HOLD THE CITY, ITS COUNCIL MEMBERS, OFFICERS, OFFICIALS, AGENTS, GUESTS, INVITEES, CONSULTANTS AND EMPLOYEES FREE AND HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, PROCEEDINGS, SUITS, JUDGMENTS, COSTS, PENALTIES, FINES, DAMAGES, LOSSES, ATTORNEY'S FEES AND EXPENSES ASSERTED BY ANY PERSON OR PERSONS, INCLUDING CLAIMS OR SUITS FOR JOINT ENTERPRISE LIABILITY, BY REASON OF DEATH OR INJURY TO PERSONS OR LOSS OR DAMAGE TO PROPERTY, RESULTING FROM OR ARISING OUT OF, THE VIOLATION OF ANY LAW OR REGULATION OR IN ANY MANNER ATTRIBUTABLE TO ANY ACT OF COMMISSION, OMISSION, NEGLIGENCE OR FAULT OF THE INDEMNIFYING PARTY, AND ANY OTHER PERSON OR ENTITY, AS A CONSEQUENCE OF ITS EXECUTION OR PERFORMANCE OF THIS AGREEMENT OR SUSTAINED IN OR UPON THE PREMISES, OR AS A RESULT OF ANYTHING CLAIMED TO BE DONE OR ADMITTED TO BE DONE BY THE INDEMNIFYING PARTY HEREUNDER. NOTWITHSTANDING THE FOREGOING, THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OR FAULT OF CITY, ITS OFFICERS, AGENTS, EMPLOYEES OR SEPARATE CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRING NEGLIGENCE OR FAULT OF SAPAC AND CITY, RESPONSIBILITY AND INDEMNITY, IF ANY, SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAW OF THE STATE OF TEXAS, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. NEITHER SAPAC OR CITY WAIVE ANY LEGAL CONTENTIONS, DEFENSES, OR IMMUNITIES, INCLUDING, BUT NOT LIMITED TO GOVERNMENTAL OR SOVEREIGN IMMUNITY, CHARITABLE IMMUNITY,

AND LIMITED RECOVERY AGAINST CHARITABLE ORGANIZATIONS, THEIR PERSONNEL, AND THEIR VOLUNTEERS PURSUANT TO THE CHARITABLE IMMUNITY AND LIABILITY ACT OF 1987 (TEX. CIV. PRAC. AND REM. CODE, CHAPTER 84, AS AMENDED). THIS INDEMNIFICATION SHALL SURVIVE THE TERM OF THIS AGREEMENT AS LONG AS ANY LIABILITY COULD BE ASSERTED. NOTHING HEREIN SHALL REQUIRE THE INDEMNIFYING PARTY TO INDEMNIFY, DEFEND OR HOLD HARMLESS ANY INDEMNIFIED PARTY FOR THE INDEMNIFIED PARTY'S OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

Section 7.3 Default and Termination: Default in the terms of this Agreement or in the terms of the Lease agreement or the facilities management and operation agreement to be negotiated may result in termination of this Agreement.

- a) In the event SAPAC defaults in performance of any of the covenants and conditions required herein to be kept and performed by SAPAC, or defaults in the Lease or the facilities management and operating agreement to be negotiated by and between the City and SAPAC, and such default continues for a period of thirty (30) days after written notice specifying such default, City shall have the right to: (1) terminate the Lease and re-enter and take possession of the Leased Premises and all personal property therein and to remove SAPAC or its Assignee and their agents and employees there from. In the event City elects to terminate the Lease and re-enter or take possession of the Leased Premises, SAPAC and its Assignee shall quit and peaceably surrender the Leased Premises to City, and City may re-enter the premises and possess and repossess itself thereof, by force, summary proceedings, ejectment or otherwise, and may dispossess and remove SAPAC and its Assignee, and may have, hold and enjoy the Premises and the right to receive all rental income of and from the same; (2) terminate the facilities management and operating agreement to be negotiated upon giving ninety (90) days advance notice of termination to SAPAC; and, (3) terminate this Agreement upon giving ninety (90) days advance notice of termination to SAPAC; provided however, that City shall have the right to terminate this agreement upon ten (10) days written notice to cure default in the payment of any sum due from SAPAC under the provisions of Part I "Definitions, Term and Stated Intention", Section 1.6 "Intention of the Parties" of this Agreement, and pursue such other remedies as may be available to City at law or in equity, including specific performance and/or injunctive relief.
- b) In the event City defaults in performance of any of the covenants and conditions required herein to be kept and performed by City, or defaults in the facilities management and operating agreement to be negotiated by and between SAPAC and City, and such default continues for a period of thirty (30) days after written notice specifying such default, SAPAC shall have the right to terminate this Agreement upon giving ninety (90) days advance notice of termination to City.
- c) In the event SAPAC: (1) files a voluntary petition in bankruptcy or is adjudicated a bankrupt or insolvent, or takes the benefit of any relevant legislation that may be in force for bankrupt or insolvent debtors or files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or

similar relief for itself under any present or future federal, state or other statute, law or regulation, or proceedings are taken by SAPAC under any relevant Bankruptcy Act in force in any jurisdiction available to SAPAC, or SAPAC seeks or consents to or acquiesces in the appointment of any trustee, receiver or liquidator of SAPAC of all or any substantial part of its properties or of the Premises, or makes any general assignment for the benefit of creditors, or (2) a petition is filed against SAPAC seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal, state or other statute, law or regulation, and shall remain without dismissal for an aggregate of one hundred twenty (120) days, or if any trustee, receiver or liquidator of SAPAC or of all or any substantial part of its properties is appointed without the consent or acquiescence of SAPAC and such appointment remains un-vacated for an aggregate of twenty (20) days; then either such event shall constitute a default by SAPAC and City shall have the right to terminate this Agreement, the Lease and the facilities management and operating agreement to be negotiated.

Section 7.4 Right to Injunctive Relief: In the event of a default by SAPAC that continues beyond the cure period provided for above, in addition to any other remedy provided by law, the City shall have the right to enjoin SAPAC from any function, activity, task or pursuit that is otherwise authorized hereunder, or under the Lease Agreement or the facilities management and operating agreement to be negotiated.

Section 7.5 Miscellaneous Terms: The following additional terms are mutually agreed to between the Parties and shall apply to this Agreement:

- a) Execution and Delivery. By the execution and delivery of this Agreement, the undersigned individuals warrant that they have been duly authorized by the respective governing bodies of the Parties to execute this Agreement in their official capacities.
- b) Assignment. SAPAC may not assign this Agreement or any rights hereunder without prior written consent of the City authorized by written resolution of the City Council, which consent may be withheld at the discretion of City. City may not assign this Agreement or any rights hereunder, except as may be required by law, without the prior written consent of SAPAC.
- c) Applicable Law. This Agreement is not intended to create any legal rights enforceable by any third party against any Party to this agreement, nor is it intended to waive any rights or defenses available to any Party hereto. Specifically, this Agreement shall not be construed so as to waive any of the City's immunities from suit or liability as to any third parties. Venue for any proceeding brought pursuant to this Agreement shall be in Tom Green County, Texas.
- d) Entire Agreement. This Agreement supersedes any and all other agreements or understandings, 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.

- e) Binding Agreement. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors, legal representatives, and permitted assigns.
- f) Amendment. This Agreement may only be amended by the mutual agreement of the Parties hereto in writing, signed by a duly authorized representative of each Party.
- g) Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired or affected thereby, it being intended that all of the rights and privileges of the parties hereto shall be enforceable to the fullest extent permitted by law.
- h) Survival and Cumulative Enforcement of Rights. Those provisions of this Agreement which by their very nature extend beyond termination or expiration of this Agreement shall survive such termination or expiration. All rights for enforcement of this Agreement shall be construed and held to be cumulative, and no one of them shall be exclusive of the other; and, City shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this Agreement. No waiver of a breach or any of the covenants, conditions, or restrictions of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other covenant, condition or restriction contained herein.
- i) Force Majeure. In the event that any Party shall be prevented from performing its duties under this Agreement by an act of nature, by acts of war, riot, act of terrorism, or civil commotion, by an act of State, by strikes, fire, flood, or by the occurrence of any other event beyond the control of the Parties hereto, it shall not be considered a breach of this Agreement.
- j) Notice. Any notice to be given hereunder by any Party to the other Party shall be in writing and sent by first class U.S. mail, registered or certified, return receipt requested, as follows:

SAN ANGELO PERFORMING ARTS COALITION
Board President: Susan Brooks
c/o 221 S. Irving Street
San Angelo, Texas 76903

With copies to the following SAPAC entities:

Angelo Civic Theater
1936 Sherwood Way
San Angelo, TX 76901

San Angelo Symphony
PO Box 5922
San Angelo, TX 76902

San Angelo Civic Ballet
PO Box 5092
San Angelo, TX 76902

San Angelo Cultural Affairs Council
PO Box 2477
San Angelo, TX 76902

CITY OF SAN ANGELO
Attention: City Manager
72 W. College Avenue
San Angelo, Texas 76903

With a copy to:
City Attorney's Office
72 W. College Avenue
San Angelo, Texas 76903

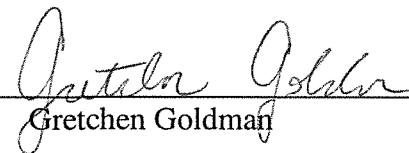
(Signature page to follow)

This Agreement has been officially authorized by the governing body of each Party hereto and each signatory to this Agreement guarantees and warrants that the signatory has full authority to execute this Agreement and to legally bind the respective Party to it.

SAN ANGELO PERFORMING ARTS
COALITION


Susan Brooks, President

ATTEST:

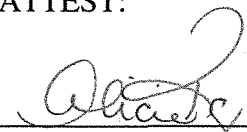
BY: 
Gretchen Goldman

ITS: Secretary

CITY OF SAN ANGELO, TEXAS


Daniel Valenzuela, City Manager

ATTEST:


Alicia Ramirez, City Clerk

APPROVED AS TO FORM:


Rick Weise, Asst. City Manager

APPROVED AS TO CONTENT:

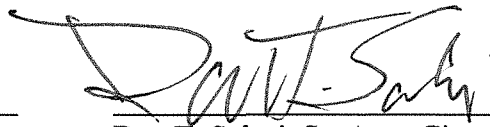
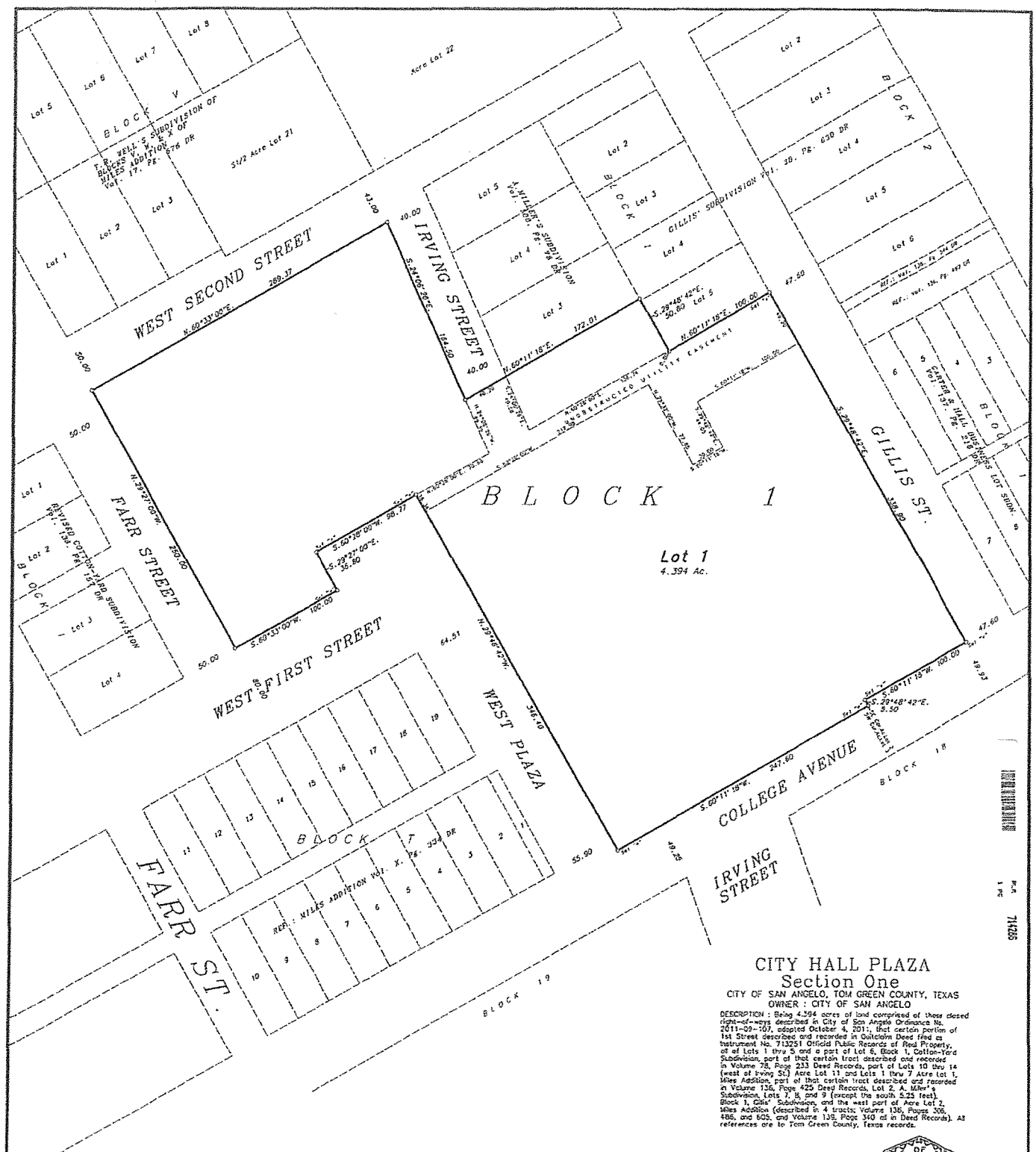

Dan T. Saluri, Sr. Asst. City Atty.

EXHIBIT "A"

FIRST AMENDED AND RESTATED DEVELOPMENT AND OPERATING
AGREEMENT FOR PERFORMING ARTS CAMPUS BY AND BETWEEN THE
CITY OF SAN ANGELO AND THE SAN ANGELO PERFORMING ARTS
COALITION

City Hall Building and Auditorium Site

Overview Map
of San Angelo
City Limits



CITY HALL PLAZA Section One

CITY OF SAN ANGELO, TOM GREEN COUNTY, TEXAS
OWNER: CITY OF SAN ANGELO

DESCRIPTION: Being 4.394 acres of land comprised of those closed right-of-ways described in City of San Angelo Ordinance No. 2011-09-101, adopted October 4, 2011, that certain portion of 1st Street described and recorded in Outclaim Deed filed as Instrument No. 712251 Official Public Records of Real Property, all of Lots 1 thru 5 and a part of Lot 6, Block 1, Cotton-Yard Subdivision, part of that certain tract described and recorded in Volume 75, Page 253 Deed Records, part of Lots 10 thru 14 (west of Irving St.) Acre Lot 11 and Lots 1 thru 7 Acre Lot 1, Miles Addition, part of that certain tract described and recorded in Volume 136, Page 425 Deed Records, Lot 2, A. Miller's Subdivision, Lots 7, 8, and 9 (except the south 5.25 feet), Block 1, Cedar Subdivision, and the west part of Acre Lot 2, Miles Addition (described in 4 tracts: Volume 136, Page 306, 486, and 605, and Volume 135, Page 340 as in Deed Records). As references are to Tom Green County, Texas records.

DEPARTMENT OF PLANNING
Approved for recording this 19th day of February, 2012
By: [Signature]
Director of Planning

DEPARTMENT OF WATER UTILITIES
Approved for recording this 25th day of January, 2012
By: [Signature]
Director of Water Utilities

DEPARTMENT OF PUBLIC WORKS
Approved for recording this 3rd day of February, 2012
By: [Signature]
Director of Public Works

COUNTY CLERK
Filed for record this 8th day of February, 2012 at San Angelo
By: [Signature], Deputy

This plat is filed in Cabinet G, Slide 212
Plat Records of Tom Green County, Texas.

ACKNOWLEDGEMENT/DEDICATION
We, The City of San Angelo, Texas do hereby adopt this plat as the subdivision of our property and dedicate for the use of the public the easement shown hereon.
[Signature]

Alvin New, Mayor
Attest: [Signature], City Clerk

STATE OF TEXAS
COUNTY OF TOM GREEN
This instrument was acknowledged before me on February 7, 2012 by Alvin New in the capacity shown.
[Signature]
Notary Public, State of Texas



SURVEYOR'S CERTIFICATE
Know all men by these presents that I, Russell T. Oakley, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that corner monuments shown hereon were properly placed, under my supervision, in accordance with the rules for land subdivision by the City Council of the City of San Angelo, and I further certify that the tract of land herein plotted lies within the Extrajurisdictional Area of the City of San Angelo, Texas.



[illegible]

EXHIBIT "B"

FIRST AMENDED AND RESTATED DEVELOPMENT AND OPERATING AGREEMENT FOR PERFORMING ARTS CAMPUS BY AND BETWEEN THE CITY OF SAN ANGELO AND THE SAN ANGELO PERFORMING ARTS COALITION

Cite for the Performing Arts Center

Situated In the City of San Angelo, County of Tom Green and State of Texas: Known as being a part of Lots 1 through 4, W.A. Paul's Subdivision of Acre Lots 25 and 26 of the Miles Addition to the City of San Angelo, all of Lots 2 through 9 and a part of Lots 1, 10 and 12, R. Wilbur Brown Subdivision of Acre Lots 24 and 25 of the Miles Addition to the City of San Angelo, Tom Green County, Texas. Also being all of the land now or formerly conveyed to Coca Cola Bottling Company as recorded in Volume 538, Page 304 and a part of the land now or formerly conveyed to Coca Cola Bottling Company as recorded in Volume 504, Page 388 and Book 646, Page 81 of Tom Green County Records and being more particularly described as follows:

Beginning at a MAG nail set at the intersection of the north line of Second Street (variable width) with the east line of Gillis Street (47.6' wide), said corner also being the southwest corner of Lot 9 in said R. Wilbur Brown Subdivision;

Thence, along the east line of Gillis Street and the west line of said R. Wilbur Brown Subdivision, North 30 degrees 00 minutes 00 seconds West, 250.33 feet to a MAG nail set at the intersection of the east line of Gillis Street with the south line of Third Street (50' wide), said corner also being the northwest corner of Lot 5 in said R. Wilbur Brown Subdivision;

Thence, along the south line of Third Street and the north line of said R. Wilbur Brown Subdivision and along the north line of Lot 1 in said W.A. Paul's Subdivision, North 58 degrees 04 minutes 40 seconds East, 283.84 feet to a MAG nail set on the north line of Lot 1 in said W.A. Paul's Subdivision;

Thence, crossing through Lots 1 through 4 in said W.A. Paul's Subdivision, South 22 degrees 15 minutes 08 seconds East, 108.42 feet to a MAG nail set on the dividing line between Lot 4 and the Neary Lot in said W. A. Paul's Subdivision;

Thence, along the south line of Lot 4 in said W.A. Paul's Subdivision, South 67 degrees 33 minutes 33 seconds West, 15.14 feet to a MAG nail set at the southwest corner of Lot 4 in said W. A. Paul's Subdivision;

Thence, crossing through Lot 1 in said R. Wilbur Brown Subdivision, South 26 degrees 51 minutes 32 seconds West, 26.36 feet to a MAG nail set at the southeast corner of Lot 2 in said R. Wilbur Brown Subdivision;

Thence, along the south line of Lots 2 and 3 in said R. Wilbur Brown Subdivision, South 60 degrees 00 minutes 00 seconds West, 73.96 feet to a MAG nail set;

Thence, crossing through Lots 12 and 10 in said R. Wilbur Brown Subdivision, South 30 degrees 00 minutes 00 seconds East, 140.00 feet to a MAG nail set on the north line of Second Street and the south line of said R. Wilbur Brown Subdivision;

Thence, along the north line of Second Street and the south line of said R. Wilbur Brown Subdivision, South 60 degrees 00 minutes 00 seconds West, 158.02 feet to the Point of Beginning and containing 1.2269 acres (53,443 square feet) of land, more or less, and is subject to all legal highways, easements and restrictions of record.

Survey Tract 2

Situated in the City of San Angelo, County of Tom Green and State of Texas: Known as being a part of Lots 1, 2, 3 and 6 and all of Lots 4 and 5, Gillis Subdivision of Acre Lot 14 of the Miles Addition to the City of San Angelo. Also being all of the land now or formerly conveyed to Coca Cola Bottling Company as recorded in Volume 648, Page 52 and all of the land now or formerly conveyed to Coca Cola Bottling Company as recorded in Volume 254, Page 439 and Book 504, Page 389 of Tom Green County Records and being more particularly described as follows:

Beginning at a MAG nail set at the intersection of the north line of First Street (40' wide) with the east line of Gillis Street (47.6' wide), said corner being on the west line of Lot 6, said Gillis Subdivision of Acre Lot 14 of the Miles Addition to the City of San Angelo;

Thence, with the east line of Gillis Street and the west line of said Gillis Subdivision of Acre Lot 14 of the Miles Addition to the City of San Angelo, North 30 degrees 00 minutes 00 seconds West 272.20 feet to a MAG nail set at the intersection of the east line of Gillis Street with the south line of Second Street (variable width), said corner also being on the west line of Lot 1 in said Gillis Subdivision of Acre Lots 14 of the Miles Addition to the City of San Angelo;

Thence, along the south line of Second Street and the north line of said Gillis Subdivision of Acre Lot 14 of the Miles Addition to the City of San Angelo, North 60 degrees 00 minutes 00 seconds East, 143.60 feet to a MAG nail set;

Thence, crossing through Lots 1, 2 and 3 in said Gillis Subdivision of Acre Lot 14 of the Miles Addition to the City of San Angelo, South 30 degrees 00 minutes 00 seconds East, 88.4 feet to a MAG nail set on the south line of the North 10 feet of Lot 3 in said Gillis Subdivision of Acre Lot 14 of the Miles Addition to the City of San Angelo;

Thence, along the south line of the North 10 feet of Lot 3 in said Gillis Subdivision of Acre Lot 14 of the Miles Addition to the City of San Angelo, North 60 degrees 00 minutes 00 seconds East, 4.00 feet to a MAG nail set on the east line of said Gillis Subdivision of Acre Lot 14 of the Miles Addition to the City of San Angelo;

Thence, along the east line of said Gillis Subdivision of Acre Lot 14 of the Miles Addition to the City of San Angelo, South 30 degrees 00 minutes 00 seconds East, 178.20 feet to a MAG nail set on the north line of First Street;

Thence, crossing through Lot 6 in said Gillis Subdivision of Acre Lot 14 of the Miles Addition to the City of San Angelo along the north line of First Street, South 60 degrees 00 minutes 00 seconds West, 147.60 feet to the Point of Beginning and containing 0.8952 acres (38,997 square feet) of land, more or less, and is subject to all legal highways, easements and restrictions of record.

EXHIBIT “C”

FIRST AMENDED AND RESTATED DEVELOPMENT AND OPERATING AGREEMENT FOR PERFORMING ARTS CAMPUS BY AND BETWEEN THE CITY OF SAN ANGELO AND THE SAN ANGELO PERFORMING ARTS COALITION

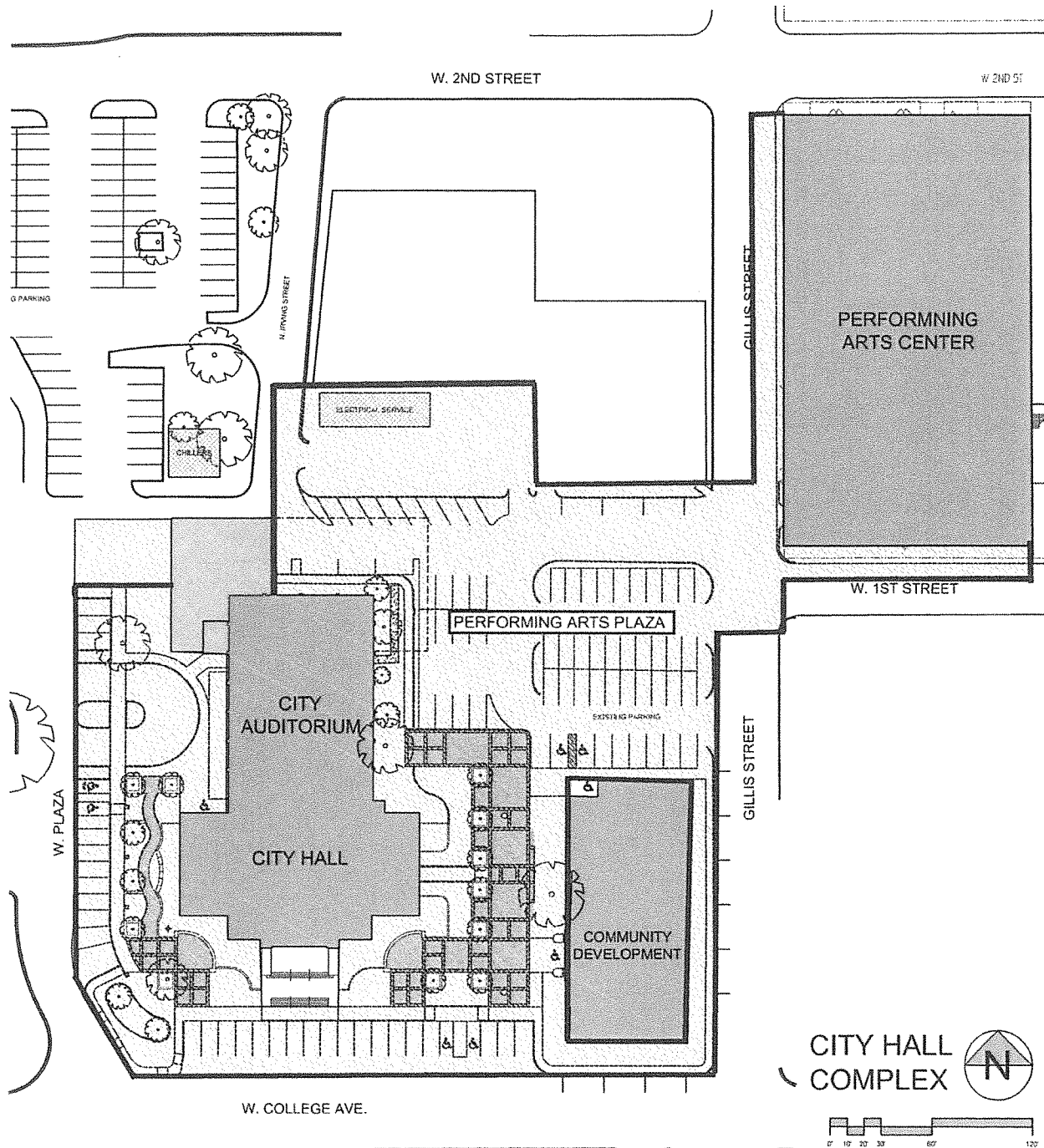
SAPAC shall include provisions addressing the following essential terms in it's contract for architectural services:

1. Identification of parties;
2. Designate City as owner and an intended third party beneficiary to such contract in a form approved by the City Attorney.
3. Provide that architect will work with SAPAC and with City as intended third party beneficiary under the contract to accomplish scope of work and cost savings.
4. Provide that copies of the contract, amendments to the contract, notices given under the contract, change orders, and records related to payments, advances, draws, or retainage be provided to City contemporaneously when due or produced under the contract.
5. Scope of work;
6. Contract price;
7. Professional Services Fees;
8. Time for performance;
9. Payment procedures and schedule;
10. Compliance with all applicable federal, state and local laws and regulations;
11. Default and remedies;
12. Termination rights;
13. Insurance requirements that include City as an additional insured in a form preapproved by the City's Risk Manager;
14. Indemnification and hold harmless agreement for the benefit of the City in a form preapproved by the City Attorney;
15. Notice requirement to City of San Angelo, Attention City Attorney, 72 W. College, San Angelo, Texas 76903.

EXHIBIT "D"

FIRST AMENDED AND RESTATED DEVELOPMENT AND OPERATING AGREEMENT FOR PERFORMING ARTS CAMPUS BY AND BETWEEN THE CITY OF SAN ANGELO AND THE SAN ANGELO PERFORMING ARTS COALITION

Performing Arts Plaza





ANNUAL REPORT
2018-2019 SEASON

The 2018-2019 Season in Review

The San Angelo Performing Arts Coalition (SAPAC) continued to enhance the quality of life for all the people of San Angelo and the Concho Valley during its 2018-2019 season

Support and access to the arts is an unquestioned component of a vibrant and growing city. San Angelo's historic commitment to the arts and culture serves as a magnet to attract businesses, professionals, tourists, and retirees to our community. San Angelo's commitment to the arts and culture is the glue that keeps people here and binds us together with pride in the wealth of cultural resources available in a city of our size. San Angelo punches way above its weight because of this generations-long engagement.

In the world of the performing arts, extraordinary government-private sector alliances means we have performance spaces that rival those in cities ten times our size. The Murphey Performance Hall at the City Auditorium is a national, not just a state or San Angelo, treasure.

The Murphey and offices in City Hall provide the San Angelo Symphony a spectacular home to inspire, engage, and educate diverse audiences through the experience of the highest quality orchestral music.

In addition, SAPAC is able to bring Broadway national touring companies and headliner performers to West Texas. These companies and headliners would, in the past, never have even considered coming before the restoration and upgrade of the Murphey and the adaptive reuse of the Coca-Cola building to create the Stephens Performing Arts Center.

Superb facilities in the Stephens allow resident company Ballet San Angelo to empower people through movement. Ballet San Angelo fosters creativity, helps people develop self esteem and discipline through dance while encouraging all to experience the joy of their art. Ballet San Angelo's annual production of The Nutcracker at the Murphey is a city-wide celebration of performing arts each Christmas season.

Superb facilities in the Stephens allow resident company BE Theatre to pursue its mission to provide an enriching environment of entertainment and education. As its mission statement asserts: "through the process of theatre arts, valuable life lessons are learned such as tolerance, communication, problem-solving skills, cooperation, respect for one's self and others, humility, and compassion."

Moreover, as the reputation for the quality of the facilities and the friendliness and receptivity of our community spreads through the performing arts world, we enjoy a dramatic increase in the number of promoters who come to us to rent our venues for their performances. In those situations, SAPAC has zero risk and guaranteed income. It is 100% upside for San Angelo and the Concho Valley.

San Angelo benefits from the influx of visitor dollars at our hotels, motels, restaurants, and businesses. Every competent study clearly shows the arts are a dynamic, indispensable component of a thriving local economy.

SAPAC provides opportunities for schools, non-profits, and community organizations to use our facilities at no cost or operating expenses only terms. Our impressive record of teaming touring companies with educational outreach to schools grows each year. We have two members of SAISD management, including the assistant superintendent, on our board of directors specifically to increase this cooperation to bring value to students throughout the Concho Valley.

In order to be relevant to our entire West Texas audience, we have steadily increased our season offerings to include performances specifically important to our Hispanic population, including Spanish language performances. This effort is vigorous and ongoing.

SAPAC is a vital and substantial part of what makes San Angelo special. Streets and bridges, water and sewer systems, building codes and police and fire services are bottom-line essentials in a successful city. So are elements that enrich the soul, delight the mind, uplift the community spirit. SAPAC is an essential element in the warp and weft of our ascendent community. In the 2018-2019 season, we continued to do our part to make San Angelo extraordinary. That commitment remains the rock-solid core of our mission.

Gus Clemens
Chair, Board of Directors

Board of Directors

The San Angelo PAC is governed by a Board of Directors of up to 21 members. The board meets monthly at the Stephens Performing Arts Center and guides and advises the San Angelo PAC staff with regard to bookings, marketing, and fundraising in addition to general management.

Gus Clemens*, Chair
Kendal Jastrow, Vice Chair

Executive Committee

Tanya Pfluger*, Secretary
Andrew Graves*, Past Chair
Ed Yale, Finance Chair

Directors

Terri Albert
Shelley Burnett
Gricelda Calzada
Jason Fernandez
Farrah Gomez
Stephen Gossett
Sandra Gray
Colleen Haddad
Delilah Harper
Larry Hettick
John Irish*
Fred Key*
Sheryl Pfluger
Mark Priest
Janette Sloper
*Founding Director

Staff

Mark Levine, Executive Director
Jacob Sanders, Operations Director
Jacklyn Galvan, Box Office Manager
Kasi Love, Technical Director
Sara Beth Terral, Marketing Director

The San Angelo PAC exists to provide a home for the performing arts organizations in San Angelo, to create an environment for the performing arts in San Angelo to thrive, and to be a destination for the community to enjoy art and the historic downtown. To serve this mission, SAPAC has been designed with 3 performance spaces, a reading room, a performance workshop, and office space.

Variety

The purpose of a performing arts campus like the San Angelo PAC is to become something for everyone. With that in mind we present the best national and international music, theater, comedy, dance and multi-disciplinary performing arts. We also host local arts organizations, meetings, religious services, and free films.



The San Angelo PAC's 2018-2019 Season included 52 performances at the Murphey Performance Hall, of which 22 performances were touring national and international companies. Thirty-nine artists and entertainment troupes took the stage over the nine months that the hall was in use. In addition, the San Angelo PAC welcomed 56 performances throughout the rest of the campus.

The San Angelo PAC manages the city owned Murphey Performance Hall and owns and manages the Stephens Performing Arts Center.

The Stephens Performing Arts Center houses the Brooks & Bates Theatre, Be Theatre's Black Box Performance Space, and Ballet San Angelo's Dance Studios

114- Performances

56- Productions

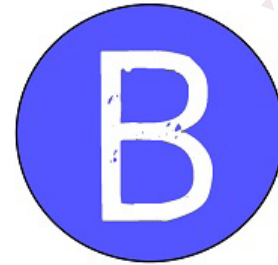
37- Organizations/Companies

Partnerships

The San Angelo PAC manages office, rehearsal, and performance spaces. In addition the San Angelo PAC presents world class touring artists to deliver programming that meets the needs and interests of the Concho Valley.



BALLETSANANGELO



BE THEATRE



Concho Valley
Youth Orchestra

YOURCVYO.ORG



SAN ANGELO ISD

With local performing arts organizations utilizing the different facilities on the San Angelo Performing Arts Campus, the organization is able to welcome all sorts of members of the community. The San Angelo PAC offers discounted rates and fees for all non-profit organizations when they are performing on the stages. In this way the San Angelo PAC is making inroads into different aspects of the community, those that aren't just interested in performances from touring troupes, but seeing their friends and family perform on the most professional stages in the area.

Outreach

Access and exposure to high-quality artistic experiences are critical for positive youth development, regardless of socio-economic status. We consider it our duty, as leaders in the arts community and stewards of our mission, to provide this opportunity.



Angeloans Access the Arts

Angeloans Access the Arts is the education and outreach program for the San Angelo Performing Arts Campus. All youth are entitled to artistic exposure but are frequently denied this right because income or timing holds them back. The performances they will see as part of this program can raise ambitions and create hope for those who cannot imagine a successful future.



Student Matinees - 1300 participants

Tickets are \$5.

Our student matinees for 2018-2019 were Around the World in 80 Days, The Addams Family, and Stomp.

Masterclasses - 200 participants

Masterclasses for students of all ages allow for those interested in expanding their knowledge to work with professional touring artists from all over the world. This season's masterclasses were with Chinese Acrobats, The Sound of Music, and the staff of SAPAC.

PAC Parley - 800 participants

Merriam-Webster defines parleying as mutual discourse or conversation. We have created PAC Parleys to engage audiences of all ages in conversation and offer a behind-the-scenes look at performances on the PAC stages. Parleys were available for Around the World in 80 Days, Pilobolus, and Wild Texas Film Tour.

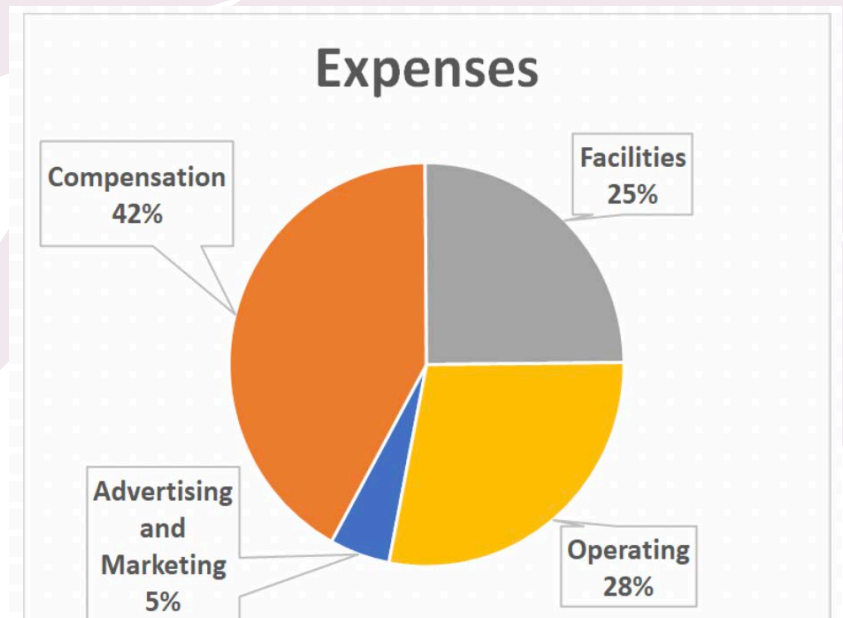
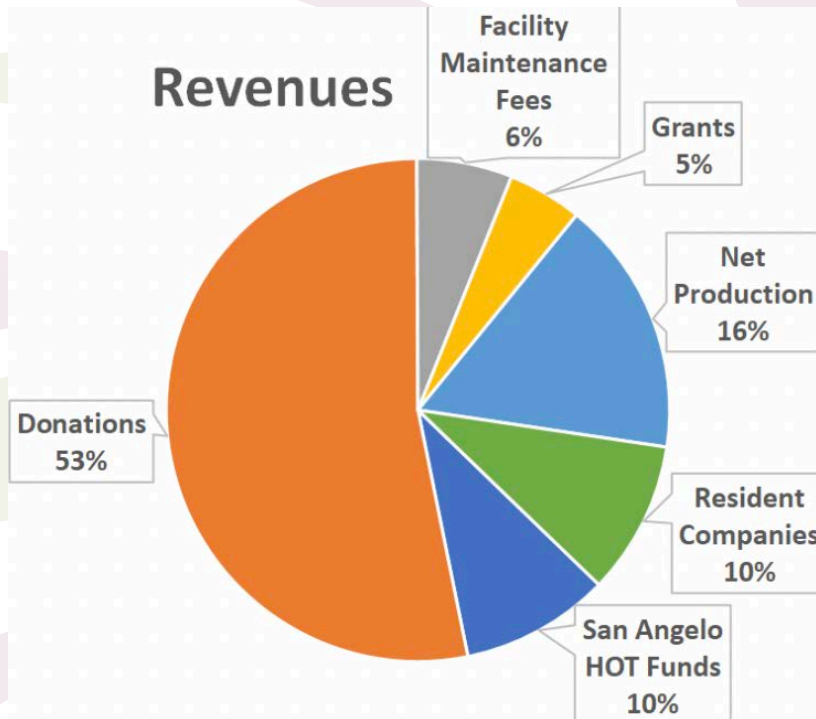
Ticket Donations - 500 participants

Throughout the season we offer complimentary admissions to Concho Valley service organizations and non-profits that look after those members of our community who are underprivileged or find themselves in emotional, physical, or psychological need. Whenever we have the opportunity we reach out to these organizations that support the downtrodden to lift their spirits, minds, and souls.

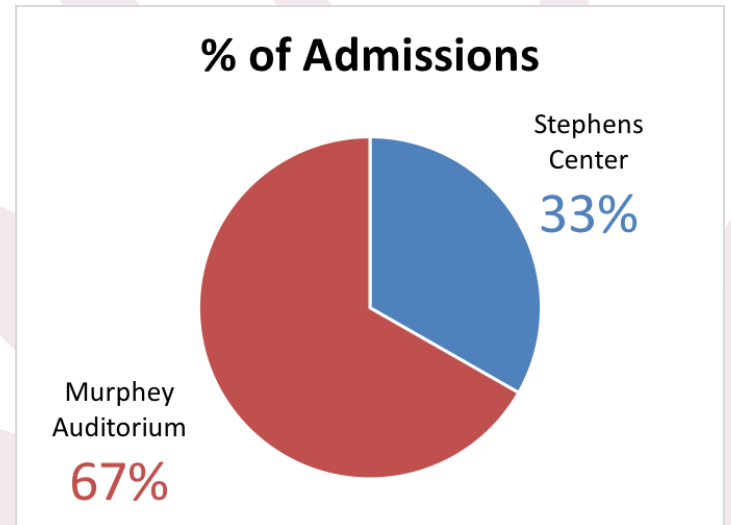
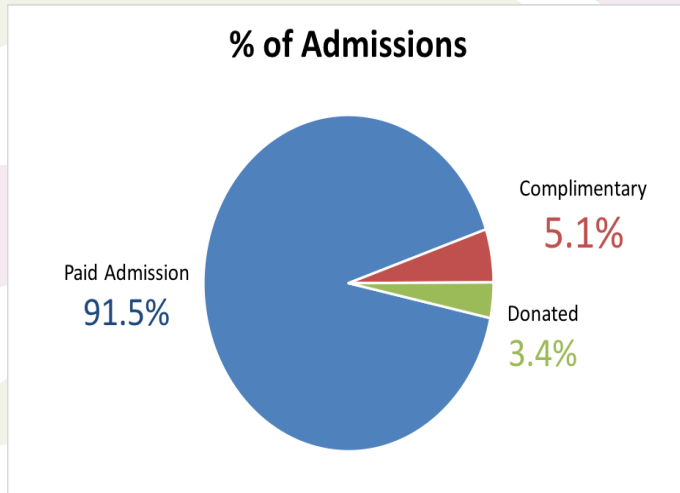


Top Image: Around the World in 80 Days
Bottom Image: National Players - Stomp

Sources and Uses of Funds



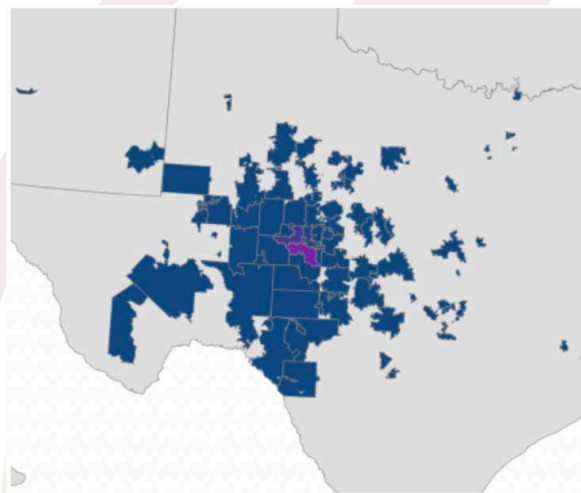
Admissions & Impact



Approximately 775 Hotel Nights used by performers and artists in the 2018-2019 season.

Total economic impact of performers, artists, and patrons to San Angelo is estimated at \$512,960.

Dispersion of Patrons



INDIVIDUAL DONORS

Anonymous	Francis Jelensperger
Christie Lee Adkins	Robert Jett
Terri Albert	Fred Key
Stefanie Bass	Quang Le
Devin Bates	Matt Lewis
Elizabeth Bates	Mark Levine
Janis Baucom	Judy Mapes
JoAnn Becker	Jenice Mazur
Yvonne Biedermann	Elta Joyce McAfee
Rhonda Bolton	Martha McCartt
LaTrelle Bolding	Amy McGowan
Katrina Borom	John Meyer
Jason Brake	Louellen Meyer
Chad Brantly	Libby Mims
David Bryant	Roxann Miller
Charlene Bustos	Betty Minor
Sherian Briley	Shelley New
Philip Bristol	Caroline Ojeda
Randy Brooks	Jay Ornelas
Rachel Brown	Steven Peskind
Gricelda Calzada	Bill Pfluger
Gricelda Calzada	Sheryl Pfluger
Nancy Cargile	Tanya Pfluger
Clara Cargile	Mark Priest
Terri Carlton	Valerie Queen
Gus Clemens	Teddy Read
Alan Curry	Ken Roberts
Keith Davis	John Rueter
Thomas Dixon	Joshua Saddler
Esther Douthit	Camille Santry
Carmen Dusek	Norma Schneeman
James Dusek	Saundra Seifert
Carol Eakman	Christina Sherrod
Zuleyka Espinosa	Deborah Simons
Martha Elder	Jimmy Sikes
Carol Eakman	Joanie Smith
Zuleyka Espinosa	Laura Sosa
Jason Fernandez	Maureen Soupiset
Andrew Graves	Steve and Pollyanna
Jose Garcia	Stephens
Matthew Goldman	Mark Stevenson
Farrah Gomez	Lyndy Stone
Benjamin Gomez	Howard Taylor
Marcia Gomos	Julie Terral
Stephen Gossett	Sara Beth Terral
Travis Gray	Daniel Thompson
Kendra Guerrero	Gayla Thornton
Ann Guinn	Katherine Torrealva
Chris Haddad	Erin Tuller
Colleen Haddad	Sheila Velarde
Delilah Harper	Bryan Vincent
Ginny Hester	Laura Wall
Larry Hettick	Karl Wehner
Joe Hyde	Tom Woodard
John Irish	Ed Yale
Gerald Isom	
Kendal Jastrow	
Kelly Jelensperger	

ORGANIZATION NAME

7 Cities Church
 AEP
 Atmos Energy
 Armstrong Backus & Co.,
 LLP
 Ballet San Angelo
 Company Printing
 Ener-Tel
 Gosset Real Estate
 Jackson Walker, LLP KIDY -
 FOX
 Jett Electric
 Jim Bass Cars and Trucks
 Julio's Burritos
 Mary Ellen Kent Bunyard
 Family Foundation
 Ocean Water Pools
 Oliver, Rainey, & Wojtek
 Principal LED
 San Angelo Area
 Foundation
 San Angelo Community
 Medical Center
 San Angelo Cultural Affairs
 Council
 San Angelo Live
 San Angelo Schools
 Foundation
 Sonic
 Sonora Bank
 Standard-Time /
 GoSanAngelo.com
 Shannon Medical Center
 Time Clock Plus
 Trimble-Batjer Insurance
 Associates, L.L.P.
 United PF Partners
 YMMY Properties, LCC
 Walls & Windows





2018-2019 Season Events

Doug Stone Brooks & Bates Theatre July 21, 2018	Shannon Medical Center Friends & a Flick Brooks & Bates Theatre October 25, 2018	Leadership San Angelo Brooks & Bates Theatre January 10 2019	The World of Musicals Brooks & Bates Theatre March 17-19, 2019	Central High School Speech & Debate Brooks & Bates Theatre May 2, 2019
SABA- Music Man Murphey Performance Hall July 27-29, 2018	Family Shelter Vigil Brooks & Bates Theatre October 25, 2018	Around the World in 80 Days Brooks & Bates Theatre January 22, 2019	Shannon Medical Center Friends & a Flick Brooks & Bates Theatre March 21, 2019	Angelo State University Wind Ensemble Murphey Performance Hall May 3 & 4, 2019
Be Theatre- Melodrama Black Box Theatre August 2-14, 2018	San Angelo Symphony Murphey Performance Hall November 2, 2018	Friends & a Flick Brooks & Bates Theatre January 24, 2019	Stomp Murphey Performance Hall March 21, 2019	SABA-Newsies Murphey Performance Hall May 3-5, 2019
State of the City Murphey Performance Hall August 7, 2018	Sound of Music Murphey Performance Hall November 14, 2018	Legally Blond Murphey Performance Hall January 29 , 2019	San Angelo Youth Orchestra Brooks & Bates Theatre March 23, 2019	Twin Mountain Tonesman Murphey Performance Hall May 17-18, 2019
Gatlan Brothers Brooks & Bates Theatre August 25, 2018	The Price is Right Brooks & Bates Theatre November 16, 2018	San Angelo Symphony Murphey Performance Hall February 1, 2019	BSA- Contemporary Works BROOKS & BATES THEATRE March 29 & 30, 2019	SABA DANCE RECITAL MURPHEY PERFORMANCE HALL MAY 19, 2018
Be Theatre- Bad Improv Black Box Theatre September 1, 2018	Shannon Medical Center Friends & a Flick Brooks & Bates Theatre November 29, 2018	Chad Prather Murphey Performance Hall February 12, 2019	Central High School Band Murphey Performance Hall March 26, 2019	Glenn Middle School Murphey Performance Hall May 20, 2019
Gary Jenkins Brooks & Bates Theatre September 8, 2018	San Angelo Symphony Murphey Performance Hall December 1, 2018	MLK Celebration Murphey Performance Hall February 23, 2019	Be Theatre- Godspell Black Box Theatre April 4-7, 2019	Be Theatre-Shakespeare Speech & Debate Brooks & Bates Theatre May 21, 2019
Laura W. Bush Institute Brooks & Bates Theatre September 13, 2018	Sugar Plum Fairy Tea Party Ballet San Angelo Studios December 2, 2018	Shannon Medical Center Friends & a Flick Brooks & Bates Theatre February 28, 2019	Josh Turner Murphey Performance Hall April 5, 2019	Friends & a Flick Brooks & Bates Theatre May 23, 2019
Late Night Catechism Brooks & Bates Theatre September 14 & 15, 2018	La Mafia Murphey Performance Hall December 8, 2018	Be Theatre Literature Alive Black Box Theatre February 24-March 4, 2019	Pilobolous Murphey Performance Hall April 14, 2019	Lake View Mariachi Band Murphey Performance Hall May 20, 2019
Be Theatre- 24hr Theatre Black Box Theatre September 21 & 22, 2018	Ballet San Angelo The Nutcracker Murphey Performance Hall December 14-16, 2018	San Angelo Symphony Murphey Performance Hall March 2, 2019	Dwight Yokam Murphey Performance Hall April 19, 2019	Be Theatre-Bad Improv Brooks & Bates Theatre May 24 & 25, 2019
San Angelo Symphony Murphey Performance Hall October 5, 2018	Riders in the Sky Murphey Performance Hall December 20, 2018	Evita Murphey Performance Hall March 12, 2019	Friends & a Flick Brooks & Bates Theatre October 25, 2018	Prep Academy Recital Murphey Performance Hall June 1, 2019
Illuminate Murphey Performance Hall October 12, 2018	A Charlie Brown Christmas Murphey Performance Hall December 21, 2018	Felipe Esparza Murphey Performance Hall March 15, 2019	Angelo State University-Choir Murphey Performance Hall April 26 & 27, 2019	SABA- Music Man Murphey Performance Hall June 1, 2019
The Chinese Acrobats Murphey Performance Hall October 19, 2018			Central High School Band Brooks & Bates Theatre April 30, 2019	

San Angelo Performing Arts Coalition

Summary of Financial Standing

Report for the City of San Angelo

Fiscal Year ending June 30, 2019

Fiscal year 2019, ending on June 30, 2019, was the second full post-construction year for the San Angelo Performing Arts Coalition. SAPAC's total net loss for the year was \$31,936. That net loss can be broken down into a loss from operations of \$149,877 and a gain from productions of \$117,941. A portion of SAPAC's gain from productions includes \$31,999 in revenue collected for SAPAC facility maintenance fees. By deducting SAPAC's facility maintenance fees from net income we obtain a net operating income loss of \$63,935. SAPAC's operating net equity at fiscal year end was \$47,008.

SAPAC is further supported by two funds at the San Angelo Area Foundation (SAAF). The SAPAC Major Underwriters Fund contributed \$175,000 to SAPAC in fiscal year 2019 and had a balance of \$296,118 at the end of the fiscal year. In 2018, Scott Wisniewski pledged to donate \$1,000,000 over 5 years to create an endowment fund for SAPAC, and SAAF received \$200,000 on that pledge in December of 2018. Based on guidance from SAAF, SAPAC anticipates receiving distributions from this endowment in 2023.

Table 1 below (page 2) outlines the actual financial results for fiscal year 2019 and budgeted financials for the fiscal year 2020.

Table 2 below (page 3) outlines facility maintenance fees collected on behalf of both the City of San Angelo and SAPAC. Note that no facility maintenance fees were expensed during the fiscal year and the combined total facility maintenance fee balance at the end of the year was \$199,746.

Table 3 below (page 3) outlines facility maintenance fees and net income. Note that SAPAC does not include City of San Angelo facility maintenance fees in their financial statements.

Also accompanying this report is the 2019 SAPAC Annual Report.

**All Information contained in this report is
proprietary and confidential and not for public distribution**

Stephens Performing Arts Center
82 Gillis St
San Angelo, TX 76903



Murphey Performance Hall
72 W College Ave
San Angelo, TX 76903

Table 1:
Actual Results for Fiscal Year ending June 30, 2019
Budget for Fiscal Year ending June 30, 2020

	Actual 2018-2019	Budget 2019-2020
OPERATING REVENUE		
Donations	276,696	190,000
Memberships	0	75,000
Grant Income	25,000	20,000
Resident Co Rental Income	49,874	48,000
HOT Funds	50,000	50,000
Other Operating Income	1,501	180
TOTAL OPERATING REVENUE	403,071	383,180
OPERATING EXPENSES		
Salary, Wages, and Benefits	231,550	245,736
Professional Fees	48,741	45,600
Facilities	137,973	93,609
Development and Marketing	27,374	50,000
Software	49,514	50,400
Insurance	22,304	23,000
General & Administrative Expenses	35,493	29,325
TOTAL OPERATING EXPENSES	552,948	537,670
PRODUCTION REVENUE		
Concessions/Merchandise	4,436	1,260
Event Rent	63,798	143,500
Event Sponsorship / Ad Sales	35,040	20,500
Convenience Fees	49,404	42,756
Facility Maintenance Fees	31,999	28,134
Ticket Sales	701,827	588,351
TOTAL PRODUCTION REVENUE	886,503	824,501
PRODUCTION EXPENSES		
Advertising	101,916	76,615
FMF - Murphey	3,473	0
Payments to Show	558,578	449,171
Stage Hands	54,268	61,518
Other Production Expenses	50,329	54,317
TOTAL PRODUCTION EXPENSES	768,563	641,620
TOTAL REVENUE	1,289,575	1,207,681
TOTAL EXPENSE	1,321,511	1,179,290
Operating Profit/Loss	-149,877	-154,490
Production Profit/Loss	117,941	182,880
TOTAL NET INCOME	-31,936	28,390

Stephens Performing Arts Center
82 Gillis St
San Angelo, TX 76903



Murphey Performance Hall
72 W College Ave
San Angelo, TX 76903

Table 2:
Facility Maintenance Fees for Fiscal Year ending June 30, 2019

	City of San Angelo	SAPAC	Total
Beginning balance as of June 30, 2018	\$55,300	\$62,737	\$118,037
Fees collected, fiscal year 2019	\$49,710	\$31,999	\$81,709
Fees expended, fiscal year 2019	\$0	\$0	\$0
Ending balance as of June 30, 2019	\$105,010	\$94,736	\$199,746

Table 3:
**Gross Income, Net Income, and Net Operating Income and
Facility Maintenance Fees for Fiscal Year ending June 30, 2019**

Gross Income	\$17,774
<i>Less City of San Angelo Facility Maintenance Fees</i>	<i>\$49,710</i>
SAPAC Net Income	\$(31,936)
<i>Less SAPAC Facility Maintenance Fees</i>	<i>\$31,999</i>
SAPAC Net Operating Income	\$(63,935)

Stephens Performing Arts Center
82 Gillis St
San Angelo, TX 76903



Murphey Performance Hall
72 W College Ave
San Angelo, TX 76903

A RESOLUTION BY THE CITY OF SAN ANGELO CITY COUNCIL APPROVING THE ANNUAL BUDGET OF THE SAN ANGELO PERFORMING ARTS COALITION AND ALLOCATING HOTEL OCCUPANCY TAX REVENUES FOR MANAGEMENT SERVICES

WHEREAS, the City of San Angelo and the San Angelo Performing Arts Coalition (SAPAC) have entered into a First Amended and Restated Development and Operating Agreement (Agreement) for the planning and development of performing arts facilities; and

WHEREAS, pursuant to that Agreement the City agrees to contribute Hotel Occupancy Tax to the funding of the management services that SAPAC performs; and

WHEREAS, per the Agreement such allocations must be awarded by City Council annually and are subject to City Council's approval of the annual budget of SAPAC.

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

Part 1: That the 2019-2020 annual budget of SAPAC is hereby approved for the purposes of the Agreement.

Part 2: That the 2019-2020 allocation of Hotel Occupancy Tax to SAPAC for management services under the First Amended and Restated Development and Operating Agreement is hereby awarded in the amount of \$41,667.

PASSED and APPROVED THIS 5th day of May, 2020

CITY OF SAN ANGELO, TEXAS

ATTEST:

Brenda Gunter, Mayor

Julia Antilley, City Clerk

APPROVED AS TO FORM

Theresa James, City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Sherry Bailey, Sr. Planner, Planning and Development Services,

Meeting Date: May 5, 2020

Item type: Consent Item

Caption:

Second reading of an ordinance approving a rezoning from the Single Family Residential zoning district to Two Family Residential zoning district at 1718 Live Oak St. (Jon James)

Summary/History:

The applicant is remodeling an existing residence that was built in 1954 and wants to rezone the lot to Two Family Residential in order to have the zoning match the intended two-family use and to allow proposed remodeling to move forward. Section 310 of the Zoning Ordinance does not permit such use by right in the existing RS-1 zoning district, but the RS-2 zone would accommodate the intended use. This older section of town has had multiple rezoning's for the same purpose.

Financial Impact:

N/A

Other Information/Recommendation:

On March 16, 2020, The Planning Commission voted to recommend **APPROVAL** of the rezoning request with a 5-0 vote.

On April 21, 2020, The City Council voted to **APPROVE** the rezoning request with a 7-0 vote.

Attachments:

- | | |
|----------------------|-------------------------|
| 1. Staff Report (RZ) | Z20-05 Staff report.pdf |
| 2. Ordinance (RZ) | Z20-05 Ordinance.docx |

Presentation:

Jon James

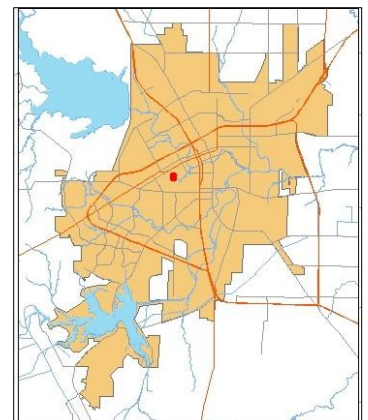
Approvals/Reviews:

Sherry Bailey	Created/Initiated
Hillary Bueker	Approved
Jon James	Approved
Brandon Dyson	Approved
Jon James	Approved
Theresa James	Approved
Julia Antilley	Final Approval

CITY COUNCIL – April 21, 2020
STAFF REPORT



APPLICATION TYPE:		CASES:	
Rezoning		Z20-05: 1718 Live Oak Street	
SYNOPSIS:			
A request for approval of a rezoning from the Single Family Residence (RS-1) Zoning District to Two Family Residence (RS-2) Zoning District on the subject property. The applicant is remodeling an existing residence that was built in 1954 and is wanting to rezone their lot to Two Family Residence in order to have the zoning match the intended two-family use and to allow the remodeling to move forward. Section 310 of the Zoning Ordinance does not permit such use by right in the existing RS-1 zoning district but the RS-2 zone would accommodate the intended use. This older section of town has had multiple rezoning's for the very same purpose.			
LOCATION:		LEGAL DESCRIPTION:	
1718 Live Oak St.; generally located at the northwest corner of S. Van Buren St. and Live Oak St.		Blk. 206, Angelo Heights Annex S. 50 ft. of Head Tract being 50 ft. by 166. ft.	
SM DISTRICT / NEIGHBORHOOD:		ZONING:	FUTURE LAND USE:
SMD District 5 – Lane Carter Santa Rita Neighborhood		Single Family Residence (RS-1)	Neighborhood
			SIZE:
			0.174 acres
THOROUGHFARE PLAN:			
<u>Live Oak Street</u> –Urban Local, Required 50' min. ROW (60' Existing) Required paving 40' or 36' with a 4'sidewalk (36' Existing). <u>Van Buren St.</u>- Urban Local Street, Required 50' min. ROW (77' existing) Required paving 40' or 36' with a 4'sidewalk (36' existing)			
NOTIFICATIONS:			
23 notifications were mailed within a 200-foot radius on February 26, 2020. Two responses received in favor and one person response came in to express opposition after the Planning Commission meeting – parking was the concern.			
STAFF RECOMMENDATION:			
Staff recommends APPROVAL of a rezoning from Single Family Residence (RS-1) Zoning District to Two Family Residence (RS-2) Zoning District			
PROPERTY OWNER/PETITIONER:			
Heidi Brooks			
STAFF CONTACT:			
Sherry Bailey Principal Planner (325) 657-4210, Extension 1546 sherry.bailey@cosatx.us			



Additional Information: The applicant recently purchased this property and wants to complete the restoration of the structure and convert it to a two family structure. Historically this property has been used as a single family residence, but is very conducive to being split into two small duplex apartments. Both apartments would front on different streets. This home is in an area in Santa Rita that since World War Two has accommodated small accessory structures that were used as rental property. In looking at the larger neighborhood there are three lots that have been rezoned to R-2. Those lots are within ½ block to 4 blocks.

Rezoning: Section 212(G) of the Zoning Ordinance requires that the Planning Commission and City Council consider, at minimum, seven (7) factors in determining the appropriateness of any Rezoning request:

1. **Compatible with Plans and Policies.** **Whether the proposed amendment is compatible with the Comprehensive Plan and any other land use policies adopted by the Planning Commission or City Council.** The Comprehensive Plan identifies this area as Neighborhood residential. The zone change proposed is compatible with that designation in that both single family and two family residential fit under the Neighborhood residential designation as they are seen as neighborhood uses.
2. **Consistent with Zoning Ordinance.** **Whether and the extent to which the proposed amendment would conflict with any portion of this Zoning Ordinance.** The proposed zone change is consistent with the existing residential zones in the area and the uses within the neighborhood. The older sections of San Angelo have a variety of structure types within the residential districts. As a result, the neighborhoods exhibit a checkerboard of uses approved over time. The lot meets the size requirements for a two family structure in R-2. Parking requirements for each unit will be met on the lot and setbacks are consistent with the R-2 requirements.
3. **Compatible with Surrounding Area.** **Whether and the extent to which the proposed amendment is compatible with existing and proposed uses surrounding the subject land and is the appropriate zoning district for the land.** The property is located within an area that has mixed zoning types. There are three other lots within four blocks that have rezoned to R-2. This lot has a home uniquely designed to accommodate two entrances each facing on a different street. The use would change, but the overall exterior design of the building would remain the same.
4. **Changed Conditions.** **Whether and the extent to which there are changed conditions that require an amendment.** The zoning requested is in keeping with the existing uses and compatible with those uses. Two family residential is seen as a neighborhood use and compatible with single family uses. This is demonstrated by the fact that many of these type of uses have been located within this larger neighborhood for over 40 years.
5. **Effect on Natural Environment.** **Whether and the extent to which the proposed amendment would result in significant adverse impacts on the natural environment, including but not limited to water and air quality, noise, storm water management, wildlife, vegetation,**

wetlands and the practical functioning of the natural environment. The rezoning is anticipated to have little adverse impact on the natural environment.

6. **Community Need.** **Whether and the extent to which the proposed amendment addresses a demonstrated community need.** Allowing the site to rezone continues an already demonstrated need for individual small rental residences in the area in keeping with the existing uses.
7. **Development Patterns.** **Whether and the extent to which the proposed amendment would result in a logical and orderly pattern of urban development in the community.** The existing development pattern in the immediate area reflects a transitional development pattern which is in keeping with the older neighborhoods. This is common in older areas near the city center as they change and grow. This rezoning seeks to allow a balance to allow for mixed growth while allowing the transition to adaptable neighborhoods.

Recommendation:

Staff's recommendation is for the Planning Commission to recommend **APPROVAL** of a Rezoning from the Single Family Residence (RS-1) Zoning District to the Two Family Residence (RS-2) Zoning District.

Planning Commission recommendation

C. Z20-05 – 1718 Live Oak Street

A request for approval of a rezoning from the Single Family Residential (RS-1) zoning district to the Two Family Residential (RS-2) zoning district, being 0.174 acres located at 1718 Live Oak Street.

Commissioner Brooks recused himself due to conflict of interest and left the meeting at 11:45 a.m.

Sherry Bailey, Principal Planner presented the proposed rezoning request. She explained that this was a corner property at the northwest corner of Van Burren and Live Oak. She displayed a PowerPoint slide that shows four other single family residential lots in the area that were rezoned to RS-2. She explained that there are many properties in the Santa Rita neighborhood that have been converted into two-family homes over the years. Ms. Bailey explained that on the subject property, one entrance faces Live Oak and a second entrance faces Van Burren, and that it was originally a boarding house in the 1970s and 1980s that rented out 2 or 3 of the rooms.

Ms. Bailey explained that of the 23 notices that were mailed, two were received in favor and none were opposed. She also received some calls about where the parking was to be located and explained that there is plenty of room on the property facing Live Oak to provide sufficient parking.

Ms. Bailey outlined Staff's rationale to recommend approval of the rezoning on the grounds that the RS-2 zoning is compatible with the Neighborhood designation in the

Comprehensive Plan; that the zone change is consistent with the surrounding uses and zoning; is compatible with the mixed residential uses in the area; and that there is a demonstrated community need for more housing through conversions of existing homes and accessory apartments.

Chair Stribling opened public comment.

Ms. Heidi Brooks, the owner and applicant, indicated that she spoke with 14 people in the area and that everyone was okay with it. She said that 4 of these residents threw the letters away and that she asked Staff to resend to these individuals. She explained that one gentleman had a problem with rentals. Ms. Brooks indicated that many of the properties in the area are being rented, including the RS-1 properties. She concluded that she is maintaining the structure as is, has added landscaping, and will add additional parking as needed.

Chair Stribling closed public comment.

Commissioner Smith made a motion to recommend APPROVAL of a rezoning from the Single Family Residential (RS-1) zoning district to the Two Family Residential (RS-2) zoning district on the subject property, as presented. Commissioner Spano seconded the motion. The motion carried unanimously, 5-0.

Attachments:

Aerial Map
Future Land Use Map
Zoning Map
Zoning Exhibit
Photographs
Application
Notification Map



Location Map 1718 Live Oak St.

Rezoning request: RS-1 to R-2

Council District 5 - Lane Carter
Neighborhood: Santa Rita
Scale: 1" approx. = 45 ft

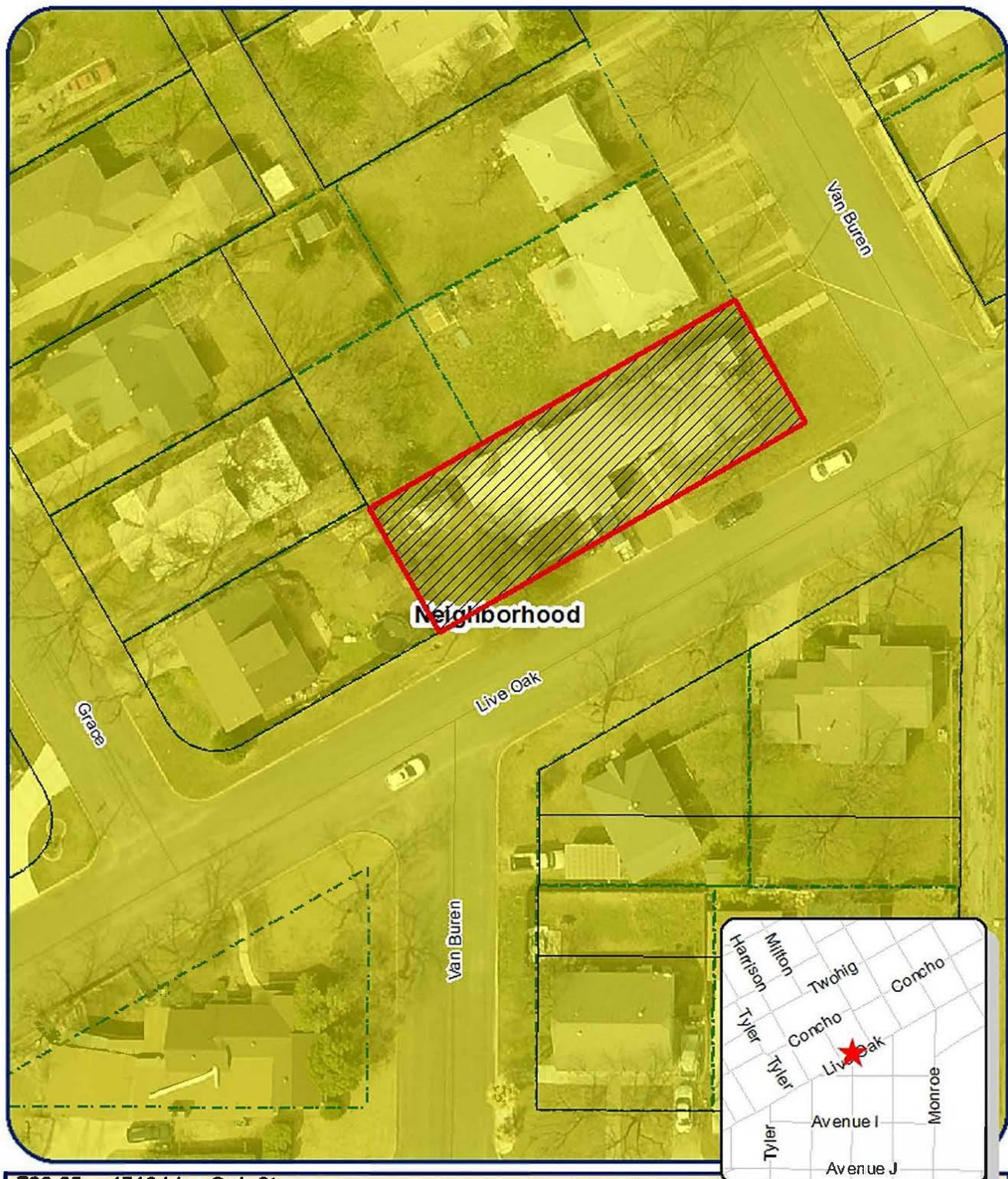
Blk. 206 Angelo Heights Annex S. 50 ft. of head tract (being 50 ft. X 166 ft.)

Legend

Subject Properties: 
Current Zoning: **Single Family Residence (RS-1)**
Zone change: **Two Family Residence (RS-2)**
Vision: **Neighborhood**



Aerial Map



Z20-05 1718 Live Oak St.

Rezoning request: RS-1 to RS-2

Council District 5 - Lane Carter
Neighborhood: Santa Rita
Scale: 1" approx. = 45 ft

Blk. 206 Angelo Heights Annex S. 50 ft. of head tract (being 50 ft. X 166 ft.

Legend

Subject Properties: 
Current Zoning: **Single Family Residence (RS-1)**
Zone change: **Two Family Residence (RS-2)**
Vision: **Neighborhood**

N



Future Land Use



Z20-05 1718 Live Oak St.

Rezoning request: RS-1 to RS-2

Council District 5 - Lane Carter
Neighborhood: Santa Rita
Scale: 1" approx. = 45 ft

Blk. 206 Angelo Heights Annex S. 50 ft. of head tract (being 50 ft. X 166 ft.)

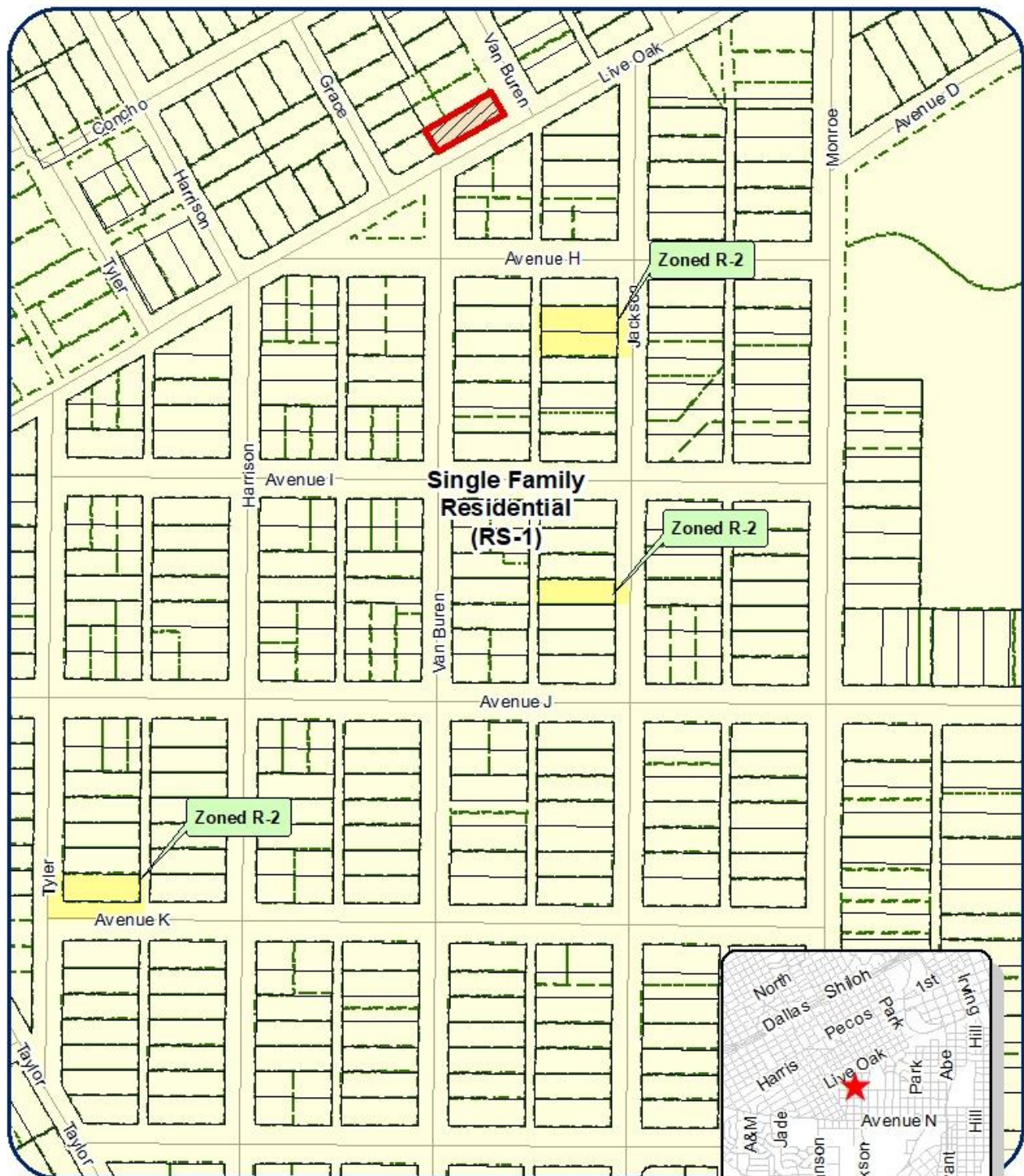
Legend

Subject Properties: 
Current Zoning: **Single Family Residence (RS-1)**
Zone change: **Two Family Residence (RS-2)**
Vision: **Neighborhood**

Existing zoning

N





Z20-05 1718 Live Oak St.

Rezoning request: RS-1 to RS-2

Council District 5 - Lane Carter
Neighborhood: Santa Rita
Scale: 1" approx. = 250 ft

Blk. 206 Angelo Heights Annex S. 50 ft. of head tract (being 50 ft. X 166 ft.)

Legend

Subject Properties: █
Current Zoning: █ Single Family Residence (RS-1)
Zone change: █ Two Family Residence (RS-2)
Vision: █ Neighborhood



Zoning Map 2

Photos



Corner of Live Oak St. and Van Buren St.



Front of structure



Side of house off Live Oak



Corner of Live Oak St. and S Van Buren St.

Effective January 3, 2017



City of San Angelo, Texas – Planning Division
52 West College Avenue
Application for Approval of a Zone Change



Section 1: Basic Information

Name of Applicant(s): Heidi Meyer Brooks

☒ Owner ☐ Representative (Notarized Affidavit Required)

404 South Park Street, San Angelo, Texas 76901

Mailing Address: 325.234-9627/Heidi1462@hotmail.com City: _____ State: _____ Zip Code: _____

Contact Phone Number: 1718 Live Oak, San Angelo, Texas, 76901 Contact E-mail Address: _____

Subject Property Address: _____ City: _____ State: _____ Zip Code: _____

Legal: Acres: 0.174, Blk: 206, Subd: ANGELO HEIGHTS ANNEX, SOUTH 50 FEET OF HEAD TRAC

Legal Description (can be found on property tax statement or at www.tomgreencad.com)

Existing Zoning: RS1 Proposed Zoning: RS2 Lot size: 7,575 sq ft

(Zoning Map available on [City Maps](#))

Section 2: Site Specific Details

Existing Use of Property: residential single family

*Proposed Use of Property: residential, multi family-multi address

*Use separate attachment if necessary

Section 3: Applicant(s) Acknowledgement

(By checking the boxes you indicate that you understand below rules and regulations for the Planning Commissions case.)

- ☒ An application for a zone change on a property may only be made by the owner of that property, an authorized representative of the property owner, the Planning Director, the Planning Commission or City Council. An authorized representative shall present a notarized affidavit from the property owner;
- ☒ No application will be processed if a zoning violation exists on the property, unless such processing is authorized by City Council. Use of the subject property for any new activity (not allowed by present zoning) cannot occur before City Council's approval of the requested zone change. Any such unauthorized use of the subject property is subject to prosecution in Municipal Court.
- ☒ If approved, a zone change is applied to the property, not the property owner.
- ☒ The Planning Commission makes recommendations to City Council. If the Planning Commission recommends approval of a zone change request, the case must still go before City Council for final action.
- ☒ If a zone change request is granted by City Council, permits for building construction and/or utility connection may be obtained from the City's Permits and Inspections Department.
- ☒ Certain minimum building setbacks from some or all property lines must be maintained, and room for a minimum number of off-street parking spaces must be reserved on a subject property, based on that property's zoning classification and the nature of its proposed use. A privacy fence may also be required between more restrictive and less restrictive zoning districts. These requirements are outlined in San Angelo's Zoning Ordinance. It is to the applicant's benefit to make sure that any proposed development will fit onto the subject property, in compliance with these and other applicable requirements of the City's Code of Ordinances.
- ☒ One or more notice sign(s) will be placed on the subject property by the Planning Department. However, it is the applicant's responsibility to ensure that the notice sign(s) has/have been posted at least ten (10) days prior to the Planning Commission meeting. If notice sign(s) is/are not posted accordingly, City Council may delay a request. The Planning Department will also notify, in writing, owners of property within 200-feet of the subject property of the zone change request.
- ☒ If the Planning Commission recommends denial of a request, the applicant will have ten (10) days to appeal this decision, in writing, to the City Council. If an appeal is made within three (3) days from the Planning Commission meeting, no re-notification fee will be required. Otherwise, there will be a nonrefundable \$35 fee to re-notify owners of nearby property of City Council's public hearing date. If Planning Commission's recommendation of denial is not appealed, it will be the final action on a request.

Effective January 3, 2017

Section 3 continued : Applicant(s) Acknowledgement

☒ The applicant or an authorized representative should attend public hearing(s) pertaining to his/her request, prepared to present his/her case and to answer any relevant questions from Planning Commission or City Council members.

I/We the undersigned acknowledge that the information provided above is true and correct.

Owner Name (Print) HEIDI METER BROOKS Signature [Signature] Company/Organization (If Applicable) _____ Date 2/7/20

Representative Name (Print) _____ Signature _____ Company/Organization _____ Date _____

FOR OFFICE USE ONLY:

☐ Verified Complete ☐ Verified Incomplete

Date of Application: 02/07/2020

Case No.: Z 20 - 05

Fully-dimensioned site plan: ☐

Nonrefundable fee: \$ 645.00

Receipt #: 137690 Date paid: 02/07/2020

Sign Deposit \$37.50 20

Receipt #: _____ Date paid: ____/____/____

Affidavit attached? ☐ Yes ☐ No ☐ N/A Applicant's signature on information sheet? ☐ Yes ☐ No

Previous Zone Change Inquiry? ☐ Yes ☐ No If yes, ZCI case no.: _____

River Corridor Commission? ☐ Yes ☒ No If yes, RCC meeting date: ____/____/____

Planning Commission hearing date: 3/16/2020 Date notifications due: ____/____/____

City Council hearing date: 4/21/20 Packets due date: ____/____/____

Publication date: ____/____/____

Reviewed/Accepted by: _____ Date: ____/____/____

TO BE FORMALLY ON RECORD IN FAVOR OR AGAINST THIS REQUEST, YOU MAY
ALSO FILL OUT THIS FORM, SIGN IT AND MAIL IT BACK TO THE PLANNING
DIVISION AT 72 W COLLEGE STREET IN SAN ANGELO, TEXAS 76903.

(☒) IN FAVOR () IN OPPOSITION

REASON(S) _____

NAME: Linda Byrd

ADDRESS: 1801 Line Oak

San Angelo TX 76901

SIGNATURE: Linda Byrd

Z20-05: Brooks

Property owner number: 1

If you have any questions about these proceedings, please call Sherry Bailey, with the City
of San Angelo's Planning Division at (325) 657-4210 ext. 1546 or at sherry.bailey@cosatx.us.

TO BE FORMALLY ON RECORD IN FAVOR OR AGAINST THIS REQUEST, YOU MAY
ALSO FILL OUT THIS FORM, SIGN IT AND MAIL IT BACK TO THE PLANNING
DIVISION AT 72 W COLLEGE STREET IN SAN ANGELO, TEXAS 76903.

(☒) IN FAVOR

(☐) IN OPPOSITION

REASON(S) _____

NAME: Suzi Cypert

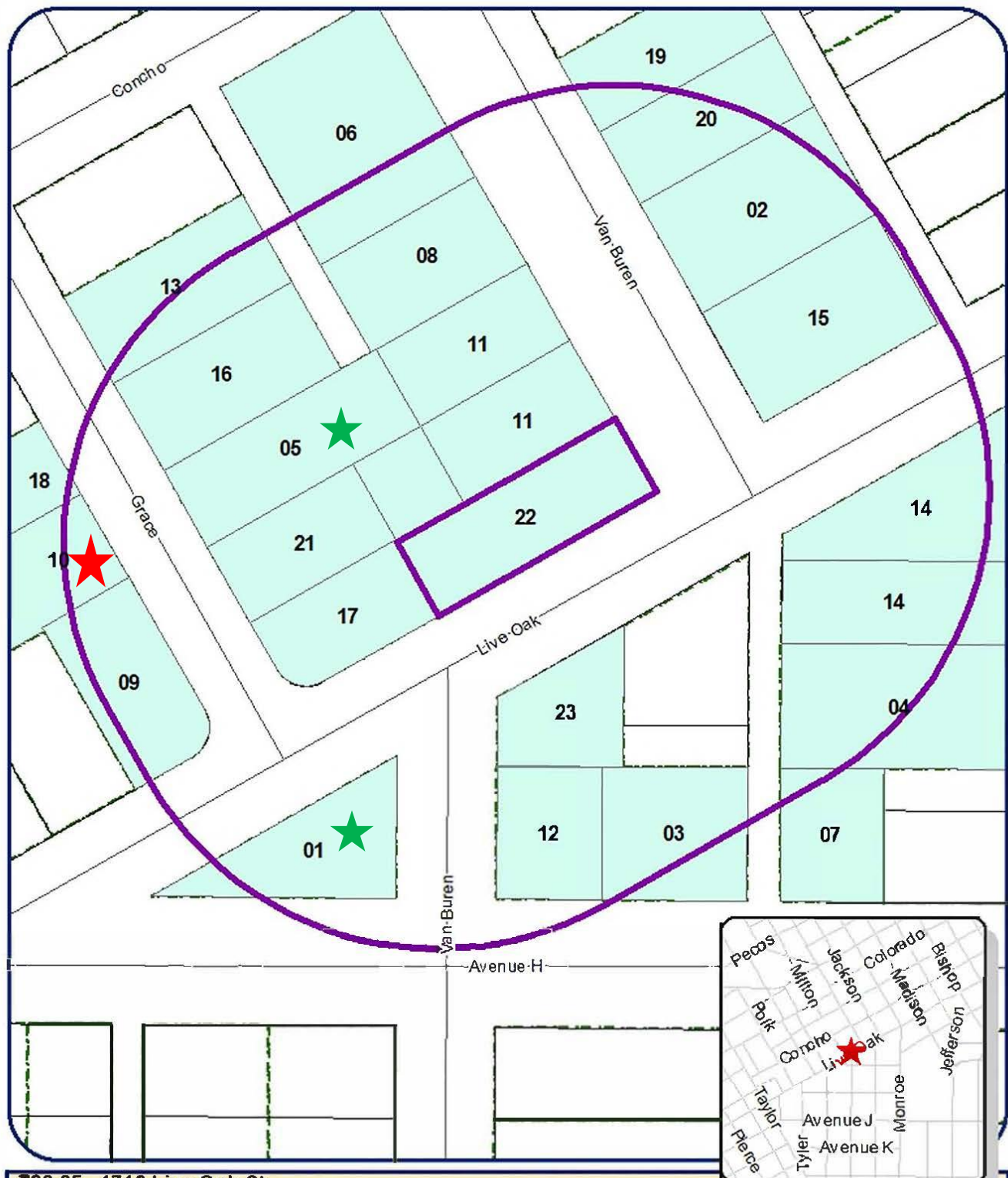
ADDRESS: 412 Grace Lane
San Angelo, TX 76901

SIGNATURE: Suzi Cypert

Z20-05: Brooks

Property owner number: 05

If you have any questions about these proceedings, please call Sherry Bailey, with the City
of San Angelo's Planning Division at (325) 657-4210 ext. 1546 or at sherry.bailey@cosatx.us.



Z20-05 1718 Live Oak St.

Rezoning request: RS-1 to RS-2

Council District 5 - Lane Carter
Neighborhood: Santa Rita
Scale: 1" approx. = 75 ft
Blk. 206 Angelo Heights Annex S. 50 ft. of head tract (being 50 ft. X 166 ft.)

Legend

Subject Properties: 
Current Zoning: **Single Family Residence (RS-1)**
Zone change: **Two Family Residence (RS-2)**
Vision: **Neighborhood**

N



Notification map

AN ORDINANCE AMENDING CHAPTER 12, EXHIBIT "A" OF THE CODE OF ORDINANCES, CITY OF SAN ANGELO, TEXAS, WHICH ADOPTS ZONING REGULATIONS, USE DISTRICTS AND A ZONING MAP, IN ACCORDANCE WITH A COMPREHENSIVE PLAN, BY CHANGING THE ZONING AND CLASSIFICATION OF THE FOLLOWING PROPERTY: **LOCATED AT 1718 LIVE OAK STREET, GENERALLY LOCATED AT THE NORTHWEST CORNER OF S. VAN BUREN STREET AND LIVE OAK STREET, SAN ANGELO, TEXAS**, FROM SINGLE FAMILY RESIDENCE ZONING DISTRICT (RS-1) TO THE TWO FAMILY RESIDENCE ZONING DISTRICT (RS-2); PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE

Z20-05: BROOKS

WHEREAS, on the 16th day of March, 2020, the Planning Commission for the City of San Angelo in compliance with the City Charter, City ordinance and state law, and after holding a public hearing thereon, caused to be prepared and delivered a report and recommendation to City Council to approve the proposed Two Family Residence Zoning District (RS-2); and,

WHEREAS, on the 21st day of April, 2020, the City Council held a first reading and public hearing on an ordinance approving Z20-05 pursuant to published notice, and has considered the application, comments, reports and recommendations of the Planning Commission and staff, public testimony, and other relevant materials;

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF SAN ANGELO:

SECTION 1: The basic zoning ordinance for the City of San Angelo, as enacted by the governing body for the City of San Angelo effective January 4, 2000, and included within Exhibit "A" of Chapter 12 of the Code of Ordinances of the City of San Angelo, and zoning map be and the same are hereby amended to designate the following described property permanently zoned TWO FAMILY RESIDENCE (RS-2) Zoning District:

The real property generally located at 1718 Live Oak Street, specifically being 0.174 acres in Block 206, Angelo Heights Annex and the South 50 ft. of Head Tract being 50 ft. by 166. ft., San Angelo, Tom Green County, Texas.

SECTION 2: The Director of the Planning & Development Department, or his/her designee, is hereby directed to correct zoning district maps in the office of the Planning & Development Department, to implement the zoning provision adopted herein, as further depicted on **Exhibit A** of this Ordinance.

SECTION 3: In all other respects, the use of the hereinabove described property shall be subject to all applicable regulations contained in Chapter 12 of the Code of Ordinances for the City of San Angelo, as amended.

SECTION 4. The remaining provisions of Chapter 12 of the Code of Ordinances of the City of San Angelo, Texas, not amended under Sections 1 and 2 of this Ordinance shall remain in full force and effect.

SECTION 5 The terms and provisions of this Ordinance shall be deemed to be severable in that, if any portion of this Ordinance shall be declared to be invalid, the same shall not affect the validity of the other provisions of this Ordinance.

SECTION 6: This Ordinance shall be effective on, from and after the date of adoption.

INTRODUCED on the **21st day of April, 2020**, and finally PASSED, APPROVED AND ADOPTED on this the **5th day of May, 2020**.

THE CITY OF SAN ANGELO

Brenda Gunter, Mayor

ATTEST:

APPROVED AS TO FORM:

Julia Antilley, City Clerk

Theresa James, City Attorney

EXHIBIT "A"



Z20-05 1718 Live Oak St.

Rezoning request: RS-1 to RS-2

Council District 5 - Lane Carter

Neighborhood: Santa Rita

Scale: 1" approx. = 115 ft

Blk. 206 Angelo Heights Annex S. 50 ft. of head tract (being 50 ft. X 166 ft.

Legend

Subject Properties:
 Current Zoning: **Single Family Residence (RS-1)**
 Zone change: **Two Family Residence (RS-2)**
 Vision: **Neighborhood**

N



REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Jeff Fisher, Sr. Planner, Planning and Development Services, 325.657.4210

Meeting Date: May 5, 2020

Item type: Consent Item

Caption:

Second reading of an ordinance approving an amendment to the Master Thoroughfare Plan to remove or relocate a future minor arterial street being the westward extension of Lake View Heroes Dr. between N. Chadbourne St. and Grape Creek Rd. (Jon James)

Summary/History:

The City of San Angelo is considering amending its Major Thoroughfare Plan (MTP) component of the San Angelo Comprehensive Plan to remove or relocate a future minor arterial street, being the west extension of Lake View Heroes Drive. A recent subdivision plat request triggered a review of the existing arterial location. After consulting with Staff and relevant agencies, and research of current and projected development, proposed alternate routes and a preferred option were identified.

Planning Staff presented five alternatives to the Commission after discussions with City departments, San Angelo MPO, and County Commissioner Bacon:

- Option 1: Remove
- Option 2: Leave as is
- Option 3: "Preferred Alternative": Relocate northward past properties that abut the north side of West 49th Street
- Option 4: Upgrade Cauley Lane from Collector to an Arterial Street
- Option 5: Move to West 49th Street

After reviewing all alternatives, City Staff remain in favor of Option 3.

Financial Impact:

There is no immediate fiscal impact. Construction of streets like this generally occur as a result of development in the area and the costs are borne by the developers of the property. Any future obligation for construction by the City would be at the discretion of the City Council, but is not part of this action.

Removal of the street from the Thoroughfare Plan will result in no fiscal impact to the City.

Other Information/Recommendation:

On March 16, 2020, the Planning Commission recommended APPROVAL of Option 1 to REMOVE the future arterial road between North Chadbourne Street and Grape Creek Road in the Master Thoroughfare Plan. The motion carried 4-2, with Chair Stribling and Commissioner Uherik voting in opposition.

On April 21, 2020, City Council APPROVED Option 1 to REMOVE the future arterial road between North Chadbourne Street and Grape Creek Road in the Master Thoroughfare Plan by a 7-0 vote.

Attachments:

- | | | |
|----|--|---|
| 1. | Staff Report (MTP Amendment_W of Lake View Heroes) | Staff Report (MTP Amendment_W of Lake View Heroes).pdf |
| 2. | Ordinance (MTP Amendment_WofLake View Heroes) | Ordinance (MTP Amendment_WofLake View Heroes)_FINAL(R).docx |

Presentation:

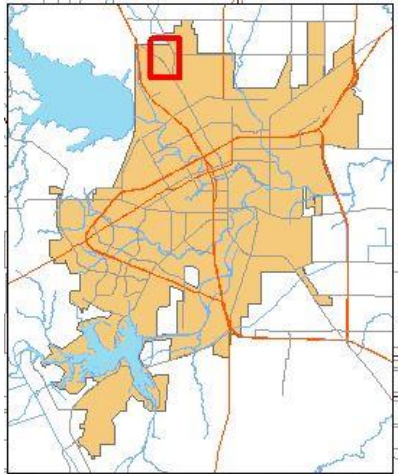
Jon James

Approvals/Reviews:

Jeff Fisher	Created/Initiated
Hillary Bueker	Approved
Jon James	Approved
Brandon Dyson	Approved
Jon James	Approved
Theresa James	Approved
Julia Antilley	Final Approval

CITY COUNCIL – April 21, 2020
STAFF REPORT



APPLICATION TYPE:		CASES:	
Master Thoroughfare Plan Amendment		Lake View Heroes Drive (west extension)	
SYNOPSIS:			
The City of San Angelo is considering amending its Major Thoroughfare Plan (MTP) component of the San Angelo Comprehensive Plan to remove or relocate a future minor arterial street, being the west extension of Lake View Heroes Drive. A recent subdivision plat request triggered a review of the existing arterial location. After consulting with Staff and relevant agencies, and research of current and projected development, proposed alternate routes and a preferred option were identified (see Analysis and Recommendation).			
LOCATION:			
Generally located north of West 49 th Street between North Chadbourne Street and Grape Creek Road.			
SM DISTRICT / NEIGHBORHOOD:	ZONING:	FUTURE LAND USE:	DISTANCE:
Riverside Neighborhood SMD #2 – Tom Thompson	R&E – Ranch and Estate CG/CH – General Commercial/ Heavy Commercial	R- Rural NC - Neighborhood Center	0.54 miles
THOROUGHFARE PLAN:			
Arterials require 80-foot right-of-way and 64 feet of pavement width (See Attached Map)			
NOTIFICATIONS:			
The Planning Division mailed notifications to all property owners abutting or within 50 feet of the existing future minor arterial road, and the proposed alternate routes. A total of 66 owners were mailed. Nine letters were received (see Public Comments section for more information).			
STAFF RECOMMENDATION:			
Staff recommends APPROVAL of the proposed Master Thoroughfare Plan (MTP) Amendment, relocating the future minor arterial street northward past the properties that abut the north side of West 49th Street; identified as “Option 3” in the Staff Report.			
PETITIONER:			
City of San Angelo			
STAFF CONTACT:			
Jeff Fisher, AICP Principal Planner (325) 657-4210, Extension 1550 jeff.fisher@cosatx.us			

Background:

On May 24, 1994, City Council adopted a working draft of a Master Thoroughfare Plan prepared by Barton-Aschman Associates, Inc., which formed a basis for the adoption in 2003 and update in 2009, of a Master Thoroughfare Plan (MTP) component of the City's Comprehensive Plan. The working draft proposed a future minor arterial road in a west-east direction along what is now West 49th Street from North Chadbourne Street to Highway 208. The portion between Grape Creek Road and Highway 208 was built, but the remainder, a 0.54-mile stretch between North Chadbourne Street and Grape Creek Road was not and remains a future minor arterial.

The 2003 Comprehensive Plan (still in effect) adopted a slightly different route, with this extension running in a direct line west of Lake View Heroes Drive, eventually curving in a southwest direction close to and connecting with North Chadbourne Street. This has the future street encroaching through the rear yards of various residential properties that front onto 49th Street and would require condemnation if built in this location. Staff has therefore considered several alternate routes, as well as an option to remove the proposed minor arterial without replacement.

As part of its MTP review of this area, Staff examined:

- Existing development in the area;
- Projected development and the demand on the existing street network;
- Existing zoning and future land use trends;
- Potential condemnation, relocation of buildings, structures, fences and other appurtenances
- Proposed alternate routes based on the above considerations

Proposed Options and Agency Comments:

Planning Staff circulated this proposal to City departments and relevant external agencies for comments. This include Engineering Services, Operations, San Angelo MPO, and the County Commissioner for this area, Rick Bacon. A rationale, including agency and department comments, preferred alternative, and pros and cons of each, is outlined below:

Option 1: Removal

The San Angelo MTP component of the Comprehensive Plan states that there should be between ½ and 2 miles between minor arterials, and removal of this portion would comply because the distance between North Chadbourne Street and Grape Creek Road is only ½ mile. However, the MPO and Operations indicated that they want to maintain an east-west arterial between these streets to accommodate future growth in the northern part of the City. In addition, Engineering Services has indicated that this arterial will serve to connect to the industrial park, landfill, and water tower as well as carry commercial and residential traffic quickly from Grape Creek to Chadbourne Street and eventually to U.S. Highway 87. It would also assist in alleviating traffic congestion after major events in the area, including at the Coliseum. Currently, the offset (dead-end) at Lake View Heroes requires traffic to turn north onto Grape Creek Road, then west to FM 2105 to access Highway 87. Engineering, Operations, Planning, and the MPO all agreed it is not be beneficial to place additional traffic onto FM 2105, a county road. Having a straight, direct connection would also improve traffic safety, increase traffic efficiency, and reduce travel time.

Option 2: Leave as is

Leaving the proposed arterial in its current location preserves the only direct east-west arterial connection from U.S. Highway 87 to Grape Creek Road, between FM 2105 and East 40th Street, a span of almost 2 miles. However, maintaining this route creates several problems given that most of this area consists of rural residential homes. Condemnation of the required 80 feet of right-of-way in the middle of these properties; removal of houses on 4919 and 4923 Grape Creek Road, and 440 West 49th Street, and an accessory structure at 4852 North Chadbourne Street; and relocation of rear yard accessory structures located within the future right-of-way.

***Option 3 – “Preferred Alternative”: Relocate northward past properties that abut the north side of West 49th Street**

All of the departments and agencies who commented selected this option as the preferred alternative or had no objections. Under this option, Lake View Heroes would still be extended in a straight line past the first two properties on the west side of Grape Creek Road, but would then s-curve and extend westward behind the properties abutting the north side of West 49th Street (see attached maps). This provides a dual advantage of maintaining a connection to U.S. Highway 87 between Chadbourne and Grape Creek Road, and eliminates the issue of encroaching through the middle of properties and condemning more buildings and structures. There would still be the issue of removal of one or two of the homes on 4919 and 4923 Grape Creek Road, but creating an S-curve in a northwest direction would ensure that the full 80-feet of right-of-way for the street would begin north of the properties abutting West 49th Street, reducing further encroachments and condemnation issues. At its west end, this future arterial would extend northwest to Chadbourne Street, providing an efficient, direct connection. These s-curves would be designed to engineering design principles and can be beneficial to traffic safety by reducing travel speed.

Option 4: Upgrade Cauley Lane from Collector to an Arterial Street

Initially, this appeared as a potential option given that Cauley Lane has already been built (as a Collector) and could be upgraded as opposed to being built anew. However, after further research, Engineering Services, Planning Staff, and the MPO are opposed to this option. This option would result in an undesirable intersection alignment near N Chadbourne Street. It would also maintain the situation of vehicles still having to travel north on Chadbourne Street, and would require relocation of front yard fences and electric poles of residential properties. Utilizing Option 3 would improve traffic flow and reduced congestion of making multiple turns, an important consideration given the possibility of a future Interstate connection north of this area.

Option 5: Move to West 49th Street

This was the original proposed route of the arterial as outlined in the consultant report to Council in 1994. There are several problems with this option. As with Option 4, it would require removal or relocation of existing front yard fences and relocation of existing electrical poles, but would also require condemnation of 20-25 feet of-way on either side to reach required 80 feet because the current right-of-way is only 30 feet wide. As a result, 15 homes would need to be removed, as opposed to only one or two under preferred option Option 3.

Public Comments: Of the 66 notices mailed, 10 responses were received as follows (see attached):

- 5 letters were received in opposition to Option 4;
- 1 letter was received in support of Options 1, 2, or 3
- 1 letter was received in support of Option 1
- 1 letter was received in support of Option 3
- 2 letters were received in support of Option 5

Planning Commission Recommendation:

On March 16, 2020, the Planning Commission recommended **APPROVAL of Option 1 to REMOVE the future arterial road** between North Chadbourne Street and Grape Creek Road in the Master Thoroughfare Plan component of the San Angelo Comprehensive Plan. The following is the complete excerpt of the draft minutes from the December 16, 2019, meeting for this case:

Jeff Fisher, Principal Planner, presented the proposed Master Thoroughfare Plan Amendment. He explained that while public notification was not required, property owners adjacent and within 50 feet of the existing route and alternative routes were notified. He explained that the original 1994 Thoroughfare Plan had the future arterial road extending directly along 49th Street, but that this was later changed to the current location extending from Lake View Heroes Drive which is over half a mile long. He explained that this future arterial once built can carry east-west traffic along the extension of Lake View Heroes from Grape Creek Road to North Chadbourne Street and U.S. 87. Mr. Fisher further indicated that relevant City departments including Operations and Engineering were circulated, including the MPO and County Commissioner Rick Bacon. Of the 66 mailed notices sent, he indicated that one letter was received in favor for Option 5, and three were received opposed to Option 4.

Mr. Fisher then outlined the alternatives for the Commissioners, including Staff's preferred Option 3 which would extend the arterial northward behind the rear of the lots that extend north of West 49th Street. He explained that Option 1 to remove the arterial altogether was not preferred because there was consensus that this arterial was needed to accommodate future growth at the north end of the City, and connect between Grape Creek Road and North Chadbourne Street. Mr. Fisher explained that Option 2 would require taking 80 feet of right-of-way in the middle of the properties on the north side of 49th Street, and removal of several homes and accessory structures located in this area. He then outlined the preferred Option 3 which would shift the arterial past the first few properties northward to align behind the rear of the lots on the north side of 49th Street. Mr. Fisher explained how this would avoid taking right-of-way in the middle of the properties and avoid encroaching into existing homes and structures located to the rear of these lots. He explained that this option had the support of City Staff, the MPO, and Commissioner Bacon. Finally, Mr. Fisher discussed the last two options and Staff's opposition to them. This included opposition to Option 4 to upgrade Cauley Lane into an arterial, which would require multiple turns and elimination of a direct route between Chadbourne Street and Grape Creek Road, and

opposition to Option 5 to extend along 49th Street which would eliminate large portions of the front of properties and removal of homes.

Mr. Fisher concluded his presentation by explaining to the Commissioners and public that there is no timeline on when this future arterial would be built, and that this request was triggered by a property owner on West 49th Street who was replatting his lot and realized the current future arterial road would cut through the back of his property.

Hillary Bueker, Planning Manager, explained that the purpose of this presentation is to give the Commissioners several options to review, and to obtain their recommendations for Council.

Chair Stribling opened public comment.

Mr. Wayne Grothe of 4852 North Chadbourne Street, asked how wide the road would be under Option 3.

Mr. Fisher responded it would be 80 feet wide and start behind the properties that are north of West 49th Street.

Mr. Grothe expressed concerns the right-of-way would go through his water well. He expressed opposition to Options 1 and 2 which would wipe out his pecan trees.

Mr. Jon James, Planning and Development Services Director, explained that all of the property for the new road would be north of the fence line and not take his property.

Mr. Bueker indicated that we don't know the precise location of the road and we don't know when this will happen.

Mr. Grothe explained that he would not be against Option 4, moving the road to Cauley Lane.

Mr. Marvin Grothe of 4854 North Chadbourne Street, expressed concerns with Option 3 that would bring traffic through the rear of his property. He is opposed to this option.

Chair Stribling indicated the proposal could change again and that there is no timeframe on when this will be done.

Mr. Clint Harrison, who resides on the north side of 49th Street indicated that he was in favor of Option 1 to remove the future arterial in its entirety. He did want anyone's property to be disrupted.

Mr. Dwain Morrison, who lives on Cauley Lane, indicated that he was in favor of Option 3. He explained that this would assist in particular with rodeo traffic. He would be in favor

with a portion on the properties facing West 49th Street and those to the north so that one set of owners were not burned with losing all of the land.

Ms. Mitzi Harper of 435 Cauley Lane explained that her and her husband Dayton Harper who also came to the podium, were in support of Option 3 as moving the arterial to Cauley Lane would require them to remove their fence, water well, and a part of their land. Mr. Harper indicated he would prefer to split any properties between the north and south if necessary.

Chair Stribling closed public comment.

Chair Stribling acknowledged traffic congestion for large events and that it would be ideal to have a road that can connect to Chadbourne Street from the properties in the area.

Mr. Fisher indicated that whichever choice is made, it will not be a perfect situation, but that Staff is willing to find a solution to accommodate the affected residents.

Chair Stribling asked Staff to examine taking properties from both sides of the street from a condemnation standpoint.

Ms. Bueker indicated that City Council will make the ultimate decision but that Staff wanted the Commission to provide their thoughts.

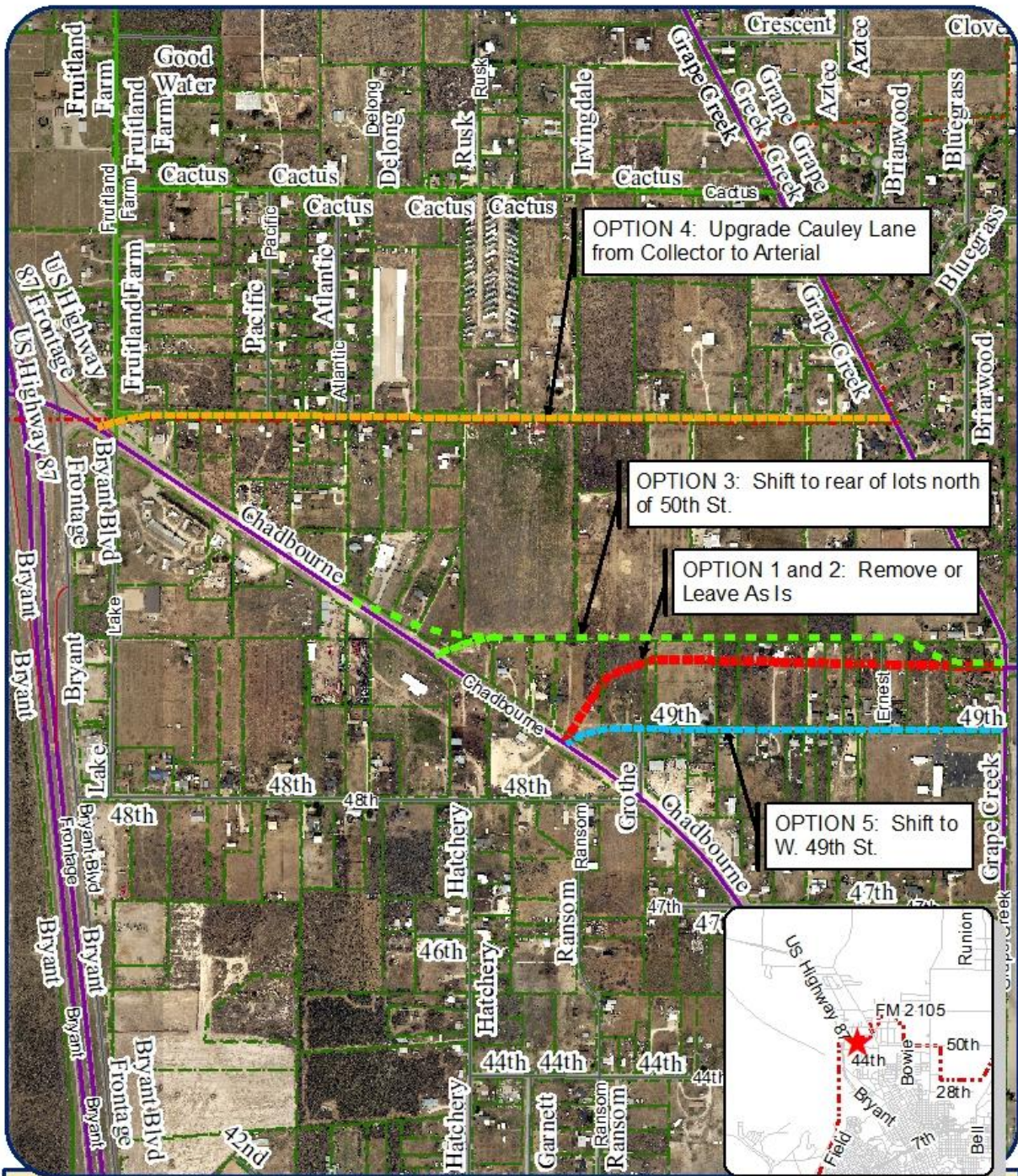
Commissioner Brooks made a motion to recommend APPROVAL of Option 1 to REMOVE the future arterial road between North Chadbourne Street and Grape Creek Road in the Master Thoroughfare Plan component of the San Angelo Comprehensive Plan. Commissioner Self seconded the motion. The motion carried 4-2, with Chair Stribling and Commissioner Uherik voting against.

Recommendation:

Staff's recommendation is for City Council to **APPROVE Option 3** of the proposed **Master Thoroughfare Plan (MTP) Amendment**, relocating the future minor arterial street northward past the properties that abut the north side of West 49th Street; identified as "Option 3" in the Staff Report.

Attachments:

Aerial Map
Future Land Use Map
Zoning Map
Zoom-Out Map
Response Letters



Master Thoroughfare Amendment (MTP)

COSA: W. of Lake View Heroes Dr.

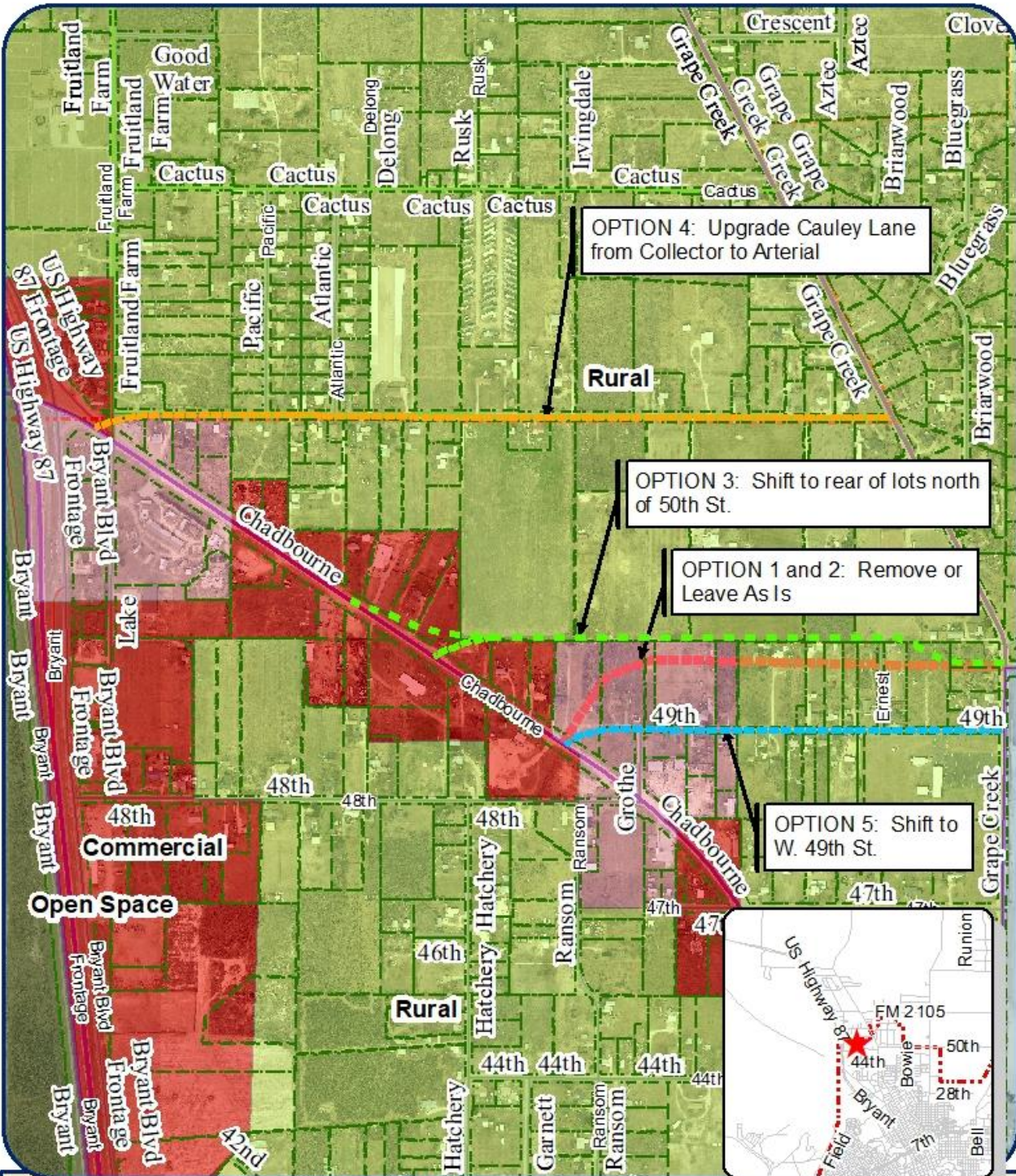
Council District: Tom Thompson - District 2
Neighborhood: Riverside
Scale: 1" approx. = 750 ft

Legend

Subject Properties: —
Current Zoning: multiple
Requested Zoning Change: N/A
Vision: multiple

N. of 48th St between N Chadbourne and Grape Creek Rd





Master Thoroughfare Amendment (MTP)

COSA: W. of Lake View Heroes Dr.

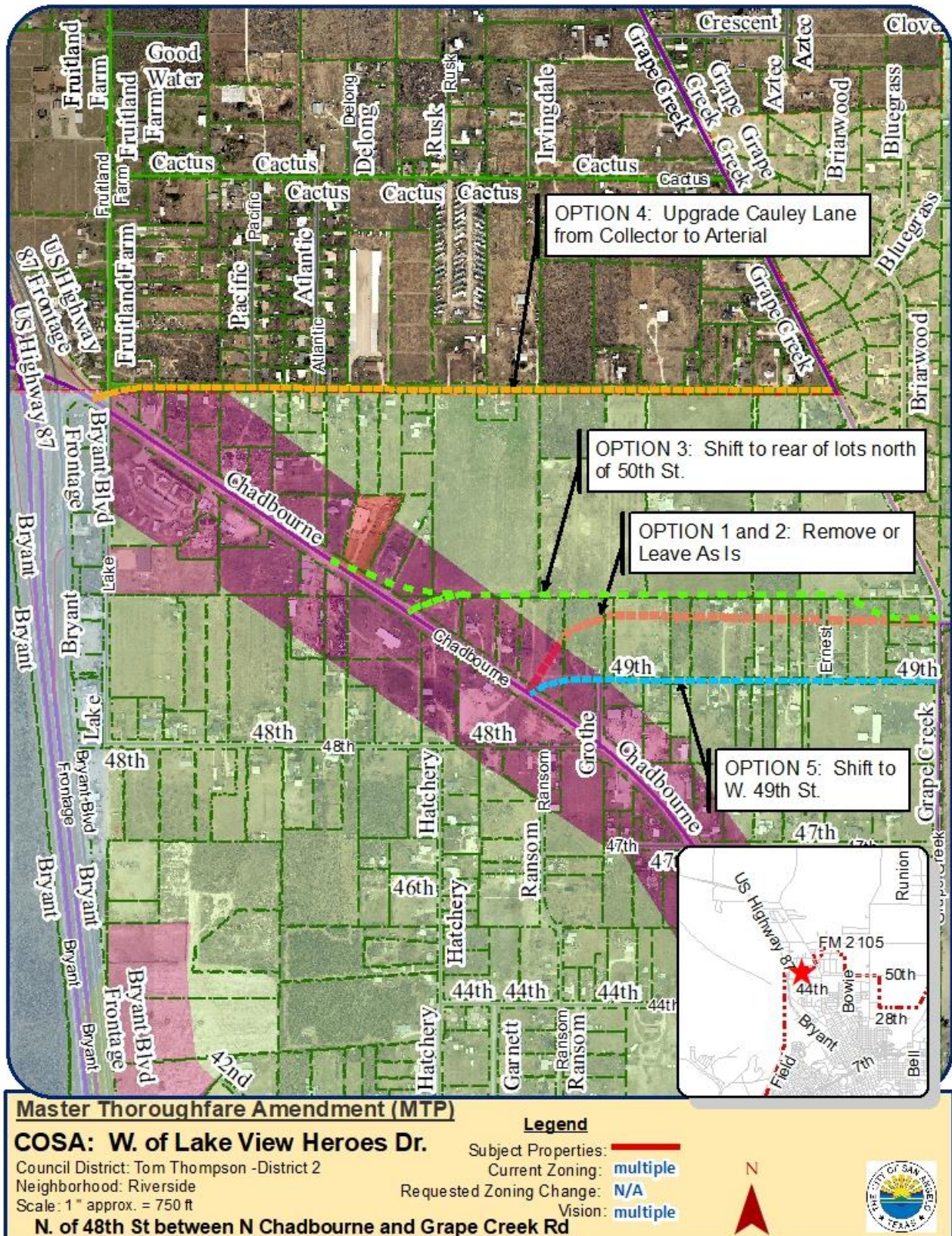
Council District: Tom Thompson -District 2
Neighborhood: Riverside
Scale: 1" approx. = 750 ft

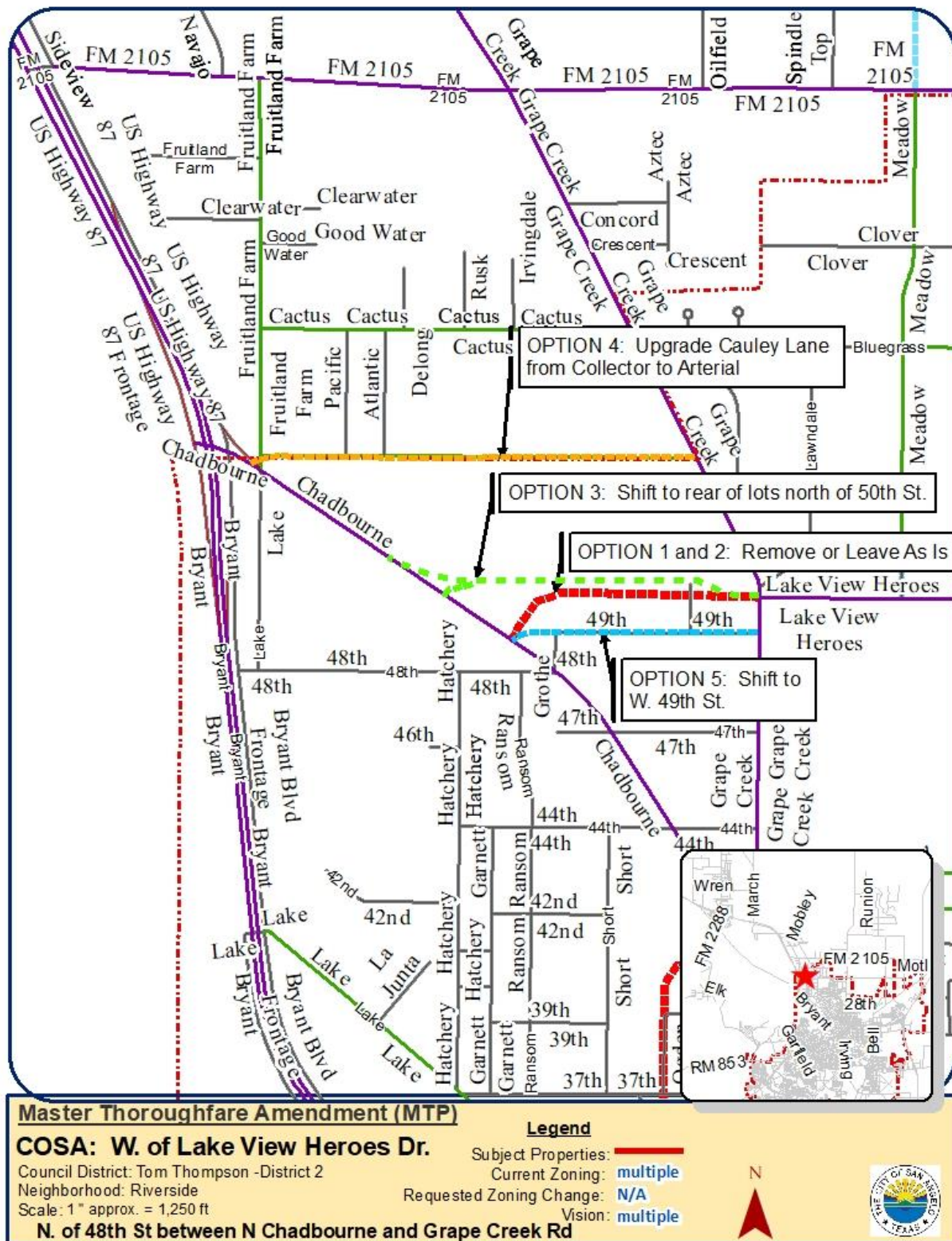
Legend

Subject Properties: multiple
Current Zoning: N/A
Requested Zoning Change: Vision: multiple

N. of 48th St between N Chadbourne and Grape Creek Rd







TO BE FORMALLY ON RECORD IN FAVOR OR AGAINST THIS REQUEST, YOU MAY ALSO FILL OUT THIS FORM, SIGN IT AND MAIL IT BACK TO THE PLANNING DIVISION AT 52 W COLLEGE STREET IN SAN ANGELO, TEXAS 76903.

() IN FAVOR (X) IN OPPOSITION

REASON(S) My name is Raymond Anderson
and I am the owner of Hog Creek Trailers
at 5260 N. Chadbourne. It is my opinion
if you choose option 4: Cauley Lane to
extend 50th Street, the amount of land
taken from my property would put me
out of business. If this were to happen I would
expect compensation for the land and the
loss of my business.

NAME: RAYMOND ANDERSON - HOG CREEK TRAILERS, LLC

ADDRESS: 5260 N. CHADBOURNE
SAN ANGELO, TEXAS 76903

SIGNATURE: Raymond E Anderson

Master Thoroughfare Plan (MTP) Amendment: City of San Angelo

property owner number: 10

If you have any questions about these proceedings, please call Mr. Jeff Fisher, Principal Planner, with the City of San Angelo's Planning Division at telephone number 325-657-4210. The Planning Division staff may also be reached by email at jeff.fisher@cosatx.us.

TO BE FORMALLY ON RECORD IN FAVOR OR AGAINST THIS REQUEST, YOU MAY ALSO FILL OUT THIS FORM, SIGN IT AND MAIL IT BACK TO THE PLANNING DIVISION AT 52 W COLLEGE STREET IN SAN ANGELO, TEXAS 76903.

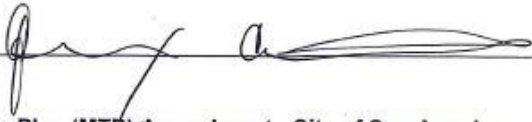
() IN FAVOR

(✓) IN OPPOSITION

REASON(S) Don't want the increased traffic
having children + grandchildren that ride
there bikes. Don't want the increased
speed limit! plus the cost increase of
our taxes due to improvements.
We've already had one incident
when a oversized truck pulled
power lines out and pulled lines
out of houses dropped 2 power lines
into neighbors fence. Don't want or need
the increased traffic. Please go with option leave as is!!

NAME: James Christensen

ADDRESS: 921 Cauley Ln.
San Angelo TX 76903

SIGNATURE: 

Master Thoroughfare Plan (MTR) Amendment: City of San Angelo

property owner number: 16

If you have any questions about these proceedings, please call Mr. Jeff Fisher, Principal Planner, with the City of San Angelo's Planning Division at telephone number 325-657-4210. The Planning Division staff may also be reached by email at jeff.fisher@cosatx.us.

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() IN FAVOR () IN OPPOSITION

REASON(S)

Opposed to Option 4
I do not want the semi-rural atmosphere altered.

NAME: P.J. Cyphers

ADDRESS: 629 Carley Lane
San Angelo, TX 76903

SIGNATURE:

Datience V. Cyphers

Master Thoroughfare Plan (MTP) Amendment: City of San Angelo

property owner number: 21

If you have any questions about these proceedings, please call Mr. Jeff Fisher, Principal Planner, with the City of San Angelo's Planning Division at telephone number 325-657-4210. The Planning Division staff may also be reached by email at jeff.fisher@cosatx.us.

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() IN FAVOR

(X) IN OPPOSITION

REASON(S) When it rains water runs down all
of the streets north of Canby Lane.
We live on the corner of Fruitland Farm
and Canby Lane. The water turns off
of Fruitland & runs east through my
Driveway to Canby Lane.

NAME:

Ronald G Gray

ADDRESS:

1102 Canby Lane

76903

SIGNATURE:

Ronald G Gray

Master Thoroughfare Plan (MTP) Amendment: City of San Angelo

property owner number: 30

If you have any questions about these proceedings, please call Mr. Jeff Fisher, Principal Planner, with the City of San Angelo's Planning Division at telephone number 325-657-4210. The Planning Division staff may also be reached by email at jeff.fisher@cosatx.us.

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() IN FAVOR (✓) IN OPPOSITION

REASON(S) In opposition to option 4 - we have way
more traffic & it would only increase - P.D. & S.O.
do not issue tickets to speed now & when you
phone them you just get the run around on why
they can't issue tickets - I think you the City need
to forget the whole thing cause you the City can't
fix the streets & road way you have now

NAME: Billy Jackson

ADDRESS: 5302 ATLANTIC Rd
SAN ANGELO, TX. 76903

SIGNATURE: Billy Jackson

Master Thoroughfare Plan (MTP) Amendment: City of San Angelo

property owner number: 41

If you have any questions about these proceedings, please call Mr. Jeff Fisher, Principal Planner, with the City of San Angelo's Planning Division at telephone number 325-657-4210. The Planning Division staff may also be reached by email at jeff.fisher@cosatx.us.

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() IN FAVOR (X) IN OPPOSITION

REASON(S) I am opposed to option 4 & option 5

Both Streets are Residential and the streets would not handle the kind of traffic that the change would bring. The total distance between property lines on Canley Lane is around 60ft. To widen the street would place it to close to the property line. There is 2 water lines, 1 Atmos Gas line and a Frontier Communications line that would have to be relocated on Canley Lane.

Option 1-3 would be the logical choice

NAME: GARY YOUNG

ADDRESS: 414 Canley Lane

SIGNATURE: 

Master Thoroughfare Plan (MTP) Amendment: City of San Angelo

property owner number: 606

If you have any questions about these proceedings, please call Mr. Jeff Fisher, Principal Planner, with the City of San Angelo's Planning Division at telephone number 325-657-4210. The Planning Division staff may also be reached by email at jeff.fisher@cosatx.us.

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() IN FAVOR

(☒) IN OPPOSITION

REASON(S)

Option # 2 - leave as is with no
future road at all

NAME: Roderick & Marguerite Wilhelm

ADDRESS: 440 W 49th St.
San Angelo, TX 76903-1308

SIGNATURE: Roderick K. Wilhelm Marguerite G. Wilhelm

Master Thoroughfare Plan (MTP) Amendment: City of San Angelo

property owner number: 103

If you have any questions about these proceedings, please call Mr. Jeff Fisher, Principal Planner, with the City of San Angelo's Planning Division at telephone number 325-657-4210. The Planning Division staff may also be reached by email at jeff.fisher@cosatx.us.

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AT 52 W COLLEGE STREET IN SAN ANGELO, TEXAS 76903.

(✓) IN FAVOR

() IN OPPOSITION

To
Cauley
Lane
option

REASON(S)

In favor of Option 3

NAME: Mitzi Harper

ADDRESS: 435 Cauley Lane
San Angelo, TX 76903

SIGNATURE: Mitzi Harper

Master Thoroughfare Plan (MTP) Amendment: City of San Angelo

property owner number: 50

If you have any questions about these proceedings, please call Mr. Jeff Fisher, Principal
Planner, with the City of San Angelo's Planning Division at telephone number 325-657-4210.
The Planning Division staff may also be reached by email at jeff.fisher@cosatx.us.

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AT 52 W COLLEGE STREET IN SAN ANGELO, TEXAS 76903.

☒ IN FAVOR ☒ IN OPPOSITION
REASON(S) Red Highlighted Road: Opposed.

Option 1+2
Option 5- Blue Highlighted Road:

In favor (Not Opposed)

See Letter Enclosed:

NAME: Luisa N. Grothe (Teresa Grothe)

ADDRESS: 4899 Grothe St.
San Angelo, TX. 76903

SIGNATURE: Luisa Grothe

Master Thoroughfare Plan (MTP) Amendment: City of San Angelo

property owner number: 34

If you have any questions about these proceedings, please call Mr. Jeff Fisher, Principal
Planner, with the City of San Angelo's Planning Division at telephone number 325-657-4210.
The Planning Division staff may also be reached by email at jeff.fisher@cosatx.us.

Attn: Planning Division
City of San Angelo
521 W College St.
San Angelo, TX 76903

Response to road in Red extending
from 50th Street : Option 1 & 2:

Answer: Opposed.

I am writing in response to
your notes + map mailed to me
on March 4, 2020. Collect me if
I am wrong but according to the
map and everything I have read.

You, Mr. Jeff Fisher, are planning
on building more roads with one
of them running through a home
right across from 50th Street going
through it and it definitely doesn't
need destroyed as far as I know.
It's a good home and the old
homey shed goes well does not
need destroyed. It's a well kept
and maintained structure that
can be used for many years to come.

on my property for food. I know ²
it has been awhile since I have
had some, but I plan on
starting a herd again soon or
rent it out to someone who
can. Your road would destroy
my good fence and other good
we can not afford replacements.
Vehicles and animals do not mix.

Response to Option 5 on the map:
Answer: Not Opposed (in favor)
4th Street needs repaired and
extending it across the front of
my property and seeing left to
N. Chadbourne would give my one
approved RV space rather personal
space and access to a public road

③

Sincerely,
Deresa N. Gatto

Property Owner at the corner of
14th & Gatto.

(Lot marked Gatto on the map)

Suggestion: How about add sidewalks
to N. Chadbourne instead or
in addition to blue highlighted
road improvements,

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(☒) (IN FAVOR) () IN OPPOSITION
REASON(S) (OPTION 5)

Looks like Option 5 would be the best way to go. You could improve W. 49th St with curbs, sewer line, and extending it on over to N. Chad.

NAME: Charles Netz

ADDRESS: 423 W. 49th St. 76903

Ph: (325) 456-4211

SIGNATURE: C Netz

Master Thoroughfare Plan (MTP) Amendment: City of San Angelo

property owner number: 49

If you have any questions about these proceedings, please call Mr. Jeff Fisher, Principal Planner, with the City of San Angelo's Planning Division at telephone number 325-657-4210. The Planning Division staff may also be reached by email at jeff.fisher@cosatx.us.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN ANGELO, TEXAS AMENDING THE MASTER THOROUGHFARE PLAN AND MAP OF THE COMPREHENSIVE PLAN; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City of San Angelo is a Home Rule municipal corporation operating under a municipal charter adopted as authorized by Article XI, Section 5 of the Texas Constitution; and,

WHEREAS, in 2003, pursuant to the authority under Chapter 213 of the Texas Local Government Code, the City of San Angelo adopted a Comprehensive Plan for promoting the long range sound development of the City and promoting public health, safety and welfare, updated in 2009 with the adoption of a strategic plan; and,

WHEREAS, the Comprehensive Plan includes the Master Thoroughfare Plan (MTP) and map; and,

WHEREAS, the City Planning and Development Services Department has examined removing, relocating, or maintaining the existing route of a future minor arterial road approximately 0.54 miles in length from its east end at Lake View Heroes Drive and Grape Creek Road to its west end at North Chadbourne Street in order to provide for improved public safety, traffic efficiency, and to accommodate for future growth in north San Angelo; and,

WHEREAS the City Planning and Development Services Department has conducted an analysis of existing and projected future development in the area; demand on the existing street network; existing zoning and future land trends; potential land acquisitions; the relocation of buildings, structures, and utilities; and proposed alternate routes for the subject arterial road; and,

WHEREAS the City Planning and Development Services Department has consulted with other relevant City departments, the County Commissioner for this area, and the San Angelo Metropolitan Planning Organization (SA-MPO); and,

WHEREAS on March 16, 2020, a public meeting was held at the Planning Commission to provide the public an opportunity to comment on the proposed amendment; and, and after holding said public hearing thereon, caused to be prepared and delivered a report and recommendation to City Council that the MTP be amended to remove the future arterial road; and,

WHEREAS, proper notice of public hearing upon this ordinance has been posted in accordance with applicable law; and,

WHEREAS, City Council has conducted the necessary public hearing thereon and concurs with the Planning Commission's recommendation to remove the future arterial road in the MTP as set forth in Exhibit "A" to this Ordinance;

NOW THEREFORE BE IT ORDAINED BY THE CITY OF SAN ANGELO:

Section 1 The recitals set forth above are deemed to be the findings and determinations made by the City Council and are incorporated into the body of this Ordinance as if fully set forth herein.

Section 2 The Master Thoroughfare Plan and map component of the Comprehensive Plan is hereby amended as set forth in **Exhibit "A"** to this Ordinance, as if fully set forth herein.

Section 3 The terms and provisions of this Ordinance shall be deemed to be severable in that if any portion of this Ordinance shall be declared to be invalid, the same shall not affect the validity of the other provisions of this Ordinance.

Section 4. This ordinance shall be effective from and after the date of its adoption.

INTRODUCED on the **21st day of April, 2020**, and finally PASSED, APPROVED AND ADOPTED on this the **5th day of May, 2020**.

THE CITY OF SAN ANGELO

Brenda Gunter, Mayor

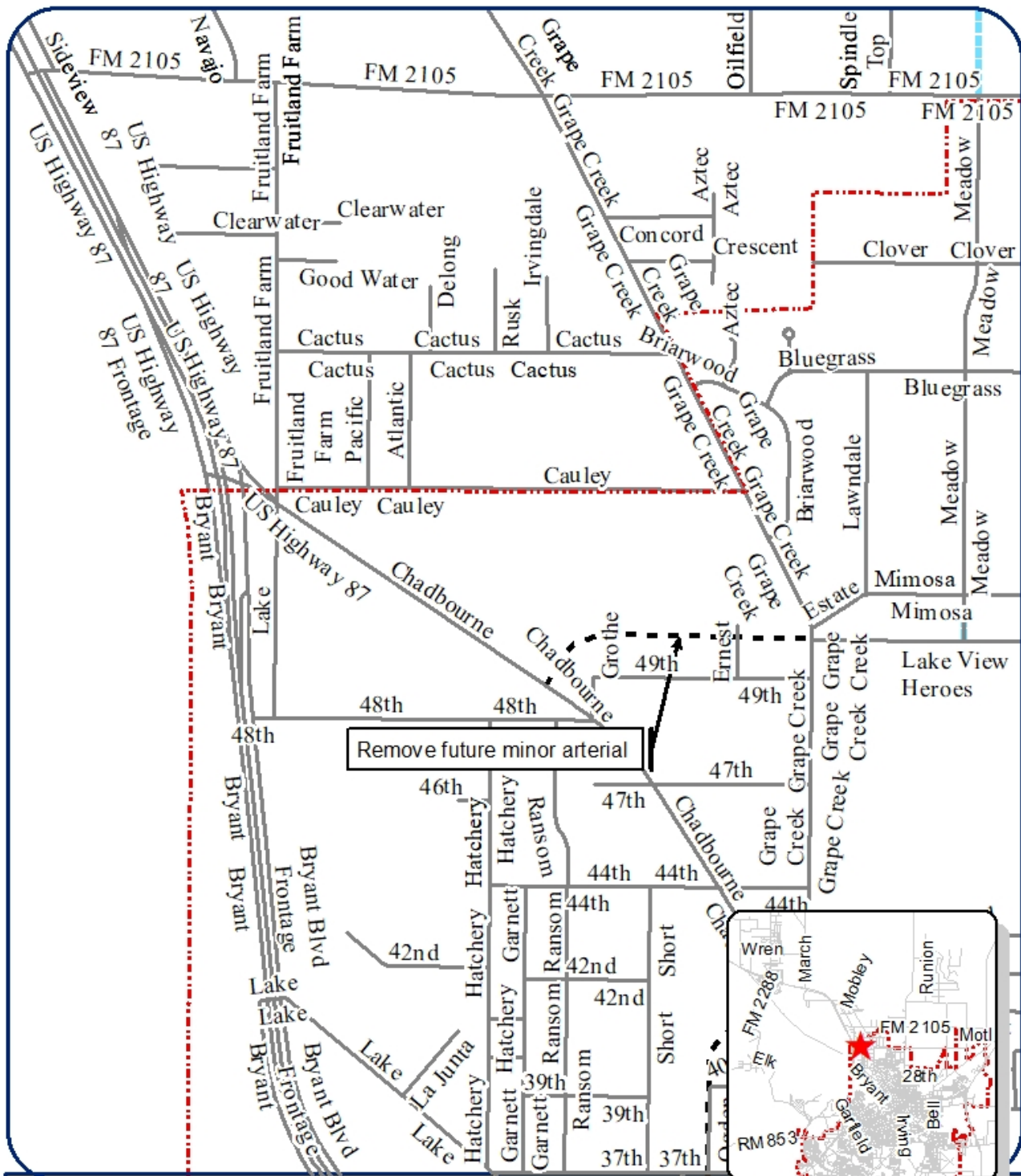
ATTEST:

APPROVED AS TO FORM:

Julia Antilley, City Clerk

Theresa James, City Attorney

EXHIBIT A



Master Thoroughfare Amendment (MTP)

COSA: W. of Lake View Heroes Dr.

Council District: Tom Thompson -District 2

Neighborhood: Riverside

Scale: 1" approx. = 1,250 ft

N. of 48th St between N Chadbourne and Grape Creek Rd

Legend

Subject Properties: —

Current Zoning: multiple

Requested Zoning Change: N/A

Vision: multiple





City Council

Date: May 5, 2020





Biannual Report
JULY 2019 – DECEMBER 2019



New Businesses

Business	Service	Location
Old Town Books	Book Store	506 S. Chadbourne St
Bath Planet-Center Point Renovations	Bathroom Remodel	313 S. Irving St
Bella Vita by Crystal Nichols	European Antique Furniture	125 E. Concho Ave
Eminent Escape Spa	Skin Care Spa	16 E. Beauregard
MD Beauty Salon	Salon & Jewelry	13 W. Beauregard



2019 4th Quarter Reinvestment Summary

Number of projects	9	
Total Expenditures	\$11,090,400.00	
Number of buildings/property sold	24	2007-2019 \$ 42,764,087
Total Expenditures	\$4,821,000.00	
TOTAL REINVESTMENT	\$17,111,400	



2018 & 2019 Monthly Sales Tax Report

2018	San Angelo	Main Street	CBD
January	1,422,829	96,277	24,241
February	2,069,325	128,137	31,188
March	1,398,172	84,852	22,769
April	1,338,067	98,795	20,028
May	1,744,518	114,406	24,486
June	1,433,017	85,118	20,417
July	1,523,855	107,575	24,912
August	1,737,208	108,363	23,397
September	1,500,423	100,582	20,056
October	1,523,730	98,405	23,674
November	1,793,781	88,425	18,463
December	1,664,972	100,594	22,217
TOTALS	19,149,897	1,211,529	275,847

2019	San Angelo	Main Street	CBD
January	1,493,207	85,177	22,175
February	1,928,562	117,674	31,518
March	1,460,040	87,069	18,003
April	1,494,040	94,067	19,004
May	1,846,051	106,882	23,263
June	1,578,204	86,374	19,738
July	1,605,568	106,425	20,399
August	1,836,846	95,489	21,269
September	1,684,045	100,447	18,927
October	1,568,464	83,974	20,170
November	1,802,832	95,295	19,437
December	1,662,419	99,714	21,740
TOTALS	19,960,278	1,158,587	255,642



Mixed Beverage Sales Tax Report

2018	San Angelo	Main Street	CBD
	110,	32,	28,62
January	682	822	8
	133,	37,	32,41
February	136	397	4
	144,	47,	39,07
March	425	229	8
	98,	36,	31,42
April	688	304	3
	104,	40,	35,51
May	808	167	8
	102,	38,	33,20
June	348	435	9
	123,	38,	33,20
July	146	756	7
	133,	45,	36,70
August	782	839	4
	137,	44,	37,04
September	194	709	2
	127,	41,	34,71
October	902	099	7
	128,	42,	35,37
November	958	169	1
	148,	50,	41,45
December	752	691	1
TOTALS	1,493,821	495,616	418,761

2018	San Angelo	Main Street	CBD
	96,61	3	32,
January	8	6,738	258
	125,11	6	35,
February	3	4,344	407
	123,08	5	32,
March	9	2,600	625
	103,01	4	25,
April	7	0,232	029
	121,77	5	35,
May	0	0,778	623
	109,37	4	33,
June	9	0,399	168
	102,84	3	34,
July	7	2,625	754
	117,40	2	36,
August	5	5,029	880
	107,23	3	33,
September	3	5,623	495
	116,82	4	34,
October	1	5,065	081
	134,97	4	36,
November	5	3,620	637
	118,30	4	42,
December	5	8,509	005
	1,376,57	51	411,
TOTALS 2		5,562	962



Combined Sales & Mixed Beverage Tax Report

(FY) 2019 Combined Quarterly Sales & Mixed Beverage Tax Report								
Time Period	San Angelo	% Change 2018-2019	CBD	% Change 2018-2019	% of Total	Main Street	% Change 2018-2019	% of Total
2019 1st Quarter	5,303,315	11%	175,460	6%	3%	416,929	4%	8%
2019 2nd Quarter	5,226,629	1%	182,425	3%	3%	441,644	4%	8%
2019 3rd Quarter	5,248,343	9%	184,852	13%	4%	386,429	-6%	7%
2019 4th Quarter	5,448,926	7%	156,349	-10%	3%	421,602	-5%	8%
<i>Combined 1st-4th</i>	<i>21,227,213</i>		<i>699,086</i>			<i>1,666,604</i>		
2018 1st Quarter	4,787,035		165,870			401,879		
2018 2nd Quarter	5,190,017		177,339			422,855		
2018 3rd Quarter	4,823,068		163,028			409,821		
2018 4th Quarter	5,082,206		174,021			441,858		
<i>Combined 1st-4th</i>	<i>19,882,326</i>		<i>680,258</i>			<i>1,676,413</i>		
1st Qtr \$ Change 2018-2019	\$516,280		\$9,590			\$15,050		
1st Qtr % Change 2018-2019		11%		6%			4%	
2nd Qtr \$ Change 2018-2019	\$36,612		\$5,086			\$18,789		
2nd Qtr % Change 2018-2019		1%		3%			4%	
3rd Qtr \$ Change 2018-2019	\$425,275		\$21,824			-\$23,392		
3rd Qtr % Change 2018-2019		9%		13%			-6%	
4th Qtr \$ Change 2018-2019	\$366,720		-\$17,672			-\$20,256		
4th Qtr % Change 2018-2019		7%		-10%			-5%	



TIRZ PROJECTS

Total Awarded Amount
\$254,000

Amount Awarded	Address	Business Name	Incentives Received	
\$60,000	101 S Chadbourne	Fuentes Café Downtown	Fire Sprinkler System and Façade/Secondary Egress/Fire	
\$50,000	200 S Magdalen	Old Central Firehouse Bed & Brew	Sprinkler System	



TIRZ PROJECTS

Amount Awarded	Address	Business Name	Incentives Received
\$14,000	305 W Twohig	Dean & Dean Attorneys at Law	Facade
\$30,000	8 E Concho	Serenity's Trading Post	Facade



TIRZ PROJECTS

Amount Awarded	Address	Business Name	Incentives Received
\$30,000	6 E Concho	-----	Facade
\$70,000	123 N. Chadbourne	Buffalo Soldier Art Gallery	Façade/ Fire Sprinkler System



Revitalization & Downtown Development



Before:
6 E Concho



After:
6 E Concho
-For Lease



Revitalization & Downtown Development



Before:
8 E. Concho



After:
8 E. Concho
-Serenity's Trading Post
(will be undergoing interior remodeling)



Revitalization & Downtown Development



Before:
506 S Chadbourne



After:
506 S Chadbourne
-Old Town Books



Revitalization & Downtown Development



In Progress
1 E Twohig Ave
-Guaranty Abstract & Title Company



Revitalization & Downtown Development



In Progress

214 S Chadbourne St

-Plateau Brewing Company



Revitalization & Downtown Development



Before
125 W Twohig



After
125 W Twohig
-Pop Art Open Air Museum



A Few New “Ewes”



“Ricky the Rattler”

Goodfellow Airforce
Base, 315 TRS



“The Pop Artist in Ewe”

(Redesign)
Art In Uncommon
Places

Sheep In Progress

AEP 1

AEP 2

Legend Jewelers

Twin Mountain Fence

Walmart, 29th St.

Old Central Firehouse Bed and Brew

Oliver Rainey & Wojtek, LLP

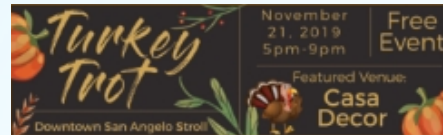
Railway Museum of San Angelo

Cactus Hotel

Armstrong, Backus & Co



Downtown Stroll



New 2020 Stroll Dates

February 13

April 17

July 2

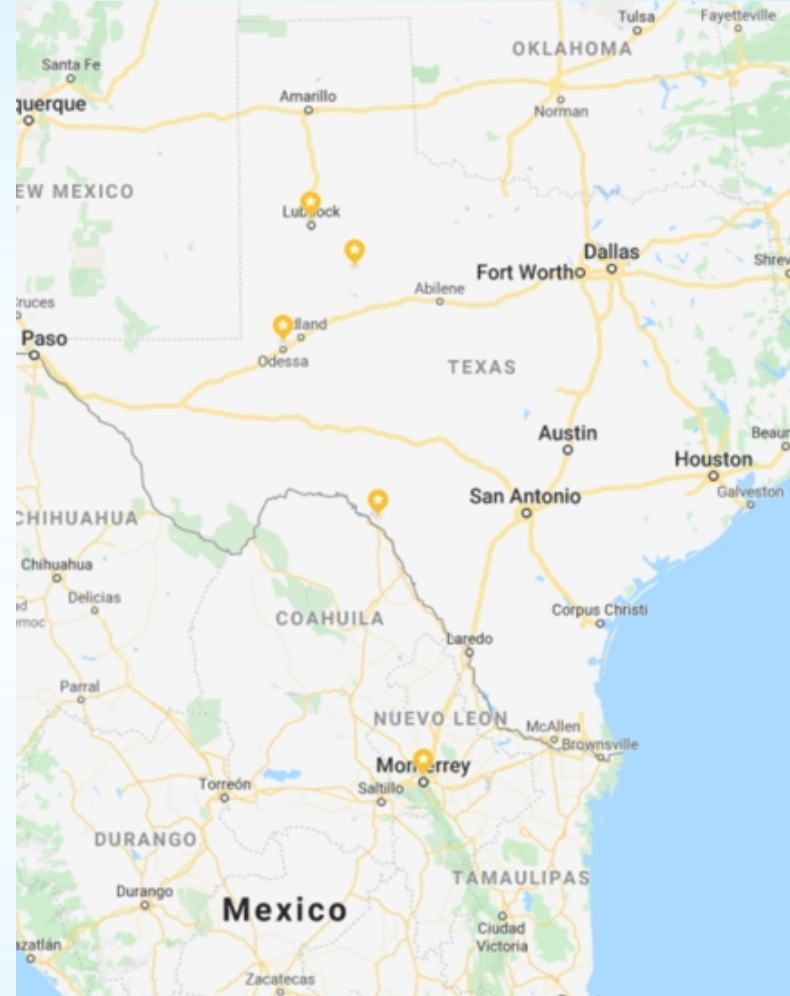
October 29

November 19

December 17



4th Annual Brews Ewes & BBQ



Lubbock
Fluvanna
Odessa
Del Rio
San Angelo
Monterrey



American Express Shop Small Campaign Neighborhood Champion

SHOP SMALL SATURDAY
SUPPORT YOUR LOCAL BUSINESSES AND
#SHOPSMALL ON SATURDAY, NOVEMBER 30 TO
KICK-OFF THE HOLIDAY SEASON!

The Angelo State University Small Business Development Center, Downtown San Angelo Inc., the Railway Museum of San Angelo, and the San Angelo Chamber of Commerce are proud to be Neighborhood Champions for the Shop Small San Angelo Campaign!

Adobe Signs & T-Shirts	Land and Cruise Travel Agents
Angelo Teacher Store	Madstyle Vintage
BackBeat Music Company	Myer's Drug & Myer's Boutique
Bill's Man Shop	Painting Chick's Revival Boutique
Brix Winery	Phat Catz Gaming
Cactus Book Store	Pure Salon & Boutique
Casa Décor	Ranch and Famous Boutique
Coffee 101	Retha's Fun Nail Glam
Cole's Army Surplus	Rusas Mexico
Concho Confetti Antique Mall	Sassy Fox Boutique
Corny Pops Gourmet Popcorn	Serenity's Trading Post
CowPatties Thrift Shop	Specialties Games, Toys, Gifts
Create Designs Boutique	Stango's Coffee Shop
Crumbs Bakery	Terlingua Trunk
Dorin's Thrift Avenue	The Latest Scoop
Eggemeyer's General Store	So Unique Boutique
The Fitness Zone	South Elm Street Boutique
J. Wilde's Boutique	Usborne Books
Jessie Rose Mercantile	Ve Va La Nails
Koll's Diamond and Design	Zero One Ale House







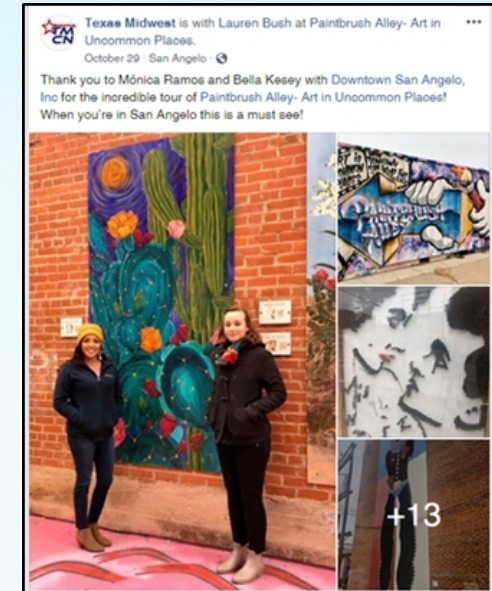
OUTREACH



Ribbon Cutting
Ceremony: Old Town
Books



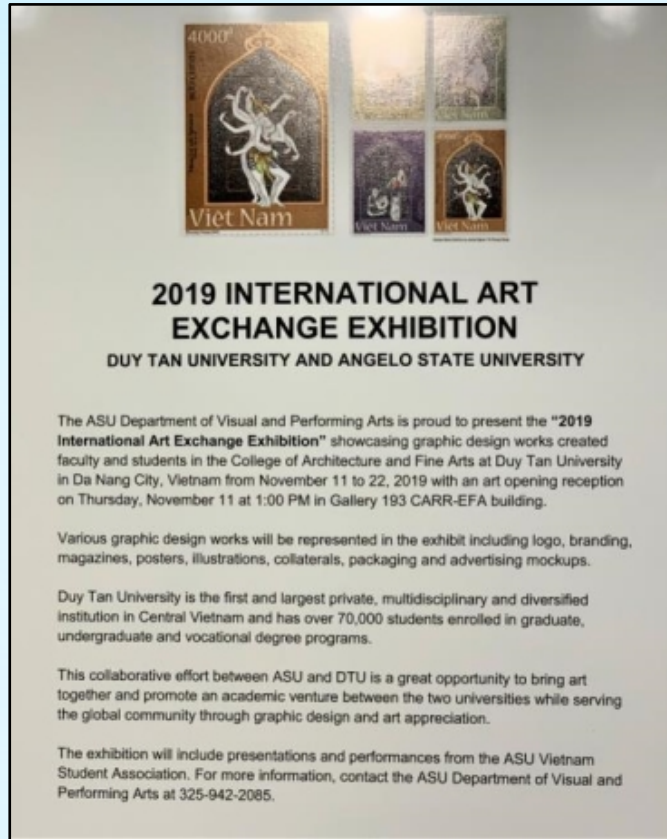
AAAW Asian-American Cultural
Festival



Paintbrush Alley tour to Texas
Midwest Community Network
of Abilene, TX



OUTREACH



ASU International Art Exchange
Exhibition
-Duy Tan University



OUTREACH

Hispanic Heritage Month at City Hall



MARKETING AND PROMOTIONS



POP ART MUSEUM
125 W Twohig

Featured in Texas
Highways Magazine



MARKETING AND PROMOTIONS

1

The Downtown Dose

DSA, Inc.
Summer Edition
July, 2017

Member Spotlight- Twisted Root Burger Co.

By Yubela Kasey

333 S. Chadbourne St.

This gourmet burger joint has a lot to offer when it comes to a unique dining experience downtown. Opening in late 2015, the restaurant has contributed a sense of vintage history through its renovated 1950's style building located over the Concho River. Owners Lori Franck and Lana Mott gave insight on what makes their location special. They described the venue as a way to be transported to an Austin-like eatery without compromising classic hometown hospitality. Additionally, every time you choose to eat at Twisted Root, there is an opportunity to have a different view each sitting. They also divulged some secrets such as sculptor Joe Morgan's hidden faces which are disguised within the floor. Perhaps you will find them on your next visit!

As a new addition to the Downtown San Angelo, Inc. Board of Directors, Lana shared what it has been like as a restaurant owner with the only Twisted Root franchise that is privately owned. She detailed that being in full control of the operations of the business has been a rewarding enterprise, especially being able to watch San Angelenos make memories at the restaurant.

She described how important Downtown San Angelo, Inc. has been to their experience as a business located downtown, mentioning how thankful they are to be part of such a close and family-like community.

Twisted Root's menu offers just as much flare as it's kitschy aesthetic, including exotic meat burgers and boozy shakes for the 21 and up club. Be sure to dine-in or carry-out featured menu items limited to the San Angelo location like the Sloppy Q and Frito Bandito burger, as well as the ability to make any burger into a 12" hotdog for the same price. Check in for dinner or lunch and try the featured burger and shake of the month!



Before photo of the building Twisted Root now occupies

After photo of the renovated Twisted Root Burger Company

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The Downtown Dose



Downtown San Angelo, Inc. is a non-profit 501(c)(3) organization, dedicated to the revitalization and preservation of historic downtown San Angelo. Additionally, we are a Texas Main Street, Nationally recognized urban city and a National Trust of Historic Preservation member.

Established in 2004, Downtown San Angelo, Inc. was formed by a group of 35 individuals who were dedicated to downtown revitalization. In November 2005, the organization was granted membership in the Main Street Program. This program is a major effort by the National Trust for Historic Preservation to provide assistance to cities whose older central business districts are seeking to retain some vestige of their visual character and whose economic position is slipping. The premise of this program is that economic revitalization can take place within the context of historic preservation.

Downtown San Angelo, Inc.

Office: 24 W. Concho Ave.
Phone: (325) 655-2345
Fax: (325) 655-1234
E-mail: manager@dsa.org

We're online!

Visit our webpage:
downtownsanangelo.com

Facebook
Downtown San Angelo, Inc.

Instagram
[@downtownsanangelo](https://www.instagram.com/downtownsanangelo)

Board of Directors

An active Board of Directors, committees, and project leaders are key to the revitalization effort.

Board Liaisons	
Alexander, Juliana	Kay, Fred
Kuback, Michele	McLaughlin, Steve
Balderson, Jacob	Bluthardt, Bob
Barnett, Casey	Mott, Lana
Cameron, Alissa	Puckett, Lane
Eggemeier, Eric	Road, Teddy
Gesacks, Wes	Reichenow, Brittany
Gunter, Brenda	Sherrill, Cody
Hartill, Kate	Stamps, Steve
Hunter, Toni	Stone, Lyndy
Judith, Larry	Suduth, Della
	Usherik, Luke
	Del Villanueva, Executive Director
	Marcia Ramos, Office Manager
	Yubela Kasey, AmeriCorps VISTA

Thank you to our 2017 ASU interns and volunteers who have helped make Downtown San Angelo Inc.'s world bend!

- Cole Larson
- Destiny Crane
- Taylor Page
- Scott Sutek
- Antonio Garcia
- Downtown Lion's Club
- Association of Asian American Women

For more information about volunteering with Downtown San Angelo, Inc., stop by our office or call to learn more.





www.downtownsanangelo.com



REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Tina Dierschke, Finance Director, Finance, 325-657-4268

Meeting Date: May 5, 2020

Item type: Regular Item

Caption:

Consider accepting the City's fiscal year 2019 Comprehensive Annual Financial Report (CAFR) and Single Audit (Presentation made by Armstrong, Backus & Company, LLC Partner Gayla Thornton)

Summary/History:

The CAFR is an audited report on the year-end financial statements that provides financial information on the City of San Angelo as well as an opinion by the external auditor on the financial statements as a whole. The Single Audit report is a required audit of an entity that receives greater than \$750,000 in Federal funding awards in a fiscal year. The CAFR and Single Audit presented are for the fiscal year ended September 30, 2019.

The Audit Committee convened to review the reports with the external auditor on April 20, 2020, prior to submission to the City Council, and they recommend approval by the City Council of the annual financial reports as presented.

Financial statement and single audits are required and completed on an annual basis and cover the City's fiscal year beginning October 1 and ending September 30.

Financial Impact:

N/A

Other Information/Recommendation:

Attachments:

- | | | |
|----|---------------------------------|-------------------------------------|
| 1. | COSA - FY19 CAFR | COSA - FY19 CAFR.pdf |
| 2. | COSA - FY19 Single Audit Report | COSA - FY19 Single Audit Report.pdf |

Presentation:

Gayla Thornton, Partner, Amstrong, Backus, & Co., LLP

Approvals/Reviews:

Tina Dierschke	Created/Initiated
Tina Dierschke	Approved
Theresa James	Approved
Julia Antilley	Final Approval



Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2019



CITY OF SAN ANGELO, TEXAS

Comprehensive Annual Financial Report

For the Fiscal Year Ended September 30, 2019



Prepared by: Finance Department

Tina Dierschke, Finance Director

CITY OF SAN ANGELO, TEXAS
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The City of
San Angelo, Texas
72 W College Ave.
San Angelo, TX 76903

April 10, 2020

The Honorable Mayor and City Council

We are submitting this comprehensive annual financial report of the City of San Angelo for the fiscal year ended September 30, 2019.

Management is fully responsible for the completeness and reliability of all the information included in this report. As a basis for making these representations, management of the City has established an internal control framework designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the benefits of internal control should be more than their cost, the City's internal control framework has been designed to provide reasonable rather than absolute assurance that the financial statements will not contain material misstatements. In our capacity as management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Texas Local Government Code Chapter 103 and the City Charter section 34 requires an annual audit of the City's financial statements. The City Council selected Armstrong, Backus & Co., LLP, a firm of licensed certified public accountants, to audit this year's financial statements. The goal of an independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2019, are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2019, are fairly stated in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the City's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are presented under separate cover.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis

(MD&A). This transmittal letter is designed to complement MD&A and should be read in conjunction with it. The City's MD&A is in the financial section immediately following the independent auditors' report.

PROFILE OF THE CITY

The City of San Angelo is located 210 miles west northwest of Austin, Texas in Tom Green County. The City is empowered to levy property taxes on all real and personal property within its boundaries.

The City operates under the council-manager form of government. Policy making and legislative authority reside in a council comprised of a mayor and six council members. The City Council is responsible for, among other things, passing ordinances, adopting a budget, selecting a city manager and municipal court judges, and appointing citizens to City boards and commissions. Council members are selected on a non-partisan basis and serve four-year, staggered, terms. The six council members are selected by the voters in single-member districts. The Mayor is selected by city voters at large. The City Manager is responsible for implementation of the Council adopted policies and ordinances, oversight of the operations of the City, and for appointment of City department heads.

The City annually adopts an operating budget for the General, Special Revenue and Debt Service Funds. Budgets for the Proprietary Funds are adopted for internal management purposes. Budgetary control is maintained at the line item level by the encumbered, appropriated and expended balances within any fund; however, any revision that increases the total budgeted expenditures must be approved by the City Council after public hearings.

City budgets are prepared on a modified accrual basis and accounting records are maintained on that basis throughout the fiscal year. Applicable accounting records are then adjusted to the full or modified accrual basis for year-end reporting purposes.

FACTORS AFFECTING FINANCIAL CONDITION

The financial statement information can be better understood when it is considered from the broad perspective of the specific environment within which the City operates.

Local economy – West Texas cities tend to be widely dispersed. San Angelo is one of the largest cities in West Central Texas and serves as the center of commerce, government, medicine, and religion for an expansive area. San Angelo is served by three U. S. highways and one State highway. The San Angelo Regional Airport (Mathis Field) also provides flights that link up with national and international airlines.

San Angelo continues to have a well-diversified economic base with major sectors that include manufacturing, medical care, education, trade, business services and military. San Angelo is a regional service center for business and agriculture over a fourteen county area. The Ethicon division of Johnson and Johnson, Hirschfeld Steel, San Angelo Community Medical Center, Shannon Medical Center, Goodfellow Air Force Base, and many other local businesses provide the economic potential of San Angelo.

There are four institutions of higher education in San Angelo. Angelo State University, part of the Texas Tech University system, offers baccalaureate programs in numerous arts, science, business, education, and medical fields. Graduate degrees are offered in 25 fields of science, education, arts, and business. Howard Junior College has an extension campus in San Angelo, which concentrates predominately in the technical and occupational fields of study. American Commercial College is a

private college serving career education through associated programs. Park University is located at Goodfellow Air Force Base and offers face-to-face and online classes in over ten undergraduate degree programs in the arts, science, business, and education fields as well as several graduate degree programs.

Long-term financial planning – The City of San Angelo has adopted a Capital Improvement Program. The Capital Improvement Program (CIP) will serve as a multi-year plan for the acquisition, expansion, or renovation of infrastructure and capital assets.

The City of San Angelo initially issued \$120 million in bonds for the development of an aquifer and for the construction of a pipeline to the City for the first phase capable of pumping and treating eight million gallons per day. In 2019, the City issued another \$56.075 million for the expansion of the aquifer and treatment system capable of pumping the full permit allocation, twelve million gallons per day. The expansion project will also include clearwell improvements at the City's Water Treatment Facility. The sixty-mile project will help insure the City can provide adequate water service in future years. Initial implementation of this project began in 2011 and the construction of the second phase is anticipated to begin in the later part of 2020.

The City Council approved a plan for street improvements and reconstruction in 2016 whereby the City would issue \$16 million in debt every other year for ten years for a total of \$80 million. The plan is progressing as planned date with the first two debt phases issued in 2016 and 2018. A third issue is expected sometime in 2020.

The City of San Angelo has formally adopted a Fund Balance Policy. The General Fund, Water Operating Fund, and Wastewater Operating Fund have a targeted seventy-five day fund balance of the following year's original budget expenditures. The fund balance for Capital, Capital Projects, Special Revenue and Grant Funds are targeted at zero. Other funds with expenditures of less than \$3 million in the ensuing year are targeted at zero while other funds with expenditures of more than \$3 million are targeted at seventy-five days of the following year's expenditures.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting for a Comprehensive Annual Financial Report (CAFR) that is easily readable and efficiently organized. To be awarded the Certificate of Achievement, a CAFR must satisfy both GAAP and applicable legal requirements. The City received the GFOA Certificate of Achievement for its CAFR for the fiscal year ended September 30, 2018. A Certificate of Achievement is valid for a period of one year only. We believe that the City's current CAFR meets the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for the certificate.

The preparation of this report would not have been possible without the dedicated efforts of the staff of the Finance Department. I express my appreciation to all of the staff members who assisted and contributed to the preparation of this report.

Respectfully submitted,

Tina M. Dierschke

Tina M. Dierschke, CPA, CGFO
Director of Finance

CITY OF SAN ANGELO, TEXAS

List of Principal Officials

September 30, 2019

City Council

Brenda Gunter
Tommy Hiebert
Tom Thompson
Harry Thomas
Lucy Gonzales
Lane Carter
Billie DeWitt

Mayor
Council Member
Council Member
Council Member
Council Member
Council Member
Council Member

City Staff

Daniel Valenzuela

City Manager

Michael Dane

Assistant City Manager

Rick Weise

Assistant City Manager

Tina Dierschke

Director of Finance

Al Torres

Construction Manager

Jay Daniel

Municipal Court Judge

Frank Carter

Police Chief

Brian Dunn

Fire Chief

Brian Groves

Public Information Officer

Jeremy Valgardson

Airport Director

Shane Kelton

Director of Operations

Allison Strube

Director of Water Utilities

Bryan Kendrick

Director of Human Resources

Bucky Hasty

Director of Information Technology

Julia Antilley

City Clerk

Theresa James

City Attorney

Carl White

Director of Parks &
Recreation

Guy Andrews

Economic Development Director

Jon James

Director of Planning & Development
Services

Robert Salas

Director of Neighborhood and
Family Services

Sandra Villarreal

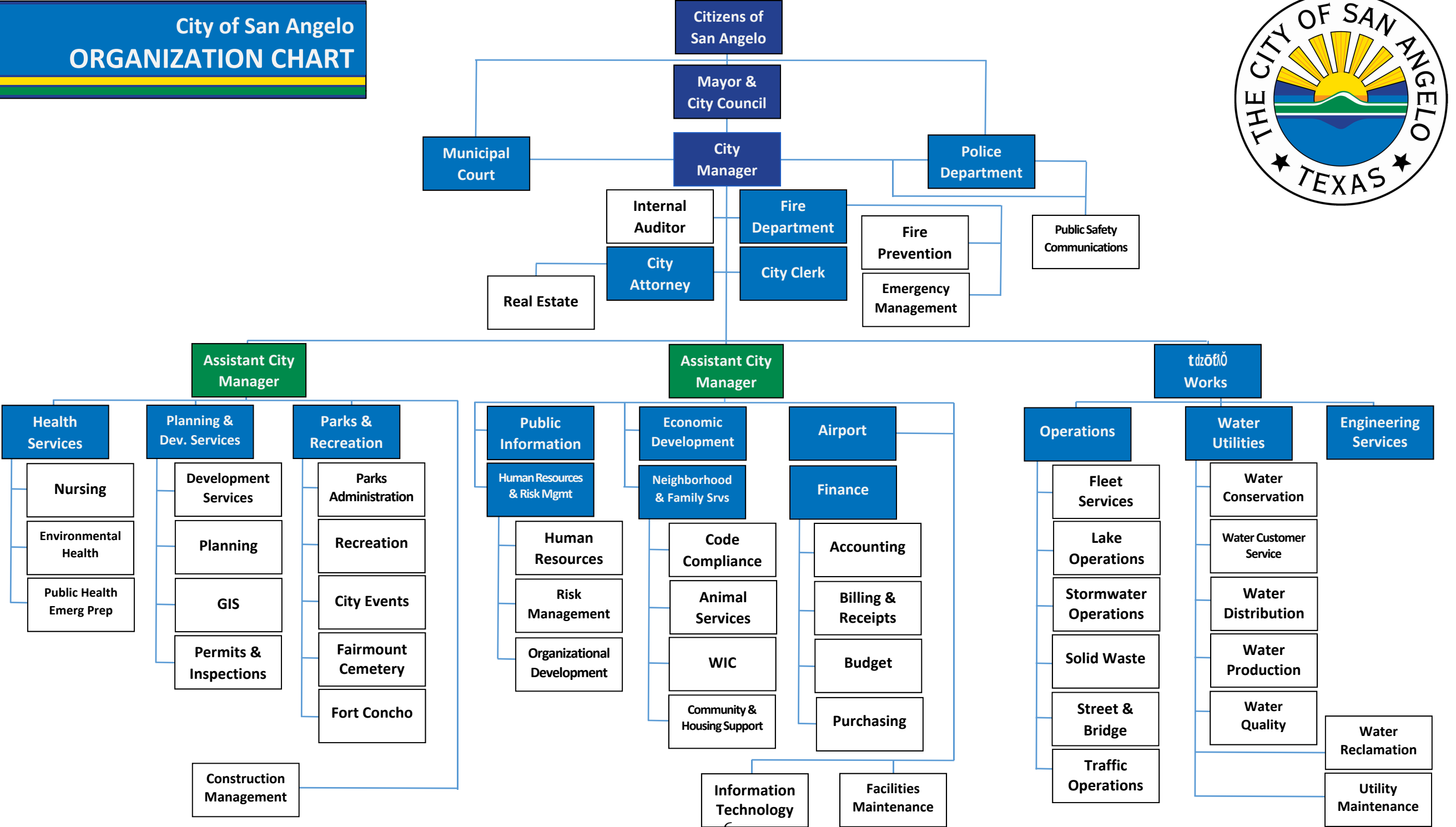
Health Services Director

Lance Overstreet

City Engineer

City of San Angelo

ORGANIZATION CHART





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of San Angelo
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morrell

Executive Director/CEO



ARMSTRONG, BACKUS & CO., LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council Members of the
City of San Angelo, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of San Angelo, Texas (the City), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

An independently owned member
RSM US Alliance



Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of San Angelo, Texas, as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of San Angelo, Texas' basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information, as listed in the Table of Contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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



Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 10, 2020 on our consideration of the City of San Angelo, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of San Angelo, Texas' internal control over financial reporting and compliance.

Armstrong, Backus & Co., L.L.P.

San Angelo, Texas
April 10, 2020



CITY OF SAN ANGELO, TEXAS MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the Comprehensive Annual Financial Report, we, the managers of the City of San Angelo, discuss and analyze the City's financial performance for the fiscal year ended September 30, 2019. Please read it in conjunction with our transmittal letter on pages 2-5, the independent auditors' report immediately preceding this analysis and the City's Basic Financial Statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (pages 25 and 26). These provide information about the activities of the City as a whole and present a longer-term view of the City's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (pages 27 through 35) report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements tell how goods or services of the City were sold to departments within the City or to external customers and how the sales revenues covered the expenses of the goods or services. The remaining statements, fiduciary statements, provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the City.

The notes to the financial statements (pages 36 through 81) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements. The combining and individual statements for nonmajor funds contain even more information about the City's individual funds.

REPORTING THE CITY AS A WHOLE

The Statement of Net Position and the Statement of Activities

The analysis of the City's overall financial condition and operations begins with the Statement of Net Position on page 25. Its primary purpose is to show whether the City is better or worse off as a result of the year's activities. The Statement of Net Position includes all the City's assets and liabilities at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the City's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The City's revenues are divided into those provided by outside parties who share the costs of some programs, such as water and sewer and grants provided by the State and Federal government to assist with health and housing issues (program revenues), and revenues provided by the taxpayers in the form of sales and property taxes (general revenues). All the City's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the City's net assets and changes in them. The City's net assets (the difference between assets and liabilities) provide one measure of the City's financial health or financial position. Over time, increases or decreases in the City's net assets are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the City, however, you should consider nonfinancial factors as well, such as changes in the City's population or its property tax base and the

condition of the City's infrastructure and facilities.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- Governmental activities—Most of the City's basic services are reported here, including public safety, public works, health and human services, parks, recreation and economic development. Property taxes, sales taxes, franchise taxes, and state and federal grants finance most of these activities.
- Business-type activities—The City charges a fee to “customers” to help it cover all or most of the cost of services it provides in these programs.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements begin on page 27 and provide detailed information about the most significant funds. Laws and contracts require the City to establish some funds, such as grants and debt service. The City's administration establishes many other funds to help it control and manage money for particular purposes (like capital projects). The City's two kinds of funds, governmental and proprietary, use different accounting approaches.

- Governmental funds – Most of the City's basic services are reported in governmental funds. These funds use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.
- Proprietary funds – The City reports the activities for which it charges users in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds are the business-type activities reported in the government-wide statements but containing more detail and additional information, such as cash flows. The internal service funds (the other category of proprietary funds) report activities that provide services to other City programs.

THE CITY AS TRUSTEE

Reporting the City's Fiduciary Responsibilities

The City is the trustee, or fiduciary, for assets held and managed for others. The City's fiduciary activity is reported in a separate Statement of Changes in Assets and Liabilities. We exclude these resources from the City's other financial statements because the City cannot use these assets to finance its operations. The City is only responsible for ensuring that the assets reported in this fund are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Governmental Activities

The City's governmental activities increased \$8.5 million. This result is due primarily to an increase in the market value versus the book value of the City's investments.

Business-Type Activities

In 2019, the total net position of our business-type activities increased by \$18.5 million. This is primarily the result of increases in water and sewer rates that were intended to increase the capacity for projects related to water supply and aging infrastructure.

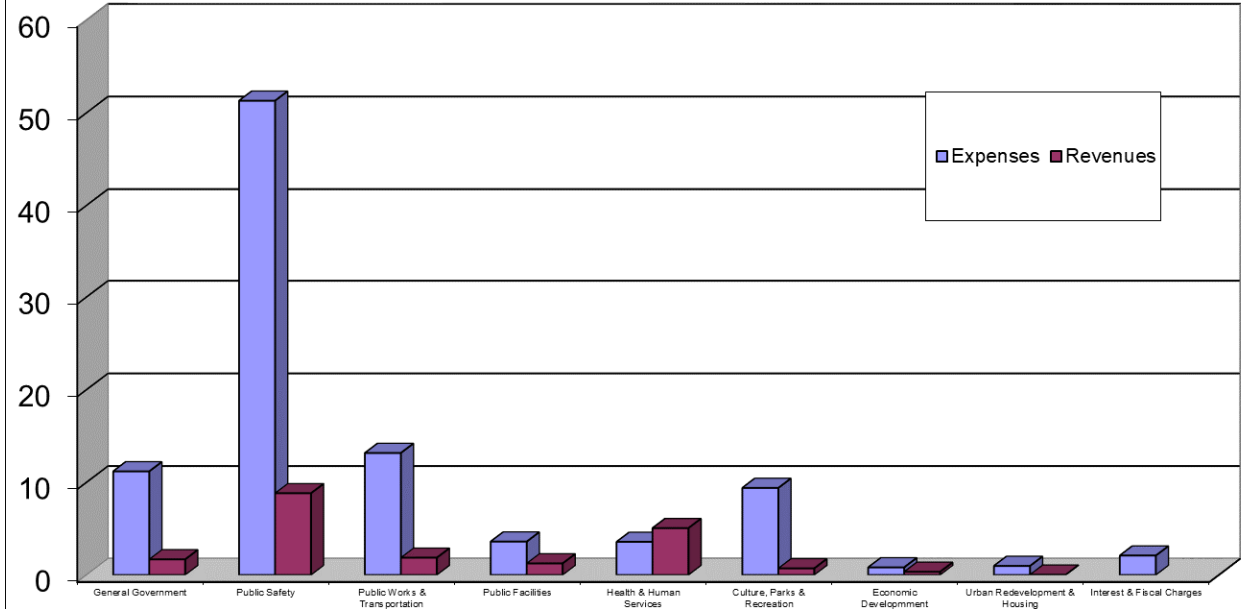
Table I - Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 107,701,650	\$ 101,365,934	\$ 82,616,270	\$ 77,821,080	\$ 190,317,920	\$ 179,187,014
Capital assets	83,136,029	84,116,129	339,746,269	340,447,036	422,882,298	424,563,165
Total assets	\$ 190,837,679	\$ 185,482,063	\$ 422,362,539	\$ 418,268,116	\$ 613,200,218	\$ 603,750,179
Deferred Outflows of Resources	26,076,426	13,472,350	3,765,724	1,778,621	29,842,150	15,250,971
Current liabilities	12,961,777	14,130,611	19,593,888	19,363,102		33,493,713
Long-term liabilities	245,646,760	226,892,460	157,181,067	168,619,365	402,827,827	395,511,825
Total liabilities	\$ 258,608,537	\$ 241,023,071	\$ 176,774,955	\$ 187,982,467	\$ 402,827,827	\$ 429,005,538
Deferred Inflows of Resources	3,905,949	12,077,767	835,495	2,007,874	4,741,444	14,085,641
Net assets:						
Net Investment in Capital Assets	42,032,400	43,930,391	200,960,575	150,891,275	242,992,975	194,821,666
Restricted	26,659,496	31,024,739	28,716,100	45,264,885	55,375,596	76,289,624
Unrestricted	(114,292,280)	(129,101,555)	18,841,138	33,900,236	(95,451,142)	(95,201,319)
Total net position	(\$ 45,600,384)	(\$ 54,146,425)	\$ 248,517,813	\$ 230,056,396	\$ 202,917,429	\$ 175,909,971

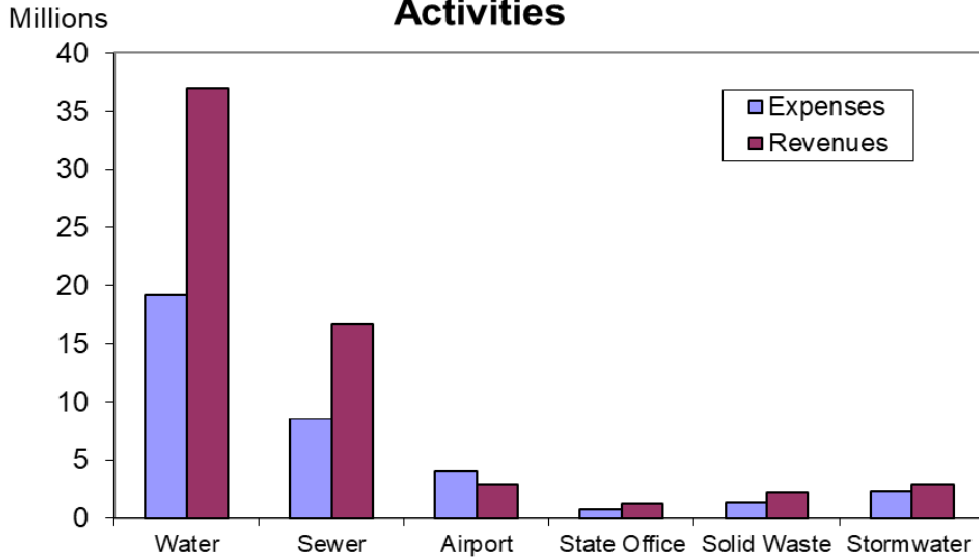
Table II - Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
REVENUES						
Program Revenues:						
Charges for services	\$ 14,743,918	\$ 13,112,234	\$ 61,551,329	\$ 59,340,176	\$ 76,295,247	\$ 72,452,410
Operating grants and contributions	4,643,889	3,984,546	148	-0-	4,644,037	3,984,546
Capital grants and contributions	400,708	343,815	1,170,362	3,765,372	1,571,070	4,109,187
Grants and Contributions Not Restricted to Specific Programs	-0-	-0-	-0-	-0-	-0-	-0-
General Revenues:						
Property Taxes - General Levy	35,264,282	34,599,780	-0-	-0-	35,264,282	34,599,780
Property Taxes - Debt Service Levy	4,749,309	4,581,711	-0-	-0-	4,749,309	4,581,711
Sales Taxes	19,962,832	19,812,694	-0-	-0-	19,962,832	19,812,694
Franchise Taxes	4,232,646	4,586,508	-0-	-0-	4,232,646	4,586,508
Motel Taxes	2,962,173	2,493,761	-0-	-0-	2,962,173	2,493,761
Mixed Drink Taxes	399,016	353,657	-0-	-0-	399,016	353,657
Bingo Taxes	44,149	36,960	-0-	-0-	44,149	36,960
Penalty, Interest and Fees on Delinquent Taxes	-0-	-0-	-0-	-0-	-0-	-0-
Investment Income	6,604,710	784,901	(2,034,103)	474,918	4,570,607	1,259,819
Miscellaneous	3,614,062	3,972,844	-0-	-0-	3,614,062	3,972,844
Settlement Proceeds	-0-	-0-	-0-	-0-	-0-	-0-
Total Revenues	\$ 97,621,694	\$ 88,663,411	\$ 60,687,736	\$ 63,580,466	\$ 158,309,430	\$ 152,243,877
EXPENSES						
Governmental Activities:						
General Government	\$ 11,191,578	\$ 9,724,582	\$ -0-	\$ -0-	\$ 11,191,578	\$ 9,724,582
Public Safety	51,306,625	44,998,853	-0-	-0-	51,306,625	44,998,853
Public Works and Transportation	13,172,331	10,911,837	-0-	-0-	13,172,331	10,911,837
Public Facilities	3,607,237	3,880,084	-0-	-0-	3,607,237	3,880,084
Health and Human Services	3,575,627	2,765,814	-0-	-0-	3,575,627	2,765,814
Culture, Parks and Recreation	9,402,480	8,344,775	-0-	-0-	9,402,480	8,344,775
Economic Development	821,214	551,388	-0-	-0-	821,214	551,388
Urban Redevelopment and Housing	979,075	852,610	-0-	-0-	979,075	852,610
Interest and Fiscal Charges	2,096,755	2,442,020	-0-	-0-	2,096,755	2,442,020
Business-Type Activities:						
Water	-0-	-0-	19,194,724	18,271,162	19,194,724	18,271,162
Sewer	-0-	-0-	8,540,855	7,926,154	8,540,855	7,926,154
Airport	-0-	-0-	4,068,586	3,479,540	4,068,586	3,479,540
State Office Building	-0-	-0-	706,905	986,196	706,905	986,196
Solid Waste	-0-	-0-	1,327,285	693,270	1,327,285	693,270
Stormwater	-0-	-0-	2,284,557	1,854,288	2,284,557	1,854,288
Total Expenses	\$ 96,152,922	\$ 84,471,963	\$ 36,122,912	\$ 33,210,610	\$ 132,275,834	\$ 117,682,573
Excess or Deficiency before Transfers & Special Items	\$ 1,468,772	\$ 4,191,448	\$ 24,564,824	\$ 30,369,856	\$ 26,033,596	\$ 34,561,304
Transfers	7,096,796	6,055,654	(7,096,796)	(6,055,654)	-0-	-0-
Gain (Loss) on Sale of Capital Assets	(19,527)	-0-	993,389	113,364	973,862	113,364
Change in net position	\$ 8,546,041	\$ 10,247,102	\$ 18,461,417	\$ 24,427,566	\$ 27,007,458	\$ 34,674,668
Net Position-Beginning	(54,146,425)	12,931,062	230,056,396	218,696,539	175,909,971	231,627,601
Restatement of Beginning Net Position	-0-	(77,324,589)	-0-	(13,067,709)	-0-	(90,392,298)
Net position-Ending	(\$ 45,600,384)	(\$ 54,146,425)	\$ 248,517,813	\$ 230,056,396	\$ 202,917,429	\$ 175,909,971

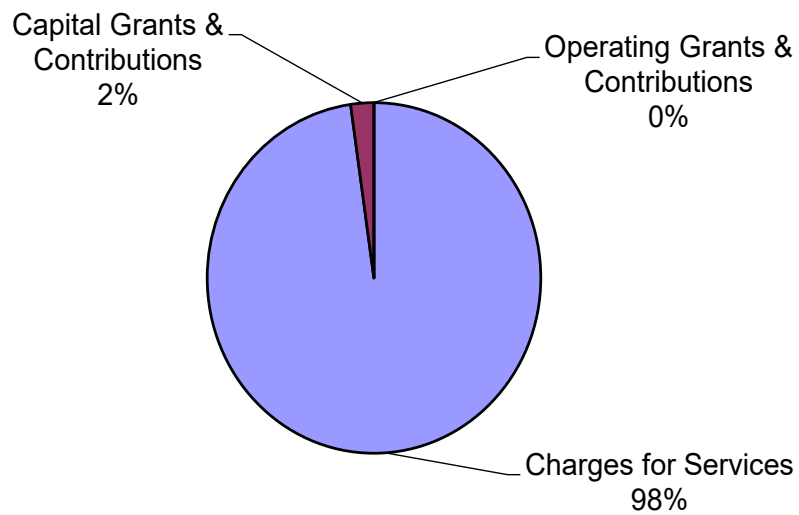
Expenses and Program Revenues - Governmental Activities (in Millions)



Expenses & Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As previously discussed, the City of San Angelo uses fund accounting to ensure compliance with finance related legal requirements.

Governmental funds

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

As the City completed the year, its governmental funds (as presented in the balance sheet on page 27) reported a combined fund balance of \$96.6 million, an increase of \$7.0 million from the prior year. This result is primarily due to the unspent portion for the second year of construction of the bond proceeds issued in 2018. The bond proceeds were part of a plan the City Council adopted in January 2016 which is a 10-year plan to issue \$80 million in debt to rebuild San Angelo's worst streets. As debt is retired, every other year the City will issue \$16 million dollars in new debt to pay for the projects. Thus, streets will be improved without having to raise the property tax rate, which for the seventh straight year will remain at 77.6 cents. Street reconstruction and improvements is one of the City Council's top three strategic priorities.

Approximately 48%, or \$46.3 million, of the total amount is unassigned and rests in the General Fund. The majority of the remainder is assigned for various capital projects such as streets, parks, and river improvements.

The General Fund is the chief operating fund of the City of San Angelo. The unassigned fund balance represents 48% of total General Fund expenditures. The total fund balance in the General Fund increased by \$10.5 million during the current fiscal year. This increase is primarily due to increases in investment income (higher interest earnings and the change in the fair value of investments) and intergovernmental revenue.

The Debt Service Fund has a total fund balance of \$506,720, all of which is reserved for the payment of debt service. The decrease in fund balance during the current year was \$121,003 primarily the result of timing of receipts of taxes and the payments for principal and interest.

The Capital Improvement Fund includes debt, sales tax, and general fund transfer funding sources required to construct streets, upgrade public safety communications network, purchase machinery and equipment, complete parks and facility improvements, and other capital projects. The fund balance at September 30, 2018 of \$30.4 million (restated to include the 2018 bond proceeds reported in the General Fund) decreased \$4.2 million resulting in a fund balance of \$26.3 million. The City's street reconstruction and improvement projects continue to be the primary area of capital improvement investing.

Proprietary funds

The City of San Angelo's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail. Total net position in the Water Fund was \$153.3 million, an increase of \$15.0 million. This is primarily due to increases in water and sewer rates that were intended to increase the capacity for projects related to water supply and aging infrastructure. The City Council adopted a five-year, phased approach to gradually raising water rates. In 2019, the fourth year of rate changes were applied. The aim was and remains threefold. First, the Water Utilities Department had to be returned to financial sustainability. Second, more revenue was needed to replace aging infrastructure, including cast-iron water mains that are prone to breaks. Third, the City must have the ability to finance its next water supply project. Water supply and infrastructure is one of the three strategic priorities of the City Council.

General Fund Budgetary Highlights

Differences between the original and final amended budget for revenue amounted to \$2.6 million, an increase of 3.7%. The increase in the revenue budget was primarily due to the receipt of funding from the City of San Angelo Development Corporation to contribute to the Chadbourne Street revitalization project. Property values inched up about 1.61 percent this year while sales tax collections in the fiscal year that ended September 30, 2019, were approximately \$1.5 million more than what was originally budgeted. The City Council used the sales tax surplus in 2019 to fund much needed street repairs and improvements. With that being said, the City budgets its revenues conservatively. Consequently, sales tax collections in the coming year have been budgeted at a 6% decline as this year's collections.

The final amended expenditure budget increased \$19.9 million. This is primarily the result of rebudgeting funds from the previous year for expenditures that were not made in the previous year. The major increases were in capital projects and street maintenance and reconstruction.

Total General Fund expenditures were \$15.5 million under the final amended budget. Most of this is for unfinished special or capital projects that will be rebudgeted in fiscal year 2019 such as street maintenance and reconstruction.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2019, the City had \$423 million (net of accumulated depreciation) invested in a broad range of capital assets, including land, buildings, improvements, equipment, and infrastructure.

The following is a list of the major capital events for FY19:

- \$4.2 million in reconstruction and improvements to streets
- \$5.2 million in improvements to the water system
- \$3.3 million in improvements to the sewer system

The City put into service the following projects in FY19:

- Water projects with a cost of \$119.8 million
- Fire building project with a cost of \$3.1 million
- Terminal building rehabilitation with a cost of \$9.1 million

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 4,566,133	\$ 4,500,106	\$ 52,466,026	\$ 52,395,980	\$ 57,032,159	\$ 56,896,086
Buildings	64,075,596	60,907,361	40,590,746	31,431,920	104,666,342	92,339,281
Improvements Other Than Buildings	44,185,977	43,889,460	42,543,975	38,488,381	86,729,952	82,377,841
Infrastructure	27,814,848	27,814,848	303,622,011	187,919,370	331,436,859	215,734,218
Machinery and Equipment	43,540,213	43,621,425	29,772,860	29,222,395	73,313,073	72,843,820
Construction in Progress	22,285,424	19,018,879	15,230,992	136,019,946	37,516,416	155,038,825
Water Rights	-0-	-0-	36,950,835	36,950,835	36,950,835	36,950,835
Accumulated Depreciation	(123,332,165)	(115,635,950)	(181,431,176)	(171,981,791)	(304,763,341)	(287,617,741)
Total	\$ 83,136,026	\$ 84,116,129	\$ 339,746,269	\$ 340,447,036	\$ 422,882,295	\$ 424,563,165

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

Debt

At year-end, the City had \$210 million in outstanding debt versus \$228 million last year.

There were no debt issuances in 2019.

General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
General Obligation Bonds	\$ 22,995,128	\$ 25,121,231	\$ 140,876,370	\$ 152,498,531	\$ 163,871,498	\$ 177,619,762
Advalorem Tax COs	33,055,000	36,325,000	-0-	-0-	33,055,000	36,325,000
Sales Tax COs	12,155,000	12,335,000	-0-	-0-	12,155,000	12,335,000
Promissory Notes	1,179,000	1,286,000	137,124	183,853	1,316,124	1,469,853
Total	\$ 69,384,128	\$ 75,067,231	\$ 141,013,494	\$ 152,682,384	\$ 210,397,622	\$ 227,749,615

Other obligations include accrued sick leave and tentative arbitrage rebate to the U. S. Treasury. More detailed information about the City's long-term liabilities is presented in Note IV.G.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

- The unemployment rate for the City of San Angelo at the end of the fiscal year was 2.9%. This compares favorably to the state rate of 3.5%.
- The cost of living index compares favorably to the national average.
- The City of San Angelo has not increased the property tax rate in 20 years.
- The FY 2020 budget includes:
 - Infill Development to promote developing vacant or under-used parcels
 - Concho River Bank Stabilization

All of these factors were considered in preparing the City of San Angelo's budget.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Finance Department, at City of San Angelo, Texas, 72 W. College Ave, San Angelo, Texas 76903.



CITY OF SAN ANGELO, TEXAS

Statement of Net Position

As of September 30, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Development Corporation
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 26,769,651	\$ 12,872,135	\$ 39,641,786	\$ 7,149,933
Investments	44,860,960	16,381,272	61,242,232	9,997,780
Receivables:				
Accrued Interest	395,521	217,590	613,111	-0-
Property Taxes	1,733,593	-0-	1,733,593	-0-
Accounts, Net	3,952,770	10,116,663	14,069,433	343,026
Internal Balances	5,384,423	(5,384,423)	-0-	-0-
Due from Other Governments	4,518,912	65,116	4,584,028	1,685,648
Advanced to Other Funds	-0-	-0-	-0-	242,528
Notes	-0-	-0-	-0-	-0-
Inventories	88,541	528,316	616,857	-0-
Prepays	6,018	-0-	6,018	29,633
Restricted Assets:				
Cash and Cash Equivalents	3,091,767	15,506,119	18,597,886	-0-
Investments	16,899,494	26,383,834	43,283,328	-0-
Closure and Post-Closure Trust Fund	-0-	5,929,648	5,929,648	-0-
Total Current Assets	\$ 107,701,650	\$ 82,616,270	\$ 190,317,920	\$ 19,448,548
Noncurrent Assets:				
Capital Assets:				
Land, Construction in Progress, and Water Rights	\$ 26,851,557	\$ 104,647,853	\$ 131,499,410	\$ 69,395
Buildings, Improvements, Infrastructure, and Machinery and Equipment, Net	56,284,469	235,098,416	291,382,885	1,760,897
Net Capital Assets	\$ 83,136,026	\$ 339,746,269	\$ 422,882,295	\$ 1,830,292
Total Noncurrent Assets	\$ 83,136,026	\$ 339,746,269	\$ 422,882,295	\$ 1,830,292
Total Assets	\$ 190,837,676	\$ 422,362,539	\$ 613,200,215	\$ 21,278,840
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charges	\$ 2,199,897	\$ 463,258	\$ 2,663,155	\$ -0-
Deferred Amounts Related to OPEB	156,839	73,645	230,484	-0-
Deferred Amounts Related to Pensions	23,719,690	3,228,821	26,948,511	-0-
Total Deferred Outflows of Resources	\$ 26,076,426	\$ 3,765,724	\$ 29,842,150	\$ -0-
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 4,543,552	\$ 3,344,343	\$ 7,887,895	\$ 117,880
Accrued Interest Payable	564,558	214,059	778,617	-0-
Due to Other Governments	78,181	-0-	78,181	-0-
Unearned Revenue	86,250	-0-	86,250	-0-
Deposits	223,045	1,469,220	1,692,265	-0-
Noncurrent Liabilities Due Within One Year	7,466,191	12,595,469	20,061,660	-0-
Total Current Liabilities	\$ 12,961,777	\$ 17,623,091	\$ 30,584,868	\$ 117,880
Noncurrent Liabilities:				
Noncurrent Liabilities Due After One Year	\$ 77,223,059	\$ 136,370,223	\$ 213,593,282	\$ -0-
Net Pension Liability	88,626,970	10,119,998	98,746,968	-0-
Total OPEB Liability	79,796,731	12,661,643	92,458,374	-0-
Total Noncurrent Liabilities	\$ 245,646,760	\$ 159,151,864	\$ 404,798,624	\$ -0-
Total Liabilities	\$ 258,608,537	\$ 176,774,955	\$ 435,383,492	\$ 117,880
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue	\$ -0-	\$ 131,525	\$ 131,525	\$ -0-
Deferred Amounts Related to Pensions	3,898,713	480,721	4,379,434	-0-
Deferred Amounts Related to OPEB	7,236	223,249	230,485	-0-
Total Deferred Inflows of Resources	\$ 3,905,949	\$ 835,495	\$ 4,741,444	\$ -0-
NET POSITION				
Net Investment in Capital Assets	\$ 42,032,400	\$ 200,960,575	\$ 242,992,975	\$ 1,830,292
Restricted For:				
Debt Service	-0-	18,830,546	18,830,546	-0-
Asset Construction and Acquisition	6,660,350	2,500,000	9,160,350	-0-
Passenger Facility Charges	-0-	1,455,906	1,455,906	-0-
Landfill Closure and Post-Closure	-0-	5,929,648	5,929,648	-0-
Economic Development	2,622,367	-0-	2,622,367	19,330,668
Designated Purposes	1,628,571	-0-	1,628,571	-0-
Permanent Fund Purposes:				
Nonexpendable	15,748,208	-0-	15,748,208	-0-
Unrestricted (Deficit)	(114,292,280)	18,841,138	(95,451,142)	-0-
Total Net Position	\$ 45,600,384	\$ 248,517,813	\$ 202,917,429	\$ 21,160,960

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Activities

For the Year Ended September 30, 2019

Net (Expense) Revenue and Changes in Net Position								
					Primary Government			Component Units
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Development Corporation
PRIMARY GOVERNMENT								
Government Activities:								
General Government	\$ 11,191,578	\$ 1,691,966	\$ -0-	\$ -0-	(\$ 9,499,612)	\$ -0-	(\$ 9,499,612)	
Public Safety	51,306,625	8,674,161	150,739	-0-	(42,481,725)	-0-	(42,481,725)	
Public Works and Transportation	13,172,331	1,458,128	406,085	-0-	(11,308,118)	-0-	(11,308,118)	
Public Facilities	3,607,237	852,678	-0-	400,708	(2,353,851)	-0-	(2,353,851)	
Health and Human Services	3,575,627	1,161,767	3,900,143	-0-	1,486,283	-0-	1,486,283	
Culture, Parks and Recreation	9,402,480	536,300	179,340	-0-	(8,686,840)	-0-	(8,686,840)	
Economic Development	821,214	343,550	-0-	-0-	(477,664)	-0-	(477,664)	
Urban Redevelopment and Housing	979,075	25,368	7,582	-0-	(946,125)	-0-	(946,125)	
Interest and Fiscal Charges	2,096,755	-0-	-0-	-0-	(2,096,755)	-0-	(2,096,755)	
Total Government Activities	<u>\$ 96,152,922</u>	<u>\$ 14,743,918</u>	<u>\$ 4,643,889</u>	<u>\$ 400,708</u>	<u>(\$ 76,364,407)</u>	<u>\$ -0-</u>	<u>(\$ 76,364,407)</u>	
Business-type Activities:								
Water	\$ 19,194,724	\$ 36,966,360	\$ 148	\$ -0-	\$ -0-	\$ 17,771,784	\$ 17,771,784	
Sewer	8,540,855	16,660,607	-0-	-0-	-0-	8,119,752	8,119,752	
Airport	4,068,586	1,674,529	-0-	1,163,654	-0-	(1,230,403)	(1,230,403)	
State Office Building	706,905	1,230,035	-0-	-0-	-0-	523,130	523,130	
Solid Waste	1,327,285	2,180,406	-0-	-0-	-0-	853,121	853,121	
Stormwater	2,284,557	2,839,392	-0-	6,708	-0-	561,543	561,543	
Total Business-type Activities	<u>\$ 36,122,912</u>	<u>\$ 61,551,329</u>	<u>\$ 148</u>	<u>\$ 1,170,362</u>	<u>\$ -0-</u>	<u>\$ 26,598,927</u>	<u>\$ 26,598,927</u>	
Total Primary Government	<u>\$ 132,275,834</u>	<u>\$ 76,295,247</u>	<u>\$ 4,644,037</u>	<u>\$ 1,571,070</u>	<u>(\$ 76,364,407)</u>	<u>\$ 26,598,927</u>	<u>(\$ 49,765,480)</u>	
COMPONENT UNIT								
Development Corporation	<u>\$ 9,173,729</u>	<u>\$ 103,989</u>	<u>\$ -0-</u>	<u>\$ -0-</u>				(\$ 9,069,740)
Total Component Unit	<u>\$ 9,173,729</u>	<u>\$ 103,989</u>	<u>\$ -0-</u>	<u>\$ -0-</u>				(\$ 9,069,740)
General Revenue								
Taxes								
		Property Taxes - General Levy			\$ 34,485,763	\$ -0-	\$ 34,485,763	\$ -0-
		Property Taxes - Debt Service Levy			4,749,309	-0-	4,749,309	-0-
		Sales Taxes			19,962,832	-0-	19,962,832	10,096,924
		Franchise Taxes			4,232,646	-0-	4,232,646	-0-
		Motel Taxes			2,962,173	-0-	2,962,173	-0-
		Mixed Drink Taxes			399,016	-0-	399,016	-0-
		Bingo Taxes			44,149	-0-	44,149	-0-
		Grants and Contributions Not Restricted to Specific Programs				-0-	-0-	-0-
		Penalty, Interest and Fees, and Delinquent Taxes			778,519	-0-	778,519	-0-
		Unrestricted Investment Earnings			6,604,710	(2,034,103)	4,570,607	462,988
		Miscellaneous			3,614,062	-0-	3,614,062	-0-
		Gain (Loss) on Sale of Capital Assets			(19,527)	993,389	973,862	(182,920)
Transfers					7,096,796	(7,096,796)	-0-	-0-
Total General Revenue and Transfers					<u>\$ 84,910,448</u>	<u>(\$ 8,137,510)</u>	<u>\$ 76,772,938</u>	<u>\$ 10,376,992</u>
Change in Net Position					<u>\$ 8,546,041</u>	<u>\$ 18,461,417</u>	<u>\$ 27,007,458</u>	<u>\$ 1,307,252</u>
Net Position - Beginning								
Net Position - Ending					(54,146,425)	230,056,396	175,909,971	19,853,708
					(\$ 45,600,384)	\$ 248,517,813	\$ 202,917,429	\$ 21,160,960

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Balance Sheet - Governmental Funds

As of September 30, 2019

	General	Capital Improvement Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 17,424,376	\$ 4,606,095	\$ -0-	\$ 841,523	\$ 22,871,994
Investments	19,884,038	21,822,865	-0-	1,099,431	42,806,334
Receivables:					
Accrued Interest	113,809	112,097	11,721	150,066	387,693
Property Taxes	1,187,159	-0-	186,295	360,139	1,733,593
Accounts	6,580,813	-0-	-0-	368,242	6,949,055
Less: Allowance for Uncollectible	(3,156,985)	-0-	-0-	(11,886)	(3,168,871)
Due from Other Funds	7,786,473	-0-	-0-	-0-	7,786,473
Due from Other Governments	3,371,296	-0-	-0-	1,147,616	4,518,912
Inventories	37,304	-0-	-0-	-0-	37,304
Prepays	6,018	-0-	-0-	-0-	6,018
Restricted Assets:					
Cash and Cash Equivalents	-0-	-0-	-0-	3,091,767	3,091,767
Investments	-0-	-0-	1,743,228	15,156,266	16,899,494
Total Assets	<u>\$ 53,234,301</u>	<u>\$ 26,541,057</u>	<u>\$ 1,941,244</u>	<u>\$ 22,203,164</u>	<u>\$ 103,919,766</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	\$ 3,467,837	\$ 262,517	\$ -0-	\$ 475,835	\$ 4,206,189
Due to Other Funds	-0-	-0-	1,340,364	233,309	1,573,673
Due to Other Governments	78,181	-0-	-0-	-0-	78,181
Unearned Revenue	86,250	-0-	-0-	-0-	86,250
Deposits	221,345	-0-	-0-	1,700	223,045
Total Liabilities	<u>\$ 3,853,613</u>	<u>\$ 262,517</u>	<u>\$ 1,340,364</u>	<u>\$ 710,844</u>	<u>\$ 6,167,338</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	\$ 1,002,251	\$ -0-	\$ 94,160	\$ -0-	\$ 1,096,411
Unavailable Revenue - Street Pavement	55,971	-0-	-0-	-0-	55,971
Total Deferred Inflows of Resources	<u>\$ 1,058,222</u>	<u>\$ -0-</u>	<u>\$ 94,160</u>	<u>\$ -0-</u>	<u>\$ 1,152,382</u>
FUND BALANCES					
Nonspendable	\$ 43,322	\$ -0-	\$ -0-	\$ 15,748,208	\$ 15,791,530
Restricted	1,773,777	-0-	-0-	4,315,087	6,088,864
Committed	181,062	26,278,540	506,720	1,475,930	28,442,252
Assigned	-0-	-0-	-0-	-0-	-0-
Unassigned (Deficit)	46,324,305	-0-	-0-	(46,905)	46,277,400
Total Fund Balances	<u>\$ 48,322,466</u>	<u>\$ 26,278,540</u>	<u>\$ 506,720</u>	<u>\$ 21,492,320</u>	<u>\$ 96,600,046</u>

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Balance Sheet - Governmental Funds

As of September 30, 2019

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEETS TO THE STATEMENT OF NET POSITION

Total Fund Balance, Governmental Funds	\$	96,600,046
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds, net of accumulated depreciation of \$83,136,026 and less internal service fund net position of \$881,546		82,254,480
Certain other deferred outflows are not available in the current period, and therefore, are deferred in the funds		3,352,279
Certain long-term liabilities are not due and payable from current financial resources and, therefore, are not reported in the funds:		
Accrued interest payable	(	564,558)
Revenue bonds payable	(	64,325,000)
Notes payable	(	1,179,000)
Unamortized debt discount	(	3,880,128)
Accrued compensated absences	(	11,696,073)
Unfunded OPEB obligation	(	76,070,100)
Net pension obligation (and related deferrals, net)	(	67,676,177)
Internal service funds are used by management to charge costs of certain activities that benefit multiple funds, such as self-insurance, vehicle maintenance, and other such costs, to individual funds. The assets and liabilities of certain of these internal service funds are reported in governmental activities in the Statement of Net Position:		
Internal service funds' net position	(	2,416,153)
Net Position of Governmental Activities	(\$	45,600,384)

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds

For the Year Ended September 30, 2019

	General	Capital Improvement Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property	\$ 34,290,832	\$ -0-	\$ 4,749,309	\$ 865,793	\$ 39,905,934
Sales	19,962,832	-0-	-0-	-0-	19,962,832
Franchise	4,232,646	-0-	-0-	-0-	4,232,646
Motel	-0-	-0-	-0-	2,962,173	2,962,173
Mixed Drink	399,016	-0-	-0-	-0-	399,016
Bingo	44,149	-0-	-0-	-0-	44,149
Licenses and Permits	922,653	-0-	-0-	91,645	1,014,298
Intergovernmental	2,130,404	-0-	-0-	3,291,280	5,421,684
Charges for Services	9,714,016	-0-	-0-	203,436	9,917,452
Fines and Forfeits	3,088,295	-0-	-0-	-0-	3,088,295
Investment Income:					
Interest	1,009,086	853,516	83,339	407,008	2,352,949
Change in Fair Value of Investments	4,040,924	744,122	(240,851)	(95,794)	4,448,401
Miscellaneous:					
Gifts and Contributions	47,698	-0-	-0-	296,555	344,253
Program Income	-0-	-0-	-0-	2,533	2,533
Other Miscellaneous	990,378	-0-	2,499,452	124,232	3,614,062
Total Revenues	<u>\$ 80,872,929</u>	<u>\$ 1,597,638</u>	<u>\$ 7,091,249</u>	<u>\$ 8,148,861</u>	<u>\$ 97,710,677</u>
EXPENDITURES					
Current:					
General Government	\$ 10,429,050	\$ -0-	\$ -0-	\$ -0-	\$ 10,429,050
Public Safety	42,620,777	10,000	-0-	508,535	43,139,312
Public Works and Transportation	10,957,043	-0-	-0-	356,930	11,313,973
Public Facilities	1,033,854	-0-	-0-	-0-	1,033,854
Health and Human Services	1,613,625	-0-	-0-	1,646,462	3,260,087
Culture, Parks and Recreation	6,012,501	-0-	-0-	1,105,554	7,118,055
Economic Development	-0-	-0-	-0-	831,623	831,623
Urban Redevelopment and Housing	-0-	-0-	-0-	938,963	938,963
Total Current Expenditures	<u>\$ 72,666,850</u>	<u>\$ 10,000</u>	<u>\$ -0-</u>	<u>\$ 5,388,067</u>	<u>\$ 78,064,917</u>
Capital Outlay	5,074,661	5,748,695	-0-	639,135	11,462,491
Debt Service:					
Principal	-0-	-0-	4,945,000	107,000	5,052,000
Interest and Fiscal Charges	-0-	-0-	2,467,252	37,153	2,504,405
Total Expenditures	<u>\$ 77,741,511</u>	<u>\$ 5,758,695</u>	<u>\$ 7,412,252</u>	<u>\$ 6,171,355</u>	<u>\$ 97,083,813</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 3,131,418</u>	<u>(\$ 4,161,057)</u>	<u>(\$ 321,003)</u>	<u>\$ 1,977,506</u>	<u>\$ 626,864</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	\$ 9,483,086	\$ -0-	\$ 200,000	\$ 1,523,406	\$ 11,206,492
Proceeds from Sale of Capital Assets	43	-0-	-0-	76,469	76,512
Transfers Out	(2,134,615)	-0-	-0-	(2,730,538)	(4,865,153)
Total Other Sources (Uses)	<u>\$ 7,348,514</u>	<u>\$ -0-</u>	<u>\$ 200,000</u>	<u>(\$ 1,130,663)</u>	<u>\$ 6,417,851</u>
Net Change in Fund Balances	<u>\$ 10,479,932</u>	<u>(\$ 4,161,057)</u>	<u>(\$ 121,003)</u>	<u>\$ 846,843</u>	<u>\$ 7,044,715</u>
Fund Balances - Beginning, as Previously Stated	54,104,239	14,177,892	627,723	20,645,477	89,555,331
Restatement of Beginning Fund Balance	(16,261,705)	16,261,705	-0-	-0-	-0-
Fund Balances - Ending	<u>\$ 48,322,466</u>	<u>\$ 26,278,540</u>	<u>\$ 506,720</u>	<u>\$ 21,492,320</u>	<u>\$ 96,600,046</u>

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds

For the Year Ended September 30, 2019

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Total Governmental Funds	\$	7,044,715
Amounts reported for governmental activities in the Statement of Net Activities are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Capital asset purchases		10,053,519
Depreciation expense	(	7,397,611)
Capital assets disposals	(	56,125)
Governmental funds report bond issuance costs as expenditures and bond premiums as revenue while governmental activities report amortization and interest expense to allocate those expenditures over the term of the bonds:		
Amortization expense	(	245,861)
Interest expense		22,408
Governmental funds report revenue not collected within the availability period as Unavailable Revenue, but on the Statement of Activities these revenues are recognized and the deferred inflow of resources is eliminated:		
Property taxes		107,656
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:		
Revenue bond principal payment		4,945,000
Note payable principal payment		107,000
Revenue bond premium		631,103
Some expenses reported in the Statement of Activities do not require the use of current financial resources, and these are not reported as expenditures in governmental funds:		
Change in compensated absences		809,817
Change in total OPEB liability		2,337,237
Change in net pension liability	(	6,454,631)
The internal service funds are used by management to charge the costs of fleet management and risk management to individual funds. The net revenue of certain activities of internal service funds is reported in the governmental activities.		
	(	3,358,186)
Change in Net Position of Governmental Activities	\$	<u>8,546,041</u>

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Net Position - Proprietary Funds

As of September 30, 2019

	Business-type Activities - Enterprise Funds				Governmental	
	Water	Sewer	Other Enterprise Funds	Total	Activities - Internal Service Funds	
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 7,465,729	\$ 2,833,370	\$ 5,406,406	\$ 15,705,505	\$	3,897,657
Investments	10,608,565	9,766	5,762,941	16,381,272		2,054,626
Receivables:						
Accrued Interest	97,713	59,986	59,891	217,590		7,828
Accounts Receivable	7,584,074	2,990,856	1,738,667	12,313,597		207,517
Less: Allowance for Uncollectibles	(1,645,897)	(470,973)	(80,064)	(2,196,934)	(	34,931)
Due From Other Governments	-0-	-0-	65,116	65,116		-0-
Inventories	468,262	60,054	-0-	528,316		51,237
Restricted Assets:						
Cash and Cash Equivalents	-0-	7,525,301	5,147,448	12,672,749		-0-
Investments	13,934,006	11,880,398	569,430	26,383,834		-0-
Closure and Post-Closure Trust Fund	-0-	-0-	5,929,648	5,929,648		-0-
Total Current Assets	\$ 38,512,452	\$ 24,888,758	\$ 24,599,483	\$ 88,000,693	\$	6,183,934
Noncurrent Assets:						
Capital Assets:						
Land	\$ 45,600,280	\$ 3,781,119	\$ 3,084,627	\$ 52,466,026	\$	-0-
Buildings	9,301,952	240,039	31,048,755	40,590,746		390,269
Improvements Other Than Buildings	14,248,735	10,089,039	18,206,201	42,543,975		5,303,405
Infrastructure	212,519,913	71,894,920	19,207,178	303,622,011		-0-
Machinery and Equipment	11,936,919	11,987,342	5,848,599	29,772,860		9,779,243
Water Rights	36,950,835	-0-	-0-	36,950,835		-0-
Construction in Progress	6,406,401	4,917,039	3,907,552	15,230,992		-0-
Less: Accumulated Depreciation	(79,860,497)	(50,047,974)	(51,522,705)	(181,431,176)	(	14,591,371)
Net Capital Assets	\$ 257,104,538	\$ 52,861,524	\$ 29,780,207	\$ 339,746,269	\$	881,546
Total Noncurrent Assets	\$ 257,104,538	\$ 52,861,524	\$ 29,780,207	\$ 339,746,269	\$	881,546
Total Assets	\$ 295,616,990	\$ 77,750,282	\$ 54,379,690	\$ 427,746,962	\$	7,065,480
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Charges	\$ -0-	\$ 463,258	\$ -0-	\$ 463,258	\$	-0-
Deferred Amounts Related to Pensions	1,691,264	773,027	764,530	3,228,821		550,421
Deferred Amounts Related to OPEB	-0-	73,645	-0-	73,645		39,932
Total Deferred Outflows of Resources	\$ 1,691,264	\$ 1,309,930	\$ 764,530	\$ 3,765,724	\$	590,353
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 1,657,484	\$ 348,296	\$ 1,338,563	\$ 3,344,343	\$	337,363
Accrued Interest Payable	156,857	51,585	5,617	214,059		-0-
Due to Other Funds	-0-	-0-	5,384,423	5,384,423		828,377
Deposits	1,469,220	-0-	-0-	1,469,220		-0-
Noncurrent Liabilities Due Within One Year	9,080,684	3,290,743	224,042	12,595,469		1,380,073
Total Current Liabilities	\$ 12,364,245	\$ 3,690,624	\$ 6,952,645	\$ 23,007,514	\$	2,545,813
Noncurrent Liabilities:						
Net Pension Liability	\$ 5,744,501	\$ 2,134,103	\$ 2,241,394	\$ 10,119,998	\$	1,522,915
Total OPEB Liability	7,521,710	3,284,443	1,855,490	12,661,643		3,609,724
Noncurrent Liabilities Due After One Year	117,877,272	13,171,013	5,321,938	136,370,223		2,228,976
Total Noncurrent Liabilities	\$ 131,143,483	\$ 18,589,559	\$ 9,418,822	\$ 159,151,864	\$	7,361,615
Total Liabilities	\$ 143,507,728	\$ 22,280,183	\$ 16,371,467	\$ 182,159,378	\$	9,907,428
DEFERRED INFLOWS OF RESOURCES						
Deferred Revenue	\$ 131,525	\$ -0-	\$ -0-	\$ 131,525	\$	-0-
Deferred Amounts Related to Pensions	198,899	110,775	171,047	480,721		157,322
Deferred Amounts Related to OPEB	162,597	-0-	60,652	223,249		7,236
Total Deferred Inflows of Resources	\$ 493,021	\$ 110,775	\$ 231,699	\$ 835,495	\$	164,558
NET POSITION						
Net Investment in Capital Assets	\$ 134,925,681	\$ 36,675,527	\$ 29,359,367	\$ 200,960,575	\$	881,546
Restricted for:						
Debt Service	11,509,597	7,320,949	-0-	18,830,546		-0-
Asset Construction and Acquisition	2,500,000	-0-	-0-	2,500,000		-0-
Passenger Facility Charges	-0-	-0-	1,455,906	1,455,906		-0-
Landfill Closure and Post-Closure	-0-	-0-	5,929,648	5,929,648		-0-
Unrestricted (Deficit)	4,372,227	12,672,778	1,796,133	18,841,138	(	3,297,699)
Total Net Position	\$ 153,307,505	\$ 56,669,254	\$ 38,541,054	\$ 248,517,813	(	2,416,153)

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds

For the Year Ended September 30, 2019

	Business-type Activities - Enterprise Funds				Governmental
			Other		Activities -
	Water	Sewer	Enterprise	Total	Internal
			Funds		Service Funds
OPERATING REVENUES					
Charges for Sales and Services:					
Pledged for Payment of Revenue Bonds:					
Water Sales	\$ 34,000,289	\$ -0-	\$ -0-	\$ 34,000,289	\$ -0-
Sewer Service	-0-	16,383,726	-0-	16,383,726	-0-
Stormwater Fee	-0-	-0-	2,792,591	2,792,591	-0-
Solid Waste Service	-0-	-0-	1,972,294	1,972,294	-0-
Rents, Leases, and Fees	633,400	192,171	1,230,022	2,055,593	-0-
Billing and Collection	1,893,852	-0-	-0-	1,893,852	-0-
Paving Cuts, Taps, and Connections	351,819	72,026	-0-	423,845	-0-
Other	87,000	12,686	17,665	117,351	-0-
Unpledged:					
Rents, Leases, and Fees	-0-	-0-	1,635,190	1,635,190	-0-
Sales and Service	-0-	-0-	-0-	-0-	15,503,097
Other	-0-	-0-	276,600	276,600	346,519
Total Operating Revenues	\$ 36,966,360	\$ 16,660,609	\$ 7,924,362	\$ 61,551,331	\$ 15,849,616
OPERATING EXPENSES					
Cost of Sales and Services	\$ 5,983,392	\$ 4,699,111	\$ 5,545,278	\$ 16,227,781	\$ 16,257,522
Administrative	5,847,248	-0-	6,906	5,854,154	-0-
Depreciation	4,193,409	3,275,712	2,819,358	10,288,479	3,632,167
Total Operating Expenses	\$ 16,024,049	\$ 7,974,823	\$ 8,371,542	\$ 32,370,414	\$ 19,889,689
Operating Income (Loss)	\$ 20,942,311	\$ 8,685,786	(\$ 447,180)	\$ 29,180,917	(\$ 4,040,073)
NONOPERATING REVENUES (EXPENSES)					
Interest	\$ 501,402	\$ 463,151	\$ 409,308	\$ 1,373,861	\$ 87,235
Change in Fair Value of Investments	(890,271)	(1,642,790)	(874,905)	(3,407,966)	(283,875)
Interest Expense and Fiscal Agent Fees	(3,170,675)	(566,032)	(15,791)	(3,752,498)	-0-
Gain on Sale of Capital Assets	841,629	151,760	-0-	993,389	-0-
Total Nonoperating Revenues (Expenses)	(\$ 2,717,915)	(\$ 1,593,911)	(\$ 481,388)	(\$ 4,793,214)	(\$ 196,640)
Income (Loss) Before Contributions and Transfers	\$ 18,224,396	\$ 7,091,875	(\$ 928,568)	\$ 24,387,703	(\$ 4,236,713)
CONTRIBUTIONS AND TRANSFERS					
Contributions:					
Federal Grants	\$ 148	\$ -0-	\$ 1,163,654	\$ 1,163,802	\$ -0-
Capital Contributions	-0-	-0-	6,708	6,708	123,070
Total Contributions	\$ 148	\$ -0-	\$ 1,170,362	\$ 1,170,510	\$ 123,070
Transfers In	1,643,330	373,534	95,000	2,111,864	770,525
Transfers Out	(4,908,442)	(3,177,856)	(1,122,362)	(9,208,660)	(15,068)
Total Contributions and Transfers	(\$ 3,264,964)	(\$ 2,804,322)	\$ 143,000	(\$ 5,926,286)	\$ 878,527
Change in Net Position	\$ 14,959,432	\$ 4,287,553	(\$ 785,568)	\$ 18,461,417	(\$ 3,358,186)
Net Position - Beginning	138,348,073	52,381,701	39,326,622	230,056,396	942,033
Net Position - Ending	\$ 153,307,505	\$ 56,669,254	\$ 38,541,054	\$ 248,517,813	(\$ 2,416,153)

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Cash Flows - Proprietary Funds

For the Year Ended September 30, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Other Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received From Customers	\$ 38,544,008	\$ 16,691,184	\$ 7,587,325	\$ 62,822,517	\$ -0-
Cash Received From Other Governments	-0-	-0-	148,640	148,640	-0-
Cash Payments to Other Funds	-0-	(4,596,874)	-0-	(4,596,874)	-0-
Cash Received From Other Funds for Interfund Services Provided	-0-	-0-	-0-	-0-	14,273,282
Cash Received From Reinsurance	-0-	-0-	-0-	-0-	1,597,828
Cash Received From Meter Deposits	193,035	-0-	-0-	193,035	-0-
Cash Paid to Suppliers for Goods and Services	(8,353,020)	(3,215,585)	(3,350,758)	(14,919,363)	(7,625,328)
Cash Paid for Insurance Claims and Premiums	-0-	-0-	-0-	-0-	(6,652,979)
Cash Paid for Employees' Services and Benefits	(5,047,584)	(2,027,015)	(2,317,156)	(9,391,755)	(1,623,872)
Interfund Receipts/Payments	-0-	-0-	(181,059)	(181,059)	-0-
Net Cash Provided (Used) by Operating Activities	<u>\$ 25,336,439</u>	<u>\$ 6,851,710</u>	<u>\$ 1,886,992</u>	<u>\$ 34,075,141</u>	<u>(\$ 31,069)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers In	\$ 1,643,330	\$ 373,534	\$ -0-	\$ 2,016,864	\$ 770,525
Transfers Out	(4,908,442)	(3,177,856)	(1,027,362)	(9,113,660)	(15,068)
Short-Term Interfund Loans Received	-0-	-0-	-0-	-0-	6,697
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(\$ 3,265,112)</u>	<u>(\$ 2,804,322)</u>	<u>(\$ 1,027,362)</u>	<u>(\$ 7,096,796)</u>	<u>\$ 762,154</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of Capital Assets	(\$ 4,345,527)	(\$ 3,107,899)	(\$ 1,147,605)	(\$ 8,601,031)	(\$ 52,282)
Principal Paid on Debt	(8,109,645)	(3,108,050)	(180,775)	(11,398,470)	-0-
Interest Paid on Debt	(3,163,529)	(705,908)	(20,418)	(3,889,855)	-0-
Cash Paid for Water Rights Obligation	(753,424)	-0-	-0-	(753,424)	-0-
Capital Grants Received	148	-0-	1,170,362	1,170,510	-0-
Net Cash Provided by Capital and Related Financing Activities	<u>(\$ 16,371,977)</u>	<u>(\$ 6,921,857)</u>	<u>(\$ 178,436)</u>	<u>(\$ 23,472,270)</u>	<u>(\$ 52,282)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Sale (Purchase) of Investments	(\$ 340,017)	(\$ 164,727)	(\$ 87,730)	(\$ 592,474)	(\$ 28,465)
Interest Received on Investments	479,178	442,622	396,324	1,318,124	84,103
Net Cash Provided (Used) by Investing Activities	<u>\$ 139,161</u>	<u>\$ 277,895</u>	<u>\$ 308,594</u>	<u>\$ 725,650</u>	<u>\$ 55,638</u>
Net Increase (Decrease) in Cash	\$ 5,838,511	(\$ 2,596,574)	\$ 989,788	\$ 4,231,725	\$ 734,441
Cash - Beginning	1,627,218	12,955,245	9,564,066	24,146,529	3,163,216
Cash - Ending	<u>\$ 7,465,729</u>	<u>\$ 10,358,671</u>	<u>\$ 10,553,854</u>	<u>\$ 28,378,254</u>	<u>\$ 3,897,657</u>
CASH ON STATEMENT OF NET POSITION					
Current Assets	\$ 7,465,729	\$ 2,833,370	\$ 5,406,406	\$ 15,705,505	\$ 3,897,657
Restricted Assets	-0-	7,525,301	5,147,448	12,672,749	-0-
Total	<u>\$ 7,465,729</u>	<u>\$ 10,358,671</u>	<u>\$ 10,553,854</u>	<u>\$ 28,378,254</u>	<u>\$ 3,897,657</u>

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Cash Flows - Proprietary Funds

For the Year Ended September 30, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Other Enterprise Funds	Total	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 20,942,311	\$ 8,685,793	(\$ 440,443)	\$ 29,187,661	(\$ 3,916,984)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Depreciation	4,193,409	3,275,712	2,819,358	10,288,479	3,632,167
(Increase) Decrease in:					
Accounts Receivable	1,593,969	30,574	14,430	1,638,973	53,073
Other Receivable	-0-	-0-	351,467	351,467	-0-
Due From Other Funds	-0-	4,596,874	-0-	4,596,874	-0-
Due From Other Governments	-0-	-0-	148,640	148,640	-0-
Inventories	27,487	8,919	-0-	18,568	12,846
Deferred Charges	(16,321)	-0-	-0-	16,321	-0-
Deferred Outflow Pension	(1,046,619)	(549,268)	(458,713)	(2,054,600)	(241,114)
Deferred Outflow OPEB	-0-	(73,645)	-0-	(73,645)	(34,687)
Increase (Decrease) in:					
Accounts Payable	(1,096,248)	(818,246)	(267,457)	(2,181,951)	(188,091)
Due To Other Funds	-0-	-0-	181,059	181,059	-0-
Due To Component Unit	-0-	-0-	1,741	1,741	-0-
Insurance Claims Payable	-0-	-0-	-0-	-0-	236,247
Total OPEB Liability	(588,690)	355,751	(232,248)	465,187	186,600
Net Pension Liability	1,819,139	856,036	713,471	3,388,646	474,159
Compensated Absences	19,758	(9,384)	46,929	57,303	71,535
Deferred Inflow OPEB	(242,536)	(146,295)	(43,636)	(432,467)	(139,335)
Deferred Inflow Pension	(462,255)	(149,525)	(111,811)	(723,591)	(177,485)
Landfill Postclosure Liability	-0-	-0-	229,257	229,257	-0-
Customer Deposits	193,035	-0-	-0-	193,035	-0-
Net Cash Provided (Used) by Operating Activities	<u>\$ 25,336,439</u>	<u>\$ 6,851,710</u>	<u>\$ 1,886,992</u>	<u>\$ 34,075,141</u>	<u>(\$ 31,069)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES					
Gain (Loss) on Disposal of Capital Assets	(\$ 841,629)	\$ 100,284	\$ -0-	(\$ 741,345)	\$ -0-
Amortization of Premiums and Discounts	\$ 7,146	(\$ 327,163)	(\$ 4,627)	(\$ 324,644)	\$ -0-
Change in Fair Value of Investments	(\$ 890,271)	(\$ 122,204)	(\$ 874,905)	(\$ 1,887,380)	(\$ 283,875)
Amortization of Loss on Refunding	\$ -0-	(\$ 26,452)	\$ -0-	(\$ 26,452)	\$ -0-
Transfer of Capital Assets	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Net Position - Fiduciary Funds

As of September 30, 2019

	Agency	
	CJC	
ASSETS		
Cash and Cash Equivalents	\$	346,475
Total Assets	\$	346,475
LIABILITIES		
Due to Other Governments	\$	346,475
Total Liabilities	\$	346,475

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of San Angelo, Texas (City) is a municipal corporation governed by an elected mayor and six-member council. The City provides services as authorized in its charter: public safety (police and fire), streets and bridges, sanitation, health and human services, water and sewer utilities, recreation, education, public improvements, planning and zoning, and general administrative services. The accompanying financial statements present the government and its component units, entities for which the government is financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

The City's financial statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent subsections of this note.

I.A. Financial Reporting Entity

In evaluating the City's financial reporting entity, management has considered all potential component units as required by GAAP. Organizations are included if the City is financially accountable for them, or the nature and significance of their relationship with the City are such that exclusion would cause the financial statements to be misleading or incomplete. Inclusion is determined based on the City's ability to exercise significant influence. Significant influence or accountability is based primarily on its operational or financial relationship with the City (as distinct from a legal relationship).

The City is financially accountable if it appoints a voting majority of an organization's governing body and is able to impose its will on that organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City. The City also is financially accountable if an organization is fiscally dependent on the City and potentially provides specific financial benefits to, or imposes specific financial burdens on the City.

Blended Component Units

Blended component units, although legally separate entities, are reported as part of the primary government because they meet the criteria above and are so intertwined with the City that they are, in substance, the same as the City. The blended component unit below is reported as part of the primary government:

Keep San Angelo Beautiful (KSAB) was created as a non-profit entity on August 21, 2018, and the City Council approved the by-laws and authorized funding for a period of three years beginning in 2019. After the third year, KSAB will be funded through other sources. The purpose of KSAB is to promote civic, cultural, and educational awareness through informed and active participation of citizens in making San Angelo cleaner, safer, and a more attractive place to visit, live, work, and play. Although it is legally separate from the City of San Angelo, the KSAB Board of Directors includes a City of San Angelo employee and councilmember. The City has financial accountability, and a financial benefit/burden relationship exists, which allows the City to impose its will. Therefore, KSAB has been blended in the City's basic financial statements as a nonmajor special revenue fund.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the GASB Statement No. 14 (as amended by Statement No. 61) component unit criteria but do not meet the criteria for blending. The City has one component unit that is discretely presented in the City's report as presented below. The component unit's rows and columns in the government-wide financial statements include the financial data of the City's component unit. It is reported in separate rows and columns to emphasize that it is legally separate from the City. The mayor and the City Council appoint the governing board of directors.

The City of San Angelo, Texas Development Corporation (Corporation) is a non-profit development corporation organized under the Texas Development Corporation Act of 1979, Article 5190.6, Vernon's Texas Revised Civil Statutes Annotated as amended (the Act) and is governed by Section 4B of the Act. The Corporation is governed by a seven-member board appointed by the City Council. Its purpose is to administer the type B Section 4B economic development sales tax approved by the City's voters. As stated in its Articles of Incorporation, the purpose of the Corporation is to promote community development within the

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

City and the State of Texas in order to improve the quality of life and the public welfare of, for, and on behalf of the City by developing, implementing, providing, and financing the projects allowed under Section 4B of the Act. The San Angelo City Council must approve all actions of the Corporation's board of directors. Subject to the limitations provided by the Texas Constitution, the laws of the state and the articles of incorporation, the City Council may, in its sole discretion, and at any time, alter or change the structure, organization, programs, or activities of the Corporation, and may terminate or dissolve the Corporation. If the Corporation should be dissolved, all interests it has, or is entitled to, in any funds or property of any kind shall be transferred and delivered to the City after satisfaction of all debts, claims, and contractual obligations. The Corporation does not publish any separately issued financial statements.

Related Organizations

The City Council is responsible for appointing the members of the boards of various organizations, but the City's accountability for those organizations does not extend beyond making the appointments. The City provides some funding to the Convention and Visitors Bureau.

I.B. Basis of Presentation

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Eliminations have been made to minimize the double reporting of transactions involving internal activities. Individual funds are not displayed in these statements. Instead, the statements distinguish between governmental and business-type activities. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other non-exchange revenues, are reported separately from *business-type activities*, which rely mostly on fees and charges for support. In addition, the primary government is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities reports the direct expenses of a given function offset by program revenues directly related to the function program. A function is an aggregation of similar activities and may include portions of a fund or summarize more than one fund to capture expenses and program revenues associated with a distinct functional activity. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: (a) charges to customers such as fines and forfeitures, fees for licenses, permits, and other user charges; (b) operating grants and contributions that are restricted to meeting the annual operating requirements of a particular function or segment; and (c) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Fiduciary funds are not included in the government-wide financial statements. An emphasis of the fund financial statements is placed on major governmental and enterprise funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements with composite columns for the aggregated remaining non-major funds. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a) Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b) Total assets, liabilities, revenues or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- c) A fund not meeting the criteria of (a) and (b); however, management has elected to report the fund as a major fund due to its significance to users of the financial statements.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

All remaining governmental and enterprise funds not meeting the above criteria are aggregated and reported as nonmajor funds.

I.C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and trust fund financial statements. Fiduciary funds do not have a measurement focus. Revenues are recorded when earned, and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Fiduciary funds are not included in the government-wide statements.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Because different measurement focuses and bases of accounting are used in the government-wide statement of net position and in governmental fund statements, amounts reported as restricted fund balances in governmental funds may be different from amounts reported as restricted net position in the statement of net position.

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

The agency fund, a fiduciary fund, has no measurement focus but utilizes the *accrual basis of accounting* for reporting its assets and liabilities. Fiduciary funds are not included in the government-wide financial statements.

The City reports the following major governmental funds:

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

The *capital improvement fund* accounts for the authorized expenditure of the proceeds of certificates of obligation.

The *debt service fund* accounts for the accumulation of resources and payment of principal and interest on general obligation bonds, certificates of obligation, and sales tax supported certificates of obligations. Resources are provided by an ad valorem tax levy and transfer of type B sales tax proceeds from the City of San Angelo Development Corporation.

The City also reports the following nonmajor governmental fund types and funds:

Special revenue funds account for specific revenues that are legally restricted, or designated by management, to expenditures for particular purposes. The City's nonmajor special revenue funds include:

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

- *Community Development fund* accounts for the expenditure of funds received from the U.S. Department of Housing and Urban Development under the Community Development Block Grant program.
- *Intergovernmental fund* accounts for the expenditure of various federal and state funds.
- *HOME Program fund* accounts for funds received from the U.S. Department of Housing and Urban Development under the HOME Investment Partnership program.
- *Designated Revenue fund* accounts for expenditure of funds contributed by San Angelo citizens for special purposes.
- *Tax Increment Reinvestment Zone fund* accounts for expenditure of funds received from ad valorem taxes derived from increments of growth in real property values in the Zone.
- *Keep San Angelo Beautiful fund* accounts for funds contributed by the City and San Angelo citizens.

Capital project funds account for the acquisition and construction of the government's major capital facilities, other than those financed by proprietary funds. The City's nonmajor capital project funds include:

- The *Sales Tax Projects fund* accounts for certificate of obligation proceeds to accomplish projects specified on the ballots in the elections adopting the type B economic development sales tax and projects allowed by Section 4B of the Development Corporation Act of 1979, as amended. The certificates are being retired with funds from the collection of the type B sales tax approved for the projects.

Permanent funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry. The City's nonmajor permanent funds are as follows:

- *Santa Fe Park Trust fund* accounts for trust principal and related investment income. Net earnings up to 7% can be paid to the City to be used for the upkeep and beautification of the park. Earnings in excess of 7% become part of principal.
- *Lake Nasworthy Trust fund* accounts for the trust principal and related investment income. Twenty percent of all lake lot lease income, the proceeds from the sale of lake lots, and 10% of the annual interest income are additions to principal. No portion of the principal shall be expended for any purpose unless authorized by a majority vote of the qualified voters of the City at an election held for that purpose. Ninety percent of the annual interest income may be used by the City to pay for lake and river improvements, services to enhance water recreation, and the elimination of related litter and pollution. A public hearing must be held on the purposed uses of interest income during the budget and budget amendment process.

Proprietary funds include both enterprise funds and internal service funds. *Enterprise funds* account for business-like activities provided to the general public. *Internal service funds* are used to account for business-like activities provided and charged to other funds or entities within the reporting entity.

The City reports two major enterprise funds:

- *Water fund* accounts for the operations of the water utility service. In addition, the operation of lake recreation facilities are accounted for in this fund, and billing and collection services are provided to other enterprise funds.
- *Sewer fund* accounts for the operation of the sewage collection and treatment system and leasing of the sewer farm.

The City reports the following four non-major enterprise funds:

- *State Office Building fund* accounts for the operation of a building, acquired and renovated, primarily to provide a facility for lease to the State of Texas in order for all state offices in San Angelo to be in one location.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

- *Airport fund* accounts for the operations of the municipal airport.
- *Solid waste fund* accounts for the City's portion of operating the landfill.
- *Stormwater fund* accounts for the operation of stormwater treatment and management.

Internal service funds account for fuel, oil, and the maintenance and upkeep on City and San Angelo Independent School District vehicles (vehicle maintenance fund); health claims services and medical costs for City employees and their dependents (employee/retiree health fund); insurance coverage for general and automobile liability and property damage for city property and vehicles (property and casualty insurance fund); workers compensation coverage for City employees (workers compensation insurance fund), and a city-wide radio communication system (communications fund), basically on a cost reimbursement basis, and provision of reserves for catastrophic claims in the insurance funds.

Fiduciary funds are used to account for assets held in a trust or agency capacity for others and, therefore, cannot be used to support the City's own programs. Fiduciary fund reporting focuses on net position and changes in net position. All fiduciary activities are reported only in the fund financial statements. The City reports the following fiduciary fund:

- *CJC Agency fund* is used to report resources held by the City in a purely custodial capacity (assets equal liabilities). The CJC fund accounts for the accumulation of fines and fees collected on behalf of the State of Texas.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water, sewer, and stormwater function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds report *operating* revenues and expenses and *non-operating* revenues and expenses separately. Operating revenues and expenses generally result from sales and services in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are reported as non-operating. Principal operating revenues include charges to customers for sales, services, and rentals. Other operating revenues include charges for paving cuts, taps, and connections intended to recover the cost of connecting new customers to the water and sewer systems. Operating expenses for enterprise funds and internal service funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for specified expenditures, the City's policy is to use restricted resources first, then unrestricted resources as needed. Within unrestricted resources, committed would be considered spent first (if available), followed by assigned (if available), and then unassigned amounts.

I.D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity

Cash and Cash Equivalents

For the purposes of financial reporting, "cash and cash equivalents" include all demand deposits, state-managed local government investment pools, and short-term investments with original maturities of three months or less when acquired.

Investments

Investments are reported at fair value. U.S. Treasury obligations are valued at the last reported sales price on a national exchange. State-managed local government investment pools (which are reported as "cash" due to their liquidity) operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940 and use amortized cost instead of market value to report net position to compute share prices. Accordingly, the fair value of the position in the pools is the same as the value of the shares. The State Comptroller of Public Accounts exercises oversight responsibility over the pools. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both pool participants and other persons who do not have a business relationship with the pools. The advisory board members

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

review the investment policy and management fee structure. Year to year changes in the fair value of investments are shown as an adjustment to investment income.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of inter-fund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Temporary fund overdrafts in the pooled cash account and certain year-end adjustments give rise to current interfund loans reported in the fund financial statements. Any residual balance outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

All accounts receivables are shown net of an allowance for uncollectibles.

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

The City’s property taxes are due October 1 and become delinquent after January 31. No split payments or discounts are allowed. Penalties and Interest: (a) a delinquent tax incurs a penalty of 6% of the amount of the tax for the first calendar month it is delinquent, plus one percent for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. However, a tax on July 1 incurs a total penalty of 12% of the amount of the delinquent tax without regard to the number of months the tax has been delinquent; (b) a delinquent tax accrues interest at a rate of one percent for each month or portion of a month the tax remains unpaid; and an additional penalty up to a maximum of 15% of taxes, penalty, and interest may be imposed to defray costs of collection for taxes delinquent after July 1.

Inventories

Inventories of the governmental funds are valued on the basis of weighted average cost. Inventories are recorded as expenditures when consumed rather than when purchased.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Restricted Assets

Certain governmental fund assets are classified as restricted on the balance sheets and statement of net position because their use is limited by legal or contractual requirements and terms of trust agreements. These include funds restricted for debt service, park upkeep, and river and lake improvements.

Also, certain proceeds of enterprise funds’ revenue bonds, as well as certain other resources set aside for their repayment and other purposes, are classified as restricted assets on the statements of net position because their use is limited by applicable bond covenants and contract agreements. These include assets for bond debt service, water purchase contract obligations, construction with bond proceeds, asset renewals and replacements, and water supply development.

Capital Assets

The accounting treatment of property, plant, and equipment (capital assets) and water rights (intangible assets) depends on whether the assets are used in governmental fund type or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

In the government-wide financial statements, property, plant, and equipment and intangible assets are accounted for as capital assets. The City’s policy is to capitalize and depreciate all capital assets with an initial, individual cost of \$5,000 or more and an estimated life in excess of two years. Assets not meeting the capitalization policy are controlled by division or department heads. Normal maintenance and repair costs that do not add to the asset values or materially extend the useful lives are not capitalized. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their acquisition value at the date of donation. Infrastructure capital assets,

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, water system, sewer system, and airport paving are capitalized and depreciated. Interest costs, net of interest earned on any invested capital debt proceeds, are capitalized when incurred by proprietary funds.

Depreciation of all exhaustible capital assets is recorded as an operating expense in proprietary fund financial statements and as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation in the government-wide statements and the proprietary funds statements is provided using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	10 – 50 years
Improvement Other Than Buildings	8 – 20 years
Infrastructure	15 – 50 years
Machinery and Equipment	3 – 20 years

When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

In the governmental fund financial statements, capital assets are accounted for as capital outlay expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditures) until then. The government currently recognizes amounts from pension and amounts related to refunding of debt. The deferred charge on refunding is reported in the government-wide statement of net position and the proprietary fund statement. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

City employees, employed before October 1, 2001, earn vacation and sick leave, each at the rate of 1-1/4 working days per month (3 weeks per year). Employees hired on or after October 1, 2001 earn vacation at the rate of 5/6 of a working day per month (2 weeks per year) for the first 5 years, and thereafter at the same rate as pre-October 1, 2001 hires. Accumulation of vacation is limited to 30 working days, and accumulation of sick leave is unlimited. Employees vest in accumulated sick leave after three years of employment. Terminal benefit payoffs are limited to 30 working days for unused vacation and 90 working days for unused vested sick leave. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Liabilities related to proprietary funds are recognized within each of those funds' financial statements and the government-wide statement of net position.

Long-term Obligations

In the government-wide financial statements and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount and deferred amounts on refundings. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the San Angelo Firemen's Relief and Retirement Fund (SFRRF) and the Texas Municipal Retirement System (TMRS) and additions to/deductions from SFRRF and TMRS fiduciary net position have been determined on the same basis as they are reported by SFRRF and TMRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Plans

Effective October 1, 2017, the City implemented Governmental Accounting Standards Board (GASB) statement number 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pension Plans. This statement replaces GASB statements 45, as amended, and 57. The statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures for other post employment benefits (OPEB). It also includes note disclosure and required supplementary information requirements for OPEB plans.

Arbitrage Rebate to the U.S. Treasury

Under U.S. Treasury Department Regulations, all governmental tax-exempt debt issued after August 31, 1986, is subject to arbitrage rebate requirements. The requirements stipulate, in general, that the earnings from the investment of tax-exempt bond proceeds, which exceed related interest expenditures on the bonds, must be remitted to the Federal government on every fifth anniversary of each bond issue.

Since the rules governing arbitrage on tax-exempt debt and the calculation of the rebate are complex, the City has retained a professional consultant to calculate any tentative arbitrage rebate due to the U.S. Treasury Department, which was \$-0- on September 30, 2019. Unless the City is likely to meet any of the exceptions enumerated in the tax law, a liability is reported in the financial statements for the tentative rebate. The liability is reported in the government-wide statement of net position for invested proceeds of capital projects funds. The liability is reported in the applicable proprietary fund financial statement and the government-wide statement of net position for invested proceeds of that fund. Changes in the liability from year to year are reflected as an adjustment to investment income.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Equity

In the government-wide and proprietary fund financial statements, equity is classified as net position and is displayed in three components:

- Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and is reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position – Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

- Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the government-wide financial statements and the proprietary funds financial statements, restrictions of net position are reported for amounts legally or contractually segregated for specific future uses. Net position restricted for Passenger Facility Charges and Economic Development are restricted by enabling legislation.

In the fund financial statements, governmental funds report fund balance into classifications that comprise a hierarchy based on the extent to which the City is bound to honor constraints on the specific purpose for which amount in those funds can be spent. The classifications of fund balance are Nonspendable, Restricted, Committed, Assigned, and Unassigned.

Nonspendable fund balances include amounts that cannot be spent because it is not in a spendable form, such as inventory or prepaid items or because resources legally or contractually must remain intact.

Restricted fund balances are the portion of fund balance that have externally enforceable limitations on their usage through legislation or limitations imposed by creditors, grantors, laws and regulations of other governments, or enabling legislation.

Committed fund balances are self-imposed limitations by the highest level of decision-making authority, namely, the Mayor and City Council prior to the end of the reporting period through ordinance. The Mayor and City Council approval is required to commit resources or to rescind the commitment.

Assigned fund balances are limitations imposed by management based on the intended use of the funds. Assignments of fund balance may be made by City Council action or management decision when the City Council has delegated that authority. The City Manager is the official who is granted this authority by a vote of the City Council. Assignments for transfers and interest income for governmental funds are made through the budgetary process. Modifications or rescissions of the constraints can also be removed by the same action that limited the funds.

Unassigned fund balances represent the residual net resources in excess of the other classifications. The General Fund is the only fund that can report a positive unassigned fund balance and any governmental fund can report a negative unassigned fund balance.

When both restricted and unrestricted resources are available for specified expenditures, restricted resources are considered spent before unrestricted resources. Within unrestricted resources, committed would be considered spent first (if available), followed by assigned (if available), and then unassigned amounts.

I.E. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide financial statements, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

- Internal balances – Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
- Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide statement of activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers-Internal Activities. The effects of interfund services between funds are not eliminated in the statement of activities.
- Primary government and component unit activity and balances – Resource flows between the primary government and the discretely presented component units are reported as if they were external transactions.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Fund Financial Statements

Interfund activity, if any, within and among the governmental, proprietary fund, and fiduciary categories is reported as follows in the fund financial statements:

- Interfund loans – Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
- Interfund services – Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
- Interfund reimbursements – Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
- Interfund transfers – Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

I.F. Revenues, Expenditures, and Expenses

Charges to Other Funds

Charges for services provided and used between funds are accounted for as revenues and expenditures or expenses. These include charges to other funds by the general fund for administration and investment management; charges by self-insurance internal service funds to other funds for health, general and auto liability, and workers compensation; and charges by the vehicle maintenance internal service fund and communications fund to other funds.

Property Tax Revenues

Property tax revenues are recognized in governmental fund financial statements when they become available. Available means collected within the current period and the amount expected to be collected soon after year-end to pay liabilities of the current period not to exceed 60 days. The balance of uncollected taxes, in excess of that recognized as revenues, is recorded as deferred revenue. In the government-wide financial statements, property tax revenues are recognized in the fiscal year for which they are levied.

The City's property tax is levied and becomes a lien each October 1 on 100 percent of assessed value listed for all real and personal property located in the City as of the prior January 1. Taxes become delinquent on January 31 following the October 1 levy date.

Collections on the current levy normally average about 95% to 99%. The City is permitted by Article II, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. Assessed values are established by the Tom Green County Appraisal District and certified by the Appraisal Review Board. The Appraisal District is required under the Property Tax Code to assess all property within the Appraisal District based on 100 percent of its value and is prohibited from applying any assessment ratios. The value of property within the Appraisal District must be reviewed every four years; however, the City may at its own expense, require annual reviews of appraised values. The City may challenge appraised values established by the Appraisal District through various appeals, and if necessary, legal action. Under this legislation, the City continues to set tax rates on City property. However, if the effective tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements, exceeds the rate for the previous year by more than 8 percent, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than 8 percent above the calculated tax rate of the previous year levy and the current year valuation. As of January 1, 2020, SB2/HB2, the Texas Property Tax Reform and Transparency Act of 2019, reduces the 8% to 3.5%.

Sales Tax

The City levies a one and one half cent sales tax on taxable sales within the City. The sales tax is collected by the Texas State Comptroller and remitted to the City in the second month following receipt by the State Comptroller. The sales tax is recorded as follows:

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

- 1 cent recorded as revenue within the General Fund and then transferred throughout various funds to account for operations and facility improvements as recommended by the City Council.
- ½ cent recorded as revenue within the Development Corporation Fund that is primarily invested in various new economic development initiatives and in efforts to retain existing businesses. Amounts are also transferred to various funds to account for improvements to park and building facilities; housing assistance programs; recreation funding; infrastructure relating to the development of water supply, water purchase, water rights purchase, and/or water capital improvements; and civic events as recommended to the City Council by the Capital Improvement Plan.

Expenditures and Expenses

In the government-wide statement of activities, expenses, including depreciation of capital assets, are reported by function or activity. In the governmental fund financial statements, expenditures are reported by class as current (further reported by function), capital outlay and debt service. In the proprietary fund financial statements, expenses are reported by object or activity. Fiduciary funds report additions and deductions to net position.

I.G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds' balance sheet includes a reconciliation between *total fund balances – governmental funds* and *net position of governmental activities* as reported in the government-wide statement of net position. The governmental funds' statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *total net change in fund balances – governmental funds* and *change in net position of governmental activities* as reported in the government-wide statement of activities. One element of both reconciliations explains, "various reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting." The details of these differences are sufficiently described in the reconciliations; therefore, no additional disclosure is required.

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local governmental unit, the City and its component units are subject to various federal, state, and local laws and contractual regulations.

III.A. Deficit Fund Balances or Net Position

The Fairmount Cemetery Fund, a general fund account, had a deficit fund balance of \$20,473 as of September 30, 2019. The Workers' Compensation Insurance Fund, an internal service fund, had a deficit fund balance of \$784,786 as of September 30, 2019. The Communications Fund, an internal service fund, had a deficit fund balance of \$278,367 as of September 30, 2019. The Vehicle Maintenance Fund, an internal service fund, had a deficit fund balance of \$1,957,003 as of September 30, 2019.

III.B. Deposits and Investments Requirements

Custodial Credit Risk for Deposits

State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity of its agent.

Since the City complies with this law, it has no substantial custodial credit risk for deposits.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Compliance with the Public Funds Investment Act

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires a governmental entity to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for CDs.

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

The City's investment policy authorizes investment in fully insured or collateralized certificates of deposit; obligations of the United States, its agencies, and instrumentalities; fully collateralized repurchase agreements; constant dollar local government investment pools (LGIPs); and SEC registered money market mutual funds, as allowed by state law (Texas Government Code 2256, Public Funds Investment Act).

IV. DETAIL NOTES – TRANSACTIONS CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, deferred outflows, liabilities, deferred inflows, equity, revenues, and expenditures/expenses.

IV.A. Deposit and Investment Risks

As of September 30, 2019, the City of San Angelo held the following investments. The carrying and fair value amounts are the same.

Primary Government

Reported in Investments:	Hierarchy	Credit Rating	Fair Value	Maturities in Years		
				< than 1 Year	1 to 2 Years	2+ Years
U.S. Agencies:						
FRMAC	1	AAA	\$ 7,765,094	\$ 2,749,612	\$ 5,015,482	\$ -0-
FFCB	1	AAA	35,034,393	9,544,186	25,490,207	-0-
FHLB	1	AAA	39,489,522	26,286,458	13,203,064	-0-
FHLMC	1	AAA	11,745,515	5,245,485	6,500,030	-0-
FNMA	1	AAA	10,491,036	9,493,093	997,943	-0-
Total Reported in Investments			<u>\$ 104,525,560</u>	<u>\$ 53,318,834</u>	<u>\$ 51,206,726</u>	<u>\$ -0-</u>

Investments on Statement of Net Position	Governmental	Business-type	Total
	Activities	Activities	
Current Investments	\$ 44,860,960	\$ 16,381,272	\$ 61,242,232
Restricted Investments	16,899,494	26,383,834	43,283,328
Total Investments	\$ 61,760,454	\$ 42,765,106	\$ 104,525,560

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs or quoted prices in markets that are not active; and Level 3 inputs are significant unobservable inputs (the City does not value any of its investments using Level 3 inputs).

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Because the investments are restricted by policy and state law to active secondary market, the market approach is being used for valuation. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities.

The exit or fair market prices used for these fair market valuations of the portfolio are all Level 1 except for commercial paper and represent unadjusted quoted prices in active markets for identical assets and liabilities that have been accessed at the measurement date. Commercial paper is priced at amortized cost. Although amortized cost may approximate fair market value, it does not meet the definition of a Level 1 asset as it is not a listed price or a broker quote in an active market, and therefore, is valued at Level 2.

Additional policies and contractual provisions governing deposits and investments for the City of San Angelo, Texas are specified below:

Credit Risk

The primary stated objective of the City of San Angelo's adopted Investment Policy is the safety of principal and avoidance of principal loss. Credit risk within the City's portfolio among the authorized investments approved by the City's adopted Investment Policy is represented only in time and demand deposits, repurchase agreements, local government pools, municipal debt, and money market mutual funds. All other investments are rated AAA, or equivalent, by at least one nationally recognized rating agency. Investments are made primarily in obligations of the U.S. Government, its agencies, or instrumentalities. State law and the City's adopted Investment Policies for the City and Lake Nasworthy requires a procedure to monitor and react to credit ratings and a requirement to verify FDIC insurance weekly.

State law and the City of San Angelo's adopted Investment Policy restricts both time and demand deposits, including certificates of deposit, to those banks doing business in the State of Texas and further requires full insurance and/or collateralization from these bank depositories. Depository certificates of deposit are limited to a stated maturity of one year. Collateral, with a 102% margin, is required, and collateral is limited to obligations of the U.S. Government, its agencies, or instrumentalities (with CMOs passing the bank test), or direct obligations of states, its subdivisions or agencies dual-rated at least A, or equivalent, as to investment quality by two nationally recognized securities rating organizations. Independent safekeeping of collateral is required outside the bank holding company with monthly reporting. Securities are priced at market on a daily basis as a contractual responsibility of the bank.

Brokered certificate of deposit securities must be from banks in the U.S. and fully insured by the FDIC. These are restricted to one year to stated maturity, and the City must verify FDIC status weekly. A procedure is included in the Investment Policy for action to be taken on mergers or acquisitions resulting in elimination of FDIC coverage.

Municipal Obligations must be dual-rated A or better by at least two national recognized securities rating organizations and may not exceed two years to stated maturity.

Commercial paper is restricted by law and the City's policy to that rated A1/P1 and with a maximum stated maturity of 180 days.

By policy and state law, repurchase agreements are limited to those with defined termination dates executed with a Texas bank or primary dealer (as defined by the Federal Reserve). The agreements require an industry standard, written master repurchase agreement, and a minimum 102% margin on collateral as well as delivery versus payment settlement and independent safekeeping. Repurchase agreements may not exceed six months to stated maturity with the exception of flex repurchase agreements with a stated termination date not to exceed the planned completion date of the project(s).

The City's adopted Investment Policy restricts investment in SEC registered mutual funds to money market mutual funds that in compliance with SEC Rule 2a-7, are rated AAA, and which strive to maintain a \$1 net asset value.

Local government investment pools in Texas are required to be rated AAA or equivalent by at least one nationally recognized rating agency. The City Policy is restricted to AAA-rated, constant dollar local government investment pools striving to maintain a \$1 net asset value. Participation is by City Council resolution only.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

As of September 30, 2019 in the City's Operating Portfolio,

- US Government Agency Securities (non-MBS) represented 60.59% of the portfolio,
- FDIC insured or collateralized bank accounts represented 39.40% of the total City portfolio.

As of September 30, 2019, in the Lake Nasworthy Portfolio,

- US Government Securities (in four different agencies) represented 91.18% of the total Lake Nasworthy portfolio, and
- Fully insured or collateralized bank deposits represented 8.83% of the total Lake Nasworthy Portfolio.

Concentration of Credit Risk

The City of San Angelo recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The City's adopted Investment Policy (not Lake Nasworthy) establishes diversification as a major objective of the investment program and sets diversification limits for all authorized investment types, which are monitored on at least a monthly basis.

Diversification limits on the overall holdings (not by fund) are established as:

- | | |
|--------------------------------------|------|
| • U.S. Obligations | 80% |
| • U.S. Agencies/Instrumentalities | 80% |
| • Certificates of Deposit (total) | 40% |
| ◦ Certificates of Deposit (per bank) | 10% |
| • Repurchase Agreements | 50% |
| ◦ Flex for Bond Funds | 100% |
| • LGIP (total) | 80% |
| ◦ LGIP (ownership of pool) | 10% |
| • Money Market Mutual Funds | 75% |
| • Commercial Paper | 20% |
| ◦ Issuer Limitation | 5% |
| • Municipal and State Obligations | 40% |
| ◦ Issuer Limitation | 5% |
| • Brokered Certificates of Deposit | 20% |

As of September 30, 2019, the City's Total Operating Portfolio was in full compliance with the diversification parameters of the policy.

As of September 30, 2019, the Lake Nasworthy Portfolio was in full compliance with the policy.

Interest Rate Risk

In order to limit interest and market rate risk from changes in interest rates, the City of San Angelo's adopted Investment Policies set maximum maturity dates and maximum weighted average maturity limits. The weighted average maturity (WAM) of the total City portfolio is restricted to a maximum weighted average maturity of one year. The maximum maturity limit is three years. The weighted average maturity (WAM) of the Lake Nasworthy policy is restricted to a maximum WAM of three years. Maximum maturity limit for the City is three years and ten years for Lake Nasworthy.

As of September 30, 2019, the City held fourteen structured securities (quarterly and continuously callable securities) with a total fair value of \$55,772,908.

As of September 30, 2019, in the City's Operating Portfolio,

- No holding had a stated maturity date beyond 1,060 days within the policy limits of three years maximum maturity, and
- The dollar-weighted average of the total portfolio was 291 days.

As of September 30, 2019 in the Lake Nasworthy Portfolio,

- No holding had a stated maturity date beyond 1,508 days within the policy limits of ten years maximum maturity, and
- The dollar-weighted average of the total portfolio was 492 days.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Custodial Credit Risk

To control custody and safekeeping risk, state law and the City of San Angelo's adopted Investment Policy requires collateral for all time and demand deposits, as well as collateral for repurchase agreements, be transferred delivery versus payment and held by an independent party approved by the City and held in the City of San Angelo's name. The collateral custodian is required to provide original safekeeping receipts and monthly reporting of positions with position descriptions including market value for both type transactions. All repurchase agreements and deposits must be collateralized to 102% and be executed under written agreements. Depository agreements are executed under the terms of U.S. Financial Institutions Resource and Recovery Enforcement Act (FIRREA). The counter-party of each type of transaction is held contractually liable for monitoring and maintaining the required collateral margins on a daily basis.

As of September 30, 2019, in both the City's Operating Portfolio and the Lake Nasworthy Portfolio,

- The portfolios contained no repurchase agreements,
- All bank time and demand deposits were fully insured or collateralized to 102%, and
- All collateral was held by an independent institution outside the holding company of the pledging bank.

Component Unit

Reported in Investments:	Hierarchy	Credit Rating	Fair Value	Maturities in Years		
				< than 1 Year	1 to 2 Years	2 to 3 Years
U.S. Agencies:						
FFCB	1	AAA	\$ 1,997,238	\$ -0-	\$ 1,997,238	\$ -0-
FHLB	1	AAA	6,000,533	6,000,533	-0-	-0-
FHLMC	1	AAA	2,000,009	-0-	2,000,009	-0-
Total Reported in Investments			<u>\$ 9,997,780</u>	<u>\$ 6,000,533</u>	<u>\$ 3,997,247</u>	<u>\$ -0-</u>

Investments on Statement of Net Position

Current Investments	\$ 9,997,780
Restricted Investments	-0-
Total Investments	<u>\$ 9,997,780</u>

The City of San Angelo Development Corporation (Corporation) categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs or quoted prices in markets that are not active; and Level 3 inputs are significant unobservable inputs (the Corporation does not value any of its investments using Level 3 inputs).

Because the investments are restricted by policy and state law to active secondary market, the market approach is being used for valuation. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities.

The exit or fair market prices are used for these fair market valuations of the portfolio are all Level 1 and represent unadjusted quoted prices in active markets for identical assets and liabilities that have been accessed at the measurement date.

Additional policies and contractual provisions governing deposits and investments for the City of San Angelo Development Corporation are specified below:

Credit Risk

The primary stated objective of the City of San Angelo Development Corporation's adopted Investment Policy is the safety of principal and avoidance of principal loss. Credit risk within the Corporation's Portfolio among the authorized investments approved by the City's adopted Investment Policy is represented only in time and demand deposits, repurchase agreements, local government pools, municipal debt, and money market

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

mutual funds. All other investments are rated AAA, or equivalent, by at least one nationally recognized rating agency. Investments are made primarily in obligations of the U.S. Government, its agencies, or instrumentalities. State law and the Corporation's adopted Investment Policy requires a procedure to monitor and react to credit ratings and a requirement to verify FDIC insurance weekly.

State law and the Corporation's adopted Investment Policy restricts both time and demand deposits, including certificates of deposit, to those banks doing business in the State of Texas and further requires full insurance and/or collateralization from these bank depositories. Depository certificates of deposit are limited to a stated maturity of one year. No time or demand deposit may exceed the FDIC insurance coverage.

Brokered certificate of deposit securities must be from banks in the U.S. and fully insured by the FDIC. These are restricted to one year to stated maturity, and the Corporation must verify FDIC status weekly. Municipal Obligations must be dual-rated A or better by at least two nationally recognized securities rating organizations and may not exceed five years to stated maturity.

By policy and state law, repurchase agreements are limited to those with defined termination dates executed with a Texas bank or primary dealer (as defined by the Federal Reserve). The agreements require an industry standard, written master repurchase agreement, and a minimum 102% margin on collateral as well as delivery versus payment settlement and independent safekeeping. Repurchase agreements may not exceed six months to stated maturity with the exception of flex repurchase agreements with a stated termination date not to exceed the planned completion date of the project(s).

The adopted Investment Policy restricts investment in SEC registered mutual funds to money market mutual funds that are rated AAA, comply with SEC Rule 2a-7, and strive to maintain a \$1 net asset value (excluding prime funds specifically).

Local government investment pools in Texas are required to be rated AAA or equivalent by at least one nationally recognized rating agency. The Corporation Policy is restricted to AAA-rated, constant dollar local government investment pools striving to maintain a \$1 net asset value. Participation is by Board resolution only.

As of September 30, 2019 in the Corporation's Portfolio,

- US Government Agency Securities (non-MBS) represented 57.73% of the portfolio, and
- FDIC insured or collateralized bank accounts represented 42.27% of the total Corporation Portfolio.

Concentration of Credit Risk

The Corporation recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The adopted Investment Policy establishes diversification as a major objective of the investment program and sets diversification limits for all authorized investment types, which are monitored on at least a monthly basis.

Diversification limits on the overall holdings (not by fund) are established as:

• Depository CDs	40%
o Per Bank	10%
• U.S. Treasuries	80%
• U.S. Agencies and Instrumentalities	80%
• Repurchase Agreements	50%
• Constant Dollar LGIP	80%
o LGIP (ownership of pool)	10%
• Money Market Mutual Funds	75%
• Municipal and State Obligations	40%
• FDIC Brokered CDs	20%
• Commercial Paper	15%

As of September 30, 2019, the Corporation's Portfolio was in full compliance with the diversification parameters of the policy.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Interest Rate Risk

In order to limit interest and market rate risk from changes in interest rates, the Corporation's adopted Investment Policy sets maximum maturity dates and maximum weighted average maturity limits by fund type. The weighted average maturity (WAM) of the total Corporation Portfolio is restricted to a maximum weighted average maturity of two years and a maximum maturity of five years.

The portfolio contained four structured notes (quarterly and continuous callables), which could be affected by interest rate changes and with a total fair value of \$9,997,780.

As of September 30, 2019, in the Corporation's Portfolio,

- No holding had a stated maturity date beyond 884 days within the policy limits of five years maximum maturity, and
- The dollar-weighted average of the total portfolio was 225 days.

Custodial Credit Risk

To control custody and safekeeping risk, state law and the Corporation's adopted Investment Policy requires collateral for repurchase agreements be transferred delivery versus payment and held by an independent party approved by the Corporation and held in the Corporation's name.

As of September 30, 2019, in the Corporation's Portfolio,

- The portfolio contained no repurchase agreements, and
- All bank time and demand deposits were fully insured.

IV.B. Accounts Receivable

Governmental Activities

Receivables as of September 30, 2019 for the government's individual major governmental funds and aggregated nonmajor governmental funds, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Capital Improvement Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Activities
Accounts Receivables					
Ambulance	\$ 3,458,113	\$ -0-	\$ -0-	\$ -0-	\$ 3,458,113
Code					
Enforcement	1,093,779	-0-	-0-	-0-	1,093,779
COSADC	149,792	-0-	-0-	8,005	157,797
Demolition	574,162	-0-	-0-	-0-	574,162
Grants	823,483	-0-	-0-	40,658	864,141
Paving	55,971	-0-	-0-	11,690	67,661
Permits	80,712	-0-	-0-	-0-	80,712
Program Loans	-0-	-0-	-0-	139,461	139,461
Miscellaneous	344,801	-0-	-0-	168,428	513,229
Gross Accounts Receivable	\$ 6,580,813	\$ -0-	\$ -0-	\$ 368,242	\$ 6,949,055
Less: Allowance for Uncollectible	(3,156,985)	-0-	-0-	(11,886)	(3,168,871)
Net Accounts Receivable	\$ 3,423,828	\$ -0-	\$ -0-	\$ 356,356	\$ 3,780,184
Internal Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 207,517
Less: Allowance for Uncollectible	-0-	-0-	-0-	-0-	(34,931)
Net Accounts Receivable	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 172,586
Total	\$ 3,423,828	\$ -0-	\$ -0-	\$ 356,356	\$ 3,952,770

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Business-Type Activities

Receivables as of September 30, 2019 for the government's individual major enterprise funds and nonmajor enterprise funds, including allowances for uncollectible accounts, are as follows:

	Water Fund	Sewer Fund	Other Enterprise Funds	Total Enterprise Funds
Utilities Receivable	\$ 7,579,569	\$ 2,990,856	\$ 1,222,963	\$ 11,793,388
Meter Deposits	4,505	-0-	-0-	4,505
Miscellaneous	-0-	-0-	515,704	515,704
Gross Accounts Receivable	\$ 7,584,074	\$ 2,990,856	\$ 1,738,667	\$ 12,313,597
Less: Allowance for Uncollectible	(1,645,897)	(470,973)	(80,064)	(2,196,934)
Net Total Receivable	\$ 5,938,177	\$ 2,519,883	\$ 1,658,603	\$ 10,116,663

IV.C. Restricted Assets

The amounts reported as restricted assets of the governmental activities and business-type activities are comprised of assets held by trustee and depository banks for the following restricted purposes:

	Cash and Cash Equivalents	Investments	Closure and Post-Closure Trust Fund
<u>Primary Government</u>			
Governmental Activities			
Deposits Held for Debt Service	\$ -0-	\$ 1,743,228	\$ -0-
Deposits Held for Business Development	1,428,051	-0-	-0-
Deposits Held for Purposes Specified by Donors	216,627	953,690	-0-
Deposits Held for Park Improvements	13,925	-0-	-0-
Deposits Held for Lake Nasworthy Improvements	1,433,164	14,202,576	-0-
Total Governmental Activities	\$ 3,091,767	\$ 16,899,494	\$ -0-
Business-type Activities			
Deposits Held for Debt Service	\$ 3,484,670	\$ 619,856	\$ -0-
Deposits Held for Capital Projects	6,874,000	25,194,548	-0-
Deposits Held for Airport Construction	5,147,449	569,430	-0-
Deposits Held for Landfill Closure and Post-Closure	-0-	-0-	5,929,648
Total Business-type Activities	\$ 15,506,119	\$ 26,383,834	\$ 5,929,648

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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

IV.D. Capital Assets

Current year changes in capital assets are summarized below:

Governmental Activities

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
<u>Assets Not Being Depreciated:</u>					
Land	\$ 4,500,106	\$ 66,027	\$ -0-	\$ -0-	\$ 4,566,133
Construction in Progress	19,018,879	6,731,297	-0-	(3,464,752)	22,285,424
Total Non-Depreciable	\$ 23,518,985	\$ 6,797,324	\$ -0-	(\$ 3,464,752)	\$ 26,851,557
<u>Assets Being Depreciated:</u>					
Buildings	\$ 60,907,361	\$ -0-	\$ -0-	\$ 3,168,235	\$ 64,075,596
Improvements Other Than Buildings	43,889,460	-0-	-0-	296,517	44,185,977
Infrastructure	27,814,848	-0-	-0-	-0-	27,814,848
Machinery and Equipment	43,621,425	3,352,283	(3,526,862)	93,367	43,540,213
Total Depreciable	\$ 176,233,094	\$ 3,352,283	(\$ 3,526,862)	\$ 3,558,119	\$ 179,616,634
<u>Less Accumulated Depreciation:</u>					
Buildings	\$ 37,955,671	\$ 2,034,298	\$ -0-	\$ -0-	\$ 39,989,969
Improvements Other Than Buildings	23,162,158	3,129,938	-0-	-0-	26,292,096
Infrastructure	19,563,403	232,078	-0-	-0-	19,795,481
Machinery and Equipment	34,954,718	5,633,464	(3,428,523)	94,960	37,254,619
Total Accumulated Depreciation	\$ 115,635,950	\$ 11,029,778	(\$ 3,428,523)	\$ 94,960	\$ 123,332,165
Assets Being Depreciated – Net	\$ 60,597,144	(\$ 7,677,495)	(\$ 98,339)	\$ 3,463,159	\$ 56,284,469
Governmental Activities Capital Assets - Net	\$ 84,116,129	(\$ 880,171)	(\$ 98,339)	(\$ 1,593)	\$ 83,136,026

Business-type Activities

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
<u>Assets Not Being Depreciated:</u>					
Land	\$ 52,395,980	\$ 105,902	(\$ 35,856)	\$ -0-	\$ 52,466,026
Construction in Progress	136,019,946	8,113,357	-0-	(128,902,311)	15,230,992
Water Rights	36,950,835	-0-	-0-	-0-	36,950,835
Total Non- Depreciable	\$225,366,761	\$ 8,219,259	(\$ 35,856)	(\$128,902,311)	\$104,647,853
<u>Assets Being Depreciated:</u>					
Buildings	\$ 31,431,920	\$ 14,750	\$ -0-	\$ 9,144,076	\$ 40,590,746
Improvements Other Than Buildings	38,488,381	-0-	-0-	4,055,594	42,543,975
Infrastructure	187,919,370	-0-	-0-	115,702,641	303,622,011
Machinery and Equipment	29,222,395	1,566,090	(922,258)	(93,367)	29,772,860
Total Depreciable	\$287,062,066	\$ 1,580,840	(\$ 922,258)	\$ 128,808,944	\$416,529,592
<u>Less Accumulated Depreciation:</u>					
Buildings	\$ 21,046,461	\$ 743,424	\$ -0-	\$ -0-	\$ 21,789,885
Improvements Other Than Buildings	23,908,965	3,618,421	-0-	-0-	27,527,386
Infrastructure	108,601,583	3,549,438	-0-	-0-	112,151,021
Machinery and Equipment	18,424,782	2,377,196	(744,134)	(94,960)	19,962,884
Total Accumulated Depreciation	\$171,981,791	\$ 10,288,479	(\$ 744,134)	(\$ 94,960)	\$181,431,176
Assets Being Depreciated – Net	\$115,080,275	(\$ 8,707,639)	(\$ 178,124)	\$ 128,903,904	\$235,098,416
Business-type Activities Capital Assets - Net	\$340,447,036	(\$ 488,380)	(\$ 213,980)	\$ 1,593	\$339,746,269

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Discretely Presented Component Unit – Development Corporation

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
<u>Assets Not Being Depreciated:</u>					
Land	\$ 85,728	\$ -0-	(\$ 16,333)	\$ -0-	\$ 69,395
Total Non-Depreciable	\$ 85,728	\$ -0-	(\$ 16,333)	\$ -0-	\$ 69,395
<u>Assets Being Depreciated:</u>					
Buildings	\$ 2,004,967	\$ -0-	\$ -0-	\$ -0-	\$ 2,004,967
Improvements Other Than Buildings	792,983	-0-	(166,588)	-0-	626,395
Total Depreciable	\$ 2,797,950	\$ -0-	(\$ 166,588)	\$ -0-	\$ 2,631,362
<u>Less Accumulated Depreciation:</u>					
Buildings	\$ 770,218	\$ 100,247	\$ -0-	\$ -0-	\$ 870,465
Improvements Other Than Buildings	-0-	-0-	-0-	-0-	-0-
Total Accumulated Depreciation	\$ 770,218	\$ 100,247	\$ -0-	\$ -0-	\$ 870,465
Assets Being Depreciated – Net	\$ 2,027,732	(\$ 100,247)	(\$ 166,588)	\$ -0-	\$ 1,760,897
Governmental Activities Capital Assets - Net	\$ 2,113,460	(\$ 100,247)	(\$ 182,921)	\$ -0-	\$ 1,830,292

Depreciation expense was charged to functions in the statement of activities as follows:

<u>Governmental Activities:</u>	
General Government	\$ 106,751
Public Safety	1,998,741
Public Works and Transportation	976,772
Public Facilities	2,464,314
Health and Human Services	73,410
Culture, Parks, and Recreation	1,776,115
Urban Redevelopment and Housing	1,508
Capital Assets Held by the City's Internal Service Funds are Charged to the Various Functions on Their Usage of the Assets	3,632,167
Total Depreciation Expense – Governmental Activities	\$ 11,029,778
<u>Business-type Activities:</u>	
Water	\$ 4,193,409
Sewer	3,275,712
Stormwater	340,944
Solid Waste	15,563
Airport	2,227,149
State Office Building	235,702
Total Depreciation Expense – Business-type Activities	\$ 10,288,479
<u>Discretely Presented Component Unit:</u>	
Development Corporation	\$ 100,247

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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

IV.E. Interfund Receivables, Payables, and Transfers

Interfund Receivables and Payables

Interfund receivables and payables at September 30, 2019 consist of the following:

Receivable Fund	Payable Fund	Amount
General Fund	Sales Tax Capital Project Fund	\$ 233,309
General Fund	Airport Fund	5,284,499
General Fund	Debt Service Fund	1,340,364
General Fund	State Office Building Fund	99,924
General Fund	Communications Fund	828,377
Total Interfund		<u>\$ 7,786,473</u>

Reconciliation to Fund Financial Statements:	Due From Other Funds	Due To Other Funds
Governmental Funds	\$ 7,786,473	\$ 1,573,673
Internal Service Funds	-0-	828,377
Enterprise Funds	-0-	5,384,423
Total	<u>\$ 7,786,473</u>	<u>\$ 7,786,473</u>

Interfund Transfers

Reconciliation to Fund Financial Statements:	Transfers to Other Funds	Transfers from Other Funds
<u>Governmental Funds:</u>		
General Fund	\$ 2,134,615	\$ 9,483,086
Capital Improvement Fund	-0-	-0-
Debt Service Fund	-0-	200,000
Other Governmental Funds	2,730,538	1,523,406
Total Governmental Funds	<u>\$ 4,865,153</u>	<u>\$ 11,206,492</u>
<u>Proprietary Funds:</u>		
Enterprise Funds:		
Water Enterprise Fund	\$ 4,908,442	\$ 1,643,330
Sewer Enterprise Fund	3,177,856	373,534
Other Enterprise Funds	1,122,362	95,000
Total Enterprise Funds	<u>\$ 9,208,660</u>	<u>\$ 2,111,864</u>
Internal Service Funds	\$ 15,068	\$ 770,525
Total Proprietary Funds	<u>\$ 9,223,728</u>	<u>\$ 2,882,389</u>
Totals	<u>\$ 14,088,881</u>	<u>\$ 14,088,881</u>

Reconciliation to Statement of Activities:	Transfers to Other Funds	Transfers From Other Funds	Transfer of Capital Assets	Net Transfers
Net Transfers for Governmental Activities:				
Governmental Funds	(\$ 4,865,153)	\$ 11,206,492	\$ -0-	\$ 6,341,339
Internal Service Fund	(15,068)	770,525	-0-	755,457
Total Net Transfers for Governmental Activities	<u>(\$ 4,880,221)</u>	<u>\$ 11,977,017</u>	<u>\$ -0-</u>	<u>\$ 7,096,796</u>
Net Transfers for Business-type Activities:				
Enterprise Funds	(\$ 9,208,660)	\$ 2,111,864	\$ -0-	(\$ 7,096,796)
Total Net Transfers for Business-type Activities	<u>(\$ 9,208,660)</u>	<u>\$ 2,111,864</u>	<u>\$ -0-</u>	<u>(\$ 7,096,796)</u>

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Interfund Transfers for the year ended September 30, 2019 were as follows:

Transfer From	Transfer To	Amount	Nature of Interfund Balance
General Fund	Capital Projects Fund	\$ 923,377	Capital Projects
Intergovernmental Fund	General Fund	6,117	Time Clock System
Hotel Tax Fund	Fort Concho Fund	753,709	Hotel Occupancy Tax
Hotel Tax Fund	Civic Events Fund	1,326,924	Hotel Occupancy Tax
Hotel Tax Fund	Texas Bank Sports Complex Fund	50,000	Hotel Occupancy Tax
General Fund	Debt Service Fund	200,000	Debt Service
Sewer Fund	Debt Service Fund	373,534	Debt Service
Sewer Fund	General Fund	819,342	Franchise Fees
Water Fund	General Fund	1,538,644	Franchise Fees
Solid Waste Fund	General Fund	255,000	Franchise Fees
State Office Building Fund	Fort Concho Fund	305,000	Building Rent
Water Fnd	Intergovernmental Fund	117,750	Local Match for MC Park
Home Fund	Capital Projects Fund	200,000	Animal Shelter Improvements
State Office Building Fund	Fort Concho Fund	125,083	Roof Repair Funding
Intergovernmental Fund	General Fund	87,264	Indirect Cost Allocation Plan
Airport Fund	General Fund	82,678	Indirect Cost Allocation Plan
State Office Building Fund	General Fund	19,802	Indirect Cost Allocation Plan
Stormwater Fund	General Fund	233,083	Indirect Cost Allocation Plan
Water Fund	General Fund	2,190,105	Indirect Cost Allocation Plan
Sewer Fund	General Fund	566,957	Indirect Cost Allocation Plan
General Fund	Property/Casualty Fund	340,452	Insurance Liability
Intergovernmental Fund	Property/Casualty Fund	31,549	Insurance Liability
Airport Fund	Property/Casualty Fund	92,612	Insurance Liability
Stormwater Fund	Property/Casualty Fund	3,837	Insurance Liability
Water Fund	Property/Casualty Fund	221,257	Insurance Liability
Sewer Fund	Property/Casualty Fund	60,483	Insurance Liability
State Office Building Fund	Property/Casualty Fund	5,267	Insurance Liability
Employee/Retiree Fund	Property/Casualty Fund	909	Insurance Liability
Vehicle Maintenance Fund	Property/Casualty Fund	14,159	Insurance Liability
Sewer Fund	Water Fund	1,357,540	Maintenance, Engineering, and Billing
General Fund	Intergovernmental	564,970	Local Match for Grants
Lake Nasworthy Fund	Water Fund	285,791	Investment Income for Capital Improvement
General Fund	Stormwater Fund	95,000	Mowing of Right of Ways and Easements
Water Fund	Lake Nasworthy Fund	840,686	Proceeds from Sale of Lake Land
		<u>\$ 14,088,881</u>	

The City subsidizes the annual operations of the one discretely presented component unit. Transfers between the primary government and the component unit for the year ended September 30, 2019 were as follows:

Transfer From	Transfer To	Amount	Nature of Interfund Balance
Development Corporation	General Fund	\$ 208,072	Administrative Staff Services
Development Corporation	General Fund	412,531	Staff Services Contract
Development Corporation	General Fund	170,216	Airport Master Plan – Fire Sprinkler System
Development Corporation	Debt Service Fund	2,561,525	Debt Service Payment for Long-Term Debt
Development Corporation	Water Fund	2,700,000	Debt Service Payment for Long-Term Debt
Development Corporation	Capital Projects Fund	1,500,000	Chadbourne Street Project
Development Corporation	Water Fund	34,510	West Texas Water Partnership
		<u>\$ 7,586,854</u>	

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

IV.F Leases

Operating Leases - City as a Lessor

The City leases out most of the space in the State Office Building, land around Lake Nasworthy, the sewer treatment plant, and certain facilities at the airport. None of the lease agreements are non-cancelable. The land cost is \$3,125,499. The depreciable facilities have total cost of \$13,995,773 with accumulated depreciation of \$10,870,274 leaving the carrying amount at \$3,125,499. Total rent received during the year was \$2,918,298.

The City leases the landfill to Republic Waste Services of Texas, Ltd. for an annual lease payment of \$573,000, which is payable in monthly payments of \$47,750 each with an annual increase of \$3,230 beginning on October 1, 2015 and each October 1st thereafter. The term of the lease ends when the landfill has reached its capacity. Lease revenue received by the City for the year ended September 30, 2019 was \$585,920.

Operating Leases - City as a Lessee

The City rents copiers on a month-to-month basis. Total rental cost for the year was \$203,382.

IV.G. Long-Term Debt

The City's long-term debt is segregated by the amounts involving governmental activities, business-type activities, and component units.

Governmental Activities Long-Term Debt

As of September 30, 2019, the governmental activities long-term debt consisted of the following:

Accrued Compensated Absences:

Current Portion	\$ 769,933
Noncurrent Portion	11,244,394
Total Accrued Compensated Absences	<u>\$ 12,014,327</u>

Bonds Payable:

General Refunding Bonds:

2012 Series General Obligation Refunding Bond, dated December 12, 2012, issued by the City of San Angelo, secured by ad valorem tax revenue, original issue amount of \$6,095,000, interest rate is 2.00%-2.50%, final maturity February 15, 2020, used for capital improvements. The bond's debt service is currently paid with ad valorem tax.

\$ 1,460,000

2016 General Refunding Bond, dated February 15, 2016, issued by the City of San Angelo, secured by ad valorem tax revenue, original issue amount of \$17,720,000, interest rate is 2.00%-5.00%, final maturity February 15, 2036, used for capital improvements. The bond's debt service is currently paid with ad valorem tax.

17,655,000

2017B General Refunding Bond, dated October 18, 2017, issued by the City of San Angelo, secured by ad valorem tax revenue, original issue amount of \$11,320,000, interest rate is 2.00%-5.00%, final maturity February 15, 2036, used for capital improvements. The bond's debt service is currently paid with ad valorem tax.

11,175,000

Total General Refunding Bonds

\$ 30,290,000

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Certificates of Obligation:

2011-A Series Certificate of Obligation, dated July 6, 2011, issued by the City of San Angelo, secured by combination tax and surplus revenue, original issue amount of \$13,780,000, interest rates from 2.00%-5.00%, final maturity February 15, 2036, used for capital improvements. The bond's debt service is currently paid with type B sales tax and surplus revenue. \$ 980,000

2015 Series Certificate of Obligation, dated March 18, 2015, issued by the City of San Angelo, secured by pledged sales tax, original issue amount of \$13,260,000, interest rates from 2.00%-3.50%, final maturity February 15, 2035, used to promote state or local economic development. The bond's debt service is currently paid with property tax. 7,320,000

2016 Series Certificate of Obligation, dated February 15, 2016, issued by the City of San Angelo, secured by pledged sales tax, original issue amount of \$15,615,000, interest rates from 2.00%-5.00%, final maturity February 15, 2036, used for construction projects. The bond's debt service is currently paid with property tax. 9,780,000

2017 Series Certificate of Obligation, dated May 18, 2017, issued by the City of San Angelo, secured by pledged sales tax, original issue amount of \$2,185,000, interest rate at 2.00%, final maturity September 30, 2024, used for construction projects. This bond's debt service is currently paid with property tax. 1,600,000

2019 Series Certificate of Obligation, dated April 10, 2019, issued by the City of San Angelo, secured by pledged sales tax, original issue amount of \$16,500,000, interest rate at 3.00%-5.00%, final maturity February 15, 2038, used for construction projects. This bond's debt service is currently paid with property tax. 14,355,000

Total Certificates of Obligation	\$	34,035,000
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Total Bonds Payable	\$	64,325,000
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Add: Unamortized Bond Premium		3,880,128
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Total Bonds Payable, Net	\$	68,205,128
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Current Portion, Net	\$	5,215,000
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Noncurrent Portion, Net		62,990,128
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Total Bonds Payable, Net	\$	68,205,128
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Note Payable:

Section 108 HUD Guaranteed Promissory Note to U.S. Department of Housing and Urban Development, original issue amount of \$2,035,000, interest rate of 2.00%-5.00%, final maturity August 1, 2030. \$ 1,179,000

Current Portion	\$	107,000
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Noncurrent Portion		1,072,000
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Total Note Payable	\$	1,179,000
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Changes in Long-Term Debt:

	Balance September 30, 2018	Additions	Deductions	Balance September 30, 2019	Amount Due in One Year
<u>Governmental Activities</u>					
Compensated Absences	\$ 12,719,384	\$ 631,426	\$ 1,336,484	\$ 12,014,326	\$ 769,933
Insurance Claims Payable	3,087,772	540,068	337,044	3,290,796	1,374,258
Bonds Payable	69,270,000	-0-	4,945,000	64,325,000	5,215,000
Unamortized Bond Premium	4,511,231	-0-	631,103	3,880,128	-0-
Note Payable	1,286,000	-0-	107,000	1,179,000	107,000
	<u>\$ 90,874,387</u>	<u>\$ 1,171,494</u>	<u>\$ 7,356,631</u>	<u>\$ 84,689,250</u>	<u>\$ 7,466,191</u>

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Debt Service Requirements to Maturity:

For the Year Ending September 30,	Principal	Interest
2020	\$ 5,322,000	\$ 2,874,154
2021	4,547,000	2,739,422
2022	4,917,000	2,585,530
2023	4,227,000	2,411,973
2024	4,287,000	2,238,622
2025-2029	17,015,000	6,198,051
2030-2034	15,979,000	3,065,867
2035-2039	9,210,000	507,466
Total	<u>\$ 65,504,000</u>	<u>\$ 22,621,085</u>

For governmental activities, compensated absences and claims and judgments payable are liquidated by the general fund.

Business-type Activities Long-Term Debt

As of September 30, 2019, the business-type activities long-term debt consisted of the following:

Accrued Compensated Absences:

Current Portion	\$ 137,692
Noncurrent Portion	1,613,205
Total Accrued Compensated Absences	<u>\$ 1,750,897</u>

Landfill Postclosure Care Liability:

Landfill Postclosure Care Liability	<u>\$ 4,568,728</u>
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Bonds Payable:

General Refunding Bonds:

2017 Series General Obligation Refunding Bond, dated May 17, 2017, issued by the City of San Angelo, secured by utility revenue, original issue amount of \$7,395,000, interest rates from 3.00%-5.00%, final maturity February 15, 2027, used for water and sewer improvements. \$ 3,980,000

2011 Series General Obligation Refunding Bond, dated April 6, 2011, issued by the City of San Angelo, secured by utility revenue, original issue amount of \$13,174,100, interest rates from 2.00%-5.00%, final maturity February 15, 2023, used for water and sewer improvements. 4,164,200

2011-B Series General Obligation Refunding Bond, dated May 3, 2011, issued by the City of San Angelo, secured by utility revenue, original issue amount of \$28,030,000, interest rates from 2.00%-5.00%, final maturity February 15, 2023, used for water and sewer improvements. 4,279,380

2011 Series General Obligation Refunding Bond, dated April 6, 2011, issued by the City of San Angelo, secured by ad valorem tax revenue, original issue amount of \$392,420, interest rates from 2.00%-5.00%, final maturity February 15, 2023, used for water and sewer improvements. 123,539

2011 Series General Obligation Refunding Bond, dated April 6, 2011, issued by the City of San Angelo, secured by ad valorem tax revenue, original issue amount of \$924,990, interest rates from 2.00%-5.00%, final maturity February 15, 2023, used for water and sewer improvements. 292,881

2014 Series General Obligation Refunding Bond, dated December 1, 2014, issued by the City of San Angelo, secured by ad valorem tax revenue, original issue amount of \$7,650,000, interest rates from 2.00% -4.00%, final maturity February 15, 2026, used for water and sewer improvements. 7,270,000

Total General Refunding Bonds	<u>\$ 20,110,000</u>
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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Revenue Bonds:

2017 Series Water and Sewer Revenue Bonds, dated June 15, 2017, issued by the City of San Angelo, secured by utility revenue, original issue amount of \$48,070,000, interest rates from 4.19%, final maturity February 15, 2046, used for water and sewer improvements.

	\$ 46,055,000
Total Revenue Bonds	\$ 46,055,000
Total Bonds Payable	\$ 66,165,000
Add: Unamortized Bond Premium	536,370
Total Bonds Payable, Net	\$ 66,701,370
Current Portion, Net	\$ 6,386,370
Noncurrent Portion, Net	60,315,000
Total Bonds Payable, Net	\$ 66,701,370

Note Payable:

2011-B Series Drinking Water SRF Promissory Note to Texas Water Development Board, original issue amount of \$120,000,000, secured by utility revenues, interest rates of 0.00%-2.07%, final maturity September 15, 2031, used to increase water supply; remaining funds left to draw are \$665,303.

	\$ 74,175,000
Promissory Note to City of San Angelo Development Corp.	137,124
	\$ 74,312,124
Current Portion	\$ 5,813,470
Noncurrent Portion, Net	68,498,654
Total Note Payable	\$ 74,312,124

Changes in Long-Term Debt:

	Balance September 30, 2018	Additions	Deductions	Balance September 30, 2019	Amount Due in One Year
<u>Business-type Activities</u>					
Compensated Absences	\$ 1,693,593	\$ 182,010	\$ 124,706	\$ 1,750,897	\$ 137,692
Water Rights Obligation	2,385,998	-0-	753,424	1,632,574	794,307
Landfill Postclosure	4,339,471	229,256	-0-	4,568,727	-0-
Bonds Payable	71,780,000	-0-	5,615,000	66,165,000	5,850,000
Unamortized Bond Premium	808,532	-0-	272,162	536,370	-0-
Note Payable	79,910,000	-0-	5,735,000	74,175,000	5,765,000
Promissory Note to COSADC	183,854	-0-	46,730	137,124	48,470
	\$ 161,101,448	\$ 411,266	\$12,547,022	\$ 148,965,692	\$12,595,469

Debt Service Requirements to Maturity:

For the Year Ending September 30,	Principal	Interest
2020	\$ 11,615,000	\$ 3,640,384
2021	11,980,000	3,356,346
2022	9,530,000	3,116,808
2023	9,615,000	2,933,192
2024	8,350,000	2,756,246
2025-2029	41,540,000	11,035,090
2030-2034	21,060,000	6,926,529
2031-2035	9,435,000	4,850,313
2040-2044	11,745,000	2,541,467
2045-2049	5,470,000	243,375
Total	\$ 140,340,000	\$ 41,399,750

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Defeased Bonds Outstanding

The City, through its various public trusts, has in substance defeased a number of outstanding bond issues by placing deposits in irrevocable trusts (escrow accounts) for the purchase of U.S. government securities to pay the principal and interest on the refunded bonds as they become due and payable. For financial reporting purposes, both the defeased bonds outstanding and the escrowed securities have been excluded from the financial statements. As of September 30, 2019, the balance of defeased bonds outstanding is \$11,480,000.

Landfill Closure and Post-Closure

The City accounts for its landfill closure and post-closure care costs in accordance with GASB No. 18, "Accounting for Municipal Solid Waste Landfill Closure and Post-Closure Care Costs."

Federal and state laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of the closure and post-closure care costs as a liability on the Statement of Net Position in each period based on landfill capacity used as of each balance sheet date. This liability is offset by an asset recorded for a trust account established for the purpose of paying the closure and post-closure costs as more fully described below.

The landfill post-closure care liability at year-end of \$4,568,728 represents the cumulative amount to date based on the use of approximately 82.38% care of \$5,546,230 as the remaining estimated capacity is filled. These amounts are based on expected future costs to perform all post-closure activities based upon the current cost of those activities. Based upon current usage and capacity estimates, the landfill could continue accepting solid waste for approximately 20 more years. Actual costs may differ from the estimated amounts due to inflation, deflation, and changes in technology and/or applicable federal and state laws and regulations between now and the actual date of closure.

On August 1, 2014, the City entered into a contract with Republic Waste Services of Texas, Ltd. (Republic) for an operating lease of the landfill that ends when the landfill reaches capacity. The City received an initial payment of \$4,735,000 into the trust. Republic is responsible for the funding of monthly contributions to a trust account that will pay closure and post-closure costs as required by state and federal laws and regulations. Republic is in compliance with these requirements, and at September 30, 2019, investments are held for these purposes. The total contributed by Republic Services as of September 30, 2019 is \$5,929,648.

Long-term Water Purchase Contracts

The City is obligated to make specific annual payments to the contractors under three unconditional water purchase contracts, whether the City actually receives water or not. These rights are being treated as intangible assets with indefinite useful lives. The contractors obtained permits to impound water from the State of Texas and constructed three dams and reservoirs with financing obtained using water purchase contracts as a basis for obtaining credit and as a means for the payment and security of all bonds issued by the Colorado River Municipal Water District projects. The City is also obligated under these three contracts for annual operating expenses of the projects. Further details of each contract follow:

Colorado River Municipal Water District (CRMWD)

Project Name: Spence Dam and Reservoir (Spence) – By contract dated August 19, 1997; the City exercised its option to continue receiving water for the entire useful life of the dam and reservoir. Annual payments of \$76,440 from January 1, 1996 through September 30, 2021 are required under the new contract. Payments under the prior contract and the current one will total \$3,866,330.

Project Name: Ivie Pipeline – Annual payments of \$717,867 to \$761,827 are required through the year 2021 for the retirement of the contractor's debt. Total estimated payments are approximately \$22,322,669. The City is responsible for the operation and maintenance of the pipeline system to its juncture point just north of the city limits for the entire life of the system as follows:

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Central Station and System	27.78%
Minimum Electric Power Charges	31.25%
Other Electric	pro-rata for water received

The City's present value of future annual commitments under the contracts are as follows:

Fiscal Year	Spence	Ivie Pipeline	Total
2020	\$ 76,440	\$ 717,867	\$ 794,307
2021	76,440	761,827	838,267
Total Commitments	<u>\$ 152,880</u>	<u>\$ 1,479,694</u>	<u>\$ 1,632,574</u>

The City paid \$753,424 under all of these water purchase contracts in the current year.

IV.H. Fund Balances and Net Position

Fund Balances

The following table shows the fund balance classifications as shown on the Governmental Funds Balance Sheet in accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*:

	General Fund	Capital Improvement Plan	Debt Service Fund	Other Governmental Funds
Nonspendable for:				
Inventories	\$ 37,304			
Prepays	6,018			
Lake Nasworthy				\$ 15,738,208
Sante Fe Park				10,000
Total Nonspendable	<u>\$ 43,322</u>			<u>\$ 15,748,208</u>
Restricted for:				
Economic				\$ 2,680,952
Development				
Grant Expenditures				1,451,501
Law Enforcement	\$ 1,773,777			-0-
Santa Fe Park				3,925
Designated Purposes				178,717
Total Restricted	<u>\$ 1,773,777</u>			<u>\$ 4,315,095</u>
Committed for:				
Designated Purposes	\$ 181,062			\$ 1,053,262
Debt Service			\$ 506,720	
Capital		\$ 26,278,540		422,668
Improvements				
Total Committed	<u>\$ 181,062</u>	<u>\$ 26,278,540</u>	<u>\$ 506,720</u>	<u>\$ 1,475,930</u>

The amounts Committed for Designated Purposes include citizen donations for specific items related to Public Safety, Culture, Parks and Recreation, and Capital Outlay.

Santa Fe Park Trust fund is a permanent fund and accounts for trust principal and related investment income. The corpus of \$10,000 is nonspendable and earnings in this fund would be restricted.

Lake Nasworthy Trust fund is a trust fund and accounts for the trust principal and related investment income. No portion of the principal shall be expended for any purpose unless authorized by a majority vote of the qualified voters of the City at an election held for that purpose. Ninety percent of the annual interest income may be used by the City to pay for lake and river improvements, services to enhance water recreation, and the elimination of related litter and pollution. A public hearing must be held on the purposed uses of interest income during the budget and budget amendment process.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

IV.I Segment Information

The City issued revenue bonds and certificates of obligation to finance additions and improvements to its Water and Sewer facilities and construction costs and improvements to its State Office Building. Investors in the bonds and certificates rely solely on the revenue generated by the individual activities for repayment. The Water Department operates the City's water supply system, and the Sewer Department operates the City's sewage treatment plant, sewage pumping stations, and collection systems. Financial information for the Water and Sewer funds (major funds) is reported separately in the proprietary funds statement of net position, statement of activities, and statement of cash flows. The State Office Building provides a full service lease to thirteen state agencies. Summary financial information for the State Office Building fund is presented below:

Condensed Statement of Net Position

Assets	
Current Assets	\$ 45,341
Capital Assets	2,509,487
Total Assets	<u>\$ 2,554,828</u>
Deferred Outflows of Resources	
Deferred Amounts Related to Pensions	<u>\$ 43,482</u>
Liabilities	
Current Liabilities	\$ 153,338
Noncurrent Liabilities Due Within One Year	137,710
Noncurrent Liabilities Due After One Year	432,595
Total Liabilities	<u>\$ 723,643</u>
Deferred Inflows of Resources	
Deferred Amounts Related to Pensions	<u>\$ 20,263</u>
Net Position	
Net Investment in Capital Assets	\$ 2,084,061
Unrestricted	(229,657)
Total Net position	<u>\$ 1,854,404</u>

Condensed Statement of Revenues, Expenses, and Changes in Net Position

Revenues Pledged for Payment of Bonds and COs	\$ 1,230,035
Cost of Sales and Services and Administrative	(455,412)
Depreciation and Amortization	(235,702)
Operating Income	<u>\$ 538,921</u>
Non-Operating Revenues (Expenses)	
Investment Income	7,631
Change in Fair Value of Investments	(4,343)
Interest Expense	(15,791)
Transfer Out	(455,152)
Change in Net Position	<u>\$ 71,266</u>
Net Position – Beginning	<u>1,783,138</u>
Net Position – Ending	<u>\$ 1,854,404</u>

Condensed Statement of Cash Flows

Net Cash Provided (Used) by:	
Operating Activities	\$ 305,616
Non-Capital Financing Activities	(455,152)
Capital and Related Financing Activities	(152,723)
Investing Activities	<u>6,858</u>
Net Increase (Decrease) in Cash	(\$ 295,401)
Cash and Cash Equivalents – Beginning	<u>295,401</u>
Cash and Cash Equivalents – Ending	<u>\$ -0-</u>

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

V. OTHER INFORMATION

V.A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The City manages these various risks of loss as follows:

Risk Category	Retained Risk	Commercial Insurance Purchased
General/Professional Liability	Deductibles up to \$500,000	Up to \$10,000,000 Less Deductible
Workers' Compensation	\$650,000/Occurrence/Person	\$1,000,000/Occur/Year Less Retained Risk
Property Damage	\$10,000 to \$25,000	Up to \$143,503,324 Less Deductibles
Employee/Retiree Health	100% of Risk	None
Pollution Liability	\$10,000	\$1,000,000

The amount of settlements for each of the past three fiscal years has not exceeded insurance coverage. Coverages have not changed from the prior year.

All of the City's funds participate in the employee/retiree health, property and casualty, and workers' compensation programs and make payments to the internal service funds based on actuarial estimates for liability and workers' compensation in amounts needed to pay prior and current year claims and to establish "reserves" for catastrophic losses. The payments for employee/retiree health were the amounts previously paid for commercial insurance coverage. The estimate calculation includes costs such as legal fees and expert witnesses but excludes general administrative and risk management services as well as costs of excess coverages and actuarial fees. The reserves (reported as unrestricted net position) at year-end were \$197,448, \$406,905, and (\$784,786) for employee/retiree health, property and casualty, and workers compensation, respectively.

The claims liabilities reported in the funds are based on an actuarial estimate for property and casualty, workers compensation, and claims payments after year-end for employee/retiree health. The actuarial liabilities are discounted to present value using a 3% annual investment return on assets held in support of the liabilities and are based on industry payments modified by the City's actual experience.

Changes in the funds' liabilities for the past two fiscal years were as follows:

	Employee/ Retired Health	Property and Casualty	Workers' Compensation	Total
September 30, 2017	\$ 79,928	\$ 775,748	\$ 2,402,362	\$ 3,258,038
FY18 Incurred	51,663	7,127	192,400	251,190
FY18 Paid	-0-	(45,444)	(376,012)	(421,456)
September 30, 2018	\$ 131,591	\$ 737,431	\$ 2,218,750	\$ 3,087,772
FY19 Incurred	94,646	16,736	428,686	540,068
FY19 Paid	-0-	(63,099)	(273,945)	(337,044)
September 30, 2019	\$ 226,237	\$ 691,068	\$ 2,373,491	\$ 3,290,796

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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

V.B. Commitments and Contingencies

Construction Commitments

At year-end, the City had the following major projects in progress:

Project Descriptions	Funding Source	Budget	Spent to Date	Balance
Bell Street Reconstruction	Future Bond Funding, Water Capital, Wastewater Capital	\$ 23,182,671	\$ 11,690,451	\$11,492,220
College Hills Reconstruction	Future Bond Funding, Water Capital, Wastewater Capital	\$ 14,351,083	\$ 1,236,807	\$13,114,276
Concho Reconstruction	TIRZ	\$ 1,871,736	\$ 1,706,571	\$ 165,165
Chadbourne Reconstruction	Future Bond Funding, Water Capital, Wastewater Capital	\$ 18,451,656	\$ 589,123	\$17,862,533
Sulphur Draw Sewer Project	Wastewater Capital	\$ 4,500,000	\$ 3,923,758	\$ 576,242
Remediation of Drainage Ave. P	Stormwater Capital and General Fund	\$ 2,440,000	\$ 172,298	\$ 2,267,702
Taxiway Reconfiguration	FAA Funds, PFC Funds	\$ 3,587,796	\$ 3,534,619	\$ 53,177
Runway 18-36 Rehabilitation	FAA Funds, PFC Funds	\$ 1,095,000	\$ 168,410	\$ 926,590
City Hall	General Capital Fund	\$ 1,212,128	\$ 155,457	\$ 1,056,671
Fire Station #4	2015 CO Bond, Medicaid Supplement, 2009 CO Bond Type B Sales Tax, Private Donations	\$ 3,763,067	\$ 3,168,235	\$ 594,832
Visitors Center Restoration	Type B Sales Tax	\$ 2,250,000	\$ 260,639	\$ 1,989,362
Brentwood Neighborhood Park Renovation	Type B Sales Tax	\$ 250,000	\$ 136,057	\$ 113,943
Texas Bank Sports Complex Improvements	Type B Sales Tax	\$ 708,744	\$ 429,303	\$ 279,441
South Concho Park and Trail Improvements	TPWD Trail Grant, Type B Sales Tax	\$ 200,000	\$ 59,166	\$ 140,834
Sunken Garden	Type B Sales Tax	\$ 825,000	\$ 70,041	\$ 754,959
29 th Street Sports Complex	Globe Life Texas Rangers Grant, Type B Sales Tax	\$ 1,750,000	\$ 133,192	\$ 1,616,808
Station 618 Parking Lot	General Capital Fund	\$ 297,455	\$ 296,517	\$ 938
Animal Shelter Improvements	General Capital Fund	\$ 769,150	\$ 7,000	\$ 762,150

V.C. Federal Assistance Programs

Amounts received or receivable from grantor agencies are subject to adjustments by the grantor agencies, principally the federal government, upon review of audit reports on those programs. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantors cannot be determined at this time.

V.D. Litigation

The City is a defendant in several lawsuits. Lawsuits pending on September 30, 2019 represented no material adverse financial impact to the City. Any potential judgments or awards related to these lawsuits are included in the loss reserves and estimated claims payable from the City's Self-Insurance Funds.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

VI. EMPLOYEE RETIREMENT BENEFITS

The City contributes to a single-employer defined benefit pension plan (San Angelo Firemen's Relief and Retirement Fund), which covers fire department employees. The City also provides a non-traditional hybrid defined benefit plan through the statewide municipal retirement system (Texas Municipal Retirement System) for the remainder of the City's employees. Additionally, the City provides an alternative to Social Security for part-time, seasonal, and temporary employees and a post-employment health benefit plan.

A summary of all of the amounts recorded in the City's financial statements for the plans is as follows:

	Governmental Activities	Business-Type Activities	Plan Totals
Net Pension Liability:			
Firemen's Relief and Retirement	\$ 46,227,125	\$ -0-	\$ 46,227,125
TMRS	42,399,845	10,119,998	52,519,843
Total	<u>\$ 88,626,970</u>	<u>\$ 10,119,998</u>	<u>\$ 98,746,978</u>
Deferred Outflows of Resources:			
Firemen's Relief and Retirement	\$ 11,134,518	\$ -0-	\$ 11,134,518
TMRS	12,585,172	3,228,821	15,813,993
Total	<u>\$ 23,719,690</u>	<u>\$ 3,228,821</u>	<u>\$ 26,948,511</u>
Deferred Inflows of Resources:			
Firemen's Relief and Retirement	\$ 2,792,700	\$ -0-	\$ 2,792,700
TMRS	1,106,013	480,721	1,586,734
Total	<u>\$ 3,898,713</u>	<u>\$ 480,721</u>	<u>\$ 4,379,434</u>
Pension Expense:			
Firemen's Relief and Retirement	\$ 6,182,699	\$ -0-	\$ 6,182,699
TMRS	7,908,139	1,885,313	9,793,452
Total	<u>\$ 14,090,838</u>	<u>\$ 1,885,313</u>	<u>\$ 15,976,151</u>

VI.A. Defined Benefit Plan

Plan Description

The Board of Trustees of the San Angelo Firemen's Relief and Retirement Fund is the administrator of the single-employer defined benefit pension plan. This pension fund is a trust fund. The Board acts independently of the governing body of the City. The plan is established under the authority of the Texas Local Firefighters' Retirement Act (TLFFRA). TLFFRA provides the authority and procedure to amend benefit provisions. The plan covers current and former firefighters of the City of San Angelo, as well as certain beneficiaries of former firefighters.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan have been determined on the same basis as they are reported by the plan. Detailed information about the plan's net position is available in the separately issued by the San Angelo Firemen's Relief and Retirement Fund financial report.

Annual reports including required supplementary information can be obtained from the Board of Trustees of the San Angelo Firemen's Relief and Retirement Fund, 72 W. College, San Angelo, Texas 76903.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Benefits Provided

The Plan provides service retirement, death, disability, and withdrawal benefits. These benefits fully vest after 20 years of credited service. A partially vested deferred benefit is available for firefighters who terminate employment with at least 10 but less than 20 years of service. Employees may retire at age 50 with 20 years of credited service. A reduced early service retirement benefit is available for employees who terminate employment with 20 or more years of service regardless of age. The Plan, effective November 1, 1999, and amended September 1, 2007, provides a monthly normal service retirement benefit, payable in a Joint and 72% to Spouse form of annuity. For firefighters hired before May 1, 1986, the monthly benefit equals 67.5% of the Highest 48-Month Average Salary plus \$230 per month for each whole year of service in excess of 20 years with partial credit given based on the number of months completed in excess of whole years. For firefighters hired on or after May 1, 1986, the monthly benefit equals 66% of the Highest 48-Month Average Salary plus \$230 per month for each whole year of service in excess of 20 years with partial credit given based on the number of months completed in excess of whole years.

A firefighter has the option to participate in the Optional Retirement Program (ORP) or the Retroactive Deferred Retirement Plan (RETRO DROP) which will provide a lump sum benefit and a monthly retirement benefit upon termination of employment. A Joint and 100% to Surviving Spouse option is also available for normal service retirement, early service retirement, ORP, and RETRO DROP plans instead of the standard Joint and 72% to Surviving Spouse form. Effective January 1, 1997, the Plan was amended to provide automatic post-retirement benefit increases of 1.2% per year deferred to begin at age 61 for firefighters retiring after January 1, 1997. In addition, the Plan has the authority to provide, and has periodically in the past provided for, ad hoc postretirement benefit increases. An ad hoc postretirement benefit increase to certain retirees as of January 1, 2002, was granted. The benefit provisions of this Plan are authorized by the Texas Local Fire Fighters' Retirement Act (TLFFRA). The TLFFRA provides the authority and procedure to amend benefit provisions.

Employees Covered by Benefit Terms

Inactive plan members or beneficiaries currently receiving benefits	145
Inactive plan members entitled to but not yet receiving benefits	2
Active plan members	178
Total	<u>325</u>

Contributions

The contribution provisions of the Plan are authorized by the Texas Local Fire Fighters Retirement Act (TLFFRA). The TLFFRA provides the authority and procedure to change the amount of contributions determined as a percentage of pay by each firefighter and a percentage of payroll by the City of San Angelo.

While the contribution requirements are not actuarially determined, state law requires that each plan of benefits adopted by the Plan be approved by an eligible actuary. The actuary certifies that the contribution commitment by the firefighters and the City provides an adequate financing arrangement. Using the entry age actuarial cost method, the Plan's normal cost contribution rate is determined as a percentage of payroll. The excess of the total contribution rate over the normal cost contribution rate is used to amortize the Plan's unfunded actuarial accrued liability, and the number of years needed to amortize the Plan's unfunded actuarial accrued liability is determined using an open, level percentage of payroll method.

The funding policy of the San Angelo Firemen's Relief and Retirement Fund requires contributions equal to 16.2% of pay by the firefighters and contributions by the City based on a formula, which causes the City's contribution rate to fluctuate from year to year. The December 31, 2018 actuarial valuation assumes that the City's contribution rate will average 20.20% of payroll in the future for firefighters hired on or after May 1, 1986, and average 21.65% of payroll in the future for firefighters hired before May 1, 1986. Contributions to the pension plan from the City were \$2,425,374.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

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

The City reported \$6,182,699 in pension expense for the year ended September 30, 2019. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,479,735	\$ 2,792,700
Changes of Assumptions	1,754,139	-0-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	6,080,005	-0-
City Contributions Subsequent to the Measurement Date	1,820,639	-0-
Total	<u>\$ 11,134,518</u>	<u>\$ 2,792,700</u>

\$1,820,639 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:

2020	\$ 2,769,466
2021	1,542,391
2022	1,168,730
2023	1,436,617
2024	(396,026)
Thereafter	-0-
Total	<u>\$ 6,521,178</u>

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2017, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	2.5%
Salary Increases:	3.5%, average, including inflation
Investment Rate of Return:	7.9% net of pension plan investment expense, including inflation

Mortality rates were based on the RP2014 mortality with Blue Collar adjustment backwards to 2006 with Scale MP2014 and projected with Scale MP2017.

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study as of December 31, 2009. The experience study covered the following periods:

- Historical Census data from 2000-2009
- Investment return experience 2005-2009
- Salary increase experience 2005-2009
- Covered payroll growth experience 1994-2009

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

The actuarial assumptions used in the December 31, 2017, valuation were based on the results of a bi-annual actuarial study.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2017, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity:		6.00%
Domestic Equity	54.00%	
International Equity	6.00%	
Real Estate	6.00%	4.00%
Fixed Income	32.00%	
Cash	2.00%	0.00%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.8%. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

The total pension liability was determined based on an actuarial valuation performed as of December 31, 2017 with a measurement date of December 31, 2018. There were no changes in assumptions or changes in benefit terms that affected measurement of the total pension liability. The following table reports the components of changes in net pension liability:

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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

SCHEDULE OF CHANGES IN NET PENSION LIABILITY			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (a) - (b)
Balances Beginning of Year	\$ 102,907,475	\$ 66,618,737	\$ 36,288,738
Changes for the Year:			
Service cost	\$ 2,298,120	\$ -0-	\$ 2,298,120
Interest expense	7,937,118	-0-	7,937,118
Differences between expected and actual experience	-0-	-0-	-0-
Changes in benefit terms	-0-	-0-	-0-
Changes of assumptions	-0-	-0-	-0-
Contributions - City	-0-	2,375,378	(2,375,378)
Contributions - buy back	-0-	1,934,894	(1,934,894)
Contributions - Members	-0-	(3,957,401)	3,957,401
Net investment income	-0-	(5,704,822)	5,704,822
Benefits paid	(5,704,822)	(49,838)	(5,654,984)
Plan administrative expenses	-0-	(6,182)	6,182
Net Changes	<u>\$ 4,530,416</u>	<u>(\$ 5,407,971)</u>	<u>\$ 9,938,387</u>
Balances End of Year	<u>\$ 107,437,891</u>	<u>\$ 61,210,766</u>	<u>\$ 46,227,125</u>

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

The following presents the net pension liability of the employers calculated using the discount rate of 7.8%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.8%) or 1-percentage-point higher (8.8%) than the current rate:

	1% Decrease (6.8%)	Current Discount Rate (7.8%)	1% Increase (8.8%)
Employers' Net Pension Liability	\$ 61,702,895	\$ 46,227,125	\$ 33,260,499

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report that can be obtained from the Board of Trustees of the San Angelo Firemen's Relief and Retirement Fund, 72 W. College, San Angelo, Texas 76903.

VI.B. Hybrid Defined Benefit Plan

Plan Description

The City participates as one of 860 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS' defined benefit pension plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

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

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Benefits Provided

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City financed monetary credits, with interest. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount at least equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percent (100%, 150%, or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit, which is a theoretical amount. This amount, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be equal to the total monetary credits and employee contributions (accumulated with interest). This is assuming the current employee contribution rate and City matching percent have always been in existence and the employee's salary had always been the average of his salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Active Employees	625
Deferred Vested Former Employees	331
Retirees or Retiree Beneficiaries	<u>715</u>
Total	<u>1,671</u>

Contributions

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

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rate for the City was 17.61% and 17.46% in calendar years 2018 and 2019, respectively. The City's contributions to TMRS for the year ended September 30, 2019 were \$6,410,024 and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2018 and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The Total Pension Liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation -	2.5% per year
Overall Payroll Growth -	3.5% to 10.5% per year, including inflation
Investment Rate of Return -	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender distinct RP2000 Combined Healthy Mortality Table, which male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions used in the December 31, 2018 valuation were based on the results of actuarial experience studies performed for the 2015 actuarial valuation. This experience study was for the period December 31, 2010 through December 31, 2014. Healthy postretirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Assumptions are reviewed annually. No additional changes were made for the 2018 valuation.

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	17.50%	4.30%
International Equity	17.50%	6.10%
Core Fixed Income	10.00%	1.00%
Non-Core Fixed Income	20.00%	3.39%
Real Return	10.00%	3.78%
Real Estate	10.00%	4.44%
Absolute Return	10.00%	3.56%
Private Equity	5.00%	7.75%
Total	<u>100.00%</u>	

Discount Rate

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

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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Changes in the Net Pension Liability

SCHEDULE OF CHANGES IN NET PENSION LIABILITY			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (a) - (b)
Balances Beginning of Year	\$ 234,483,573	\$ 198,924,714	\$ 35,558,859
Changes for the Year:			
Service cost	\$ 5,491,969	\$ -0-	\$ 5,491,969
Interest expense	15,606,134	-0-	15,606,134
Difference between expected and actual experience	(1,489,022)	-0-	(1,489,022)
Contributions - City	-0-	6,243,572	(6,243,572)
Contributions - Members	-0-	2,481,845	(2,481,845)
Net investment income	-0-	(5,956,141)	5,956,141
Benefits paid	(12,055,161)	(12,055,161)	-0-
Plan administrative expenses	-0-	(115,163)	115,163
Other Charges	-0-	(6,016)	6,016
Net Changes	<u>\$ 7,553,920</u>	<u>(\$ 9,407,064)</u>	<u>\$ 16,960,984</u>
Balances End of Year	<u>\$ 242,037,493</u>	<u>\$ 189,517,650</u>	<u>\$ 52,519,843</u>

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

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

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 84,859,625	\$ 52,519,843	\$ 25,903,287

Pension Plan Fiduciary Net Position

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

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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

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

For the year ended September 30, 2019, the City recognized pension expense of \$9,793,452. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 198,924	\$ 1,083,293
Changes of Assumptions	-0-	-0-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	10,275,925	-0-
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	562,570	503,441
City Contributions Subsequent to the Measurement Date	4,776,574	-0-
Total	<u>\$ 15,813,993</u>	<u>\$ 1,586,734</u>

The \$4,776,574 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2020	\$ 3,505,031
2021	982,406
2022	1,086,536
2023	3,876,712
	<u>\$ 9,450,685</u>

VI.C. Other Post-Employment Benefits

Plan Description

In addition to the pension benefits discussed above, the City of San Angelo offers its retirees and their dependents medical and prescription drug coverage for life. The pre-65 retirees can choose from among the three active plans – the high, medium, or low plan. The post-65 retirees are offered a fully insured Medicare supplement plan with Hartford. The plan was frozen as of January 1, 2000 and only employees hired before then are allowed to participate in the plan and receive the City's subsidy. Thus, the group is closed at this time, and the liability will eventually decrease to zero. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate financial report.

For the pre-65 retirees, in theory, contributions are such that the City subsidizes the same amount toward coverage regardless of the tier or plan the retiree has chosen. In practice, however, the dependents are actuarially more costly than assumed. Consequently, though the intent of the City is that the dependents pay their full cost, in reality, some of that cost is subsidized by the City and thus generates a liability. This is not true with the post-65 retirees. Their cost is priced appropriately so the dependents do pay full cost, are not subsidized and therefore, there is no GASB liability for them.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Benefits Provided

The Plan covers all current retirees of the City and provides for employee and dependent healthcare coverage from the date of retirement to age 65, provided the participant was covered by the Plan before retiring and hired before January 1, 2000. The City provides postretirement medical and pharmacy benefits through the Plan until age 65 if the retiree and spouse pay the full active premium. Participants can elect to enroll in a post-65 Medicare plan. The Council has the authority to amend plan benefits.

Employees Covered by Benefit Terms

As of September 30, 2019, the following employees were covered by the benefit terms:

Active Employees	147
Inactives or Beneficiaries Currently Receiving Benefit Payments	504
Total	<u>651</u>

Total OPEB Liability

The City's total OPEB liability of \$92,458,374 was measured as of September 30, 2019 and was determined by an actuarial valuation as of September 30, 2018.

Actuarial Assumptions

The total OPEB liability was determined based on an actuarial valuation prepared as of September 30, 2018 using the following actuarial assumptions:

- Actuarial Cost Method - Entry Age Normal Level Percentage of Salary
- Inflation - 2.50%
- Salary Scale - 3.00%
- Discount Rate - 3.83%, based on September 30, 2019 published Fidelity Municipal GO AA 20-year bond index
- Retirement Age - Retirement rates are as shown below and they are based on the City's actual retirement experience:

Age	Retirement Rates
40 - 44	1.5%
45 - 49	2.5%
50 - 54	5.5%
55	12.0%
56 - 58	7.5%
59	10.0%
60	20.0%
61	10.0%
62	40.0%
63 - 64	25.0%
65	50.0%
66 - 69	25.0%
70+	100.0%

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

- Withdraw (Termination) Rates –

Age	Male	Female
0	0.496460	0.511404
1	0.315477	0.360307
2	0.249060	0.313816
3	0.215852	0.275627
4	0.190946	0.240758
5	0.167701	0.205890
6	0.149436	0.172682
7	0.129511	0.141134
8	0.109587	0.116228
9	0.092983	0.096303
10	0.079699	0.083020
11	0.066416	0.071397
12	0.056454	0.063095
13	0.048152	0.054793
14	0.039850	0.046491
15	0.036529	0.038189
16	0.033208	0.029887
17	0.029887	0.026566
18	0.028227	0.021585
19	0.028227	0.019925
20+	0.028227	0.019925

- Healthcare cost trend rates –

Year	Rate
2019-2019	8.0%
2019-2020	7.5%
2020-2021	7.0%
2021-2022	6.5%
2022-2023	6.0%
2023-2024	5.5%
2024-2025	5.0%
2025+	4.5%

- Married – 25%; with females assumed age to be three years younger
- Average per capita claim cost – Range from age 40 of \$3,323 to age 80 of \$5,301
- Mortality Rates - 2017 IRS Static Mortality Table with representative rates per thousand for the RP-2014 mortality tables.
- Coverage – 95% of all retirees who currently have healthcare coverage will continue with coverage.

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CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

Changes in Total OPEB Liability

The following table reports the components of changes in total OPEB liability:

	Total OPEB Liability (a)
Balances, Beginning of Year	\$ 91,227,298
Changes for the Year:	
Service Cost	\$ 840,187
Interest Expense	3,435,697
Changes of Assumptions	-0-
Benefits Paid	(3,044,808)
Net Changes	(\$ 1,231,076)
Balances, End of Year	\$ 92,458,374

Sensitivity of the Total OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the total OPEB liability of the employer calculated using the discount rate of 3.83%, as well as what the Plan's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.83%) or 1-percentage-point higher (4.83) than the current rate:

	1% Decrease (2.83%)	Current Discount Rate (3.83%)	1% Increase (4.83%)
Employers' Total OPEB Liability	\$ 109,971,210	\$ 92,458,374	\$ 78,881,697

Sensitivity of the Total OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability (asset) of the employer calculated using the healthcare cost trend rate of 8.0% to 4.5%, as well as what the Plan's total OPEB liability (asset) would be if it were calculated using a healthcare cost trend rate that is 1-percentage point lower (7.0% to 3.5%) or 1-percentage-point higher (9.0% to 5.5%) than the current rate:

	1% Decrease (7.0% to 3.5%)	Healthcare Cost Trend Rates (8.0% to 4.5%)	1% Increase (9.0% to 5.5%)
Employers' Total OPEB Liability	\$ 79,400,834	\$ 92,458,374	\$ 108,880,669

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

For the year ended September 30, 2019, the City recognized negative OPEB expense of (\$280,818). At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 230,484	\$ 230,484
Total	\$ 230,484	\$ 230,484

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

VI.D. Part-Time, Seasonal, and Temporary Employees Alternatives to Social Security

Starting May 1, 2007, employees not eligible to participate in TMRS began participating in an alternative to Social Security. Under the Part-Time Alternative Retirement System (PARS), City part-time staff no longer contribute 6.2% of their salary to Social Security. Rather, they contribute 6.2% of their salary into PARS. The City contributes 1.3% of the employee's salary to that same PARS. The employee's PARS deduction is pre-tax and the contributions are kept in a trust that can either be paid out (with tax penalty) when the employee's employment with the City ends, or rolled into an individual retirement account (IRA). The City's contributions to the PARS accounts in the current year were \$9,570.

VII. TAX ABATEMENTS

As of September 30, 2019, the City provides tax abatements through two programs subject to the requirements of GASB Statement No. 77: the abatements awarded through the City of San Angelo Development Corporation (COSADC) and those awarded through the Tax Increment Reinvestment Zone (TIRZ).

The COSADC awards property tax abatements as part of incentive agreements which are agreed upon and adopted first by the COSADC board and then through ratification by the City Council. The purpose of these abatements is to encourage the growth and/or expansion of eligible entities that commit to make certain capital investments, to create a certain number of jobs, and/or to maintain those employment levels depending on the terms of the agreement. The amount and length of the abatements vary by agreement. If the recipient entity does not conform to the terms of the agreement, the abated taxes must be returned to the COSADC.

The TIRZ also awards property tax abatements as part of incentive agreements which are agreed upon and adopted first by the TIRZ board and then through ratification by the City Council. The purpose of these abatements is to encourage the growth and/or expansion of eligible entities that commit to make certain capital investments depending on the terms of the agreement. The amounts and lengths of the abatements vary by agreement. If the recipient entity does not conform to the terms of the agreement, the abated taxes must be returned to the TIRZ.

The amount of taxes abated during the year ended September 30, 2019 are:

<u>Program</u>	<u>Amount Abated</u>
COSADC	\$ 77,960
TIRZ	12,653
Total	<u>\$ 90,613</u>

VIII. NEW PRONOUNCEMENTS

The GASB has issued several new accounting pronouncements, which will be effective in subsequent years. A description of the new accounting pronouncements, the fiscal year in which they are effective, and the City's consideration of the impact of these pronouncements are described below:

GASB Statement 84, Fiduciary Activities – GASB 84 was issued January 2018, and this Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The City has not yet determined the impact that implementation of GASB 84 will have on its net position.

GASB Statement 85, Omnibus 2019 – GASB 85 was issued March 2018, and this Statement address a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits. The City has not yet determined the impact that implementation of GASB 85 will have on its net position.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

GASB Statement 86, Certain Debt Extinguishment Issues – GASB 86 issued May 2018, and the primary objective of this Statement is to improve the consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt substance. The City has not yet determined the impact that implementation of GASB 86 will have on its net position.

GASB Statement 87, Leases – GASB 87 was issued June 2018, and the primary objective of this Statement is to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about activities. The City has not yet determined the impact that implementation of GASB 87 will have on its net position.

GASB Statement No. 88, Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements – GASB 88 was issued in April 2018 and improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2019. At this time, the impact to the City is unknown.

GASB Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period – GASB 89 was issued in June 2018 and requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of construction period will no longer be included in the historical cost of a capital type activity or proprietary type funds. The requirements for this Statement are effective for reporting periods beginning after December 15, 2019. At this time, the impact to the City is unknown.

GASB Statement No. 90, Majority Interests (an amendment of GASB Statements 14 and 61) – GASB 90 was issued August 2019 and will be effective for periods beginning December 15, 2018. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The City has determined the implementation of GASB 90 will have no impact on its net position.

GASB Statement No. 91, Conduit Debt Obligations – GASB 91 was issued May 2019 and will be effective for periods beginning after December 1, 2020. The primary objectives of this Statement are to provide a single method of reporting and eliminate the option for government issuers to recognize conduit debt obligations. This Statement clarifies the existing definition of a conduit debt obligation; establishes that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2019

additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improves required note disclosures. At this time, the impact to the City is unknown.

GASB Statement No. 92, Omnibus 2020 – GASB 92 was issued January 2020, and this Statement address a variety of topics including issues related to lesases, intra-entity transfers of assets between a primary government and a component until defined benefit pension plan or defined benefit other postemployment benefit plan, pensions and postemployment benefits, fiduciary activities, asset retirement obligations, entity risk pools, fair value measurements, and derivative instruments.. The City has not yet determined the impact that implementation of GASB 85 will have on its net position.

VIII. SUBSEQUENT EVENTS

The following events occurred after the fiscal year end and are disclosed for reporting purposes:

- As a result of surplus sales tax revenue for the year ended September 30, 2019, the City Council was able to subsequently fund \$1,468,444 for street maintenance.
- The City Council approved the purchase of body and vehicle cameras for the Police Department over a five year program which will be funded primarily by the 2015 Certificate of Obligations issue for Public Safety Upgrades. The expected cost for fiscal year 2020 is \$386,482.
- The City Council approved the issuance of \$56,075,000 Texas Waterworks and Sewer System Improvement Revenue Bonds, Series 2019 with the Initial Bond delivered to the Texas Water Development Board, The bond proceeds will be used to further develop the Hickory aquifer water supply.
- The City Council approved a resolution directing publication of notice of intention to issue combination tax and revenue certificates of obligation to provide funds for the reconstruction and improvement of City streets. This opportunity is in line with the planned issuance of debt in the amount of \$17,500,000 every other year for ten years and beginning in fiscal year 2016. This is the third such debt issue.
- The City Council authorized the issuance of City of San Angelo, Texas, General Obligation Refunding Bonds, Series 2020, for the purpose of possibly refinancing Series 2011A Certificates of Obligation and 2011 General Obligation bonds for general and water capital improvement projects. Refinancing will allow the negotiation of a lower interest rate and will create savings for the City. The general debt service fund and the water utility could realize a combined annual savings of approximately \$40,000 per year and a total savings of approximately \$190,000.
- The City Council authorized the issuance and sale of City of San Angelo, Texas Waterworks and Sewer System Revenue Refunding Bonds, Taxable Series 2020, for the purpose of possibly refinancing Series 2017 bonds for water capital improvement projects. Refinancing will allow the negotiation of a lower interest rate and will create savings for the City. The water utility could realize an annual savings in excess of \$150,000 per year and a total savings of approximately \$4 million.
- Due to the uncertainty related to COVID-19, the City does expect to see some impact on sales tax, interest income, and hotel tax for the remainder of fiscal year 2020 and is already taking steps to limit and/or freeze expenditures to compensate for the expected deficiencies. The budget for fiscal year 2021 will be adjusted to conservatively account for any projected economic downturn.

CITY OF SAN ANGELO, TEXAS

Budgetary Comparison Schedule - General Fund

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Modified Accrual	Adjustments	Budget Basis	
REVENUES						
Taxes:						
Property	\$ 34,356,663	\$ 34,356,663	\$ 34,290,832	\$ 39,408	\$ 34,330,240	(\$ 26,423)
Sales	18,440,602	18,440,602	19,962,832	(53,785)	19,909,047	1,468,445
Franchise	4,805,015	4,555,015	4,232,646	-0-	4,232,646	(322,369)
Motel	-0-	-0-	-0-	-0-	-0-	-0-
Mixed Drink	364,307	364,307	399,016	-0-	399,016	34,709
Bingo	43,095	43,095	44,149	-0-	44,149	1,054
Licenses and Permits	876,843	889,845	922,653	-0-	922,653	32,808
Intergovernmental	644,486	644,486	630,404	-0-	630,404	(14,082)
Charges for Services	6,633,526	6,922,526	9,714,016	(3,247,021)	6,466,995	(455,531)
Fines and Forfeitures	3,259,567	3,212,623	3,088,295	-0-	3,088,295	(124,328)
Investment Income:						
Interest	547,689	717,555	1,009,086	-0-	1,009,086	291,531
Change in Fair Value of Investments	-0-	-0-	4,040,924	-0-	4,040,924	4,040,924
Miscellaneous:						
Gifts and Contributions	55,050	55,050	47,698	-0-	47,698	(7,352)
Other Miscellaneous	542,799	1,467,594	990,378	-0-	990,378	(477,216)
Total Revenues	\$ 70,569,642	\$ 71,669,361	\$ 79,372,929	(\$ 3,261,398)	\$ 76,111,531	\$ 4,442,170
EXPENDITURES						
Current:						
General Government:						
City Council	\$ 187,473	\$ 194,513	\$ 180,186	\$ -0-	\$ 180,186	\$ 14,327
City Manager	730,939	725,996	720,197	-0-	720,197	5,799
Legal	1,226,597	1,249,597	1,143,616	-0-	1,143,616	105,981
Public Information	208,600	249,189	242,893	-0-	242,893	6,296
Construction Management	559,621	558,158	561,174	-0-	561,174	(3,016)
Finance	2,485,144	2,504,179	2,473,036	-0-	2,473,036	31,143
Information Services	616,282	625,385	609,637	-0-	609,637	15,748
Purchasing	183,879	190,764	188,658	-0-	188,658	2,106
Personnel	2,435,977	2,618,368	2,816,434	-0-	2,816,434	(198,066)
Non-Departmental	4,368,680	2,118,818	1,493,219	-0-	1,493,219	625,599
Total General Government	\$ 13,003,192	\$ 11,034,967	\$ 10,429,050	\$ -0-	\$ 10,429,050	\$ 605,917
Public Safety:						
Municipal Court	\$ 2,588,845	\$ 3,683,030	\$ 2,392,219	\$ -0-	\$ 2,392,219	\$ 1,290,811
Police	19,312,408	19,745,135	20,101,725	-0-	20,101,725	(356,590)
Fire	18,301,757	18,614,925	18,517,096	-0-	18,517,096	97,829
Communications	1,558,305	1,589,255	1,485,096	-0-	1,485,096	104,159
School Crossing Guards	120,517	137,985	124,641	-0-	124,641	13,344
Total Public Safety	\$ 41,881,832	\$ 43,770,330	\$ 42,620,777	\$ -0-	\$ 42,620,777	\$ 1,149,553
Public Works and Transportation:						
Public Works	\$ 388,918	\$ 383,070	\$ 368,984	\$ -0-	\$ 368,984	\$ 14,086
Signal Control	865,822	852,275	812,574	-0-	812,574	39,701
Streets and Bridges	7,409,029	9,163,184	6,766,660	-0-	6,766,660	2,396,524
Planning and Zoning	2,266,960	2,217,604	2,136,225	-0-	2,136,225	81,379
Permits and Inspections	900,941	900,941	872,600	-0-	872,600	28,341
Total Public Works and Transportation	\$ 11,831,670	\$ 13,517,074	\$ 10,957,043	\$ -0-	\$ 10,957,043	\$ 2,560,031

CITY OF SAN ANGELO, TEXAS

Budgetary Comparison Schedule - General Fund

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Modified Accrual	Adjustments	Budget Basis	
Public Facilities:						
City Hall	\$ 665,356	\$ 776,878	\$ 665,992	\$ -0-	\$ 665,992	\$ 110,886
Fairmount Cemetery	416,327	417,902	367,862	-0-	367,862	50,040
Total Public Facilities	\$ 1,081,683	\$ 1,194,780	\$ 1,033,854	\$ -0-	\$ 1,033,854	\$ 160,926
Health and Human Services:						
Health Department	\$ 179,282	\$ 179,282	\$ 174,708	\$ -0-	\$ 174,708	\$ 4,574
Animal Control	880,980	1,016,525	872,321	-0-	872,321	144,204
Code Compliance	471,756	561,564	511,097	-0-	511,097	50,467
Social Services	55,500	55,500	55,499	-0-	55,499	1
Total Health and Human Services	\$ 1,587,518	\$ 1,812,871	\$ 1,613,625	\$ -0-	\$ 1,613,625	\$ 199,246
Culture, Parks and Recreation:						
Parks	\$ 4,520,620	\$ 4,837,120	\$ 3,905,534	\$ -0-	\$ 3,905,534	\$ 931,586
Recreation	958,612	1,034,857	868,820	-0-	868,820	166,037
Swimming Pool	184,038	254,368	151,555	-0-	151,555	102,813
Fort Concho Museum	1,095,201	2,232,732	1,086,592	-0-	1,086,592	1,146,140
Total Culture, Parks and Recreation	\$ 6,758,471	\$ 8,359,077	\$ 6,012,501	\$ -0-	\$ 6,012,501	\$ 2,346,576
Total Current Expenditures	\$ 76,144,366	\$ 79,689,099	\$ 72,666,850	\$ -0-	\$ 72,666,850	\$ 7,022,249
Capital Outlay	775,000	13,555,743	5,074,661	-0-	5,074,661	8,481,082
Debt Service:						
Principal	-0-	-0-	-0-	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	-0-	-0-	-0-	-0-	-0-
Total Expenditures	\$ 76,919,366	\$ 93,244,842	\$ 77,741,511	\$ -0-	\$ 77,741,511	\$ 15,503,331
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 6,349,724)	(\$ 21,575,481)	\$ 1,631,418	(\$ 3,261,398)	(\$ 1,629,980)	\$ 19,945,501
OTHER FINANCING SOURCES (USES)						
Transfers In	\$ 5,901,440	\$ 7,034,033	\$ 9,483,086	\$ -0-	\$ 9,483,086	\$ 2,449,053
Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-
Premium on Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-
Sale of Capital Assets	2,000	2,000	43	-0-	43	(1,957)
Transfers Out	(1,143,237)	(1,989,664)	(2,134,615)	-0-	(2,134,615)	(144,951)
Total Other Financing Sources (Uses)	\$ 4,760,203	\$ 5,046,369	\$ 7,348,514	\$ -0-	\$ 7,348,514	\$ 2,302,145
Net Change in Fund Balance	(\$ 1,589,521)	(\$ 16,529,112)	\$ 8,979,932	(\$ 3,261,398)	\$ 5,718,534	\$ 22,247,646
Fund Balance - Beginning	9,621,381	(45,098,800)	54,104,239	(12,506,243)	19,147,436	64,246,236
Restatement of Beginning Fund Balance	-0-	-0-	(16,261,705)	-0-	(16,261,705)	(16,261,705)
Fund Balance - Ending	\$ 8,031,860	(\$ 61,627,912)	\$ 46,822,466	(\$ 15,767,641)	\$ 8,604,265	\$ 70,232,177

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2019

Required Supplementary Information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes budgetary comparison schedules for the General Fund, each major Special Revenue Fund, and the Capital Project Fund with an annual appropriated budget.

Budgetary Accounting and Control

Prior to the beginning of each fiscal year, the City Manager submits a proposed annual budget to the City Council for the general, special revenue, debt service, permanent, enterprise, and internal service funds. The budgets for the enterprise and internal service funds are for internal management purposes. Public hearings are held to obtain citizen's comments on the proposed budget. The budget is legally enacted prior to October 1 of each year by the adoption of a general appropriations ordinance. Expenditures cannot exceed the total appropriations at the fund total level. Changes in the total budget for a fund can only be made by amendments approved by City Council. Management, without City Council approval, can make changes within and between departments in a fund which does not change the total budget for that fund. Budget amounts shown in the budgetary comparison schedules represent the budget as amended.

Project-length financial plans are adopted for expenditure of grants, contributions, and/or long-term debt proceeds in the Community Development and Home Program special revenue funds and the capital projects funds. The Santa Fe Park Trust permanent fund is not budgeted.

The City utilizes encumbrances accounting under which purchase orders, contracts and other commitments for the expenditure funds are recorded in order to reserve a portion of the applicable appropriation. Encumbered appropriations at year-end are lapsed, and encumbrances to be honored are reappropriated in the following budget year.

Budgetary basis for some funds differs from GAAP in several ways. Governmental funds' budgets do not include certain revenue and expenditure accruals and deferrals. Budgets for the proprietary funds are substantially on a governmental funds modified accrual basis, which differs from the accrual basis required by GAAP. A column for adjustments from GAAP basis to the budgetary basis, where applicable, is provided for the budgetary comparisons.

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2019

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

Last Fiscal Year

	2015	2016	2017	2018	*2019
Total pension liability					
Service cost	\$ 4,231,932	\$ 4,877,309	\$ 5,329,787	\$ 5,416,244	\$ 5,491,969
Interest	13,765,927	14,190,598	14,439,741	15,033,601	15,606,133
Differences between expected and actual experience	(1,528,383)	253,147	827,202	120,491	(1,489,022)
Changes of assumptions	-0-	2,707,629	-0-	-0-	-0-
Benefit payments, including refunds of member contributions	(10,826,257)	(10,624,607)	(11,486,726)	(12,197,321)	(12,055,161)
Net change in total pension liability	\$ 5,643,219	\$ 11,404,076	\$ 9,110,004	\$ 8,373,015	\$ 7,553,919
Total pension liability - beginning	199,953,259	205,596,478	217,000,554	226,110,558	234,483,573
Total pension liability - ending (a)	<u>\$ 205,596,478</u>	<u>\$ 217,000,554</u>	<u>\$ 226,110,558</u>	<u>\$ 234,483,573</u>	<u>\$ 242,037,492</u>
Plan fiduciary net position					
Contributions - employer	\$ 5,576,688	\$ 5,728,465	\$ 5,856,113	\$ 6,159,661	\$ 6,243,572
Contributions - member	2,132,065	2,265,505	2,399,261	2,442,228	2,481,844
Net investment income	9,503,498	254,398	11,478,572	24,663,190	(5,956,141)
Benefit payments, including refunds of member contributions	(10,826,257)	(10,624,607)	(11,486,726)	(12,197,321)	(12,055,161)
Administrative expense	(99,229)	(154,965)	(129,662)	(127,845)	(115,163)
Other	(8,158)	(7,652)	(6,986)	(6,479)	(6,016)
Net change in plan fiduciary net position	\$ 6,278,607	(\$ 2,538,856)	\$ 8,110,572	\$ 20,933,434	(\$ 9,407,065)
Plan fiduciary net position - beginning	166,140,957	172,419,564	169,880,708	177,991,280	198,924,714
Plan fiduciary net position - ending (b)	<u>\$ 172,419,564</u>	<u>\$ 169,880,708</u>	<u>\$ 177,991,280</u>	<u>\$ 198,924,714</u>	<u>\$ 189,517,649</u>
Net pension liability - ending (a) - (b)	<u>\$ 33,176,914</u>	<u>\$ 47,119,846</u>	<u>\$ 48,119,278</u>	<u>\$ 35,558,859</u>	<u>\$ 52,519,843</u>
Plan fiduciary net position as a percentage of the total pension liability	83.86%	78.29%	78.72%	84.84%	78.30%
Covered payroll	\$ 30,458,079	\$ 31,518,849	\$ 34,655,009	\$ 34,745,984	\$ 35,305,734
Net pension liability as a percentage of covered payroll	108.93%	149.50%	138.85%	102.34%	148.76%

Notes to Schedule:

Only the current and prior fiscal years are presented because 10-year data is not yet available.

*The information presented for fiscal year 2018 are based on a measurement date of December 31, 2017.

A change in assumption occurred during fiscal year 2016. This change is a result of a reduction in discount rate from 7.00% to 6.75%.

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2019

**Texas Municipal Retirement Fund
Schedule of Employer Contributions**

Last Fiscal Year

	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 5,688,038	\$ 5,974,012	\$ 6,067,440	\$ 6,215,573	\$ 6,410,024
Contributions in relation to the actuarially determined contribution	5,688,038	5,974,012	6,067,440	6,215,573	6,410,024
Contribution deficiency (excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Covered payroll	\$ 31,518,849	\$ 34,655,009	\$ 34,745,984	\$ 35,305,734	\$ 36,644,791
Contributions as a percentage of covered payroll	18.05%	17.24%	17.46%	17.60%	17.49%

Only the current and prior fiscal years are presented because 10-year data is not yet available.

Notes to Schedule:

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	28 years
Contributions	17.59% for Calendar Year 2017 17.61% for Calendar Year 2018
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 10.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB

Only the current and prior fiscal years are presented because 10-year data is not yet available.

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2019

San Angelo Firemen's Relief and Retirement Fund
Schedule of Changes in Net Pension Liability and Related Ratios

Last Fiscal Year

	2015	2016	2017	2018	*2019
Total pension liability					
Service cost	\$ 2,438,145	\$ 2,002,372	\$ 2,160,559	\$ 2,347,801	\$ 2,298,123
Interest	6,609,094	6,772,296	7,510,752	7,941,043	7,937,118
Changes of benefit terms	-0-	-0-	-0-	473,900	-0-
Differences between expected and actual experience	-0-	3,449,753	-0-	(3,909,779)	-0-
Changes of assumptions	-0-	2,215,105	-0-	1,137,592	-0-
Contributions - buy back	-0-	-0-	-0-	22,656	-0-
Benefit payments, including refunds of member contributions	(4,391,400)	(4,695,087)	(6,039,371)	(6,554,930)	(5,704,822)
Net change in total pension liability	\$ 4,655,839	\$ 9,744,439	\$ 3,631,940	\$ 1,458,283	\$ 4,530,419
 Total pension liability - beginning	 83,416,973	 88,072,812	 97,817,251	 101,449,191	 102,907,474
Total pension liability - ending (a)	<u>\$ 88,072,812</u>	<u>\$ 97,817,251</u>	<u>\$ 101,449,191</u>	<u>\$ 102,907,474</u>	<u>\$ 107,437,893</u>
 Plan fiduciary net position					
Contributions - employer	\$ 2,044,568	\$ 2,086,618	\$ 2,239,456	\$ 2,293,931	\$ 2,375,378
Contributions - member	1,432,875	1,462,906	1,590,202	1,755,034	1,934,896
Contributions - buy back	-0-	-0-	-0-	22,656	-0-
Net investment income	3,264,867	(1,262,749)	4,199,126	8,954,582	(3,957,401)
Benefit payments, including refunds of member contributions	(4,391,400)	(4,695,087)	(6,039,371)	(6,554,930)	(5,704,822)
Administrative expense	(62,491)	(48,866)	(55,543)	(59,338)	(56,020)
Other	-0-	-0-	-0-	-0-	-0-
Net change in plan fiduciary net position	\$ 2,288,419	(\$ 2,457,178)	\$ 1,933,870	\$ 6,411,935	(\$ 5,407,969)
 Plan fiduciary net position - beginning	 58,441,691	 60,730,110	 58,272,932	 60,206,802	 66,618,737
Plan fiduciary net position - ending (b)	<u>\$ 60,730,110</u>	<u>\$ 58,272,932</u>	<u>\$ 60,206,802</u>	<u>\$ 66,618,737</u>	<u>\$ 61,210,768</u>
 Net pension liability - ending (a) - (b)	 <u>\$ 27,342,702</u>	 <u>\$ 39,544,319</u>	 <u>\$ 41,242,389</u>	 <u>\$ 36,288,737</u>	 <u>\$ 46,227,125</u>
 Plan fiduciary net position as a percentage of the total pension liability	 68.95%	 59.57%	 59.35%	 64.74%	 56.97%
 Covered payroll	 \$ 10,090,669	 \$ 10,246,197	 \$ 10,965,035	 \$ 10,754,438	 \$ 11,682,741
 Net pension liability as a percentage of covered payroll	 270.97%	 385.94%	 376.13%	 337.43%	 395.69%

Notes to Schedule:

Only the current and prior fiscal years are presented because 10-year data is not yet available.

*The information presented for fiscal year 2018 is based on a measurement date of December 31, 2017.

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2019

San Angelo Firemen's Relief and Retirement Fund
Schedule of Employer Contributions

Last Fiscal Year

	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 2,075,551	\$ 2,219,315	\$ 2,173,090	\$ 2,360,039	\$ 2,425,374
Contributions in relation to the actuarially determined contribution	2,075,551	2,219,315	2,173,090	2,360,039	2,425,374
Contribution deficiency (excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Covered payroll	\$ 10,246,197	\$ 10,965,035	\$ 10,754,438	\$ 11,682,741	\$ 12,007,512
Contributions as a percentage of covered payroll	20.26%	20.24%	20.21%	20.20%	20.20%

Only the current and prior fiscal years are presented because 10-year data is not yet available.

Notes to Schedule:

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Open period, level percentage of projected payroll
Amortization Period	98.8 years
Contributions	20.20% -Firefighters hired on or after May 1, 1986
	21.65% -Firefithers hired before May 1, 1986
Asset Valuation Method	5 Year smoothed market
Inflation	4.00%
Salary Increases	Graduated scale based on firefighter age
Investment Rate of Return	7.90%
Projected Payroll Growth	3.50%
Mortality	RP2014 Combined Mortality Table with Blue Collar Adjustment with generational projection using Scale MP2015

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2019

Other Postemployment Benefit

Schedule of Changes in Total OPEB Liability and Related Ratios

Last 10 Fiscal Years

	2018	*2019
Total OPEB liability		
Service cost	\$ 989,000	\$ 840,187
Interest	3,817,000	3,435,697
Change in assumptions	(20,271,000)	-0-
Benefit payments, including refunds of member contributions	(2,768,626)	(3,044,808)
Net change in total OPEB liability	(\$ 18,233,626)	\$ 1,231,076
 Total OPEB liability - beginning	 109,460,000	 91,226,374
Total OPEB liability - ending	\$ 91,226,374	\$ 92,457,450
 Covered employee payroll	 \$ 47,961,000	 \$ 49,234,000
 Net OPEB liability as a percentage of covered employee payroll	 190.21%	 187.79%

Notes to Schedule:

Only the current and prior years are presented because 10-year data is not yet available.

The discount rate was changed from 3.5% to 3.83% for the 2018 actuarial valuation; no change for 2019 measurement date.

CITY OF SAN ANGELO, TEXAS

General Fund Descriptions

For the Year Ended September 30, 2019

GENERAL FUND

To account for all financial resources not legally or administratively required to be reported in another fund. It is always a major governmental fund.

Under GASB Statement 54, certain funds no longer meet the definition to be presented as special revenue funds. Those funds became accounts of the general fund for reporting purposes.

The General Fund contains the following subfund accounts:

Texas Sports Complex Subfund – To account for the revenue and expenses associated with the City's sports complex.

Civic Events Subfund – To account for the expenditure of a designated portion of the motel tax and rental and concessions generated by the coliseum and fairgrounds, city auditorium, and convention center.

Equipment Replacement Subfund – To account for the purchase of capital equipment for the general fund.

General Capital Projects Subfund – To account for large capital projects in the general fund.

Fort Concho Museum Subfund – To account for the operation of old Fort Concho as a museum.

Fairmount Cemetery Subfund – To account for funds received from cemetery lot sales and care and for contributions from a trust.

Payroll Subfund – To process payroll and benefits for the entire City.

CITY OF SAN ANGELO, TEXAS

Combining Balance Sheet - General Fund Accounts

For the Year Ended September 30, 2019

	General	Texas Sports Complex	Civic Events	Equipment Replacement	General Capital Projects	Fort Concho	Fairmount Cemetery	Payroll	Total General Fund
ASSETS									
Cash and Cash Equivalents	\$ 13,185,494	\$ 762,806	\$ 1,297,702	\$ 764,401	\$ -0-	\$ 1,413,973	\$ -0-	\$ -0-	\$ 17,424,376
Investments	12,941,521	-0-	312,707	42,946	6,586,779	85	-0-	-0-	19,884,038
Receivables:									
Accrued Interest	87,430	3,093	-0-	1,703	19,675	1,908	-0-	-0-	113,809
Property Taxes	1,187,159	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,187,159
Accounts	6,434,001	30,497	-0-	1,382	55,971	366	58,596	-0-	6,580,813
Less: Allowance for Uncollectibles	(3,156,985)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(3,156,985)
Due from Other Governments	3,371,296	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3,371,296
Due from Other Funds (Interfund)	499,447	-0-	-0-	-0-	-0-	-0-	-0-	-0-	499,447
Due from Other Funds	7,786,473	-0-	-0-	-0-	-0-	-0-	-0-	-0-	7,786,473
Inventories	19,915	-0-	-0-	-0-	-0-	17,389	-0-	-0-	37,304
Prepays	6,018	-0-	-0-	-0-	-0-	-0-	-0-	-0-	6,018
Total Assets	<u>\$ 42,361,769</u>	<u>\$ 796,396</u>	<u>\$ 1,610,409</u>	<u>\$ 810,432</u>	<u>\$ 6,662,425</u>	<u>\$ 1,433,721</u>	<u>\$ 58,596</u>	<u>\$ -0-</u>	<u>\$ 53,733,748</u>
DEFERRED OUTFLOWS OF RESOURCES									
Deferred Charges	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Deferred Outflows of Resources	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
LIABILITIES									
Current Liabilities:									
Accounts Payable	\$ 3,107,577	\$ -0-	\$ 58,194	\$ 66,434	\$ 112,734	\$ 66,887	\$ 56,011	-0-	\$ 3,467,837
Deposits	184,994	-0-	-0-	-0-	-0-	36,351	-0-	-0-	221,345
Due to Other Funds (Interfund)	-0-	-0-	-0-	-0-	476,389	-0-	23,058	-0-	499,447
Due to Other Governments	78,181	-0-	-0-	-0-	-0-	-0-	-0-	-0-	78,181
Unearned Revenue	-0-	86,250	-0-	-0-	-0-	-0-	-0-	-0-	86,250
Arbitrage Rebates Payable	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Liabilities	<u>\$ 3,370,752</u>	<u>\$ 86,250</u>	<u>\$ 58,194</u>	<u>\$ 66,434</u>	<u>\$ 589,123</u>	<u>\$ 103,238</u>	<u>\$ 79,069</u>	<u>\$ -0-</u>	<u>\$ 4,353,060</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue - Property Taxes	\$ 1,002,251	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 1,002,251
Deferred Revenues	-0-	-0-	-0-	-0-	55,971	-0-	-0-	-0-	55,971
Total Deferred Inflows of Resources	<u>\$ 1,002,251</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 55,971</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 1,058,222</u>
FUND BALANCES									
Nonspendable	\$ 25,933	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 17,389	\$ -0-	\$ -0-	\$ 43,322
Restricted	1,773,777	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,773,777
Committed	93,702	14,376	11,415	-0-	-0-	-0-	61,569	-0-	181,062
Unassigned	36,095,354	695,770	1,540,800	743,998	6,017,331	1,313,094	(82,042)	-0-	46,324,305
Total Fund Balances	<u>\$ 37,988,766</u>	<u>\$ 710,146</u>	<u>\$ 1,552,215</u>	<u>\$ 743,998</u>	<u>\$ 6,017,331</u>	<u>\$ 1,330,483</u>	<u>(\$ 20,473)</u>	<u>\$ -0-</u>	<u>\$ 48,322,466</u>

CITY OF SAN ANGELO, TEXAS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - General Fund Accounts

For the Year Ended September 30, 2019

	General	Texas Sports Complex	Civic Events	Equipment Replacement	General Capital Projects	Fort Concho Museum	Fairmount Cemetery	Payroll	Total General Fund
REVENUES									
Taxes:									
Property	\$ 34,290,832	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 34,290,832
Sales	19,962,832	-0-	-0-	-0-	-0-	-0-	-0-	-0-	19,962,832
Franchise	4,232,646	-0-	-0-	-0-	-0-	-0-	-0-	-0-	4,232,646
Mixed Drink	399,016	-0-	-0-	-0-	-0-	-0-	-0-	-0-	399,016
Bingo	44,149	-0-	-0-	-0-	-0-	-0-	-0-	-0-	44,149
Licenses and Permits	922,653	-0-	-0-	-0-	-0-	-0-	-0-	-0-	922,653
Intergovernmental	630,404	-0-	-0-	-0-	1,500,000	-0-	-0-	-0-	2,130,404
Charges for Services	8,406,291	111,993	624,330	50,500	-0-	294,652	226,250	-0-	9,714,016
Fines and Forfeits	3,088,295	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3,088,295
Investment Income:									
Interest	937,799	21,248	25,154	4,398	4,835	11,272	4,380	-0-	1,009,086
Change in Fair Value of Investments	5,000,129	-0-	(43,205)	(5,934)	(910,054)	(12)	-0-	-0-	4,040,924
Miscellaneous:									
Gifts and Contributions	-0-	-0-	-0-	-0-	-0-	4,112	43,586	-0-	47,698
Other Miscellaneous	900,292	1,051	22,903	39,999	-0-	24,353	1,780	-0-	990,378
Total Revenues	\$ 78,815,338	\$ 134,292	\$ 629,182	\$ 88,963	\$ 594,781	\$ 334,377	\$ 275,996	\$ -0-	\$ 80,872,929
EXPENDITURES									
Current:									
General Government	\$ 9,254,341	\$ -0-	\$ 1,174,709	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 10,429,050
Public Safety	42,620,777	-0-	-0-	-0-	-0-	-0-	-0-	-0-	42,620,777
Public Works and Transportation	10,957,043	-0-	-0-	-0-	-0-	-0-	-0-	-0-	10,957,043
Public Facilities	665,992	-0-	-0-	-0-	-0-	-0-	367,862	-0-	1,033,854
Health and Human Services	1,596,076	-0-	-0-	17,549	-0-	-0-	-0-	-0-	1,613,625
Culture, Parks and Recreation	4,250,705	675,204	-0-	-0-	-0-	1,086,592	-0-	-0-	6,012,501
Total Current Expenditures	\$ 69,344,934	\$ 675,204	\$ 1,174,709	\$ 17,549	\$ -0-	\$ 1,086,592	\$ 367,862	\$ -0-	\$ 72,666,850
Capital Outlay	838,087	17,089	135,783	2,063,147	1,996,457	-0-	24,098	-0-	5,074,661
Debt Service:									
Principal	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Expenditures	\$ 70,183,021	\$ 692,293	\$ 1,310,492	\$ 2,080,696	\$ 1,996,457	\$ 1,086,592	\$ 391,960	\$ -0-	\$ 77,741,511
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 8,632,317	(\$ 558,001)	(\$ 681,310)	(\$ 1,991,733)	(\$ 1,401,676)	(\$ 752,215)	(\$ 115,964)	\$ -0-	\$ 3,131,418
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ 5,798,993	\$ 50,000	\$ 1,326,924	\$ -0-	\$ 1,123,377	\$ 1,183,792	\$ -0-	\$ -0-	\$ 9,483,086
Transfer In (Interfund)	130,432	707,532	-0-	1,265,086	-0-	593,400	119,686	-0-	2,816,136
Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Premium on Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Sale of Capital Assets	43	-0-	-0-	-0-	-0-	-0-	-0-	-0-	43
Transfers Out	(2,000,480)	(363)	(69,880)	-0-	-0-	(62,877)	(1,015)	-0-	(2,134,615)
Transfer Out (Interfund)	(2,685,704)	-0-	(130,432)	-0-	-0-	-0-	-0-	-0-	(2,816,136)
Total Other Financing Sources (Uses)	\$ 1,243,284	\$ 757,169	\$ 1,126,612	\$ 1,265,086	\$ 1,123,377	\$ 1,714,315	\$ 118,671	\$ -0-	\$ 7,348,514
Net Change in Fund Balances	\$ 9,875,601	\$ 199,168	\$ 445,302	(\$ 726,647)	(\$ 278,299)	\$ 962,100	\$ 2,707	\$ -0-	\$ 10,479,932
Fund Balances - Beginning	44,374,870	510,978	1,106,913	1,470,645	6,295,630	368,383	(23,180)	-0-	54,104,239
Restatements	(16,261,705)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(16,261,705)
Fund Balances - Ending	\$ 37,988,766	\$ 710,146	\$ 1,552,215	\$ 743,998	\$ 6,017,331	\$ 1,330,483	(\$ 20,473)	\$ -0-	\$ 48,322,466

CITY OF SAN ANGELO, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - General Fund Accounts

For the Year Ended September 30, 2019

	General			Texas Sports Complex			Civic Events		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES									
Taxes:									
Property	\$ 34,356,663	\$ 34,290,832	(\$ 65,831)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Sales	18,440,602	19,962,832	1,522,230	-0-	-0-	-0-	-0-	-0-	-0-
Franchise	4,555,015	4,232,646	(322,369)	-0-	-0-	-0-	-0-	-0-	-0-
Mixed Drink	364,307	399,016	34,709	-0-	-0-	-0-	-0-	-0-	-0-
Bingo	43,095	44,149	1,054	-0-	-0-	-0-	-0-	-0-	-0-
Licenses and Permits	889,845	922,653	32,808	-0-	-0-	-0-	-0-	-0-	-0-
Intergovernmental	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Charges for Services	5,519,026	8,406,291	2,887,265	179,700	111,993	(67,707)	522,650	624,330	101,680
Fines and Forfeits	3,212,623	3,088,295	(124,328)	-0-	-0-	-0-	-0-	-0-	-0-
Investment Income:									
Interest	668,336	937,799	269,463	15,155	21,248	6,093	18,195	25,154	6,959
Change in Fair Value of Investments	-0-	5,000,129	5,000,129	-0-	-0-	-0-	-0-	(43,205)	(43,205)
Miscellaneous:									
Gifts and Contributions	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Other Miscellaneous	1,355,694	900,292	(455,402)	-0-	1,051	1,051	12,400	22,903	10,503
Total Revenues	\$ 69,405,206	\$ 78,184,934	\$ 8,779,728	\$ 194,855	\$ 134,292	(\$ 60,563)	\$ 553,245	\$ 629,182	\$ 75,937
EXPENDITURES									
Current:									
General Government	\$ 9,520,104	\$ 9,254,341	\$ 265,763	\$ -0-	\$ -0-	\$ -0-	\$ 1,433,814	\$ 1,174,709	\$ 259,105
Public Safety	43,770,330	42,620,777	1,149,553	-0-	-0-	-0-	-0-	-0-	-0-
Public Works and Transportation	13,511,870	10,957,043	2,554,827	-0-	-0-	-0-	5,204	-0-	5,204
Public Facilities	723,085	665,992	57,093	-0-	-0-	-0-	-0-	-0-	-0-
Health and Human Services	1,795,026	1,596,076	198,950	-0-	-0-	-0-	-0-	-0-	-0-
Culture, Parks and Recreation	5,153,076	4,250,705	902,371	973,269	675,204	298,065	-0-	-0-	-0-
Total Current Expenditures	\$ 74,473,491	\$ 69,344,934	\$ 5,128,557	\$ 973,269	\$ 675,204	\$ 298,065	\$ 1,439,018	\$ 1,174,709	\$ 264,309
Capital Outlay	2,513,642	838,087	1,675,555	31,464	17,089	14,375	228,959	135,783	93,176
Debt Service:									
Principal	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Expenditures	\$ 76,987,133	\$ 70,183,021	\$ 6,804,112	\$ 1,004,733	\$ 692,293	\$ 312,440	\$ 1,667,977	\$ 1,310,492	\$ 357,485
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 7,581,927)	\$ 8,001,913	(\$ 15,583,840)	(\$ 809,878)	(\$ 558,001)	(\$ 251,877)	(\$ 1,114,732)	(\$ 681,310)	(\$ 433,422)
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ 5,907,557	\$ 5,798,993	\$ 108,564	\$ 50,000	\$ 50,000	\$ -0-	\$ 1,076,476	\$ 1,326,924	(\$ 250,448)
Transfer In (Interfund)	-0-	130,432	130,432	707,532	707,532	-0-	-0-	-0-	-0-
Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Premium on Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Sale of Capital Assets	2,000	43	1,957	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out	(1,989,664)	(2,000,480)	10,816	-0-	(363)	363	(69,880)	(69,880)	-0-
Transfers Out (Interfund)	(2,696,520)	(2,685,704)	(10,816)	-0-	-0-	-0-	(130,432)	(130,432)	-0-
Total Other Financing Sources (Uses)	\$ 1,223,373	\$ 1,243,284	\$ 240,953	\$ 757,532	\$ 757,169	\$ 363	\$ 876,164	\$ 1,126,612	(\$ 250,448)
Net Change in Fund Balance	(\$ 6,358,554)	\$ 9,245,197	\$ 15,603,751	(\$ 52,346)	\$ 199,168	\$ 251,514	(\$ 238,568)	\$ 445,302	\$ 683,870
Fund Balance - Beginning	-0-	44,374,870	44,374,870	-0-	510,978	510,978	-0-	1,106,913	1,106,913
Restatement of Beginning Fund Balance	-0-	(16,261,705)	(16,261,705)	-0-	-0-	-0-	-0-	-0-	-0-
Fund Balance - Ending	(\$ 6,358,554)	\$ 37,358,362	\$ 43,716,916	(\$ 52,346)	\$ 710,146	\$ 762,492	(\$ 238,568)	\$ 1,552,215	\$ 1,790,783

(Continued)

CITY OF SAN ANGELO, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - General Fund Accounts

For the Year Ended September 30, 2019

	Equipment Replacement			General Capital Projects			Fort Concho Museum		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES									
Taxes:									
Property	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Sales	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Franchise	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Mixed Drink	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Bingo	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Licenses and Permits	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Intergovernmental	-0-	-0-	-0-	644,486	630,404	(14,082)	-0-	-0-	-0-
Charges for Services	40,000	50,500	10,500	-0-	-0-	-0-	345,850	294,652	(51,198)
Fines and Forfeits	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Investment Income:									
Interest	-0-	4,398	4,398	2,852	4,835	1,983	11,017	11,272	255
Change in Fair Value of Investments	-0-	(5,934)	(5,934)	-0-	(910,054)	(910,054)	-0-	(12)	(12)
Miscellaneous:									
Gifts and Contributions	-0-	-0-	-0-	-0-	-0-	-0-	5,050	4,112	(938)
Other Miscellaneous	55,000	39,999	(15,001)	-0-	-0-	-0-	39,500	24,353	(15,147)
Total Revenues	\$ 95,000	\$ 88,963	(\$ 6,037)	\$ 647,338	(\$ 274,815)	(\$ 922,153)	\$ 401,417	\$ 334,377	(\$ 67,040)
EXPENDITURES									
Current:									
General Government	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Public Safety	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Public Works and Transportation	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Public Facilities	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Health and Human Services	17,845	17,549	296	-0-	-0-	-0-	-0-	-0-	-0-
Culture, Parks and Recreation	-0-	-0-	-0-	-0-	-0-	-0-	2,232,732	1,086,592	1,146,140
Total Current Expenditures	\$ 17,845	\$ 17,549	\$ 296	\$ -0-	\$ -0-	\$ -0-	\$ 2,232,732	\$ 1,086,592	\$ 1,146,140
Capital Outlay	2,498,156	2,063,147	435,009	8,257,272	1,996,457	6,260,815	-0-	-0-	-0-
Debt Service:									
Principal	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Expenditures	\$ 2,516,001	\$ 2,080,696	\$ 435,305	\$ 8,257,272	\$ 1,996,457	\$ 6,260,815	\$ 2,232,732	\$ 1,086,592	\$ 1,146,140
Excess (Deficiency) of Revenues									
Over (Under) Expenditures	(\$ 2,421,001)	(\$ 1,991,733)	(\$ 429,268)	(\$ 7,609,934)	(\$ 2,271,272)	(\$ 5,338,662)	(\$ 1,831,315)	(\$ 752,215)	(\$ 1,079,100)
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 1,123,377	(\$ 1,123,377)	\$ -0-	\$ 1,183,792	(\$ 1,183,792)
Transfer In (Interfund)	1,265,086	1,265,086	-0-	1,123,377	-0-	(1,123,377)	593,400	593,400	-0-
Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Premium on Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Sale of Capital Assets	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(62,877)	62,877
Transfers Out (Interfund)	-0-	-0-	-0-	(23,181)	-0-	(23,181)	-0-	-0-	-0-
Total Other Financing Sources (Uses)	\$ 1,265,086	\$ 1,265,086	\$ -0-	\$ 1,100,196	\$ 1,123,377	(\$ 2,269,935)	\$ 593,400	\$ 1,714,315	(\$ 1,120,915)
Net Change in Fund Balance	(\$ 1,155,915)	(\$ 726,647)	\$ 429,268	(\$ 6,509,738)	(\$ 1,147,895)	\$ 5,361,843	(\$ 1,237,915)	\$ 962,100	\$ 2,200,015
Fund Balance - Beginning	-0-	1,470,645	1,470,645	-0-	6,295,630	6,295,630	-0-	368,383	368,383
Restatement of Beginning Fund Balance	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Fund Balance - Ending	(\$ 1,155,915)	\$ 743,998	\$ 1,899,913	(\$ 6,509,738)	\$ 5,147,735	\$ 11,657,473	(\$ 1,237,915)	\$ 1,330,483	\$ 2,568,398

(Continued)

CITY OF SAN ANGELO, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - General Fund Accounts

For the Year Ended September 30, 2019

	Fairmount Cemetery			Payroll			Total		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES									
Taxes:									
Property	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 34,356,663	\$ 34,290,832	(\$ 65,831)
Sales	-0-	-0-	-0-	-0-	-0-	-0-	18,440,602	19,962,832	1,522,230
Franchise	-0-	-0-	-0-	-0-	-0-	-0-	4,555,015	4,232,646	(322,369)
Mixed Drink	-0-	-0-	-0-	-0-	-0-	-0-	364,307	399,016	34,709
Bingo	-0-	-0-	-0-	-0-	-0-	-0-	43,095	44,149	1,054
Licenses and Permits	-0-	-0-	-0-	-0-	-0-	-0-	889,845	922,653	32,808
Intergovernmental	-0-	-0-	-0-	-0-	-0-	-0-	644,486	630,404	(14,082)
Charges for Services	315,300	226,250	(89,050)	-0-	-0-	-0-	6,922,526	9,714,016	2,791,490
Fines and Forfeits	-0-	-0-	-0-	-0-	-0-	-0-	3,212,623	3,088,295	(124,328)
Investment Income:									
Interest	2,000	4,380	2,380	-0-	-0-	-0-	717,555	1,009,086	291,531
Change in Fair Value of Investments	-0-	-0-	-0-	-0-	-0-	-0-	-0-	4,040,924	4,040,924
Miscellaneous:									
Gifts and Contributions	50,000	43,586	(6,414)	-0-	-0-	-0-	55,050	47,698	(7,352)
Other Miscellaneous	5,000	1,780	(3,220)	-0-	-0-	-0-	1,467,594	990,378	(477,216)
Total Revenues	\$ 372,300	\$ 275,996	(\$ 96,304)	\$ -0-	\$ -0-	\$ -0-	\$ 71,669,361	\$ 79,372,929	\$ 7,703,568
EXPENDITURES									
Current:									
General Government	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 10,953,918	\$ 10,429,050	\$ 524,868
Public Safety	-0-	-0-	-0-	-0-	-0-	-0-	43,770,330	42,620,777	1,149,553
Public Works and Transportation	-0-	-0-	-0-	-0-	-0-	-0-	13,517,074	10,957,043	2,560,031
Public Facilities	471,695	367,862	103,833	-0-	-0-	-0-	1,194,780	1,033,854	160,926
Health and Human Services	-0-	-0-	-0-	-0-	-0-	-0-	1,812,871	1,613,625	199,246
Culture, Parks and Recreation	-0-	-0-	-0-	-0-	-0-	-0-	8,359,077	6,012,501	2,346,576
Total Current Expenditures	\$ 471,695	\$ 367,862	\$ 103,833	\$ -0-	\$ -0-	\$ -0-	\$ 79,608,050	\$ 72,666,850	\$ 6,941,200
Capital Outlay	26,250	24,098	2,152	-0-	-0-	-0-	13,555,743	5,074,661	8,481,082
Debt Service:									
Principal	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Expenditures	\$ 497,945	\$ 391,960	\$ 105,985	\$ -0-	\$ -0-	\$ -0-	\$ 93,163,793	\$ 77,741,511	\$ 15,422,282
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 125,645)	(\$ 115,964)	(\$ 9,681)	\$ -0-	\$ -0-	\$ -0-	(\$ 21,494,432)	\$ 1,631,418	(\$ 23,125,850)
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 7,034,033	\$ 9,483,086	(\$ 2,449,053)
Transfer In (Interfund)	119,686	119,686	-0-	-0-	-0-	-0-	3,809,081	2,816,136	(992,945)
Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Premium on Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Sale of Capital Assets	-0-	-0-	-0-	-0-	-0-	-0-	2,000	43	1,957
Transfers Out	-0-	(1,015)	1,015	-0-	-0-	-0-	(2,059,544)	(2,134,615)	75,071
Transfers Out (Interfund)	-0-	-0-	-0-	-0-	-0-	-0-	(2,850,133)	(2,816,136)	(33,997)
Total Other Financing Sources (Uses)	\$ 119,686	\$ 118,671	\$ 1,015	\$ -0-	\$ -0-	\$ -0-	\$ 5,935,437	\$ 7,348,514	(\$ 3,398,967)
Net Change in Fund Balance	(\$ 5,959)	\$ 2,707	\$ 8,666	\$ -0-	\$ -0-	\$ -0-	(\$ 15,558,995)	\$ 8,979,932	\$ 24,538,927
Fund Balance - Beginning	-0-	(23,180)	(23,180)	-0-	-0-	-0-	-0-	54,104,239	54,104,239
Restatement of Beginning Fund Balance	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(16,261,705)	(16,261,705)
Fund Balance - Ending	(\$ 5,959)	(\$ 20,473)	(\$ 14,514)	\$ -0-	\$ -0-	\$ -0-	(\$ 15,558,995)	\$ 46,822,466	\$ 62,381,461

(Continued)

CITY OF SAN ANGELO, TEXAS

Nonmajor Governmental Funds Description

For the Year Ended September 30, 2019

SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources that are normally restricted or committed to expenditures for specified purposes.

Community Development Fund – To account for the expenditure of funds received from the U.S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant program.

Intergovernmental Fund – To account for funds received from the various federal and state grants.

HOME Program Fund – To account for funds received from HUD under the housing rehabilitation and assistance program.

Designated Revenue/HOT Fund – To account for the expenditure of funds contributed by San Angelo citizens for special purposes.

Tax Increment Reinvestment Zone Fund – To account for expenditure of property taxes on the increments in real property values over the base values established on January 1, 2006, for public improvements in the Zone or payment of debt service on bonds issued for public improvements.

Keep San Angelo Beautiful – To account for the expenditure of funds contributed by the City and San Angelo citizens.

CAPITAL PROJECTS FUND

To account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Sales Tax Project – To account for certificate of obligation proceeds to accomplish projects specified on the ballots in the elections adopting the type B economic development sales tax.

PERMANENT FUNDS

To report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

Santa Fe Park Trust Fund – To account for trust principal and related investment income. Net earnings up to 7% can be paid to the City to be used for the upkeep and beautification of the park. Earnings in excess of 7% become part of principal.

Lake Nasworthy Trust Fund – To account for trust principal, consisting of 20% of all lake lot lease income and the proceeds from the sale of lake lots plus 10% of the annual interest income. None of the principal can be expended without the approval of a majority of the voters in an election for such purpose.

CITY OF SAN ANGELO, TEXAS

Combining Balance Sheet - Nonmajor Governmental Funds

As of September 30, 2019

	Special Revenue Funds							Capital Projects Fund	Permanent Funds			Total Nonmajor Governmental Funds
	Community Development	Intergovernmental	HOME Program	Designated Revenue/HOT	Tax Incremental Reinv. Zone	Keep San Angelo Beautiful	Total	Sales Tax Projects	Santa Fe Park Trust	Lake Nasworthy Trust	Total	
ASSETS												
Cash and Cash Equivalents	\$ 101,982	\$ 671,835	\$ 67,706	\$ -0-	\$ -0-	\$ -0-	\$ 841,523	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 841,523
Investments	40	197	-0-	-0-	439,436	-0-	439,673	659,758	-0-	-0-	-0-	1,099,431
Receivables:												
Accrued Interest	1,377	1,679	-0-	74,300	5,947	-0-	83,303	-0-	-0-	66,763	66,763	150,066
Property Taxes	-0-	-0-	-0-	-0-	360,139	-0-	360,139	-0-	-0-	-0-	-0-	360,139
Accounts	190,193	-0-	178,049	-0-	-0-	-0-	368,242	-0-	-0-	-0-	-0-	368,242
Less: Allowance for Uncollectibles	(11,886)	-0-	-0-	-0-	-0-	-0-	(11,886)	-0-	-0-	-0-	-0-	(11,886)
Due from Other Governments	29,363	1,119,452	(1,199)	-0-	-0-	-0-	1,147,616	-0-	-0-	-0-	-0-	1,147,616
Restricted Assets:												
Cash and Cash Equivalents	-0-	-0-	-0-	215,541	1,428,051	1,086	1,644,678	-0-	13,925	1,433,164	1,447,089	3,091,767
Investments	-0-	-0-	-0-	953,690	-0-	-0-	953,690	-0-	-0-	14,202,576	14,202,576	15,156,266
Total Assets	<u>\$ 311,069</u>	<u>\$ 1,793,163</u>	<u>\$ 244,556</u>	<u>\$ 1,243,531</u>	<u>\$ 2,233,573</u>	<u>\$ 1,086</u>	<u>\$ 5,826,978</u>	<u>\$ 659,758</u>	<u>\$ 13,925</u>	<u>\$ 15,702,503</u>	<u>\$ 15,716,428</u>	<u>\$ 22,203,164</u>
DEFERRED OUTFLOWS OF RESOURCES												
Deferred Charges on Refunding	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Deferred Outflows of Resources	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
LIABILITIES												
Accounts Payable	\$ 80	\$ 341,669	\$ 325	\$ 12,638	\$ 106,142	\$ -0-	\$ 460,854	\$ 3,781	\$ -0-	\$ 11,200	\$ 11,200	\$ 475,835
Due to Other Funds	-0-	-0-	-0-	-0-	-0-	-0-	-0-	233,309	-0-	-0-	-0-	233,309
Deposits	-0-	-0-	1,700	-0-	-0-	-0-	1,700	-0-	-0-	-0-	-0-	1,700
Total Liabilities	<u>\$ 80</u>	<u>\$ 341,669</u>	<u>\$ 2,025</u>	<u>\$ 12,638</u>	<u>\$ 106,142</u>	<u>\$ -0-</u>	<u>\$ 462,554</u>	<u>\$ 237,090</u>	<u>\$ -0-</u>	<u>\$ 11,200</u>	<u>\$ 11,200</u>	<u>\$ 710,844</u>
DEFERRED INFLOWS OF RESOURCES												
Unavailable Revenue - Property Taxes	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Deferred Outflows of Resources	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
FUND BALANCES												
Nonspendable	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 10,000	\$ 15,738,208	\$ 15,748,208	\$ 15,748,208
Restricted	310,989	1,451,494	242,531	178,717	2,127,431	-0-	4,311,162	-0-	3,925	-0-	3,925	4,315,087
Committed	-0-	-0-	-0-	1,052,176	-0-	1,086	1,053,262	422,668	-0-	-0-	-0-	1,475,930
Assigned	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Unassigned	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(46,905)	(46,905)	(46,905)
Total Fund Balances	<u>\$ 310,989</u>	<u>\$ 1,451,494</u>	<u>\$ 242,531</u>	<u>\$ 1,230,893</u>	<u>\$ 2,127,431</u>	<u>\$ 1,086</u>	<u>\$ 5,364,424</u>	<u>\$ 422,668</u>	<u>\$ 13,925</u>	<u>\$ 15,691,303</u>	<u>\$ 15,705,228</u>	<u>\$ 21,492,320</u>

CITY OF SAN ANGELO, TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds

For the Year Ended September 30, 2019

	Special Revenue Funds							Capital Projects Fund	Permanent Funds			Total Nonmajor Governmental Funds
	Community Development	Intergovern- mental	HOME Program	Designated Revenue/HOT	Tax Increment Reinv. Zone	Keep San Angelo Beautiful	Total	Sales Tax Projects	Santa Fe Park Trust	Lake Nasworthy Trust	Total	
REVENUES												
Taxes:												
Property	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 865,793	\$ -0-	\$ 865,793	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 865,793
Hotel Occupancy	-0-	-0-	-0-	2,962,173	-0-	-0-	2,962,173	-0-	-0-	-0-	-0-	2,962,173
Licenses and Permits	-0-	91,645	-0-	-0-	-0-	-0-	91,645	-0-	-0-	-0-	-0-	91,645
Intergovernmental	799,377	2,266,152	225,751	-0-	-0-	-0-	3,291,280	-0-	-0-	-0-	-0-	3,291,280
Charges for Services	-0-	169,757	-0-	-0-	-0-	-0-	169,757	-0-	-0-	33,679	33,679	203,436
Investment Income:												
Interest	-0-	10,222	-0-	56,487	17,695	-0-	84,404	1,461	-0-	321,143	321,143	407,008
Change in Fair Value of Investments	-0-	-0-	-0-	(131,765)	(60,714)	-0-	(192,479)	(91,155)	-0-	187,840	187,840	(95,794)
Miscellaneous:												
Gifts and Contributions	-0-	194,278	-0-	101,191	-0-	1,086	296,555	-0-	-0-	-0-	-0-	296,555
Program Income	-0-	-0-	2,533	-0-	-0-	-0-	2,533	-0-	-0-	-0-	-0-	2,533
Other Miscellaneous	-0-	65,683	58,549	-0-	-0-	-0-	124,232	-0-	-0-	-0-	-0-	124,232
Total Revenues	\$ 799,377	\$ 2,797,737	\$ 286,833	\$ 2,988,086	\$ 822,774	\$ 1,086	\$ 7,695,893	(\$ 89,694)	\$ -0-	\$ 542,662	\$ 542,662	\$ 8,148,861
EXPENDITURES												
Current:												
Public Safety	\$ -0-	\$ 507,174	\$ -0-	\$ 1,361	\$ -0-	\$ -0-	\$ 508,535	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 508,535
Public Works and Transportation	-0-	355,719	-0-	1,211	-0-	-0-	356,930	-0-	-0-	-0-	-0-	356,930
Public Facilities	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Health and Human Services	38,000	1,601,815	-0-	6,647	-0-	-0-	1,646,462	-0-	-0-	-0-	-0-	1,646,462
Culture, Parks and Recreation	-0-	-0-	-0-	1,105,554	-0-	-0-	1,105,554	-0-	-0-	-0-	-0-	1,105,554
Economic Development	57,315	-0-	-0-	-0-	774,308	-0-	831,623	-0-	-0-	-0-	-0-	831,623
Urban Redevelopment and Housing	605,342	-0-	333,621	-0-	-0-	-0-	938,963	-0-	-0-	-0-	-0-	938,963
Total Current Expenditures	\$ 700,657	\$ 2,464,708	\$ 333,621	\$ 1,114,773	\$ 774,308	\$ -0-	\$ 5,388,067	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 5,388,067
Capital Outlay	1,157	579,488	-0-	27,451	-0-	-0-	608,096	31,039	-0-	-0-	-0-	639,135
Debt Service:												
Principal	107,000	-0-	-0-	-0-	-0-	-0-	107,000	-0-	-0-	-0-	-0-	107,000
Interest and Fiscal Charges	37,153	-0-	-0-	-0-	-0-	-0-	37,153	-0-	-0-	-0-	-0-	37,153
Total Expenditures	\$ 845,967	\$ 3,044,196	\$ 333,621	\$ 1,142,224	\$ 774,308	\$ -0-	\$ 6,140,316	\$ 31,039	\$ -0-	\$ -0-	\$ -0-	\$ 6,171,355
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 46,590)	(\$ 246,459)	(\$ 46,788)	\$ 1,845,862	\$ 48,466	\$ 1,086	\$ 1,555,577	(\$ 120,733)	\$ -0-	\$ 542,662	\$ 542,662	\$ 1,977,506
OTHER FINANCING SOURCES (USES)												
Transfers In	\$ -0-	\$ 682,720	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 682,720	\$ -0-	\$ -0-	\$ 840,686	\$ 840,686	\$ 1,523,406
Sale of Capital Assets	(5)	(27)	-0-	-0-	-0-	-0-	(32)	-0-	-0-	76,501	76,501	76,469
Proceeds from Long-Term Debt	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out	-0-	(114,114)	(200,000)	(2,130,633)	-0-	-0-	(2,444,747)	-0-	-0-	(285,791)	(285,791)	(2,730,538)
Total Other Financing Sources (Uses)	(\$ 5)	\$ 568,579	(\$ 200,000)	(\$ 2,130,633)	\$ -0-	\$ -0-	(\$ 1,762,059)	\$ -0-	\$ -0-	\$ 631,396	\$ 631,396	(\$ 1,130,663)
Net Change in Fund Balances	(\$ 46,595)	\$ 322,120	(\$ 246,788)	(\$ 284,771)	\$ 48,466	\$ 1,086	(\$ 206,482)	(\$ 120,733)	\$ -0-	\$ 1,174,058	\$ 1,174,058	\$ 846,843
Fund Balances - Beginning	357,584	1,129,374	489,319	1,515,664	2,078,965	-0-	5,570,906	543,401	13,925	14,517,245	14,531,170	20,645,477
Fund Balances - Ending	\$ 310,989	\$ 1,451,494	\$ 242,531	\$ 1,230,893	\$ 2,127,431	\$ 1,086	\$ 5,364,424	\$ 422,668	\$ 13,925	\$ 15,691,303	\$ 15,705,228	\$ 21,492,320

CITY OF SAN ANGELO, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - (Non-GAAP Budgetary Basis) - Nonmajor Governmental Funds

For the Year Ended September 30, 2019

	Community Development			Intergovernmental Special Revenue Fund			HOME Program		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES									
Taxes:									
Property	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Motel	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Licenses and Permits	-0-	-0-	-0-	84,700	91,645	6,945	-0-	-0-	-0-
Intergovernmental	927,839	799,377	(128,462)	3,981,059	2,266,152	(1,714,907)	478,517	225,751	(252,766)
Charges for Services	-0-	-0-	-0-	177,423	169,757	(7,666)	-0-	-0-	-0-
Fines and Forfeits	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Investment Income:									
Interest	-0-	-0-	-0-	6,117	10,222	4,105	-0-	-0-	-0-
Change in Fair Value of Investments	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Miscellaneous:									
Gifts and Contributions	-0-	-0-	-0-	211,370	194,278	(17,092)	-0-	-0-	-0-
Program Income	-0-	-0-	-0-	-0-	-0-	-0-	154,300	2,533	(151,767)
Other Miscellaneous	-0-	-0-	-0-	90,300	65,683	(24,617)	78,547	58,549	(19,998)
Total Revenues	\$ 927,839	\$ 799,377	(\$ 128,462)	\$ 4,550,969	\$ 2,797,737	(\$ 1,753,232)	\$ 711,364	\$ 286,833	(\$ 424,531)
EXPENDITURES									
Current:									
Public Safety	\$ -0-	\$ -0-	\$ -0-	\$ 817,914	\$ 507,174	\$ 310,740	\$ -0-	\$ -0-	\$ -0-
Public Works and Transportation	-0-	-0-	-0-	395,661	355,719	39,942	-0-	-0-	-0-
Public Facilities	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Health and Human Services	38,000	38,000	-0-	2,320,231	1,601,815	718,416	-0-	-0-	-0-
Culture, Parks and Recreation	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Economic Development	57,315	57,315	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Urban Redevelopment and Housing	476,346	605,342	(128,996)	-0-	-0-	-0-	722,300	333,621	388,679
Total Current Expenditures	\$ 571,661	\$ 700,657	(\$ 128,996)	\$ 3,533,806	\$ 2,464,708	\$ 1,069,098	\$ 722,300	\$ 333,621	\$ 388,679
Capital Outlay	1,200	1,157	43	2,137,607	579,488	1,558,119	-0-	-0-	-0-
Debt Service:									
Principal	144,154	107,000	37,154	-0-	-0-	-0-	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	37,153	(37,153)	-0-	-0-	-0-	-0-	-0-	-0-
Total Debt Service	\$ 144,154	\$ 144,153	\$ 1	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Expenditures	\$ 717,015	\$ 845,967	(\$ 128,952)	\$ 5,671,413	\$ 3,044,196	\$ 2,627,217	\$ 722,300	\$ 333,621	\$ 388,679
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 210,824	(\$ 46,590)	\$ 257,414	(\$ 1,120,444)	(\$ 246,459)	(\$ 873,985)	(\$ 10,936)	(\$ 46,788)	\$ 35,852
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ 682,720	\$ 682,720	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Sale of Capital Assets	-0-	(5)	5	-0-	(27)	27	-0-	-0-	-0-
Transfers Out	-0-	-0-	-0-	(122,822)	(114,114)	(8,708)	-0-	(200,000)	200,000
Total Other Financing Sources (Uses)	\$ -0-	(\$ 5)	\$ 5	\$ 559,898	\$ 568,579	(\$ 8,681)	\$ -0-	(\$ 200,000)	\$ 200,000
Net Change in Fund Balance	\$ 210,824	(\$ 46,595)	\$ 257,419	(\$ 560,546)	\$ 322,120	(\$ 882,666)	(\$ 10,936)	(\$ 246,788)	\$ 235,852
Fund Balance - Beginning	-0-	357,584	(357,584)	-0-	1,129,374	(1,129,374)	-0-	489,319	(489,319)
Fund Balance - Ending	\$ 210,824	\$ 310,989	(\$ 100,165)	(\$ 560,546)	\$ 1,451,494	(\$ 2,012,040)	(\$ 10,936)	\$ 242,531	(\$ 253,467)

(Continued)

CITY OF SAN ANGELO, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - (Non-GAAP Budgetary Basis) - Nonmajor Governmental Funds

For the Year Ended September 30, 2019

	Designated Revenue/HOT Special Revenue Fund			Tax Increment Reinvestment Zone Special Revenue Fund (TIRZ)			Sales Tax Projects		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES									
Taxes:									
Property	\$ -0-	\$ -0-	\$ -0-	\$ 784,996	\$ 865,793	\$ 80,797	\$ -0-	\$ -0-	\$ -0-
Motel	-0-	2,962,173	2,962,173	-0-	-0-	-0-	-0-	-0-	-0-
Licenses and Permits	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Intergovernmental	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Charges for Services	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Fines and Forfeits	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Investment Income:									
Interest	29,080	56,487	27,407	10,634	17,695	7,061	-0-	1,461	1,461
Change in Fair Value of Investments	-0-	(131,765)	(131,765)	-0-	(60,714)	(60,714)	-0-	(91,155)	(91,155)
Miscellaneous:									
Gifts and Contributions	45,100	101,191	56,091	-0-	-0-	-0-	-0-	-0-	-0-
Program Income	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Other Miscellaneous	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Revenues	<u>\$ 74,180</u>	<u>\$ 2,988,086</u>	<u>\$ 2,913,906</u>	<u>\$ 795,630</u>	<u>\$ 822,774</u>	<u>\$ 27,144</u>	<u>\$ -0-</u>	<u>(\$ 89,694)</u>	<u>(\$ 89,694)</u>
EXPENDITURES									
Current:									
Public Safety	\$ 45,276	\$ 1,361	\$ 43,915	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Public Works and Transportation	1,211	1,211	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Public Facilities	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Health and Human Services	51,094	6,647	44,447	-0-	-0-	-0-	-0-	-0-	-0-
Culture, Parks and Recreation	1,191,501	1,105,554	85,947	-0-	-0-	-0-	-0-	-0-	-0-
Economic Development	-0-	-0-	-0-	2,477,232	774,308	1,702,924	-0-	-0-	-0-
Urban Redevelopment and Housing	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Current Expenditures	<u>\$ 1,289,082</u>	<u>\$ 1,114,773</u>	<u>\$ 174,309</u>	<u>\$ 2,477,232</u>	<u>\$ 774,308</u>	<u>\$ 1,702,924</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Capital Outlay	61,151	27,451	33,700	-0-	-0-	-0-	-0-	31,039	(31,039)
Debt Service:									
Principal	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Debt Service	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Total Expenditures	<u>\$ 1,350,233</u>	<u>\$ 1,142,224</u>	<u>\$ 208,009</u>	<u>\$ 2,477,232</u>	<u>\$ 774,308</u>	<u>\$ 1,702,924</u>	<u>\$ -0-</u>	<u>\$ 31,039</u>	<u>(\$ 31,039)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(\$ 1,276,053)</u>	<u>\$ 1,845,862</u>	<u>(\$ 3,121,915)</u>	<u>(\$ 1,681,602)</u>	<u>\$ 48,466</u>	<u>(\$ 1,730,068)</u>	<u>\$ -0-</u>	<u>(\$ 120,733)</u>	<u>\$ 120,733</u>
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ 65,000	\$ -0-	\$ 65,000	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Sale of Capital Assets	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out	(2,117,950)	(2,130,633)	12,683	-0-	-0-	-0-	-0-	-0-	-0-
Total Other Financing Sources (Uses)	<u>(\$ 2,052,950)</u>	<u>(\$ 2,130,633)</u>	<u>\$ 77,683</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Net Change in Fund Balance	<u>(\$ 3,329,003)</u>	<u>(\$ 284,771)</u>	<u>(\$ 3,044,232)</u>	<u>(\$ 1,681,602)</u>	<u>\$ 48,466</u>	<u>(\$ 1,730,068)</u>	<u>\$ -0-</u>	<u>(\$ 120,733)</u>	<u>\$ 120,733</u>
Fund Balance - Beginning	-0-	1,515,664	(1,515,664)	-0-	2,078,965	(2,078,965)	-0-	543,401	(543,401)
Fund Balance - Ending	<u>(\$ 3,329,003)</u>	<u>\$ 1,230,893</u>	<u>(\$ 4,559,896)</u>	<u>(\$ 1,681,602)</u>	<u>\$ 2,127,431</u>	<u>(\$ 3,809,033)</u>	<u>\$ -0-</u>	<u>\$ 422,668</u>	<u>(\$ 422,668)</u>

(Continued)

CITY OF SAN ANGELO, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - (Non-GAAP Budgetary Basis) - Nonmajor Governmental Funds

For the Year Ended September 30, 2019

	Sante Fe Park Trust			Lake Nasworthy Trust Permanent Fund		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes:						
Property	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Motel	-0-	-0-	-0-	-0-	-0-	-0-
Licenses and Permits	-0-	-0-	-0-	-0-	-0-	-0-
Intergovernmental	-0-	-0-	-0-	-0-	-0-	-0-
Charges for Services	-0-	-0-	-0-	36,000	33,679	(2,321)
Fines and Forfeits	-0-	-0-	-0-	-0-	-0-	-0-
Investment Income:						
Interest	-0-	-0-	-0-	195,000	321,143	126,143
Change in Fair Value of Investments	-0-	-0-	-0-	-0-	187,840	187,840
Miscellaneous:						
Gifts and Contributions	-0-	-0-	-0-	-0-	-0-	-0-
Program Income	-0-	-0-	-0-	-0-	-0-	-0-
Other Miscellaneous	-0-	-0-	-0-	-0-	-0-	-0-
Total Revenues	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 231,000</u>	<u>\$ 542,662</u>	<u>\$ 311,662</u>
EXPENDITURES						
Current:						
Public Safety	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Public Works and Transportation	-0-	-0-	-0-	-0-	-0-	-0-
Public Facilities	-0-	-0-	-0-	-0-	-0-	-0-
Health and Human Services	-0-	-0-	-0-	-0-	-0-	-0-
Culture, Parks and Recreation	-0-	-0-	-0-	-0-	-0-	-0-
Economic Development	-0-	-0-	-0-	-0-	-0-	-0-
Urban Redevelopment and Housing	-0-	-0-	-0-	-0-	-0-	-0-
Total Current Expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Capital Outlay	-0-	-0-	-0-	-0-	-0-	-0-
Debt Service:						
Principal	-0-	-0-	-0-	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	-0-	-0-	-0-	-0-	-0-
Total Debt Service	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Total Expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 231,000</u>	<u>\$ 542,662</u>	<u>(\$ 311,662)</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 840,686	(\$ 840,686)
Sale of Capital Assets	-0-	-0-	-0-	470,000	76,501	393,499
Transfers Out	-0-	-0-	-0-	(175,500)	(285,791)	110,291
Total Other Financing Sources (Uses)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 294,500</u>	<u>\$ 631,396</u>	<u>(\$ 336,896)</u>
Net Change in Fund Balance	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 525,500</u>	<u>\$ 1,174,058</u>	<u>(\$ 648,558)</u>
Fund Balance - Beginning	-0-	13,925	(13,925)	-0-	14,517,245	(14,517,245)
Fund Balance - Ending	<u>\$ -0-</u>	<u>\$ 13,925</u>	<u>(\$ 13,925)</u>	<u>\$ 525,500</u>	<u>\$ 15,691,303</u>	<u>(\$ 15,165,803)</u>

CITY OF SAN ANGELO, TEXAS

Major Governmental Capital Projects Fund Description

For the Year Ended September 30, 2019

CAPITAL PROJECTS FUND

To account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Improvement Fund – To account for the authorized expenditure of the proceeds of certificates of obligation.

CITY OF SAN ANGELO, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - Major Governmental Capital Projects Fund

For the Year Ended September 30, 2019

	Capital Improvement Fund		
	Budget	Actual	Variance Positive (Negative)
REVENUES			
Investment Income:			
Interest	\$ -0-	\$ 853,516	\$ 853,516
Change in Fair Value of Investments	-0-	744,122	744,122
Taxes:			
Property	-0-	-0-	-0-
Other Miscellaneous	-0-	-0-	-0-
Total Revenues	<u>\$ -0-</u>	<u>\$ 1,597,638</u>	<u>\$ 1,597,638</u>
EXPENDITURES			
Current:			
Public Safety	\$ -0-	\$ 10,000	(\$ 10,000)
Total Current Expenditures	<u>\$ -0-</u>	<u>\$ 10,000</u>	<u>(\$ 10,000)</u>
Capital Outlay	27,571,152	5,748,695	21,822,457
Debt Service:			
Principal	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	-0-	-0-
Total Expenditures	<u>\$ 27,571,152</u>	<u>\$ 5,758,695</u>	<u>\$ 21,812,457</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(\$ 27,571,152)</u>	<u>(\$ 4,161,057)</u>	<u>\$ 23,410,095</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from Long-Term Debt	\$ -0-	\$ -0-	\$ -0-
Issuance of Debt Premium	-0-	-0-	-0-
Settlement Proceeds	-0-	-0-	-0-
Transfer Out	-0-	-0-	-0-
Total Other Financing Sources (Uses)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Net Change in Fund Balance	<u>(\$ 27,571,152)</u>	<u>(\$ 4,161,057)</u>	<u>\$ 23,410,095</u>
 Fund Balance - Beginning	-0-	14,177,892	14,177,892
Restatement of Beginning Fund Balance	-0-	16,261,705	16,261,705
Fund Balance - Ending	<u>(\$ 27,571,152)</u>	<u>\$ 26,278,540</u>	<u>\$ 53,849,692</u>

CITY OF SAN ANGELO, TEXAS

Major Governmental Debt Service Fund Description

For the Year Ended September 30, 2019

DEBT SERVICE FUND

To record the accumulation of resources for, and the payment of, long-term debt principal and interest not serviced by the proprietary funds.

Debt Service Fund – To account for the accumulation of resources and payment of principal and interest on general obligation bonds and certificates of obligation and sales tax supported certificates of obligations. Resources are provided by an ad valorem tax levy and transfer of type B sales tax proceeds from the Development Corporation.

CITY OF SAN ANGELO, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) -
Major Governmental Debt Service Fund

For the Year Ended September 30, 2019

	Debt Service Fund		
	Budget	Actual	Variance Positive (Negative)
REVENUES			
Investment Income:			
Interest	\$ 49,150	\$ 83,339	\$ 34,189
Change in Fair Value of Investments	-0-	(240,851)	(240,851)
Taxes:			
Property	4,642,049	4,749,309	107,260
Other Miscellaneous	2,709,922	2,499,452	(210,470)
Total Revenues	\$ 7,401,121	\$ 7,091,249	(\$ 309,872)
EXPENDITURES			
Current:			
General Government	\$ -0-	\$ -0-	\$ -0-
Total Current Expenditures	\$ -0-	\$ -0-	\$ -0-
Capital Outlay	-0-	-0-	-0-
Debt Service:			
Principal	4,945,000	4,945,000	-0-
Interest and Fiscal Charges	2,656,021	2,467,252	188,769
Total Expenditures	\$ 7,601,021	\$ 7,412,252	\$ 188,769
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 199,900)	(\$ 321,003)	(\$ 121,103)
OTHER FINANCING SOURCES (USES)			
Proceeds from Long-Term Debt	\$ -0-	\$ -0-	\$ -0-
Issuance of Debt	-0-	-0-	-0-
Issuance of Debt Premium	-0-	-0-	-0-
Payment to Advance Refunding Escrow Agent	-0-	-0-	-0-
Transfer In (Out)	200,000	200,000	-0-
Total Other Financing Sources (Uses)	\$ 200,000	\$ 200,000	\$ -0-
Net Change in Fund Balance	\$ 100	(\$ 121,003)	(\$ 121,103)
 Fund Balance - Beginning	 -0-	 627,723	 627,723
Fund Balance - Ending	\$ 100	\$ 506,720	\$ 506,620

CITY OF SAN ANGELO, TEXAS

Nonmajor Enterprise Funds Description

For the Year Ended September 30, 2019

ENTERPRISE FUNDS

To account for any activity for which a fee is charged to external users for goods or services.

The City operates six enterprise funds. The Water and Sewer enterprise funds are reported as major funds. The remaining enterprise funds are reported as nonmajor and include the following:

Airport Fund – To account for the operation of the airport.

State Office Building Fund – To account for the operation of a building, acquired and renovated, primarily to provide a facility for lease to the State of Texas in order for all state offices to be in one location.

Solid Waste Fund – To account for the City's portion of operating the landfill.

Stormwater Fund – To account for the operation of stormwater treatment and management.

CITY OF SAN ANGELO, TEXAS

Combining Statement of Net Position - Nonmajor Enterprise Funds

As of September 30, 2019

	Airport	State Office Building	Solid Waste	Stormwater	Total
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ -0-	\$ -0-	\$ 3,657,107	\$ 1,749,299	\$ 5,406,406
Investments	127,414	31,432	3,367,540	2,236,555	5,762,941
Receivables:					
Accrued Interest	7,562	1,157	31,773	19,399	59,891
Accounts	157,020	12,752	1,083,161	485,734	1,738,667
Less: Allowance for Uncollectibles	-0-	-0-	-0-	(80,064)	(80,064)
Due From Other Governments	65,116	-0-	-0-	-0-	65,116
Restricted Assets:					
Cash and Cash Equivalents	5,147,448	-0-	-0-	-0-	5,147,448
Investments	569,430	-0-	-0-	-0-	569,430
Closure and Post-Closure Trust Fund	-0-	-0-	5,929,648	-0-	5,929,648
Total Current Assets	\$ 6,073,990	\$ 45,341	\$ 14,069,229	\$ 4,410,923	\$ 24,599,483
Noncurrent Assets:					
Capital Assets:					
Land	\$ 1,568,591	\$ 275,412	\$ 480,310	\$ 760,314	\$ 3,084,627
Buildings	24,836,856	6,051,542	-0-	160,357	31,048,755
Improvements Other Than Buildings	17,307,536	467,576	-0-	431,089	18,206,201
Infrastructure	19,207,178	-0-	-0-	-0-	19,207,178
Machinery and Equipment	1,749,992	17,039	1,289,337	2,792,231	5,848,599
Construction in Progress	3,735,254	-0-	-0-	172,298	3,907,552
Less: Accumulated Depreciation	(44,542,023)	(4,302,082)	(1,198,081)	(1,480,519)	(51,522,705)
Net Capital Assets	\$ 23,863,384	\$ 2,509,487	\$ 571,566	\$ 2,835,770	\$ 29,780,207
Total Noncurrent Assets	\$ 23,863,384	\$ 2,509,487	\$ 571,566	\$ 2,835,770	\$ 29,780,207
Total Assets	\$ 29,937,374	\$ 2,554,828	\$ 14,640,795	\$ 7,246,693	\$ 54,379,690
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Amounts Related to Pensions	\$ 216,985	\$ 43,482	\$ 64,553	\$ 439,510	\$ 764,530
Total Deferred Outflows of Resources	\$ 216,985	\$ 43,482	\$ 64,553	\$ 439,510	\$ 764,530
LIABILITIES					
Current Liabilities:					
Accounts Payable	\$ 115,243	\$ 48,828	\$ 993,314	\$ 181,178	\$ 1,338,563
Accrued Interest Payable	-0-	4,586	1,031	-0-	5,617
Due to Other Funds	5,284,499	99,924	-0-	-0-	5,384,423
Non Current Liabilities Due Within One Year	72,982	137,710	-0-	13,350	224,042
Total Current Liabilities	\$ 5,472,724	\$ 291,048	\$ 994,345	\$ 194,528	\$ 6,952,645
Noncurrent Liabilities:					
Net Pension Liability	\$ 673,723	\$ 119,232	\$ 196,194	\$ 1,252,245	\$ 2,241,394
Total OPEB Liability	824,857	-0-	-0-	1,030,633	1,855,490
Non Current Liabilities Due After One Year	174,698	313,363	4,641,389	192,488	5,321,938
Total Noncurrent Liabilities	\$ 1,673,278	\$ 432,595	\$ 4,837,583	\$ 2,475,366	\$ 9,418,822
Total Liabilities	\$ 7,146,002	\$ 723,643	\$ 5,831,928	\$ 2,669,894	\$ 16,371,467
DEFERRED INFLOWS OF RESOURCES					
Deferred Amounts Related to Pensions	\$ 59,407	\$ 20,263	\$ 27,842	\$ 63,535	\$ 171,047
Deferred Amounts Related to OPEB	2,352	-0-	-0-	58,300	60,652
Total Deferred Inflows of Resources	\$ 61,759	\$ 20,263	\$ 27,842	\$ 121,835	\$ 231,699
NET POSITION					
Net Investment in Capital Assets	\$ 23,863,384	\$ 2,088,647	\$ 571,566	\$ 2,835,770	\$ 29,359,367
Unrestricted	(916,786)	(234,243)	8,274,012	2,058,704	9,181,687
Total Net Position	\$ 22,946,598	\$ 1,854,404	\$ 8,845,578	\$ 4,894,474	\$ 38,541,054

CITY OF SAN ANGELO, TEXAS

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Nonmajor Enterprise Funds

For the Year Ended September 30, 2019

	Airport	State Office Building	Solid Waste	Stormwater	Total
OPERATING REVENUES					
Charges for Sales and Services:					
Pledged for Payment of Revenue Bonds:					
Stormwater Fee	\$ -0-	\$ -0-	\$ -0-	\$ 2,792,591	\$ 2,792,591
Solid Waste Service	-0-	-0-	1,972,294	-0-	1,972,294
Rents, Leases and Fees	-0-	1,230,022	-0-	-0-	1,230,022
Other	17,652	13	-0-	-0-	17,665
Unpledged:					
Rents, Leases, and Fees	1,635,190	-0-	-0-	-0-	1,635,190
Other	21,687	-0-	208,112	46,801	276,600
Total Operating Revenues	<u>\$ 1,674,529</u>	<u>\$ 1,230,035</u>	<u>\$ 2,180,406</u>	<u>\$ 2,839,392</u>	<u>\$ 7,924,362</u>
OPERATING EXPENSES					
Cost of Sales and Services	\$ 1,841,437	\$ 455,412	\$ 1,304,816	\$ 1,943,613	\$ 5,545,278
Administrative	-0-	-0-	6,906	-0-	6,906
Depreciation	2,227,149	235,702	15,563	340,944	2,819,358
Total Operating Expenses	<u>\$ 4,068,586</u>	<u>\$ 691,114</u>	<u>\$ 1,327,285</u>	<u>\$ 2,284,557</u>	<u>\$ 8,371,542</u>
Operating Income (Loss)	<u>(\$ 2,394,057)</u>	<u>\$ 538,921</u>	<u>\$ 853,121</u>	<u>\$ 554,835</u>	<u>(\$ 447,180)</u>
NON-OPERATING REVENUES (EXPENSES)					
Investment Income:					
Interest	\$ 56,120	\$ 7,631	\$ 256,709	\$ 88,848	\$ 409,308
Gain (Loss) on Sale of Capital Assets	-0-	-0-	-0-	-0-	-0-
Change in Fair Value of Investments	(96,279)	(4,343)	(465,272)	(309,011)	(874,905)
Interest Expense and Fiscal Agent Fees	-0-	(15,791)	-0-	-0-	(15,791)
Total Non-Operating Revenues (Expenses)	<u>(\$ 40,159)</u>	<u>(\$ 12,503)</u>	<u>(\$ 208,563)</u>	<u>(\$ 220,163)</u>	<u>(\$ 481,388)</u>
Income (Loss) Before Contributions and Transfers	<u>(\$ 2,434,216)</u>	<u>\$ 526,418</u>	<u>\$ 644,558</u>	<u>\$ 334,672</u>	<u>(\$ 928,568)</u>
Contributions:					
Federal Grants	\$ 1,163,654	\$ -0-	\$ -0-	\$ -0-	\$ 1,163,654
Capital	-0-	-0-	-0-	6,708	6,708
Total Contributions	<u>\$ 1,163,654</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 6,708</u>	<u>\$ 1,170,362</u>
Transfers In (Out)	<u>(175,290)</u>	<u>(455,152)</u>	<u>(255,000)</u>	<u>(141,920)</u>	<u>(1,027,362)</u>
Total Contributions and Transfers	<u>\$ 988,364</u>	<u>(\$ 455,152)</u>	<u>(\$ 255,000)</u>	<u>(\$ 135,212)</u>	<u>\$ 143,000</u>
Change in Net Position	<u>(\$ 1,445,852)</u>	<u>\$ 71,266</u>	<u>\$ 389,558</u>	<u>\$ 199,460</u>	<u>(\$ 785,568)</u>
Net Position - Beginning	24,392,450	1,783,138	8,456,020	4,695,014	39,326,622
Net Position - Ending	<u><u>\$ 22,946,598</u></u>	<u><u>\$ 1,854,404</u></u>	<u><u>\$ 8,845,578</u></u>	<u><u>\$ 4,894,474</u></u>	<u><u>\$ 38,541,054</u></u>

CITY OF SAN ANGELO, TEXAS

Combining Statement of Cash Flows - Nonmajor Enterprise Funds

For the Year Ended September 30, 2019

	Airport	State Office Building	Solid Waste	Stormwater	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	\$ 1,637,248	\$ 1,247,102	\$ 1,865,560	\$ 2,837,415	\$ 7,587,325
Cash Received from Other Governments	148,640	-0-	-0-	-0-	148,640
Cash Paid to Suppliers for Goods and Services	(1,590,462)	(295,145)	(774,389)	(690,762)	(3,350,758)
Cash Paid for Employee Services and Benefits	(682,934)	(118,597)	(196,403)	(1,319,222)	(2,317,156)
Interfund Receipts/Payments	346,685	(527,744)	-0-	-0-	(181,059)
Net Cash Provided (Used) by Operating Activities	(\$ 140,823)	\$ 305,616	\$ 894,768	\$ 827,431	\$ 1,886,992
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Transfers Out	(175,290)	(455,152)	(255,000)	(141,920)	(1,027,362)
Net Cash Provided (Used) by Noncapital Financing Activities	(\$ 175,290)	(\$ 455,152)	(\$ 255,000)	(\$ 141,920)	(\$ 1,027,362)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of Capital Assets	(\$ 550,719)	\$ -0-	(\$ 89,995)	(\$ 506,891)	(\$ 1,147,605)
Capital Contributions Received	1,163,654	-0-	-0-	6,708	1,170,362
Principal Paid on Debt	(48,470)	(132,305)	-0-	-0-	(180,775)
Interest Paid on Debt	-0-	(20,418)	-0-	-0-	(20,418)
Net Cash Provided (Used) by Capital and Related Financing Activities	\$ 564,465	(\$ 152,723)	(\$ 89,995)	(\$ 500,183)	(\$ 178,436)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of Investments	(\$ 9,654)	(\$ 435)	(\$ 46,655)	(\$ 30,986)	(\$ 87,730)
Interest Received on Investments	53,633	7,293	250,488	84,910	396,324
Net Cash Provided (Used) by Investing Activities	\$ 43,979	\$ 6,858	\$ 203,833	\$ 53,924	\$ 308,594
Net Increase (Decrease) in Cash	\$ 292,331	(\$ 295,401)	\$ 753,606	\$ 239,252	\$ 989,788
Cash - Beginning	4,855,117	295,401	2,903,501	1,510,047	9,564,066
Cash - Ending	\$ 5,147,448	\$ -0-	\$ 3,657,107	\$ 1,749,299	\$ 10,553,854
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	(\$ 2,394,034)	\$ 538,921	\$ 853,121	\$ 561,549	(\$ 440,443)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation	2,227,149	235,702	15,563	340,944	2,819,358
(Increase) Decrease in:					
Accounts Receivable	-0-	17,067	(660)	(1,977)	14,430
Other Receivable	(37,281)	-0-	(314,186)	-0-	(351,467)
Due from other governments	148,640				148,640
Postclosure liability		-0-	229,257		229,257
Deferred Outflows Related to Pensions	(113,242)	(16,622)	(18,548)	(310,301)	(458,713)
Increase (Decrease) in:					
Accounts Payable	(402,756)	36,799	67,976	30,524	(267,457)
Due To Other Funds	346,685	(527,744)	-0-	-0-	(181,059)
Due To Component Unit	1,741	-0-	-0-	-0-	1,741
Compensated Absences	(26,105)	(36)	24,490	48,580	46,929
Pension Liability	163,754	17,726	40,259	491,732	713,471
OPEB Liability	1,021	-0-	-0-	(233,269)	(232,248)
Deferred Inflows Related to Pension	(17,594)	3,803	(2,504)	(95,516)	(111,811)
Deferred Inflows Related to OPEB	(38,801)	-0-	-0-	(4,835)	(43,636)
Net Cash Provided (Used) by Operating Activities	(\$ 140,823)	\$ 305,616	\$ 894,768	\$ 827,431	\$ 1,886,992
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Amortization of Premiums and Discounts	\$ -0-	(\$ 4,627)	\$ -0-	\$ -0-	(\$ 4,627)
Change in Fair Value of Investments	(\$ 96,279)	(\$ 4,343)	(\$ 465,272)	(\$ 309,011)	(\$ 874,905)

CITY OF SAN ANGELO, TEXAS

Internal Service Funds Description

For the Year Ended September 30, 2019

INTERNAL SERVICE FUNDS

To report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units on a cost-reimbursement basis.

Vehicle Maintenance Fund – To account for fuel, oil, and the maintenance and upkeep on City and school district vehicles.

Employee/Retiree Health Fund – To account for health insurance claims and the cost of medical treatment of employees, retirees, and their dependents.

Property and Casualty Insurance Fund – To account for general and automobile liability and property damage coverage for City property and vehicles.

Workers Compensation Insurance Fund – To account for workers compensation coverage for City employees.

Communications Fund – To account for the operations of the City's internal communications system.

CITY OF SAN ANGELO, TEXAS

Combining Statement of Net Position - Internal Service Funds

As of September 30, 2019

	Vehicle Maintenance	Employee/ Retiree Health	Property and Casualty Insurance	Workers' Compensation Insurance	Communications	Total
ASSETS AND DEFERRED OUTFLOWS						
Current Assets:						
Cash and Cash Equivalents	\$ 793,075	\$ 1,297,540	\$ 114,988	\$ 1,692,054	\$ -0-	\$ 3,897,657
Investments	64,827	274	1,085,016	904,377	132	2,054,626
Receivables:						
Accrued Interest	3,823	-0-	1,764	-0-	2,241	7,828
Accounts	124,768	82,749	-0-	-0-	-0-	207,517
Less: Allowance for Uncollectibles	-0-	(34,931)	-0-	-0-	-0-	(34,931)
Due from Other Funds	-0-	-0-	-0-	-0-	-0-	-0-
Inventories	47,813	-0-	-0-	-0-	3,424	51,237
Total Current Assets	\$ 1,034,306	\$ 1,345,632	\$ 1,201,768	\$ 2,596,431	\$ 5,797	\$ 6,183,934
Noncurrent Assets						
Capital Assets:						
Buildings	\$ 390,269	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 390,269
Improvements Other Than Buildings	66,093	-0-	-0-	-0-	5,237,312	5,303,405
Machinery and Equipment	822,797	-0-	-0-	1,278	8,955,168	9,779,243
Construction in Progress	-0-	-0-	-0-	-0-	-0-	-0-
Less: Accumulated Depreciation	(1,191,519)	-0-	-0-	(1,278)	(13,398,574)	(14,591,371)
Total Noncurrent Assets	\$ 87,640	\$ -0-	\$ -0-	\$ -0-	\$ 793,906	\$ 881,546
Total Assets	\$ 1,121,946	\$ 1,345,632	\$ 1,201,768	\$ 2,596,431	\$ 799,703	\$ 7,065,480
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Amounts Related to Pensions	\$ 254,193	\$ 67,363	\$ 103,934	\$ 66,551	\$ 58,380	\$ 550,421
Deferred Amounts Related to OPEB	5,245	-0-	-0-	34,687	-0-	39,932
Total Deferred Outflows of Resources	\$ 259,438	\$ 67,363	\$ 103,934	\$ 101,238	\$ 58,380	\$ 590,353
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 161,096	\$ 94,041	\$ 1,560	\$ 20,956	\$ 59,710	\$ 337,363
Due to Other Funds	-0-	-0-	-0-	-0-	828,377	828,377
Noncurrent Liabilities Due Within One Year	60	231,992	197,784	950,237	-0-	1,380,073
Total Current Liabilities	\$ 161,156	\$ 326,033	\$ 199,344	\$ 971,193	\$ 888,087	\$ 2,545,813
Noncurrent Liabilities Due After One Year	158,094	19,990	526,507	1,470,037	54,348	2,228,976
Total OPEB Liability	2,128,646	691,428	-0-	789,650	-0-	3,609,724
Net Pension Obligation	863,365	165,520	146,237	169,907	177,886	1,522,915
Total Liabilities	\$ 3,311,261	\$ 1,202,971	\$ 872,088	\$ 3,400,787	\$ 1,120,321	\$ 9,907,428
DEFERRED INFLOWS OF RESOURCES						
Deferred Amounts Related to Pensions	\$ 27,126	\$ 5,690	\$ 26,709	\$ 81,668	\$ 16,129	\$ 157,322
Deferred Amounts Related to OPEB	-0-	7,236	-0-	-0-	-0-	7,236
Total Deferred Inflows of Resources	\$ 27,126	\$ 12,926	\$ 26,709	\$ 81,668	\$ 16,129	\$ 164,558
NET POSITION						
Net Investment in Capital Assets	\$ 87,640	\$ -0-	\$ -0-	\$ -0-	\$ 793,906	\$ 881,546
Unrestricted	(2,044,643)	197,098	406,905	(784,786)	(1,072,273)	(3,297,699)
Total Net Position	(\$ 1,957,003)	\$ 197,098	\$ 406,905	(\$ 784,786)	(\$ 278,367)	(\$ 2,416,153)

CITY OF SAN ANGELO, TEXAS

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position **- Internal Service Funds**

For the Year Ended September 30, 2019

	Vehicle Maintenance	Employee/ Retiree Health	Property and Casualty Insurance	Workers' Compensation Insurance	Communications	Total
OPERATING REVENUES						
Charges for Sales and Services:						
Sales and Service	\$ 4,067,707	\$ 9,222,136	\$ 201,082	\$ 1,428,325	\$ 583,847	\$ 15,503,097
Other	126,085	60,431	-0-	-0-	160,003	346,519
Total Operating Revenues	\$ 4,193,792	\$ 9,282,567	\$ 201,082	\$ 1,428,325	\$ 743,850	\$ 15,849,616
OPERATING EXPENSES						
Cost of Sales and Services:						
Administrative	\$ 4,147,234	\$ 8,904,071	\$ 1,423,239	\$ 1,032,247	\$ 750,731	\$ 16,257,522
Depreciation	27,350	-0-	-0-	-0-	3,604,817	3,632,167
Total Operating Expenses	\$ 4,174,584	\$ 8,904,071	\$ 1,423,239	\$ 1,032,247	\$ 4,355,548	\$ 19,889,689
Operating Income (Loss)	\$ 19,208	\$ 378,496	(\$ 1,222,157)	\$ 396,078	(\$ 3,611,698)	(\$ 4,040,073)
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Interest	34,172	-0-	28,374	16,541	8,148	87,235
Change in Fair Value of Investments	(8,957)	(38)	(149,910)	(124,952)	(18)	(283,875)
Gain (Loss) on Sale of Capital Assets	-0-	-0-	-0-	-0-	-0-	-0-
Total Nonoperating Revenues (Expenses)	\$ 25,215	(\$ 38)	(\$ 121,536)	(\$ 108,411)	\$ 8,130	(\$ 196,640)
Income (Loss) Before Contributions, Special Items, and Transfers	\$ 44,423	\$ 378,458	(\$ 1,343,693)	\$ 287,667	(\$ 3,603,568)	(\$ 4,236,713)
CONTRIBUTIONS AND TRANSFERS						
Transfers In	\$ -0-	\$ -0-	\$ 770,525	\$ -0-	\$ -0-	\$ 770,525
Transfers Out	(14,159)	(909)	-0-	-0-	-0-	(15,068)
Capital Contributions	123,070	-0-	-0-	-0-	-0-	123,070
Total Contributions and Transfers	\$ 108,911	(\$ 909)	\$ 770,525	\$ -0-	\$ -0-	\$ 878,527
Change in Net Position	\$ 153,334	\$ 377,549	(\$ 573,168)	\$ 287,667	(\$ 3,603,568)	(\$ 3,358,186)
Net Position - Beginning	(2,110,337)	(180,451)	980,073	(1,072,453)	3,325,201	942,033
Net Position - Ending	(\$ 1,957,003)	\$ 197,098	\$ 406,905	(\$ 784,786)	(\$ 278,367)	(\$ 2,416,153)

CITY OF SAN ANGELO, TEXAS

Combining Statement of Cash Flows - Internal Service Funds

For the Year Ended September 30, 2019

	Vehicle Maintenance	Employee/ Retiree Health	Property and Casualty Insurance	Workers' Compensation Insurance	Communications	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash Receipts from Interfund Services Provided	\$ 4,213,540	\$ 9,315,892	\$ -0-	\$ -0-	\$ 743,850	\$ 14,273,282
Cash Received from Reinsurance	-0-	-0-	201,082	1,396,746	-0-	1,597,828
Cash Paid to Suppliers for Goods and Services	(3,228,719)	(1,844,562)	(1,240,371)	(745,067)	(566,609)	(7,625,328)
Cash Paid for Insurance Claims and Premiums	-0-	(6,807,720)	-0-	154,741	-0-	(6,652,979)
Cash Paid for Employee Services and Benefits	(930,479)	(176,625)	(170,680)	(178,038)	(168,050)	(1,623,872)
Net Cash Provided (Used) by Operating Activities	\$ 54,342	\$ 486,985	(\$ 1,209,969)	\$ 628,382	\$ 9,191	(\$ 31,069)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES						
Transfers In	\$ -0-	\$ -0-	\$ 770,525	\$ -0-	\$ -0-	\$ 770,525
Transfers Out	(14,159)	(909)	-0-	-0-	-0-	(15,068)
Short-Term Interfund Loans Received	-0-	-0-	-0-	-0-	6,697	6,697
Net Cash Provided (Used) by Non-Capital Financing Activities	(\$ 14,159)	(\$ 909)	\$ 770,525	\$ -0-	\$ 6,697	\$ 762,154
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of Capital Assets	(\$ 28,539)	\$ -0-	\$ -0-	\$ -0-	(\$ 23,743)	(\$ 52,282)
Net Cash Provided (Used) by Capital and Related Financing Activities	(\$ 28,539)	\$ -0-	\$ -0-	\$ -0-	(\$ 23,743)	(\$ 52,282)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of Investments	(\$ 898)	(\$ 4)	(\$ 15,032)	(\$ 12,529)	(\$ 2)	(\$ 28,465)
Interest Received on Investments	32,658	-0-	27,117	16,541	7,787	84,103
Net Cash Provided (Used) by Investing Activities	\$ 31,760	(\$ 4)	\$ 12,085	\$ 4,012	\$ 7,785	\$ 55,638
Net Increase (Decrease) in Cash	\$ 43,404	\$ 486,072	(\$ 427,359)	\$ 632,394	(\$ 70)	\$ 734,441
Cash - Beginning	749,671	811,468	542,347	1,059,660	70	3,163,216
Cash - Ending	\$ 793,075	\$ 1,297,540	\$ 114,988	\$ 1,692,054	\$ -0-	\$ 3,897,657
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ 142,297	\$ 378,496	(\$ 1,222,157)	\$ 396,078	(\$ 3,611,698)	(\$ 3,916,984)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities						
Depreciation	27,350	-0-	-0-	-0-	3,604,817	3,632,167
(Increase) Decrease in Accounts Receivable	19,748	33,325	-0-	-0-	-0-	53,073
(Increase) Decrease in Inventories	13,453	-0-	-0-	-0-	607	12,846
(Increase) Decrease in Deferred Outflows Related to Pension	(160,209)	(39,915)	9,523	(13,504)	(37,009)	(241,114)
(Increase) Decrease in Deferred Outflows Related to OPEB	-0-	-0-	-0-	(34,687)	-0-	(34,687)
Increase (Decrease) in Accounts Payable	(163,409)	(13,112)	(9,651)	10,643	(12,562)	(188,091)
Increase (Decrease) in Insurance Claims Payable	-0-	94,646	(13,140)	154,741	-0-	236,247
Increase (Decrease) in OPEB Liability	50,572	(21,447)	-0-	157,475	-0-	186,600
Increase (Decrease) in Net Pension Liability	279,084	69,213	26,743	36,268	62,851	474,159
Increase (Decrease) in Compensated Absences	17,975	25,745	-0-	(1,746)	29,561	71,535
Increase (Decrease) in Deferred Inflows Related to Pension	(68,714)	(11,593)	(1,287)	(31,579)	(26,162)	(139,335)
Increase (Decrease) in Deferred Inflows related to OPEB	(103,805)	(28,373)	-0-	(45,307)	-0-	(177,485)
Net Cash Provided (Used) by Operating Activities	\$ 54,342	\$ 486,985	(\$ 1,209,969)	\$ 628,382	\$ 9,191	(\$ 31,069)
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES						
Change in Fair Value of Investments	(\$ 8,957)	(\$ 38)	(\$ 149,910)	(\$ 124,952)	(\$ 18)	(\$ 283,875)

CITY OF SAN ANGELO, TEXAS

Agency Fund Description

For the Year Ended September 30, 2019

FIDUCIARY FUNDS

To report assets held in a trust or agency capacity for others and, therefore, cannot be used to support the government's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

CJC Agency Fund – To account for fines and fees collected on behalf of the State of Texas.

CITY OF SAN ANGELO, TEXAS

Statement of Changes in Assets and Liabilities -
CJC Agency Fund

For the Year Ended September 30, 2019

	Beginning Balance	Additions	Deletions	Ending Balance
ASSETS				
Cash and Cash Equivalents	\$ 382,940	\$ 1,902,350	\$ 1,938,815	\$ 346,475
Total Assets	\$ 382,940	\$ 1,902,350	\$ 1,938,815	\$ 346,475
LIABILITIES				
Accounts Payable	\$ 190	\$ 378,612	\$ 378,802	\$ -0-
Due to Other Governments	382,750	1,902,350	1,938,625	346,475
Total Liabilities	\$ 382,940	\$ 2,280,962	\$ 2,317,427	\$ 346,475

CITY OF SAN ANGELO, TEXAS

Discretely Presented Component Unit Description

For the Year Ended September 30, 2019

DISCRETELY PRESENTED COMPONENT UNIT

Additional information for the discretely presented component unit referred to in the notes to the financial statements is provided:

Development Corporation - To administer funds received under the type B City sales tax for economic development.

CITY OF SAN ANGELO, TEXAS

Combining Balance Sheet -
Discretely Presented Component Unit

As of September 30, 2019

	Development Corporation
ASSETS	
Assets:	
Cash and Cash Equivalents	\$ 7,149,933
Investments	9,997,780
Accounts Receivable	343,026
Due from Other Governments	1,685,648
Advances to Other Funds	242,528
Prepays	29,633
Total Assets	<u>\$ 19,448,548</u>
LIABILITIES	
Accounts Payable	\$ 117,880
Total Liabilities	<u>\$ 117,880</u>
FUND BALANCE	
Nonspendable	\$ 29,633
Restricted	19,301,035
Committed	-0-
Assigned	-0-
Unassigned	-0-
Total Fund Balance	<u>\$ 19,330,668</u>
Total Liabilities and Fund Balance	<u>\$ 19,448,548</u>

**RECONCILIATION OF THE COMPONENT UNIT'S BALANCE SHEET TO THE STATEMENT
OF NET POSITION**

Fund Balance - Component Unit	\$ 19,330,668
Capital assets used in component unit are not financial resources, and therefore, are not reported in the balance sheet. The net effect - increases (decrease) in net position - of including capital assets are:	
Beginning of the Year Cost	2,883,678
Beginning of the Year Accumulated Depreciation	(770,217)
Current Year Capital Disposals	(182,921)
Current Year Depreciation	(100,248)
Net Position of Component Units	<u>\$ 21,160,960</u>

CITY OF SAN ANGELO, TEXAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Discretely Presented Component Unit

For the Year Ended September 30, 2019

	Development Corporation
REVENUES	
Taxes:	
Sales	\$ 10,096,924
Charges for Services	103,989
Investment Income - Interest	462,988
Total Revenues	<u>\$ 10,663,901</u>
EXPENDITURES	
Operating Expenditures	\$ 9,073,481
Total Expenditures	<u>\$ 9,073,481</u>
Excess (Deficiency) of Revenues	
Over (Under) Expenditures	<u>\$ 1,590,420</u>
Net Change in Fund Balance	\$ 1,590,420
Fund Balance - Beginning	17,740,248
Fund Balance - Ending	<u><u>\$ 19,330,668</u></u>

RECONCILIATION OF THE COMPONENT UNIT'S STATEMENT OF REVENUES, TO EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

Total Net Change in Fund Balances - Component Unit	\$ 1,590,420
Loss on disposal of assets	(182,920)
Depreciation does not require the use of current financial resources, and therefore, is not reported as an expenditure. The current year's depreciation decreases Net Position.	<u>(100,248)</u>
Change in Net Position of Component Unit	<u><u>\$ 1,307,252</u></u>

CITY OF SAN ANGELO, TEXAS

Statistical Section Narrative

For the Year Ended September 30, 2019

STATISTICAL SECTION

This part of the City of San Angelo's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and Required Supplementary Information says about the City's overall financial health.

Such statistical information includes:

Financial Trends – These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity – These schedules contain information to help the reader assess the City's most significant local revenue sources, gas, and sales tax revenues.

Debt Capacity – These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

STATISTICAL SECTION
(UNAUDITED - for Analytical Purposes Only)

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

TABLE	CONTENTS
	Financial Trends
	<i>These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>
	Entity-wide information:
1	Net position by component, last ten fiscal years
2	Changes in net position, last ten fiscal years
	Governmental Funds Information:
3	Fund balances, last ten fiscal years
4	Changes in fund balances, last ten fiscal years
	Revenue Capacity
	<i>These tables contain information to help the reader assess the City's most significant local revenue source, the property tax. Also included is some additional information on sales tax revenue.</i>
5	Assessed value and actual value of taxable property, last ten fiscal years
6	Direct and overlapping property tax rates, last ten fiscal years
7	Principal property taxpayers, current year and nine years ago
8	Property tax levies and collections, last ten fiscal years
9	Direct and overlapping sales tax rates, last ten fiscal years
10	Sales tax revenue by industry, current year and five years ago
	Debt Capacity
	<i>These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>
11	Ratios of outstanding debt by type, last ten fiscal years
12	Ratios of net general bonded debt outstanding, last ten fiscal years
13	Direct and overlapping governmental activities debt
14	Pledged revenue coverage, last ten fiscal years
	Demographic and Economic Information
	<i>These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.</i>
15	Demographic and economic statistics, last ten calendar years
16	Principal employers, current year and five years ago
	Operating Information
	<i>These tables contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and activities it performs.</i>
17	Full-time equivalent city employees by department, last ten fiscal years
18	Operating indicators, last ten fiscal years
19	Capital asset statistics, last ten fiscal years

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

CITY OF SAN ANGELO
NET POSITION BY COMPONENT,
LAST TEN FISCAL YEARS
(UNAUDITED - accrual basis of accounting)

	Fiscal Year									
	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
Governmental Activities:										
Net investment in capital assets	\$ 42,032,400	\$ 43,930,391	\$ 40,735,612	\$ 47,251,737	\$ 22,683,705	\$ 36,872,153	\$ 37,922,031	\$ 27,779,895	\$ 33,286,143	\$ 28,137,141
Restricted	26,659,496	17,767,899	16,874,203	34,668,116	16,248,477	11,346,760	11,346,760	21,358,553	24,796,775	24,383,653
Unrestricted	(114,292,280)	(115,842,937)	(44,678,753)	(63,955,519)	(16,545,241)	18,705,893	1,809,832	11,860,302	12,762	(4,917,254)
Total Governmental Activities Net Position	<u>(\$ 45,600,384)</u>	<u>(\$ 54,144,647)</u>	<u>\$ 12,931,062</u>	<u>\$ 17,964,334</u>	<u>\$ 22,386,941</u>	<u>\$ 66,924,806</u>	<u>\$ 51,078,623</u>	<u>\$ 60,998,750</u>	<u>\$ 58,095,680</u>	<u>\$ 47,603,540</u>
Business-Type Activities:										
Net investment in capital assets	\$ 200,960,575	\$ 150,891,275	\$ 190,198,520	\$ 168,098,952	\$ 161,562,185	\$ 137,816,767	\$ 59,580,126	\$ 111,718,102	\$ 133,918,235	\$ 135,862,187
Restricted	28,716,100	42,764,885	34,722,814	25,759,916	59,362,529	23,471,674	23,485,718	57,337,080	9,934,203	7,845,711
Unrestricted	18,841,138	40,902,089	(6,224,795)	9,725,257	(28,886,311)	25,651,846	91,981,182	(4,216,773)	13,994,167	10,016,280
Total Business-Type Activities Net Position	<u>\$ 248,517,813</u>	<u>\$ 234,558,249</u>	<u>\$ 218,696,539</u>	<u>\$ 203,584,125</u>	<u>\$ 192,038,403</u>	<u>\$ 186,940,287</u>	<u>\$ 175,047,026</u>	<u>\$ 164,838,409</u>	<u>\$ 157,846,605</u>	<u>\$ 153,724,178</u>
Primary Government:										
Net investment in capital assets	\$ 242,992,975	\$ 194,821,666	\$ 230,934,132	\$ 215,350,689	\$ 184,245,890	\$ 174,688,920	\$ 97,502,157	\$ 139,497,997	\$ 167,204,378	\$ 163,999,328
Restricted	55,375,596	60,532,784	51,597,017	60,428,032	75,611,006	34,818,434	34,832,478	78,695,633	34,730,978	32,229,364
Unrestricted	(95,451,142)	(74,940,848)	(50,903,548)	(54,230,262)	(45,431,552)	44,357,739	93,791,014	7,643,529	14,006,929	5,099,026
Total Primary Government Net Position	<u>\$ 202,917,429</u>	<u>\$ 180,413,602</u>	<u>\$ 231,627,601</u>	<u>\$ 221,548,459</u>	<u>\$ 214,425,344</u>	<u>\$ 253,865,093</u>	<u>\$ 226,125,649</u>	<u>\$ 225,837,159</u>	<u>\$ 215,942,285</u>	<u>\$ 201,327,718</u>

CITY OF SAN ANGELO
CHANGES IN NET POSITION,
LAST TEN FISCAL YEARS
(UNAUDITED - accrual basis of accounting)

	Fiscal Year									
	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
Expenses										
Governmental Activities:										
General Government	\$ 11,191,578	\$ 9,742,037	\$ 11,617,429	\$ 15,503,820	\$ 14,693,548	\$ 9,351,776	\$ 12,180,551	\$ 10,863,197	\$ 10,965,462	\$ 7,619,436
Public Safety	51,306,625	45,099,899	53,883,378	45,843,672	40,093,771	37,912,268	36,925,673	36,379,803	33,867,601	37,296,403
Public Works and Transportation	13,172,331	10,931,292	10,088,428	12,554,602	10,151,004	7,271,354	9,379,877	8,123,640	7,863,396	10,034,118
Public Facilities	3,607,237	3,882,536	3,571,629	3,790,497	2,742,085	2,574,982	2,616,279	2,468,554	2,261,854	4,315,945
Health and Human Services	3,575,627	2,771,095	3,455,935	3,697,454	3,222,433	2,989,869	3,033,911	3,288,315	4,112,967	4,202,814
Culture Parks and Recreation	9,402,480	8,358,240	10,941,795	8,076,896	7,147,927	6,513,566	7,619,225	5,999,809	4,534,751	6,016,419
Economic Development	821,214	551,388	609,428	392,494	368,283	495,557	1,211,080	3,463,923	4,193,681	4,974,088
Urban Redevelopment and Housing	979,075	853,174	926,648	1,051,058	938,418	970,756	1,552,520	2,163,356	3,084,266	2,491,213
Interest and Fiscal Charges	2,096,755	2,442,020	2,235,720	2,153,962	2,350,993	2,539,485	840,512	1,878,828	1,371,616	2,110,568
Total Governmental Activities Expenses	\$ 96,152,922	\$ 84,631,681	\$ 97,330,390	\$ 93,064,455	\$ 81,708,462	\$ 70,619,613	\$ 75,359,628	\$ 74,629,425	\$ 72,255,594	\$ 79,061,004
Business-Type Activities:										
Water	\$ 19,194,724	\$ 18,271,162	\$ 18,722,506	\$ 17,183,317	\$ 16,783,235	\$ 16,064,612	\$ 15,711,368	\$ 18,985,682	\$ 15,680,907	\$ 17,863,109
Sewer	8,540,855	7,926,154	8,778,915	8,873,695	8,170,739	7,268,532	7,564,628	10,742,627	9,732,614	10,820,699
Airport	4,068,586	3,478,293	4,283,374	4,506,411	3,813,818	3,783,952	2,938,311	4,171,162	3,665,909	2,824,518
State Office Building	706,905	985,971	1,031,980	1,127,308	993,803	1,140,737	1,061,772	1,272,338	1,671,974	1,046,448
Solid Waste	1,327,285	691,372	930,399	786,709	491,075	1,876,321	-0-	-0-	-0-	-0-
Stormwater	2,284,557	1,989,444	1,772,384	2,032,021	1,932,448	2,069,601	1,454,672	-0-	-0-	-0-
Total Business-Type Activities Expenses	\$ 36,122,912	\$ 33,342,396	\$ 35,519,558	\$ 34,509,461	\$ 32,205,118	\$ 32,203,755	\$ 28,730,751	\$ 35,171,809	\$ 30,751,404	\$ 32,554,774
Total Primary Government Expenses	\$ 132,275,834	\$ 117,974,077	\$ 132,849,948	\$ 127,573,916	\$ 113,913,580	\$ 102,823,368	\$ 104,090,379	\$ 109,801,234	\$ 103,006,998	\$ 111,615,778
Program Revenues										
Governmental Activities:										
Charges for services:										
General Government	\$ 1,691,966	\$ 1,652,711	\$ 1,470,249	\$ 1,263,453	\$ 1,175,801	\$ 1,127,007	\$ 1,255,367	\$ 1,341,469	\$ 1,231,983	\$ 3,261,098
Public Safety	8,674,161	7,648,482	7,459,560	6,503,328	6,027,415	5,777,959	6,436,072	6,877,504	6,316,188	6,078,350
Public Works and Transportation	1,458,128	1,294,594	1,264,891	1,096,279	1,011,878	971,276	1,081,898	1,156,103	1,061,746	135,554
Public Facilities	852,678	760,856	744,368	642,393	591,151	627,979	632,669	676,062	620,884	410,061
Health and Human Services	1,161,767	1,114,913	1,110,551	902,281	793,706	773,866	862,005	921,127	845,948	426,735
Culture, Parks and Recreation	536,300	476,852	466,090	403,454	372,065	357,236	397,923	425,215	390,511	286,462
Economic Development	343,550	302,788	295,237	257,524	238,744	228,843	254,907	272,390	250,159	35,336
Urban Redevelopment and Housing	25,368	22,535	22,021	19,077	17,603	16,898	18,823	20,114	18,472	-0-
Operating grants and contributions	4,643,889	4,018,031	3,857,901	3,443,621	3,243,424	3,093,348	3,445,662	3,681,990	3,381,480	5,413,539
Capital grants and contributions	400,708	343,815	372,387	5,167,884	279,866	266,916	297,316	317,708	291,777	1,311,784
Total Governmental Activities Program Revenues	\$ 19,788,515	\$ 17,635,577	\$ 17,063,255	\$ 19,699,294	\$ 13,751,653	\$ 13,181,328	\$ 14,682,642	\$ 15,689,682	\$ 14,409,148	\$ 17,358,919
Business-Type Activities:										
Water	\$ 36,966,360	\$ 38,739,911	\$ 32,891,977	\$ 28,438,454	\$ 24,155,233	\$ 25,255,292	\$ 25,539,687	\$ 27,301,830	\$ 23,324,070	\$ 20,818,217
Sewer	16,660,607	17,542,589	13,944,617	11,808,606	11,062,765	11,169,732	11,282,467	13,435,701	15,033,265	13,585,101
Airport	1,674,529	1,528,475	1,555,945	1,664,125	1,330,236	1,246,710	2,287,792	1,437,400	1,418,125	1,455,673
State Office Building	1,230,035	1,240,281	1,232,054	1,276,717	1,220,429	1,201,085	1,191,259	1,161,119	1,157,281	1,160,080
Solid Waste	2,180,406	1,616,886	2,063,568	2,235,398	1,928,017	7,642,056	-0-	-0-	-0-	-0-
Stormwater	2,839,392	2,904,618	2,564,203	2,590,375	2,545,923	2,665,234	2,588,676	-0-	-0-	-0-
Operating grants and contributions	148	-0-	150	-0-	-0-	-0-	1,984	1,658	350	4,530
Capital grants and contributions	1,170,362	3,765,372	970,516	1,024,628	876,929	1,527,019	980,899	1,117,448	1,715,694	4,228,460
Total Business-Type Activities Program Revenues	\$ 62,721,839	\$ 67,338,132	\$ 55,223,030	\$ 49,038,303	\$ 43,119,532	\$ 50,707,128	\$ 43,872,764	\$ 44,455,156	\$ 42,648,785	\$ 41,252,061
Total Primary Government Program Revenues	\$ 82,510,354	\$ 84,973,709	\$ 72,286,285	\$ 68,737,597	\$ 56,871,185	\$ 63,888,456	\$ 58,555,406	\$ 60,144,838	\$ 57,057,933	\$ 58,610,980
Net (Expense) / Revenue										
Governmental Activities	(\$ 76,364,407)	(\$ 66,996,104)	(\$ 80,267,135)	(\$ 73,365,162)	(\$ 67,956,809)	(\$ 57,438,285)	(\$ 60,676,986)	(\$ 58,939,743)	(\$ 57,846,446)	(\$ 61,702,085)
Business-Type Activities	26,598,927	33,995,736	19,703,472	14,528,842	10,914,414	18,503,373	15,142,013	9,283,347	11,897,381	8,697,287
Total Primary Government Net Expense	(\$ 49,765,480)	(\$ 33,000,368)	(\$ 60,563,663)	(\$ 58,836,320)	(\$ 57,042,395)	(\$ 38,934,912)	(\$ 45,534,973)	(\$ 49,656,396)	(\$ 45,949,065)	(\$ 53,004,798)

CITY OF SAN ANGELO
CHANGES IN NET POSITION,
LAST TEN FISCAL YEARS
(UNAUDITED - accrual basis of accounting)

	Fiscal Year									
	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Taxes	\$ 39,235,072	\$ 39,181,491	\$ 36,675,045	\$ 38,061,931	\$ 36,040,174	\$ 35,886,552	\$ 31,726,116	\$ 28,675,344	\$ 28,515,143	\$ 27,818,552
Sales Taxes	19,962,832	19,812,694	17,676,790	17,147,214	19,253,436	18,948,114	17,257,554	22,633,111	20,200,646	18,757,222
Franchise Taxes	4,232,646	4,586,508	5,012,040	4,349,480	4,472,891	4,362,554	3,934,338	3,885,969	3,841,056	4,947,607
Other Taxes	3,405,338	2,884,378	2,433,101	2,334,928	2,780,823	3,599,661	3,168,436	2,489,412	1,908,202	1,709,757
Penalty, Interest and Fees on Delinquent Taxes	778,519	-0-	890,555	337,978	-0-	336,332	372,288	223,844	342,355	321,794
Investment Income	6,604,710	784,901	914,166	691,470	446,208	222,538	149,045	264,080	589,133	382,714
Miscellaneous	3,614,062	3,939,359	5,411,365	1,235,450	975,710	1,299,586	1,983,470	677,892	239,334	3,252,130
Settlement Proceeds	-0-	-0-	1,000,000	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Gain (Loss) on Sale of Capital Assets	(19,527)	-0-	-0-	-0-	-0-	519,315	(3,357)	694,080	(154,962)	162,906
Transfers	7,096,796	6,055,653	5,220,801	4,800,468	5,825,678	3,775,844	4,197,654	2,299,082	7,389,201	273,971
Total Governmental Activities	<u>\$ 84,910,448</u>	<u>\$ 77,244,984</u>	<u>\$ 75,233,863</u>	<u>\$ 68,958,919</u>	<u>\$ 69,794,920</u>	<u>\$ 68,950,496</u>	<u>\$ 62,785,544</u>	<u>\$ 61,842,814</u>	<u>\$ 62,870,108</u>	<u>\$ 57,626,653</u>
Business-Type Activities										
Investment Income	(\$ 2,034,103)	\$ 474,918	\$ 612,318	\$ 582,468	\$ 411,913	\$ 147,684	\$ 118,321	\$ 183,002	\$ 129,755	\$ 249,049
Unrestricted Grants and Contributions	-0-	-0-	-0-	-0-	-0-	4,225	-0-	-0-	-0-	-0-
Gain (Loss) on Sale of Capital Assets	993,389	113,364	17,425	663,072	24,947	157,227	(30,138)	50,245	14,074	53,218
Transfers	(7,096,796)	(5,654,599)	(5,220,801)	(4,800,468)	(5,825,678)	(3,775,844)	(4,197,654)	(2,299,082)	(7,389,201)	275,380
Total Business-Type Activities	<u>(\$ 8,137,510)</u>	<u>(\$ 5,066,317)</u>	<u>(\$ 4,591,058)</u>	<u>(\$ 3,554,928)</u>	<u>(\$ 5,388,818)</u>	<u>(\$ 3,466,708)</u>	<u>(\$ 4,109,471)</u>	<u>(\$ 2,065,835)</u>	<u>(\$ 7,245,372)</u>	<u>\$ 577,647</u>
Total Primary Government	<u>\$ 76,772,938</u>	<u>\$ 72,178,667</u>	<u>\$ 70,642,805</u>	<u>\$ 65,403,991</u>	<u>\$ 64,406,102</u>	<u>\$ 65,483,788</u>	<u>\$ 58,676,073</u>	<u>\$ 59,776,979</u>	<u>\$ 55,624,736</u>	<u>\$ 58,204,300</u>
Change in Net Position										
Governmental Activities	\$ 8,546,041	\$ 10,248,880	(\$ 5,033,272)	(\$ 4,406,243)	\$ 1,838,111	\$ 11,512,211	\$ 2,108,558	\$ 2,903,071	\$ 5,023,662	(\$ 4,075,432)
Business-Type Activities	18,461,417	28,929,419	15,112,414	10,973,914	5,525,596	15,036,665	11,032,542	7,217,512	4,652,009	9,274,934
Total Primary Government	<u>\$ 27,007,458</u>	<u>\$ 39,178,299</u>	<u>\$ 10,079,142</u>	<u>\$ 6,567,671</u>	<u>\$ 7,363,707</u>	<u>\$ 26,548,876</u>	<u>\$ 13,141,100</u>	<u>\$ 10,120,583</u>	<u>\$ 9,675,671</u>	<u>\$ 5,199,502</u>

CITY OF SAN ANGELO
FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(UNAUDITED - modified accrual basis of accounting)

	Fiscal Year									
	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
General Fund:										
Nonspendable	\$ 43,322	\$ 50,822	\$ 43,778	\$ 44,988	\$ 23,407	\$ 18,724	\$ 18,724	\$ -0-	\$ -0-	\$ -0-
Restricted	1,773,777	1,437,802	-0-	-0-	-0-	-0-	-0-	-0-	554,938	-0-
Committed	181,062	161,594	-0-	-0-	-0-	-0-	375,219	-0-	-0-	-0-
Assigned	-0-	-0-	-0-	13,950,805	-0-	-0-	-0-	-0-	-0-	-0-
Unassigned	46,324,305	52,454,021	35,424,429	24,846,560	35,932,736	30,347,858	21,450,995	15,552,359	12,055,562	5,936,110
Total General Fund	<u>\$ 48,322,466</u>	<u>\$ 54,104,239</u>	<u>\$ 35,468,207</u>	<u>\$ 38,842,353</u>	<u>\$ 35,956,143</u>	<u>\$ 30,366,582</u>	<u>\$ 21,844,938</u>	<u>\$ 15,552,359</u>	<u>\$ 12,610,500</u>	<u>\$ 5,936,110</u>
Other Governmental Funds:										
Nonspendable	\$ 15,748,208	\$ 14,739,825	\$ 14,201,260	\$ 12,747,748	\$ 12,747,748	(\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 10,845,080
Restricted	4,315,087	4,152,586	3,470,316	3,355,777	3,500,930	14,754,510	13,112,031	12,580,265	11,967,745	-0-
Committed	1,982,650	16,737,775	2,462,163	224,988	210,128	214,544	195,544	195,409	274,426	-0-
Assigned	-0-	-0-	-0-	-0-	3,876,293	2,174,422	1,383,199	701,355	501,489	-0-
Unassigned, reported in:										
Special Revenue Funds	(46,905)	(179,094)	-0-	-0-	-0-	857,949	(386,968)	(102,430)	-0-	757,627
Capital Projects Funds	26,278,540	-0-	20,547,466	29,968,800	16,889,602	4,312,945	5,953,205	9,690,599	19,926,627	19,140,068
Permanent Funds	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	8,030
Total Other Governmental Funds	<u>\$ 48,277,580</u>	<u>\$ 35,451,092</u>	<u>\$ 40,681,205</u>	<u>\$ 46,297,313</u>	<u>\$ 37,224,701</u>	<u>\$ 22,314,370</u>	<u>\$ 20,257,011</u>	<u>\$ 23,065,198</u>	<u>\$ 32,670,287</u>	<u>\$ 30,750,805</u>
Total All Governmental Funds	<u>\$ 96,600,046</u>	<u>\$ 89,555,331</u>	<u>\$ 76,149,412</u>	<u>\$ 85,139,666</u>	<u>\$ 73,180,844</u>	<u>\$ 52,680,952</u>	<u>\$ 42,101,949</u>	<u>\$ 38,617,557</u>	<u>\$ 45,280,787</u>	<u>\$ 36,686,915</u>

CITY OF SAN ANGELO
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(UNAUDITED - modified accrual basis of accounting)

	Fiscal Year									
	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
Revenues										
Taxes	\$ 67,506,750	\$ 66,563,532	\$ 62,687,528	\$ 62,298,826	\$ 62,509,576	\$ 63,784,662	\$ 56,905,030	\$ 58,034,537	\$ 54,701,851	\$ 53,360,648
Licenses and Permits	1,014,298	895,056	954,157	956,392	826,482	916,819	806,257	787,612	788,344	749,994
Intergovernmental	5,421,684	3,116,193	3,795,934	7,090,325	2,484,974	2,247,654	3,015,193	3,495,356	4,935,935	5,802,593
Charges for Services	9,917,452	9,519,878	8,470,254	8,387,995	6,609,817	6,233,192	7,522,933	7,964,663	6,587,116	6,507,228
Fines and Forfeits	3,088,295	3,043,918	2,848,276	2,621,105	2,995,256	3,209,901	2,813,772	2,994,371	3,360,423	3,376,374
Investment Income	6,801,350	783,199	883,366	643,833	424,050	211,041	135,729	247,146	571,502	355,807
Other Revenues	3,960,848	4,376,724	5,821,517	1,724,315	1,884,996	1,873,348	2,989,974	1,321,283	1,064,749	3,761,586
Total revenues	<u>\$ 97,710,677</u>	<u>\$ 88,298,500</u>	<u>\$ 85,461,032</u>	<u>\$ 83,722,791</u>	<u>\$ 77,735,151</u>	<u>\$ 78,476,617</u>	<u>\$ 74,188,888</u>	<u>\$ 74,844,968</u>	<u>\$ 72,009,920</u>	<u>\$ 73,914,230</u>
Expenditures										
General Government	\$ 10,429,050	\$ 10,391,827	\$ 9,945,155	\$ 10,869,576	\$ 10,011,264	\$ 9,477,008	\$ 9,366,929	\$ 9,870,672	\$ 9,213,186	\$ 6,980,931
Public Safety	43,139,312	45,308,143	42,501,940	38,904,221	36,350,918	35,320,291	34,062,079	33,814,811	32,602,167	32,343,040
Public Works and Transportation	11,313,973	10,556,255	10,058,424	11,523,740	9,540,184	6,913,690	8,767,928	7,610,698	7,424,858	9,401,330
Public Facilities	1,033,854	1,010,503	967,170	998,644	914,595	1,013,884	889,044	674,273	676,047	2,294,330
Health and Human Services	3,260,087	3,176,408	3,097,989	3,334,684	3,009,616	2,848,160	2,842,001	3,120,047	3,931,698	3,815,320
Culture, Parks and Recreation	7,118,055	7,073,447	6,878,803	6,121,336	5,414,918	5,311,249	6,292,490	4,748,136	3,902,147	4,737,786
Economic Development	831,623	531,555	609,428	392,494	368,283	495,557	747,629	3,417,503	4,158,511	4,936,385
Urban Redevelopment and Housing	938,963	857,450	892,762	1,018,949	913,145	932,510	1,498,100	2,249,530	3,003,707	2,462,664
Capital Outlay	11,462,491	10,759,766	13,012,354	9,283,468	5,738,482	4,217,544	5,795,660	17,642,496	15,097,659	9,112,226
Debt service:										
Principal	5,052,000	5,721,047	8,492,000	5,409,500	2,292,000	2,862,000	9,401,601	3,370,218	2,679,000	3,616,500
Interest and fees	2,504,405	2,599,386	2,502,164	2,381,580	2,138,538	2,159,487	2,133,148	2,314,013	2,211,093	2,155,932
Total expenditures	<u>\$ 97,083,813</u>	<u>\$ 97,985,787</u>	<u>\$ 98,958,189</u>	<u>\$ 90,238,192</u>	<u>\$ 76,691,943</u>	<u>\$ 71,551,380</u>	<u>\$ 81,796,609</u>	<u>\$ 88,832,397</u>	<u>\$ 84,900,073</u>	<u>\$ 81,856,444</u>
Excess revenues over (under) expenditures	<u>\$ 626,864</u>	<u>(\$ 9,687,287)</u>	<u>(\$ 13,497,157)</u>	<u>(\$ 6,515,401)</u>	<u>\$ 1,043,208</u>	<u>\$ 6,925,237</u>	<u>(\$ 7,607,721)</u>	<u>(\$ 13,987,429)</u>	<u>(\$ 12,890,153)</u>	<u>(\$ 7,942,214)</u>
Other financing sources (uses)										
Transfers In	\$ 11,206,492	\$ 8,252,955	\$ 8,583,538	\$ 5,912,120	\$ 6,638,763	\$ 4,488,533	\$ 4,703,287	\$ 12,269,292	\$ 11,474,122	\$ 3,657,344
Debt Issue Proceeds	-0-	16,920,760	3,216,365	16,458,568	13,641,008	-0-	6,472,462	-0-	13,780,000	-0-
Capitalized Leases	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(184,620)
Sale of Capital Assets	76,512	480,484	568,474	159,447	752,083	552,491	754,582	845,727	870,727	226,361
Transfers Out	(4,865,153)	(2,598,356)	(7,861,474)	(1,172,702)	(813,085)	(896,391)	(505,633)	(9,970,210)	(4,084,921)	(3,218,086)
Total other financing sources (uses)	<u>\$ 6,417,851</u>	<u>\$ 23,055,843</u>	<u>\$ 4,506,903</u>	<u>\$ 21,357,433</u>	<u>\$ 20,218,769</u>	<u>\$ 4,144,633</u>	<u>\$ 11,424,698</u>	<u>\$ 3,144,809</u>	<u>\$ 22,039,928</u>	<u>\$ 480,999</u>
Net change in fund balances	<u>\$ 7,044,715</u>	<u>\$ 13,368,556</u>	<u>(\$ 8,990,254)</u>	<u>\$ 14,842,032</u>	<u>\$ 21,261,977</u>	<u>\$ 11,069,870</u>	<u>\$ 3,816,977</u>	<u>(\$ 10,842,620)</u>	<u>\$ 9,149,775</u>	<u>(\$ 7,461,215)</u>
Debt service as a percentage of noncapital expenditures	8.7%	9.5%	12.4%	9.7%	6.6%	8.2%	16.1%	7.2%	6.5%	8.0%

Table 5

CITY OF SAN ANGELO
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS;
(UNAUDITED)

Fiscal Year	Tax Year	Actual Value				Total	Less: Exemptions	Net Assessed Taxable Value	Total Direct Tax Rate
		Residential Property	Commercial Property	Industrial Property	Personal Property				
2009-10	2009	2,759,315,091	724,790,790	29,811,000	589,244,647	4,103,161,528	582,142,000	3,521,019,528	0.81750
2010-11	2010	2,843,511,067	704,939,433	30,058,400	584,247,824	4,162,756,724	561,216,519	3,601,540,205	0.81750
2011-12	2011	2,982,354,709	710,198,077	29,633,750	623,792,545	4,345,979,081	584,870,033	3,761,109,048	0.78600
2012-13	2012	3,126,836,948	635,385,879	33,506,700	642,047,015	4,437,776,542	692,309,826	3,745,466,716	0.78100
2013-14	2013	3,157,788,596	662,174,170	31,250,910	704,088,330	4,555,302,006	678,705,787	3,876,596,219	0.77600
2014-15	2014	3,557,375,484	724,622,860	32,217,560	762,652,660	5,076,868,564	844,657,199	4,232,211,365	0.77600
2015-16	2015	3,881,638,165	760,948,870	32,460,990	901,606,440	5,576,654,465	975,159,581	4,601,494,884	0.77600
2016-17	2016	4,107,658,750	809,002,820	32,730,670	869,336,530	5,818,728,770	1,051,989,109	4,766,739,661	0.77600
2017-18	2017	4,325,243,884	843,054,000	34,296,050	881,095,683	6,083,689,617	1,105,783,881	4,977,905,736	0.77600
2018-19	2018	4,388,615,330	845,432,484	37,194,230	902,290,402	6,173,532,446	800,810,406	5,372,722,040	0.77600

Source: Tom Green County Appraisal District

Table 6

CITY OF SAN ANGELO
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	City's Direct Tax Rates (Per \$100 of Assessed Value)			Overlapping Rates *	
	General Fund	Debt Service Fund	Total	Tom Green County	San Angelo School District
2009-10	0.72000	0.09750	0.81750	0.52500	1.35250
2010-11	0.73750	0.08000	0.81750	0.52500	1.31250
2011-12	0.70600	0.08000	0.78600	0.52500	1.28000
2012-13	0.70100	0.08000	0.78100	0.52500	1.26000
2013-14	0.69600	0.08000	0.77600	0.52500	1.26000
2014-15	0.69600	0.08000	0.77600	0.51500	1.24000
2015-16	0.67740	0.09860	0.77600	0.51250	1.23500
2016-17	0.67740	0.09860	0.77600	0.51250	1.22000
2017-18	0.68240	0.09360	0.77600	0.53500	1.21000
2018-19	0.68240	0.09360	0.77600	0.55117	1.13000

* Includes rates for maintenance & operations and debt service.

Source: Tom Green County Appraisal District.

CITY OF SAN ANGELO
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Taxpayer	Type of Business	Fiscal Year 2018-19				Fiscal Year 2009-10			
		Assessed Value	Rank	Percent of Total Assessed Value		Assessed Value	Rank	Percent of Total Assessed Value	
AEP Texas Inc.	Utility	\$ 90,167,740	1	1.68%		\$ 45,227,430	2	1.28%	
Walmart & Sam's	Retail	85,506,165	2	1.59%		61,124,343	1	1.74%	
Ethicon	Manufacturing	69,653,092	3	1.30%		33,191,048	4	0.94%	
C & J Spec-Rent & Well Services Inc.	Petroleum	58,506,180	4	1.09%					
Hirschfeld Steel & Energy	Manufacturing	42,449,180	5	0.79%					
San Angelo Hospital LP	Medical	30,070,430	6	0.56%				0.00%	
HEB Grocery Company LP	Retail	23,840,290	7	0.44%				0.00%	
Southern Glazers Wine & Spirits of Texas LLC	Wholesale	21,471,830	8	0.40%				0.00%	
Jim Bass Ford Inc.	Auto Industry	20,645,900	9	0.38%					
MIMG LXXX San Angelo	Apartments	15,951,170	10	0.30%					
Angelo Community Medical	Hospital					38,268,846	3	1.09%	
Verizon	Utility					27,750,587	5	0.79%	
Shannon Medical Center	Hospital					25,116,550	6	0.71%	
Sunset Mall	Real Estate					23,010,830	7		
Suddenlink Communications	Utility					21,148,123	8	0.60%	
Alexander Properties	Real Estate					16,660,759	9	0.47%	
Lowes Home Improvement	Retail					13,675,585	10	0.39%	
		<u>\$ 458,261,977</u>		<u>8.53%</u>		<u>\$ 305,174,101</u>		<u>8.01%</u>	
	Total Assessed Value	<u>\$ 5,372,722,040</u>				<u>\$ 3,521,019,528</u>			

Table 8

CITY OF SAN ANGELO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Taxes Levied for the Fiscal Year	Subsequent Adjustments	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percent of Levy		Amount	Percent of Levy
2009-10	27,789,598	-0-	26,871,734	96.70%	502,131	27,373,865	98.50%
2010-11	28,319,334	-0-	27,606,888	97.48%	411,298	28,018,186	98.94%
2011-12	28,356,670	-0-	27,881,820	98.33%	211,413	28,093,233	99.07%
2012-13	29,278,418	-0-	28,570,061	97.58%	515,007	29,085,068	99.34%
2013-14	30,082,389	-0-	29,583,219	98.34%	404,512	29,987,731	99.69%
2014-15	32,771,396	229,083	32,290,409	98.53%	415,937	32,706,346	99.11%
2015-16	35,569,387	214,162	34,998,697	98.40%	416,701	35,415,398	98.97%
2016-17	36,864,006	198,480	36,308,219	98.49%	502,506	36,810,725	99.32%
2017-18	38,416,262	217,733	37,830,580	98.48%	530,136	38,360,716	99.29%
2018-19	39,325,383	118,723	38,600,571	98.16%	445,735	39,046,305	98.99%

Source: Tom Green County Appraisal District.

Table 9

CITY OF SAN ANGELO
DIRECT and OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	City Direct Rate	Tom Green County	State of Texas
2009-10	1.50%	0.50%	6.25%
2010-11	1.50%	0.50%	6.25%
2011-12	1.50%	0.50%	6.25%
2012-13	1.50%	0.50%	6.25%
2013-14	1.50%	0.50%	6.25%
2014-15	1.50%	0.50%	6.25%
2015-16	1.50%	0.50%	6.25%
2016-17	1.50%	0.50%	6.25%
2017-18	1.50%	0.50%	6.25%
2018-19	1.50%	0.50%	6.25%

Source: State of Texas Comptroller

Table 10

CITY OF SAN ANGELO
SALES TAX REVENUE BY INDUSTRY
LAST TEN FISCAL YEARS

	Fiscal Years									
	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
Agriculture, Forestry, Fishing, Hunting	\$ 48,917	\$ 48,150	\$ 44,069	\$ 47,211	\$ 46,385	\$ 37,568	\$ 36,839	\$ 19,527	\$ 12,334	\$ 12,470
Mining, Oil and Gas	305,736	264,833	193,764	346,879	767,728	429,088	402,265	280,351	233,512	136,976
Utilities	81,775	73,572	66,739	58,381	87,880	53,777	41,687	35,275	25,453	27,833
Construction	463,427	477,993	426,851	549,393	522,345	450,768	436,994	386,899	347,833	425,429
Manufacturing	911,053	708,408	602,520	976,073	1,333,468	944,269	710,688	455,474	410,242	377,766
Wholesale Trade	1,899,898	1,486,186	1,269,721	1,609,563	1,735,430	1,219,857	1,075,020	855,832	710,629	689,171
Retail Trade	11,848,681	11,158,794	10,944,922	11,647,853	12,253,082	11,640,218	10,869,678	9,905,872	9,427,001	9,360,450
Transportation, Warehousing	17,944	15,205	20,127	79,455	102,107	91,993	83,802	71,069	45,011	7,083
Information	1,223,809	1,099,011	1,155,833	1,216,797	1,167,114	1,035,657	949,969	878,883	851,731	808,930
Finance, Insurance	43,223	41,040	36,666	36,262	41,043	35,754	34,687	35,805	31,064	29,879
Real Estate, Rental, Leasing	462,728	393,803	278,081	429,211	528,890	392,044	422,161	273,286	188,169	161,881
Professional, Scientific, Technical	408,942	287,056	487,618	352,274	300,996	190,827	181,968	142,006	231,099	149,079
Admin. Support, Waste Management	628,061	599,735	582,506	555,283	517,954	456,665	397,017	403,471	377,877	404,636
Educational Services	2,803	3,506	3,463	3,176	3,838	3,704	4,567	3,820	3,671	4,230
Health Care Social Assistance	77,678	70,730	79,449	81,637	77,685	83,371	79,529	71,754	78,101	62,061
Arts, Entertainment ,Recreation	194,791	188,684	193,750	186,234	170,099	162,358	157,981	139,611	134,153	139,107
Accomodation, Food Service	3,462,505	3,223,943	3,101,476	3,213,328	3,195,109	2,911,178	2,708,992	2,446,771	2,280,349	2,209,333
Other Services	1,044,941	968,228	943,391	1,005,837	899,882	784,784	708,350	631,693	535,614	533,677
	<u>\$ 23,126,912</u>	<u>\$ 21,108,876</u>	<u>\$ 20,430,948</u>	<u>\$ 22,394,848</u>	<u>\$ 23,751,035</u>	<u>\$ 20,923,880</u>	<u>\$ 19,302,193</u>	<u>\$ 17,037,398</u>	<u>\$ 15,923,844</u>	<u>\$ 15,539,990</u>

Source: State of Texas Comptroller

CITY OF SAN ANGELO
RATIOS OF OUTSTANDING DEBT BY TYPE,
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Governmental Activities					Business-type Activities					Total Primary Government	Percent of Personal Income a	Per Capita a
	General Obligation Bonds	Certificates of Obligation		Notes Payable	Capital Leases	Water and Sewer Revenue Bonds	General Obligation Debt	Notes Payable	Capital Leases				
		Ad Valorem Tax Supported	Sales Tax Supported										
2009-10	1,595,592	20,355,000	22,300,000	-0-	345,980	14,915,000	45,649,408	-0-	-0-	105,160,980	3.68%	1,222	
2010-11	1,085,608	17,310,000	29,375,000	2,035,000	-0-	-0-	50,945,000	120,496,936	-0-	231,660,000	3.06%	1,128	
2011-12	555,428	15,930,000	28,065,000	1,928,000	-0-	-0-	47,125,000	114,647,114	-0-	218,425,001	6.58%	2,471	
2012-13	5,895,000	14,450,000	26,710,000	1,821,000	-0-	-0-	48,565,000	108,877,820	-0-	210,755,000	4.79%	2,278	
2013-14	5,820,000	13,175,000	25,305,000	1,714,000	-0-	-0-	44,900,000	103,152,899	-0-	192,000,000	4.62%	2,162	
2014-15	19,000,000	12,530,000	23,845,000	1,607,000	-0-	-0-	40,145,000	97,390,827	-0-	194,517,827	3.97%	1,969	
2015-16	49,355,000	2,165,000	13,185,000	1,500,000	-0-	-0-	35,095,000	91,628,594	-0-	192,928,594	3.69%	1,936	
2016-17	41,935,000	3,655,000	12,915,000	1,393,000	-0-	-0-	77,620,000	85,635,000	-0-	223,153,000	4.33%	2,216	
2017-18	54,285,000	2,650,000	12,335,000	1,286,000	-0-	47,070,000	24,710,000	79,910,000	-0-	222,246,000	4.34%	2,220	
2018-19	50,570,000	1,600,000	12,155,000	1,179,000	-0-	46,055,000	20,110,000	74,175,000	-0-	205,844,000	3.67%	2,054	

Notes: Details of the City's outstanding debt are in the notes to the financial statements.

- a. See Table 15 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Table 12

CITY OF SAN ANGELO
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	General Obligation Bonds	Ad Valorem Tax Supported	Total	Percent of Actual Value of Taxable Property	Per Capita
2009-10	1,595,592	20,355,000	21,950,592	0.36%	140.25
2010-11	1,085,608	17,310,000	18,395,608	0.65%	268.78
2011-12	555,428	15,930,000	16,485,428	0.53%	238.21
2012-13	5,895,000	14,450,000	20,345,000	0.48%	213.63
2013-14	5,820,000	13,175,000	18,995,000	0.41%	189.05
2014-15	19,000,000	12,530,000	31,530,000	0.48%	222.08
2015-16	49,355,000	2,165,000	51,520,000	0.89%	491.34
2016-17	41,935,000	3,655,000	45,590,000	0.72%	416.43
2017-18	54,285,000	2,650,000	56,935,000	0.89%	542.20
2018-19	50,570,000	1,600,000	52,170,000	0.97%	520.58

Table 13

CITY OF SAN ANGELO
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2019
(UNAUDITED)

Governmental Unit	Debt Outstanding	As of	Estimated Percentage Applicable a	Estimated Share of Overlapping Debt
Debt Repaid With Property Taxes				
San Angelo Independent School District	\$ 96,694,982	9/30/2019	100.00%	\$ 96,694,982
Tom Green County	\$ 63,950,000	9/30/2019	82.02%	52,451,790
Grape Creek Independent School District	\$ 11,862,345	9/30/2019	0.24%	28,470
Subtotal Overlapping Debt				\$ 149,175,242
City of San Angelo Direct Debt				b 64,325,000
Total Direct & Overlapping Debt				\$ 213,500,242

Sources: Taxable value used to estimate applicable percentages provided by Tom Green County Appraisal District.
Outstanding debt data provided by each governmental unit.

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

a The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the City's boundaries and dividing it by each unit's taxable value.

b See Table 11 for details of the City's direct governmental activities debt.

Table 14

CITY OF SAN ANGELO
 PLEDGED-REVENUE COVERAGE
 LAST TEN FISCAL YEARS,
 (UNAUDITED)

Fiscal Year	Water and Sewer Revenue Bonds					
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		<u>Coverage</u>
				Principal	Interest	
2008-09	34,524,952	17,440,985	17,083,967	1,565,000	910,617	6.90
2009-10	37,806,196	23,878,347	13,927,849	1,630,000	835,431	5.65
2010-11	n/a	n/a	n/a	n/a	n/a	n/a
2011-12	n/a	n/a	n/a	n/a	n/a	n/a
2012-13	n/a	n/a	n/a	n/a	n/a	n/a
2013-14	n/a	n/a	n/a	n/a	n/a	n/a
2014-15	n/a	n/a	n/a	n/a	n/a	n/a
2015-16	n/a	n/a	n/a	n/a	n/a	n/a
2016-17	n/a	n/a	n/a	n/a	n/a	n/a
2017-18	52,780,139	22,260,705	30,519,434	1,000,000	1,856,083	10.69
2018-19	53,626,969	23,998,872	29,628,097	1,015,000	1,839,742	10.38

Table 15

CITY OF SAN ANGELO
DEMOGRAPHIC AND ECONOMIC STATISTICS,
LAST TEN CALENDAR YEARS
(UNAUDITED)

Calendar Year	Population	Personal Income	Per Capita Income	Unemployment Rate
	a	b		c
2009	92,149	3,062,019,121	33,229	6.2%
2010	93,200	3,432,742,400	36,832	6.5%
2011	93,759	4,377,977,000	46,694	6.4%
2012	95,887	4,620,116,000	48,183	5.3%
2013	97,492	4,753,332,000	48,756	5.1%
2014	98,975	5,187,009,000	52,407	4.2%
2015	100,450	5,273,593,000	52,500	3.1%
2016	100,702	5,158,024,000	51,221	4.4%
2017	100,119	5,121,700,000	51,156	3.7%
2018	100,215	5,616,169,000	56,041	3.2%

Sources: **a** U.S. Census Bureau.

b U.S. Department of Commerce, Bureau of Economic Analysis for the San Angelo Metropolitan Statistical Area

c San Angelo Chamber of Commerce.

Table 16

CITY OF SAN ANGELO
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Employer	Fiscal Year 2018-19			Fiscal Year 2009-10		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
Goodfellow Air Force Base	5,333	1	11.41%	6,688	1	15.67%
Shannon Health System	4,896	2	10.47%	2,467	2	5.78%
San Angelo Independent School Dist.	2,332	3	4.99%	2,069	3	4.85%
Angelo State University	1,323	4	2.83%	1,455	4	3.41%
San Angelo Community Medical Center	1,236	5	2.64%	865	6	2.03%
Walmart	1,079	6	2.31%	-		0.00%
City of San Angelo	995	7	2.13%	909	5	2.13%
San Angelo State Supported Living Cener	770	8	1.65%	-		0.00%
Ethicon (Johnson & Johnson)	665	9	1.42%	-		0.00%
Stripes Convenience Stores	882	10	1.89%	618	9	1.45%
Tom Green County	-		0.00%	764	7	1.79%
Verizon	-		0.00%	645	8	1.51%
SITEL, Inc.	-		0.00%	613	10	1.44%
	<u>19,511</u>		<u>41.74%</u>	<u>17,093</u>		<u>40.06%</u>
Total San Angelo Employment	<u>46,750</u>			<u>42,675</u>		

Sources: San Angelo Chamber of Commerce
Texas Workforce Commission

CITY OF SAN ANGELO
FULL-TIME EQUIVALENT CITY EMPLOYEES by DEPARTMENT
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
Full-time-Equivalent Employees										
General Government										
City Manager	5.0	5.0	5.0	5.0	5.0	5.0	4.0	4.0	4.0	7.0
Legal, City Clerk	7.0	7.0	7.0	7.0	7.0	9.0	9.0	8.0	8.0	9.0
Real Estate	2.0	2.0	2.0	2.0	2.0	-	-	-	-	-
Public Information	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Development Corporation	4.0	4.0	4.0	4.0	3.0	3.0	2.0	2.0	2.0	-
Human Resources	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Building Maintenance	6.0	6.0	6.0	6.0	7.0	7.0	6.0	6.0	3.0	2.0
Construction Management	1.0	1.0	1.0	2.0	1.0	1.0	1.0	1.0	1.0	-
Emergency Management	2.5	2.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
City Health Insurance	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	6.0	10.0
Risk Management	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Administration										
Finance, Accounting	12.0	12.0	12.0	12.0	12.0	12.0	13.0	13.0	12.0	14.0
Information Services	6.0	6.0	7.0	5.0	5.0	5.0	6.0	6.0	6.0	6.0
Communications	1.0	1.0	1.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Purchasing	3.0	3.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	4.0
Municipal Court	32.5	32.0	32.0	33.0	34.0	33.0	33.0	34.0	32.0	36.0
Water Billing and Receipts	9.0	9.0	9.0	9.0	8.0	8.0	8.0	8.0	8.0	20.5
Vehicle Maintenance	17.0	17.0	17.0	17.0	18.0	17.0	17.0	19.0	19.0	19.0
Public Safety										
Police	208.0	207.0	203.0	199.0	199.0	199.0	197.0	199.0	191.0	196.0
Public Safety Communications	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	26.0
Fire / Ambulance	176.0	176.0	176.0	169.0	169.0	169.0	169.0	169.0	169.0	169.0
Fire Prevention	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Community Development / Planning										
Planning	13.0	13.0	13.0	13.0	11.0	13.0	12.0	12.0	12.0	13.0
Engineering	15.0	15.0	15.0	15.0	7.0	8.0	8.0	8.0	8.0	8.0
Permits and Inspection	13.5	12.0	14.0	13.0	13.0	12.0	12.0	12.0	12.0	12.0
Code Compliance	6.0	6.0	6.0	6.0	7.0	9.0	7.0	7.0	7.0	7.0
911 Addressing	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Neighborhood & Family Services	4.0	4.0	4.0	4.0	4.0	5.0	6.0	6.0	6.0	6.0
Public Works										
Operations	7.0	7.0	7.0	5.0	3.0	3.0	3.0	3.0	3.0	3.0
Traffic / Signal	11.0	11.0	11.0	11.0	11.0	11.0	12.0	12.0	12.0	12.0
Street and Bridge	37.0	37.0	37.0	33.0	27.0	27.0	27.0	27.0	27.0	46.0
Airport	13.0	13.0	13.0	13.0	13.0	14.0	14.0	14.5	14.5	13.0
Water	107.0	107.0	108.0	109.0	113.0	112.0	113.0	114.0	116.0	108.0
Sewer	39.0	39.0	39.0	38.0	38.0	38.0	38.0	38.0	38.0	38.0
Storm Water	23.0	23.0	23.0	21.0	22.0	21.0	24.0	24.0	21.0	-
Health and Social Services										
Administration	1.0	1.0	1.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0
Animal Control	14.0	12.0	13.0	13.0	12.0	12.0	12.0	12.0	16.0	16.0
Nursing/Immunization	2.0	3.0	2.0	2.0	3.0	3.0	4.0	5.0	5.0	5.0
Environmental Health	2.5	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
BRLHO	-	-	-	-	-	-	-	-	-	-
Bioterrorism	-	-	-	-	-	-	-	1.0	1.0	1.0
WIC	14.0	14.0	14.0	15.0	15.0	17.0	14.0	18.0	18.0	18.0
Social Services	-	-	-	-	-	-	-	-	-	6.0
Parks and Recreation										
Parks	49.0	49.0	49.0	49.0	46.0	46.0	47.0	47.0	52.0	53.7
Texas Bank Sports Complex	9.0	9.0	9.0	9.0	9.0	9.0	10.0	9.0	7.0	-
Recreation	7.0	8.0	7.0	7.0	7.0	7.0	7.0	10.0	9.0	13.0
Nutrition	3.0	1.0	5.0	5.0	5.0	5.0	4.0	4.7	4.7	4.7
Golf Course	-	-	-	-	-	-	-	-	-	3.5
Civic Events	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	13.0	13.0
Fort Concho	14.0	12.0	14.0	14.0	14.0	14.0	13.0	13.0	13.0	14.0
Fairmount Cemetery	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	7.0	7.0
State Office Building	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Total Full-time-Equivalents	961.5	953.5	959.5	942.5	926.5	930.5	928.5	943.7	941.7	969.9

Source: City of San Angelo Operating Budget

*Real Estate was previously reported under the Legal, City Clerk

Table 18

CITY OF SAN ANGELO
OPERATING INDICATORS by FUNCTION / PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

FUNCTION / PROGRAM	Fiscal Year									
	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
<u>General Government</u>										
Building Permits Issued	8,081	7,761	7,337	6,797	7,256	8,219	8,036	8,129	8,430	7,800
<u>Health and Human Services</u>										
Animals Registered	775	1,948	1,942	2146 **	9,552	9,581 *	1,352	600	992	1,494
<u>Police</u>										
Number of Arrests	3,903	4,410	4,159	4,273	5,755	6,458	6,367	6,213	6,741	8,127
Calls for Service	91,325	106,417	92,977	95,966	97,233	102,966	98,076	89,198	89,876	101,003
<u>Fire / Ambulance</u>										
Fire responses	8,137	7,926	7,901	6,997	7,454	8,694	6,766	6,280	6,494	6,632
Ambulance Responses	14,294	13,812	13,663	12,761	12,224	12,543	12,070	11,658	11,325	10,571
Fire Marshall Inspections	812	1,803	2,088	2,418	2,759	3,110	2,807	3,750	4,142	3,730
<u>Municipal Court</u>										
Parking Violations	980	777	1,240	1,183	1,630	1,782	1,859	1,800	2,377	2,371
Traffic Cases	20,882	26,200	20,379	19,860	20,078	23,688	20,731	22,872	22,319	23,548
Criminal Cases	3,932	4,340	5,240	4,613	4,803	6,124	7,485	7,961	10,321	9,206
<u>Water</u>										
Number of Customers	35,268	34,868	34,829	35,320	36,269	35,373	34,175	32,845	31,885	31,721
Average Daily Consumption (millions of gallons)	11.95	12.10	11.90	10.04	8.81	9.15	9.84	11.28	14.00	13.93
<u>Sewer</u>										
Average Daily Treatment (millions of gallons)	8.93	7.87	7.67	8.42	8.55	8.20	7.94	8.46	8.35	8.22
Number of connections	38,025	37,617	42,465	37,247	33,656	31,113	30,880	30,342	29,473	28,920
<u>Parks, Recreation and Nutrition</u>										
Number of Acres Maintained	590	590	590	555	695	695	695	695	723	616
Number of Meals Served	29,336	31,547	35,994	36,013	30,696	33,709	36,945	38,873	43,061	47,316
<u>Coliseum, Auditorium, Convention Center</u>										
Number of Events-Coliseum	35	109	39	140	128	141	124	134	132	84
Number of Events-Convention Center	144	361	480	396	602	449	546	448	476	590

Source: City of San Angelo Operating Budget

**Began reporting City Wide registrations in 2014 vs Animal Shelter only registrations*

*** Began micro chip instead of registration in March 2016*

Table 19

CITY OF SAN ANGELO
CAPITAL ASSET STATISTICS by FUNCTION / PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

FUNCTION / PROGRAM	Fiscal Year									
	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
<u>Number of Fire Stations</u>	8	8	8	8	8	8	8	8	8	8
<u>Public Works</u>										
Miles of Streets	1,169	1,183	1,178	1,689	1,160	1,149 *	707	539	533	530
Miles of Alleys	112	175	174	174	173	287	283	205	205	203
Number of Street Lights	5,646	5,520	5,536	5,536	5,446 **	7,212	7,194	7,214	7,119	6,882
<u>Water</u>										
Miles of Water Mains	797	789	757	752	756	754	750	672	656	655
Number of Fire Hydrants	3,155	3,101	3,090	3,051	3,036	3,030	2,965	2,933	2,713	2,703
<u>Sewer</u>										
Miles of Storm Sewers	17	14	14	14	16	13	13	5	5	5
Miles of Sanitary Sewers	502	491	491	489	484	484	481	471	457	456
<u>Parks</u>										
Number of Acres	590	590	590	555	555	555	555	695	723	616
Number of Playgrounds	16	16	17	18	18	18	18	26	37	29
Number of Tennis Courts	16	16	17	18	18	18	18	20	20	20
Number of Recreation Centers	5	5	5	5	5	5	5	5	5	5
Number of Sports Complexes	6	6	7	7	7	5	5	5	5	5

*Began reporting lane miles in 2014 vs standard miles

** Began reporting only street lights that are owned by the City in 2015

Parks



ARMSTRONG BACKUS & CO., LLP

Certified Public Accountants

CITY OF SAN ANGELO, TEXAS

Single Audit Report

For the Year Ended September 30, 2019



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CITY OF SAN ANGELO, TEXAS

Single Audit Report

For the Year Ended September 30, 2019

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ARMSTRONG, BACKUS & CO., LLP
Certified Public Accountants

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Independent Auditors' Report

Honorable Mayor
Members of the City Council Members
City of San Angelo, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of San Angelo, Texas (the City), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City of San Angelo, Texas' basic financial statements and have issued our report thereon dated April 10, 2020.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's basic financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in the internal control, described in the accompanying Schedule of Findings and Questioned Costs as deficiency 2019-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of San Angelo, Texas' basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of San Angelo's Response to Findings

City of San Angelo's responses to the findings identified in our audit are described in the accompanying Corrective Action Plan. City of San Angelo's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Armstrong, Backus & Co., L.L.P.

San Angelo, Texas
April 10, 2020





ARMSTRONG, BACKUS & CO., LLP
Certified Public Accountants

Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditors' Report

Honorable Mayor and City Council Members
City of San Angelo, Texas

Report on Compliance for Each Major Federal Program

We have audited the City of San Angelo, Texas' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of City of San Angelo, Texas' major federal programs for the year ended September 30, 2019. City of San Angelo, Texas' major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of City of San Angelo, Texas' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City of San Angelo, Texas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of City of San Angelo, Texas' compliance.

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Opinion on Each Major Federal Program

In our opinion, City of San Angelo, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2019.

Report on Internal Control over Compliance

Management of City of San Angelo, Texas is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City of San Angelo, Texas' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City of San Angelo, Texas' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of City of San Angelo, Texas as of and for the year ended September 30, 2019, and have issued our report thereon dated April 10, 2020, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to



the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the 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 auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Armstrong, Backus & Co., L.L.P.

San Angelo, Texas
April 10, 2020



CITY OF SAN ANGELO, TEXAS

Schedule of Expenditures of Federal Awards

For the Year Ended September 30, 2019

Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Federal CFDA Number	Pass-Through Entity Identifying Number	Disbursements/ Expenditures	Pass-Through Amount to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE					
<i>Passed-Through the Texas Department of State Health Services:</i>					
Special Supplemental Nutrition Program For					
Women, Infants and Children (WIC)	2017-049743-001	10.557	529	\$ 813,007	\$ -0-
Total U.S. Department of Agriculture				<u>\$ 813,007</u>	<u>\$ -0-</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
<i>Direct Programs:</i>					
CDBG - Entitlement Grants Cluster	B-18-MC-48-0025	14.218	n/a	\$ 64,331	\$ -0-
CDBG - Entitlement Grants Cluster	B-19-MC-48-0025	14.218	n/a	691,852	-0-
				<u>\$ 756,183</u>	<u>\$ -0-</u>
HOME Investment Partnership Program	M18-MC-48-0224	14.239	n/a	\$ 38,583	\$ 8,206
HOME Investment Partnership Program	M19-MC-48-0224	14.239	n/a	187,168	110,000
				<u>\$ 225,751</u>	<u>\$ 118,206</u>
Total U.S. Department of Housing and Urban Development				<u>\$ 981,934</u>	<u>\$ 118,206</u>
U.S. DEPARTMENT OF TRANSPORTATION					
<i>Direct Programs:</i>					
Airport Improvement Program	3-48-0191-035-2012	20.106	n/a	\$ 301,591	\$ -0-
Airport Improvement Program	3-48-0191-037-2018	20.106	n/a	146,783	-0-
Airport Improvement Program	3-48-0191-038-2018	20.106	n/a	473,530	-0-
				<u>\$ 921,904</u>	<u>\$ -0-</u>
<i>Passed-Through the Texas Department of Transportation:</i>					
Consolidated Planning Grant Program	50-18XF0014	20.205	601	\$ 238,284	\$ -0-
Highway Planning and Construction Cluster	0069-07-106	20.205	601	523,443	-0-
				<u>\$ 761,727</u>	<u>\$ -0-</u>
Total U.S. Department of Transportation				<u>\$ 1,683,631</u>	<u>\$ -0-</u>
U.S. DEPARTMENT OF JUSTICE					
<i>Direct Programs:</i>					
Justice Assistance Grant	2016 DJ-BX-0161	16.738	n/a	\$ 21,073	\$ -0-
Justice Assistance Grant	2019-DJ-BX-0540	16.738	n/a	24,378	-0-
Justice Assistance Grant	2017-DJ-BX-0479	16.738	n/a	12,331	-0-
Total U.S. Department of Justice				<u>\$ 57,782</u>	<u>\$ -0-</u>
U.S. DEPARTMENT OF HOMELAND SECURITY					
Homeland Security Grant	EMW-2018-SS-00022-S01	97.067	n/a	\$ 67,538	\$ -0-
<i>Passed-Through the Texas Department of Public Safety:</i>					
Emergency Management Performance Grant	18TX-EMPG-0885	97.042	405	37,620	-0-
Hazard Mitigation Plan	DR-4272-006	97.039	405	58,050	-0-
Staffing for Adequate Fire and Emergency Response	DHS-17-GPD-0836-000-99	97.083	405	211,348	-0-
Total U.S. Department of Homeland Security				<u>\$ 374,556</u>	<u>\$ -0-</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
<i>Passed-Through the Texas Department of State Health Services:</i>					
CPS Hazards Public Health Emergency Preparedness (PHEP)	537-18-0136-00001	93.283	537	\$ 53,647	\$ -0-
				<u>\$ 53,647</u>	<u>\$ -0-</u>
Preventive Health and Health Services Block Grant	537-18-0244-00001	93.991	537	\$ 119,812	\$ -0-
Texas Healthy Communities	2016-003839B	93.991	537	47,207	-0-
				<u>\$ 167,019</u>	<u>\$ -0-</u>
Total U.S. Department of Health and Human Services				<u>\$ 220,666</u>	<u>\$ -0-</u>
Total Federal Expenditures				<u>\$ 4,131,576</u>	<u>\$ 118,206</u>

CITY OF SAN ANGELO, TEXAS

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended September 30, 2019

NOTE A: GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all applicable federal awards of the City of San Angelo for the year ended September 30, 2019. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the Schedule. Federal awards include expenditures funded with program income but exclude expenditures funded with City matching funds.

Federal programs were accounted for in Special Revenue and Capital Projects governmental fund types and the Enterprise proprietary fund type.

The City has not made the election to use the 10% de minimis cost rate as covered in Uniform Guidance Section 200.414 Indirect (F&A) costs.

NOTE B: BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting (accrual basis for proprietary funds) to the extent grants are approved and applicable government cost principles specified by each grant, contract, and agreement are allowed. Under those cost principles, certain types of expenditures are not allowable or are limited as to reimbursement. The City does not recover indirect costs unless expressly allowed by each award.

Federal grant revenues are generally considered to be earned to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

NOTE C: SUB-RECIPIENT FUNDING

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the City provided federal awards to sub-recipients totaling \$118,206. These awards were funded to various sub-recipients under the HOME Investment Partnership Program as follows:

<u>Program</u>	<u>CFDA Number</u>	<u>Amount</u>
HOME Investment Partnership Program	14.239	\$ 118,206

NOTE D: OUTSTANDING LOANS

The City has provided loans through the HOME Investment Partnership Program. The outstanding balance of loans at September 30, 2019 was \$349,035.

CITY OF SAN ANGELO, TEXAS

Schedule of Findings and Questioned Costs

For the Year Ended September 30, 2019

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified opinion

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiencies identified that are not
considered to be material weaknesses? Yes

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over financial reporting:

Material weakness identified? No

Significant deficiencies identified that are not
considered to be material weaknesses? No

Type of auditors' report issued on compliance for major
programs: Unmodified opinion

Any audit findings disclosed that are required to be
reported in accordance with 2 CFR 200.516(a)? No

Identification of major programs:

CFDA # 14,218 – Community Development Block Grant

CFDA # 20.106 – Airport Improvement Program

Dollar threshold used to distinguish between Type A and
Type B programs: \$750,000

Auditee qualified as low-risk auditee? No

II. Findings Relating to the Financial Statements

2019-001 Cut-Off

Type of Finding: Internal Control over Financial Reporting (Significant Deficiency)

Criteria: Generally accepted accounting principles require that expenses be recorded in the period in which they are incurred.

Condition: The process to properly accrue expenses at fiscal year-end was not adequately performed.

CITY OF SAN ANGELO, TEXAS

Schedule of Findings and Questioned Costs

For the Year Ended September 30, 2019

Cause: Invoices received subsequent to year end with service periods in the current fiscal year were not thoroughly reviewed to accrue the expenses related to the current fiscal year.

Effect: Liabilities and expenses were understated because some expenses applicable to the fiscal year were not properly accrued as of fiscal year-end.

Context: Adjustments required to record transactions in their proper period could be material to the financial statements.

Recommendation: Invoices received subsequent to fiscal year end should be carefully reviewed to accrue expenses related to service periods in the current fiscal year.

View of Responsible Officials: See Corrective Action Plan.

III. Findings and Questioned Costs for Federal Awards

None



The City of

San Angelo, Texas

72 W College Avenue, San Angelo, Texas 76903

Status of Prior Year Findings (as Prepared by City Management)

For the Year Ended September 30, 2019

Findings Relating to the Financial Statements

2018-001 Cut-Off

Type of Finding: Internal Control over Financial Reporting (Material Weakness)

Recommendation: Period 13 should be a period left open after fiscal year-end to ensure that all year-end accruals are included in the fiscal year, but this period should not be used to record cash disbursements as entries to the current fiscal year under audit.

Status: Corrected. Period 13 was not used to record cash disbursements as entries to the current fiscal year under audit.

2018-002 Capitalization

Type of Finding: Internal Control over Financial Reporting (Material Weakness)

Recommendation: The City should follow its capitalization plan and do a periodic review of expense accounts to determine if transactions should be captured for capitalization.

Status: Corrected. Expenses are reviewed monthly to determine if the transactions should be capitalized.



The City of

San Angelo, Texas

72 W College Avenue, San Angelo, Texas 76903

Corrective Action Plan (as Prepared by City Management)

For the Year Ended September 30, 2019

Findings Relating to the Financial Statements

2019-001 Cut-Off

Corrective Action: Assistant Director of Finance, Ryan Gaddy: Accounting staff will manually review vendor payments to determine that activity received subsequent to the year-end is properly accrued. Further, a secondary review of recurring vendor payments and payments in excess of \$50,000 will be completed.



REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Bob Salas, Neighborhood Services Director, Community and Housing Support, 325-655-0824

Meeting Date: May 5, 2020

Item type: Regular Item

Caption:

Consider a resolution and public hearing approving a substantial amendment to the 2019 Annual Action Plan for use of CARES Act 2020 CDBG-CV grant funds and authorizing the City Manager to execute the applications, required certifications, related documents, and annual funding agreement for the additional allocation of \$388,646 of CDBG-CV funding (Presentation made by Neighborhood Services Director Bob Salas)

Summary/History:

The City of San Angelo received an additional allocation of CDBG funding to assist with recovery from the effects of the COVID-19 pandemic. HUD requires that grantees amend their current Annual Action Plan (AAP) to reflect planned use of the CDBG-CV funds.

One of those effects is the growing need to cover rents and mortgages for those individuals and families that have lost income due to unemployment or other income losses. To help ease the housing cost burden, staff is recommending a rental/mortgage assistance (**RMA**) program that will provide rent/mortgage payments for up to three (3) months including utilities.

Staff recommends \$318,646.00 for the RMA program and \$70K for admin as outlined in the HUD guidelines as an eligible activity. This will provide funds for not only the RMA program but for contingencies to address changing needs and will allow reimbursement of incurred expenses due to COVID-19 such as the purchase of laptops, PPE, etc not covered by FEMA.

Financial Impact:

Will amend the current budget by \$388,646 as approved on first reading by council on April 21st and expected to be confirmed on second reading on May 5th.

Other Information/Recommendation:

Attachments:

- | | |
|--|--|
| 1. Resolution amended Annual Action Plan | Resolution amended Annual Action Plan.DOCX |
| 2. CDBG-CV project proposal v2 | CDBG-CV project proposal v2.pptx |

Presentation:

Bob Salas

Approvals/Reviews:

Bob Salas

Created/Initiated

Theresa James
Tina Dierschke
Theresa James
Julia Antilley

Approved
Approved
Approved
Final Approval

RESOLUTION 2019-095

A RESOLUTION OF THE SAN ANGELO CITY COUNCIL AMENDING THE 2019 ANNUAL ACTION PLAN (AAP) FOR USE OF U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIPS (HOME) FUNDS; ACCEPTING CDBG GRANT FUNDS IN THE SUM OF \$388,646 BE USED FOR A RENTAL AND MORTGAGE ; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE SUCH GRANT APPLICATIONS, AGREEMENTS AND RELATED DOCUMENTS FOR SAID GRANTS

WHEREAS, the City of San Angelo applied for and is eligible for a federal Housing and Urban Development (HUD) Community Development Block Grant (CDBG) in the sum of \$681,073.00, and a Home Investment Partnerships Grant (HOME), in the sum of \$317,961.00, to be used for municipal affordable housing projects; and,

WHEREAS, the grants will provide part of the funding for the City's affordable housing projects and do not require matching funds; and,

WHEREAS, on July 16, 2019, the City Council held a public hearing for approving and adopting the 2019 Annual Action Plan (AAP) at a duly called regular meeting of the City Council pursuant to notice posted as required under Chapter 551 of the Texas Government Code, during which all interested persons had the opportunity to testify before the City Council and during that meeting City Council approved the AAP;

WHEREAS, in response to the COVID-19 pandemic, the City of San Angelo has been awarded an additional \$388,646 of CDBG-CV Grant funds through the 2020 CARES Act.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SAN ANGELO, TEXAS THAT:

SECTION 1: The Annual Action Plan for 2019 shall be amended to allow \$318,636 of the additional funds to be used for a rental/mortgage assistance program that will provide rent/mortgage payments for up to three (3) months including utilities and that \$70,000 will be used for administrative costs as outlined in the HUD guidelines as an eligible activity.

SECTION 2: The grant funds in the approximate sum of \$388,646 are accepted.

SECTION 3: The City Manager or his designee is hereby authorized and directed to execute such grant applications, agreements and related documents to accept such grant funds and provide for their application for the purposes stated.

Adopted this 5th day of May, 2020.

CITY OF SAN ANGELO, TEXAS:

Brenda Gunter, Mayor

Approved as to Form:

Attest:

Theresa James, City Attorney

Julia Antilley, City Clerk



City Council

May 5, 2020



Overview

- \$388,646 CARES Act funding for COVID-19 recovery
- Amends the current 2019 Annual Action Plan
- Proposal:
 - \$318,646 for Rental/Mortgage Assistance (RMA)
 - \$70,000 for Contingencies/admin costs



RMA

- Provides rental or mortgage payment assistance to unemployed due to COVID-19
 - Unemployment benefits may not cover housing costs
- Up to 3 months of assistance
 - Rent/mortgage, utilities
 - Does include arrears
- Must be registered with Workforce Solutions and be active in job search
- Must be income eligible as per HUD CDBG requirements



REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Sherry Bailey, Sr. Planner, Planning and Development Services,

Meeting Date: May 5, 2020

Item type: Regular Item

Caption:

First reading and public hearing of an ordinance seeking abandonment of a portion of the Riverside Golf Club Rd. right-of-way from north of the access road at 3301 Riverside Golf Club Rd. to the street connection at Bryant Blvd., being approximately 675-ft long and 1.822 acres (Presentation made by Planning & Development Services Director Jon James)

Summary/History:

The applicant has requested the abandonment of Riverside Golf Club Road north from the park access road to the Bryant Blvd./Highway 87 connection as part of the Kent Distributors truck stop development. This facility is to be constructed at what will be 33rd Street and Bryant Blvd. and Golf Club Road. Kent will partner with TxDOT to place a signal at 33rd street which will facilitate the movement of 18 wheel trucks off Highway 87 onto 33rd and then to the access for Kent. The concern is that trucks will want to use the Riverside access to Highway 87 to bypass the signal at 33rd. This could be a dangerous situation that can be remedied by closing the Riverside Golf Club Road access.

Financial Impact:

NA

Other Information/Recommendation:

This request was considered by the Planning Commission at their January 27, 2020 meeting and was recommended for approval unanimously. 6 - 0

Attachments:

- | | |
|--|--|
| 1. CC Staff Report | CC Staff Report.docx |
| 2. Ordinance | Ordinance.docx |
| 3. Planning (2020-05-05) Riverside Golf Course | Planning (2020-05-05) Riverside Golf Course.pptx |

Presentation:

Jon James

Approvals/Reviews:

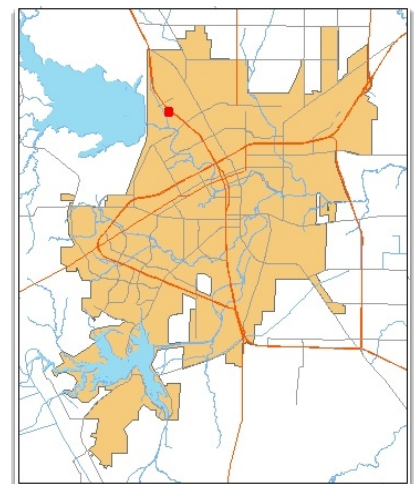
Sherry Bailey	Created/Initiated
Hillary Bueker	Approved
Jon James	Approved
Brandon Dyson	Approved
Jon James	Approved
Theresa James	Approved
Julia Antilley	Final Approval

CITY COUNCIL –MAY 5, 2020

STAFF REPORT



APPLICATION TYPE:		CASE:	
Street Right-of-way Abandonment		Riverside Golf Club Road	
SYNOPSIS:			
The applicant is seeking abandonment of a portion of the Riverside Golf Club Road right-of-way from north of the golf course maintenance building access road at 3301 Riverside Golf Club Rd. north to the connection at Bryant Blvd., approximately 675 feet long with a small 118 ft. by 26.53 ft. additional piece, for a total of 79,366.32 square feet, or 1.822 acres. The intent is to restrict heavy truck access to the Kent Distributors facility and back onto Highway 87 by means of the stop light at Bryant Blvd. and 33rd Ave.			
LOCATION:		LEGAL DESCRIPTION:	
Riverside Golf Club Rd., generally located north of the proposed W 33 rd St extension.		Being a section of right-of-way for Riverside Golf Club Road, Tom Green County, Texas.	
SM DISTRICT / NEIGHBORHOOD:		ZONING:	FUTURE LAND USE:
District #2 – Tom Thompson Riverside Neighborhood		General Commercial/Heavy Commercial (CG/CH) & Light Manufacturing (ML)	Commercial & Open Space
			SIZE:
			140,000 Sq. ft./ 3.2 acres
THOROUGHFARE PLAN:			
<u>Riverside Golf Club Road</u> – Urban Local street 50 ft. ROW required (100' Existing), 40' pavement required (23' Provided)			
NOTIFICATIONS:			
2 notifications mailed to properties directly adjacent to the proposed abandonments on January 13, 2020. At this time no one has responded.			
STAFF RECOMMENDATION:			
Staff recommends <u>APPROVAL</u> of the Street Right-of-Way Abandonment request, subject to five Conditions of Approval Planning Commission recommended APPROVAL unanimously on January 27, 2020.			
PROPERTY OWNER/PETITIONER:			
Ray & Kathleen Hawkins			
STAFF CONTACT:			
Sherry Bailey Principal Planner (325) 657-4210, Ext. 1546 sherry.bailey@cosatx.us			



Additional Information:

City Staff circulated to all relevant municipal departments, as well as public and private utility companies, and there were no responses in opposition to the request.

Planning Staff reviewed all relevant history and conducted a site visit to the property on January 3, 2020, to determine the appropriateness of abandoning this public street right-of-way. Staff also talked with the San Angelo State Park Superintendent about the proposed road abandonment. The Army Corp of Engineers has offered the golf course and the land associated with the golf course, the house and the maintenance building and equipment to the state park system. The park is evaluating the project. As long as staff and the public can access the area the park would not object to the closure of the road north to the connection to state highway.

The Hawkins' have requested the abandonment of Riverside Golf Club Road north from the park access road to the Bryant Blvd./Highway 87 connection as part of the Kent Distributors truck stop development. This facility is to be constructed at what will be 33rd Street and Bryant Blvd. and Golf Club Road. Staff has included an exhibit that shows this location. Kent will partner with TxDOT to place a signal at 33rd street which will facilitate the movement of 18 wheel trucks off Highway 87 onto 33rd and then to the access for Kent. The concern is trucks will want to use the Riverside access to Highway 87 to bypass the signal at 33rd. This could be a dangerous situation that can be remedied by closing that access.

Analysis:

Planning Staff reviewed the request for the abandonment and the issues associated with that request. Planning Staff believes existing or anticipated traffic patterns would not be negatively affected if the requested portion of Riverside Golf Club Road, is closed. As long as access to the golf course facilities is maintained closing the 600 feet of roadway to the connection to Highway 87 would have minimum impacts on this area. Staff believes this portion currently provides no public benefit that would not be available to motorists by going down to the 33rd street light or down to 29th. This access functions as a bypass of the city and Loop 306 to the commercial development on the west side of town. In following a group of cars along Riverside Golf Club Road it was easy to see that most of the cars were utilizing the road as a bypass and moving down to the 33rd Street light or to 29th Street would provide the same benefits. Closing Riverside would provide more safety and security to truck traffic and in turn car access coming off of Highway 87.

The proposed abandonment would not contradict any applicable City Ordinance. As conditions of approval, the applicant would be required to replat the abandonment area into the adjacent property. This action should be phased in to match the Kent Truck Stop development, the construction of 33rd street and installation of the signal at 33rd and Highway 87.

Rationale:

Planning Staff reviewed all relevant history, ordinances, policies, and conducted a site visit to the property to determine the appropriateness of abandoning this public right-of-way.

- *Traffic patterns:* There is evidence that once the Kent Truck Stop is built the closing of the Riverside Golf Club Road will provide for a safer and more efficient movement of car and truck traffic.
- *Utilities:* There are no existing City utilities in this segment of street right-of-way.
- *Community Impact:* The Planning staff has visited with the State Park and as long as access to the golf course facilities is maintained they have no objection.
- *Public Benefit:* The Planning Division recommends approval of the abandonment of Golf Club Road north of the golf course access road to the connection with Highway 87 as a safety and development benefit.

Recommendation:

Staff's recommendation is to recommend **APPROVAL** of the proposed abandonment of Riverside Golf Club Road public right-of-way north of the golf course access road, for 675 feet more or less a total of 79,366.32 sq. ft., to the connection at Highway 87, **subject to five Conditions of Approval:**

1. Remit payment for assessment formula outlined in fee schedule consistent with the Code of Ordinances, Section A9.008.
2. Verification of the recordation of quit claim deed(s) officially abandoning the City's claim to the entirety of the abandoned alley shall be provided.
3. Submit, obtain approval, and officially record a subdivision replat absorbing all of the abandoned right-of-way into adjacent lot(s) and reconfiguration of the allots along with the adjacent property, meeting all requirements of the Land Development and Subdivision Ordinance within 18 months of City Council's decision.
4. 33rd Street and Riverside Golf Club Road improvements shall be constructed and accepted prior to abandonment.
5. 33rd Street and Bryant Blvd. light must be installed and operational prior to abandonment.

Planning Commission action:

Street Right-Of-Way Abandonment: Hawkins

A request to approve the abandonment and vacation of approximately 675 feet in length, 79,366.32 square feet, for a total 1.822 acres of the Riverside Golf Club Road public right-of-way; located north of the intersection of Riverside Golf Club Road and the Mesquite Ranch Golf Club access road terminating at North Bryant Boulevard.

Sherry Bailey, Principal Planner, presented the proposed street right-of-way abandonment request.

Ms. Bailey indicated that the applicant, Kent Distributors, has purchased land to the south of the subject right-of-way portion to be abandoned for a new truck stop. She explained that the applicant plans to improve West 33rd Street and construct a traffic light at West 33rd Street and Highway 87 for this truck stop, and was concerned with heavy truck traffic and safety issues with trucks using this portion of Riverside Golf Club Road which has a residence. Ms. Bailey further

explained that based on this, the abandonment would be for the portion of Riverside Golf Club Road north of the existing driveway. Ms. Bailey also displayed photos of the area.

Ms. Bailey outlined Staff's rationale to approve the street right-of-way abandonment subject to five conditions of approval including a replat. Her rationale to approve included that closing the section of road helps control large truck access and mitigate safety concerns.

Commissioner Uherik asked how closing this portion of Riverside would affect access to the golf course.

Ms. Bailey responded that traffic would now have to come across the extension of West 33rd Street and would still have access to the golf course.

Vice Chair Jackson opened public comment.

Mr. Ray Hawkins, representing the applicant, explained that Riverside Golf Club Road will continue to go from West 29th Street up to the future extension of West 33rd Street. He explained that the Kent Distributors project will be for a new travel center that includes a truck stop, gasoline and diesel station, and 24-hour restaurant which is lacking in the city. Mr. Hawkins also explained that as part of this development, a traffic study was conducted that verified a signal light was warranted at West 33rd and Highway 87. He explained that this new traffic light will redirect traffic off of Riverside Golf Club Road to West 33rd to access Highway 87, which is safer than having to use Riverside Golf Club Road.

Vice Chair Jackson closed public comment.

Commissioner Smith made a motion to recommend APPROVAL of the abandonment and vacation of approximately 675 feet in length, 79,366.32 square feet, for a total 1.822 acres of the Riverside Golf Club Road public right-of-way. Commissioner Uherik seconded the motion. The motion carried unanimously, 6-0.

Attachments:

Aerial Map
Future Land Use Map
Zoning Map
Pictures
Application



Location Map ROW Abandonment

Riverside Golf Club Rd.

Council District 2 - Tom Thompson

Neighborhood: Riverside

Scale: 1" approx. = 165 ft

Abst: A - 1868 S - 3016; Survey C. Sander, 2.075 Acres

Legend

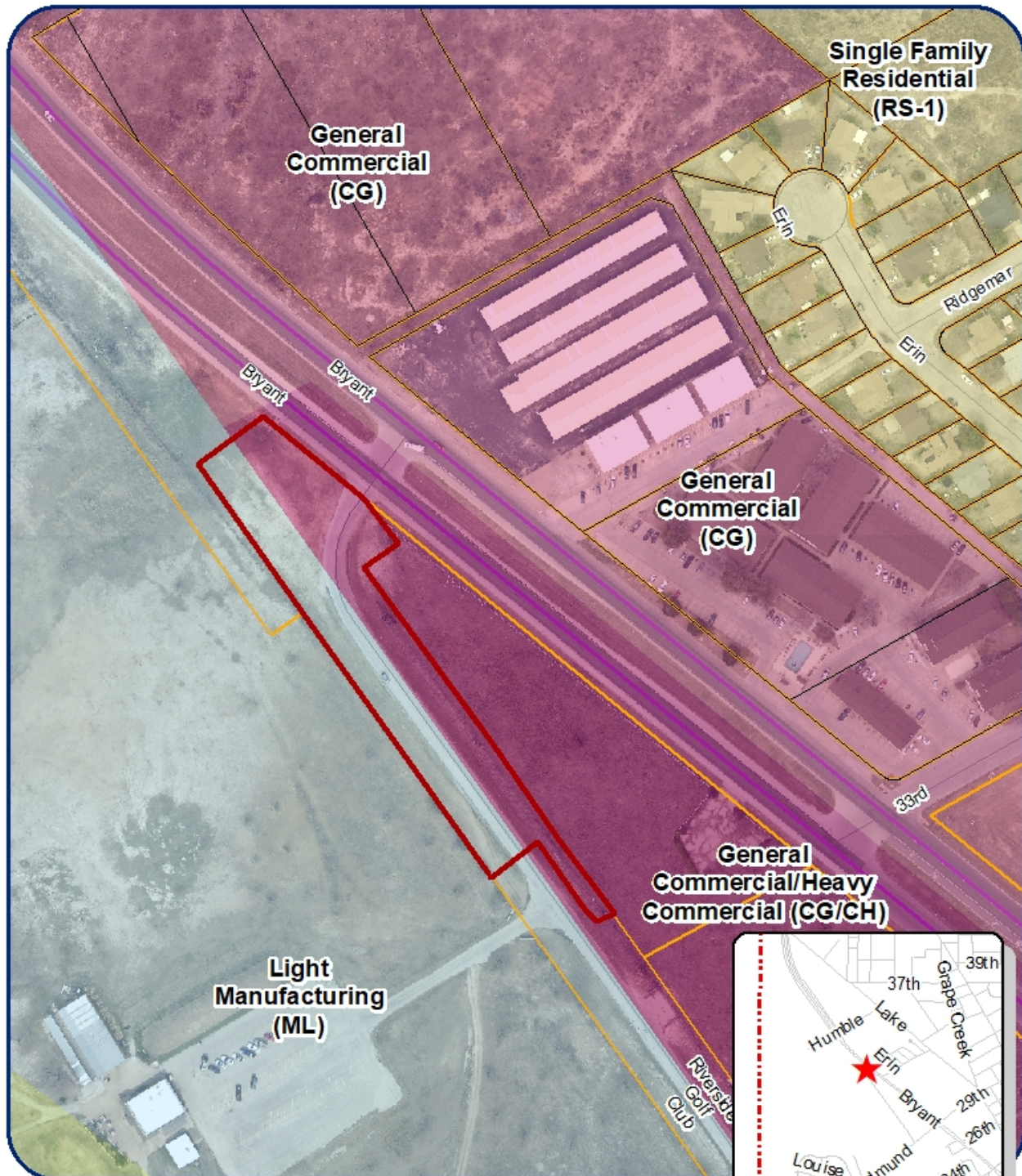
Subject Properties: —

Current Zoning: CG/CH & ML

Requested Action: ROW Abandonment

Vision: Commercial & Open Space





Location Map Existing zoning

Riverside Golf Club Rd.

Council District 2 - Tom Thompson

Neighborhood: Riverside

Scale: 1" approx. = 165 ft

Abst: A - 1868 S - 3016; Survey C. Sander, 2.075 Acres

Legend

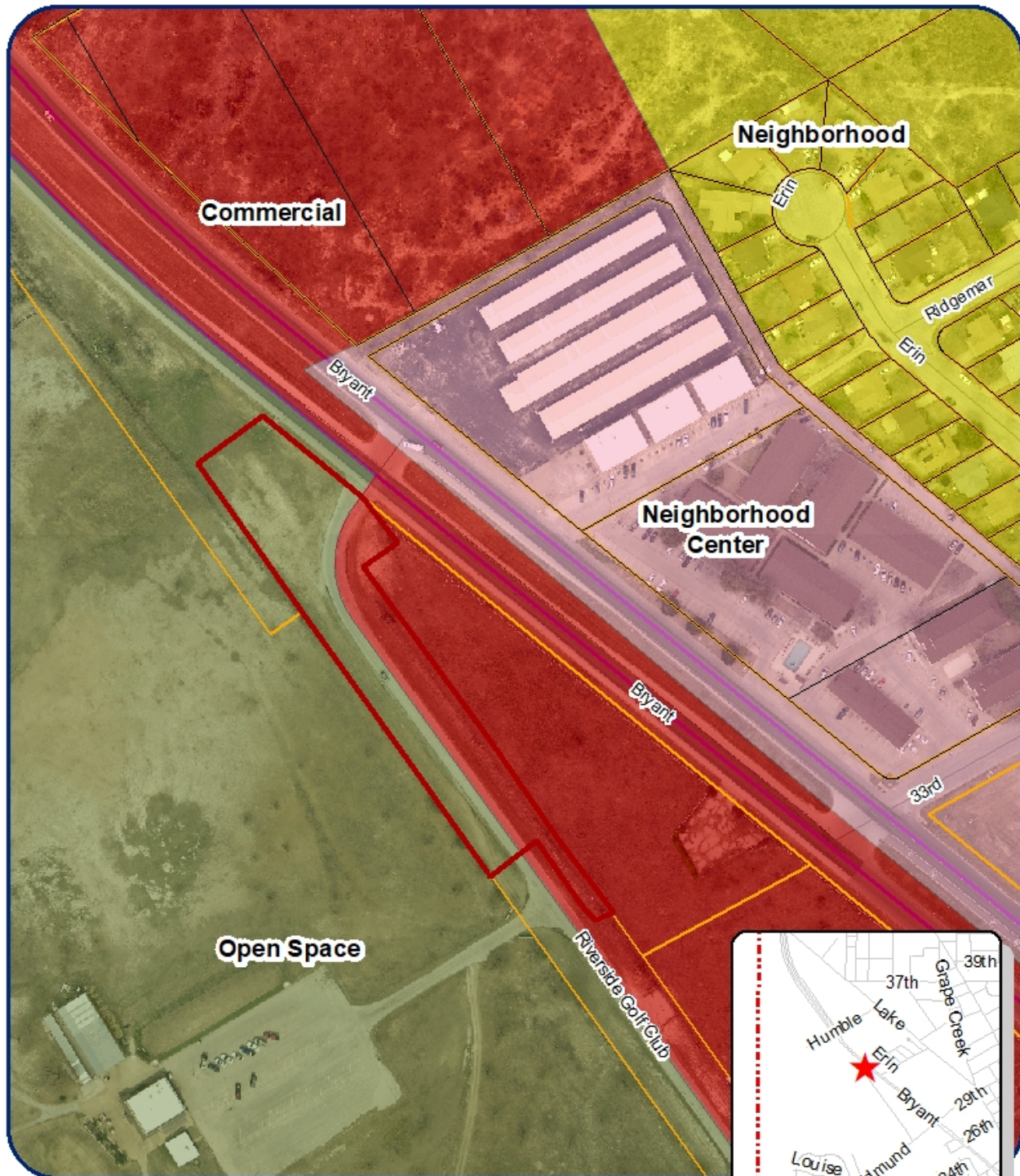
Subject Properties: —

Current Zoning: **CG/CH & ML**

Requested Action: **ROW Abandonment**

Vision: **Commercial & Open Space**





Location Map Future Land Use

Riverside Golf Club Rd.

Council District 2 - Tom Thompson

Neighborhood: Riverside

Scale: 1" approx. = 165 ft

Abst: A - 1868 S - 3016; Survey C. Sander, 2.075 Acres

Legend

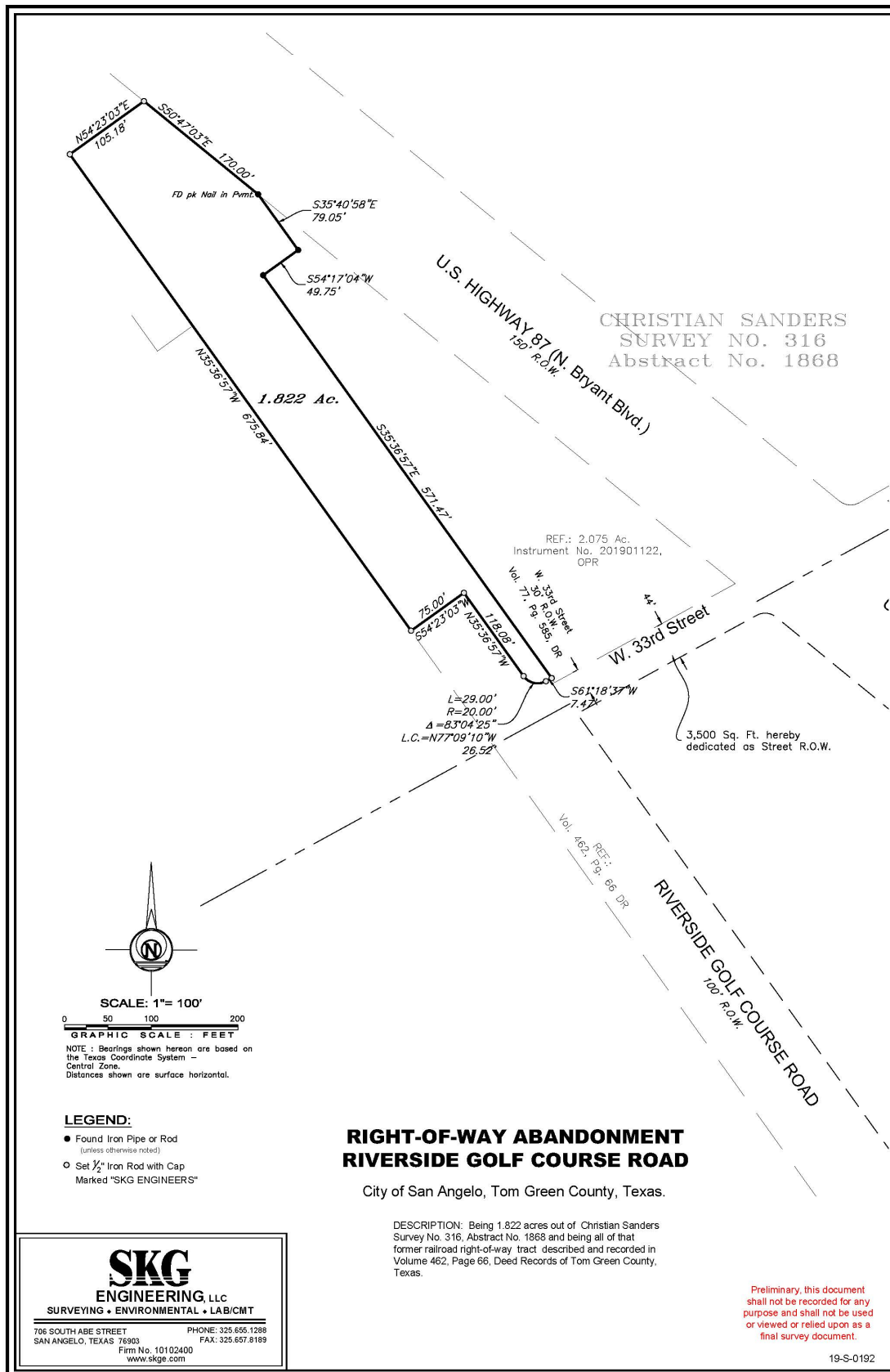
Subject Properties: —

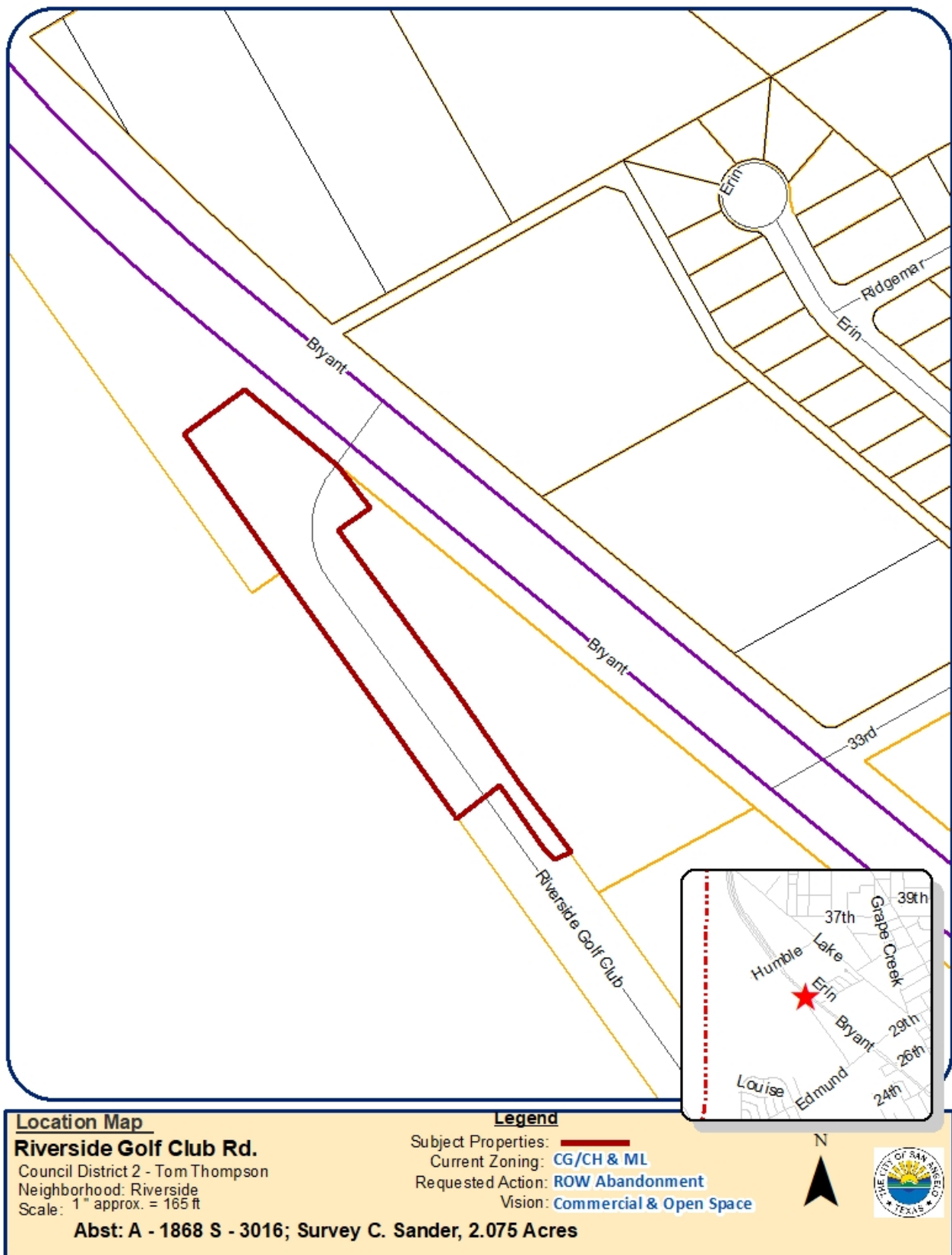
Current Zoning: **CG/CH & ML**

Requested Action: **ROW Abandonment**

Vision: **Commercial & Open Space**







Photos



Golf course facility entrance



At golf course entrance site looking north to Bryant Blvd. connection



Golf Club Rd. connection at N. Bryant Blvd.

Effective January 3, 2017



City of San Angelo, Texas – Planning Division
52 West College Avenue
**Application to Abandon Right-of-way for
Street(s) and/or Alley(s)**



Section 1: Basic Information

Name of Applicant(s): Ray & Kathleen Hawkins

☒ Owner ☐ Representative (Affidavit Required)

301 East Wallace St. Suite 110 San Saba Texas 76877
Mailing Address City State Zip Code

325-456-5350 rayhawkins0422@gmail.com
Contact Phone Number Contact E-mail Address

3302 Riverside Gold Course Road San Angelo Texas 76903
Subject Property Address City State Zip Code

Abst: A-1868 S-0316, Survey: C SANDER, 2.075 ACRES

Legal Description (can be found on property tax statement or at www.tamgreencad.com)

Lot Size: 2.075 acres Zoning: CG/CH

Section 2: Site Specific Details

Subdivision Name: Acreage

Lots and/or Blocks Affected: The 2.075 acre tract

General Description of Location: Riverside Golf Course Road north of W. 33rd Street to North Bryant Blvd.

Reason for Abandonment: 33rd Street and Bryant Blvd. is proposed to become a signalized intersection so the closing of this segment will provide for better controlled traffic patterns and safety in this area.

*Use attachment if necessary.

Effective January 3, 2017

Section 3: Applicant's acknowledgement

I/We the undersigned acknowledge that the information provided above is true and correct.

Ray Hawkins
Signature of licensee or authorized representative
affirming the truth of the above statement.

November 11, 2019

Date

Ray Hawkins

Printed name of licensee or authorized representative

Name of business/Entity of representative

FOR OFFICE USE ONLY:

Date of Application: 11, 11, 19

Non-Refundable Fee: \$ 575.00

Receipt #: 92069

Date paid: 12, 27, 19

Date of hearing by Planning Commission: 1, 27, 20

Date of hearing by City Council: 2, 18, 20

Reviewed/Accepted by: _____

AN ORDINANCE PROVIDING FOR CONDITIONAL ABANDONMENT AND VACATION OF CITY-OWNED RIGHT-OF-WAY, BEING A PORTION OF RIVERSIDE GOLF CLUB ROAD, AT THE CORNER OF RIVERSIDE GOLF CLUB ROAD AND BRYANT BOULEVARD (STATE HIGHWAY 87); CONSISTING OF 675 FEET IN LENGTH WITH A SMALL 118 FEET BY 26.53 FEET PIECE AT THE SOUTH END, AND CONTAINING APPROXIMATELY 79,366.32 SQUARE FEET OR 1.822 ACRES; AUTHORIZING CONVEYANCE THEREOF BY DEED TO THE ADJACENT PROPERTY OWNER IN A FORM APPROVED BY THE CITY ATTORNEY; AND PROVIDING TERMS AND CONDITIONS OF ABANDONMENT.

WHEREAS, the City Council of the City of San Angelo, acting pursuant to law, is of the opinion that the portion of Riverside Golf Club Road, at the corner of Riverside Golf Club Road and Bryant Boulevard (State Highway 87), consisting of 675 feet in length with a small 118 feet by 26.53 feet piece at the south end, and containing approximately 79,366.32 or 1.822 acres, is no longer needed as a public right-of-way, and therefore deems it advisable to abandon said city-owned right-of-way; and,

WHEREAS, the City Council of the City of San Angelo is of the opinion that the best interest and welfare of the public will be served by vacating, closing and abandoning said portion of the right-of-way subject to the conditions and restrictions contained herein;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF SAN ANGELO THAT:

SECTION 1: The city-owned right-of-way and street located in the City of San Angelo, Tom Green County, Texas, being that portion of Riverside Golf Club Road, at the corner of Riverside Golf Club Road and Bryant Boulevard (State Highway 87) consisting of 675 feet in length with a small 118 feet by 26.53 feet piece at the south end, and containing approximately 79,366.32 or 1.822 acres and depicted in **Exhibit "A,"** attached hereto and made a part hereof for all purposes, be and the same are hereby vacated, abandoned and closed insofar as the right, title and easement of the public are concerned; subject however, to the conditions and restrictions hereinafter more fully set out.

SECTION 2: The abandonment provided for herein is made and accepted subject to all present zoning and deed restrictions, if the latter exist, and all existing easements, if any, whether apparent or not, aerial, surface, underground or otherwise.

SECTION 3: The abandonment provided for herein shall extend only to the public right, title, easement and interest and shall be construed to extend only to the interest which the governing body for the City of San Angelo may legally and lawfully abandon, vacate, and close.

SECTION 4: The following conditions precedent to the abandonment shall apply and be part of the consideration for conveyance by deed of the underlying tract of land to the abutting owner:

- a. Remit payment for the fair market value of the underlying land as determined by certified appraisal obtained by the City.
- b. Provide verification of the recordation of a deed(s) officially abandoning the right-of-way and conveying the City's interest in the entirety of the underlying tract of land .
- c. Submit, obtain approval, and officially record a subdivision replat absorbing all of the abandoned right-of-way into adjacent lot(s) and reconfiguration of the lots along with the adjacent property, meeting all requirements of the Land Development and Subdivision Ordinance within 18 months of City Council's decision.
- d. 33rd Street and Riverside Golf Club Road improvements shall be constructed and accepted prior to plat recordation, except as otherwise approved by the City in a written performance agreement.
- e. 33rd Street and Bryant Blvd. light must be installed and operational prior to plat recordation, except as otherwise approved by the City in a written performance agreement.

SECTION 5: The terms and conditions contained in this Ordinance shall be binding upon Grantees and Grantees' heirs, successors and assigns.

SECTION 6: The City Manager or Mayor of the City of San Angelo is hereby authorized to negotiate and execute all necessary documents and, upon receipt of evidence of compliance with the conditions provided for at Section 4 of this Ordinance, deliver a deed in a form approved by the City Attorney conveying the subject tract of land described and depicted in "**Exhibit A**", to the adjacent property owner as herein provided.

INTRODUCED on the **5th day of May, 2020**, and finally PASSED, APPROVED AND ADOPTED on this the **19th day of May, 2020**.

THE CITY OF SAN ANGELO

Brenda Gunter, Mayor

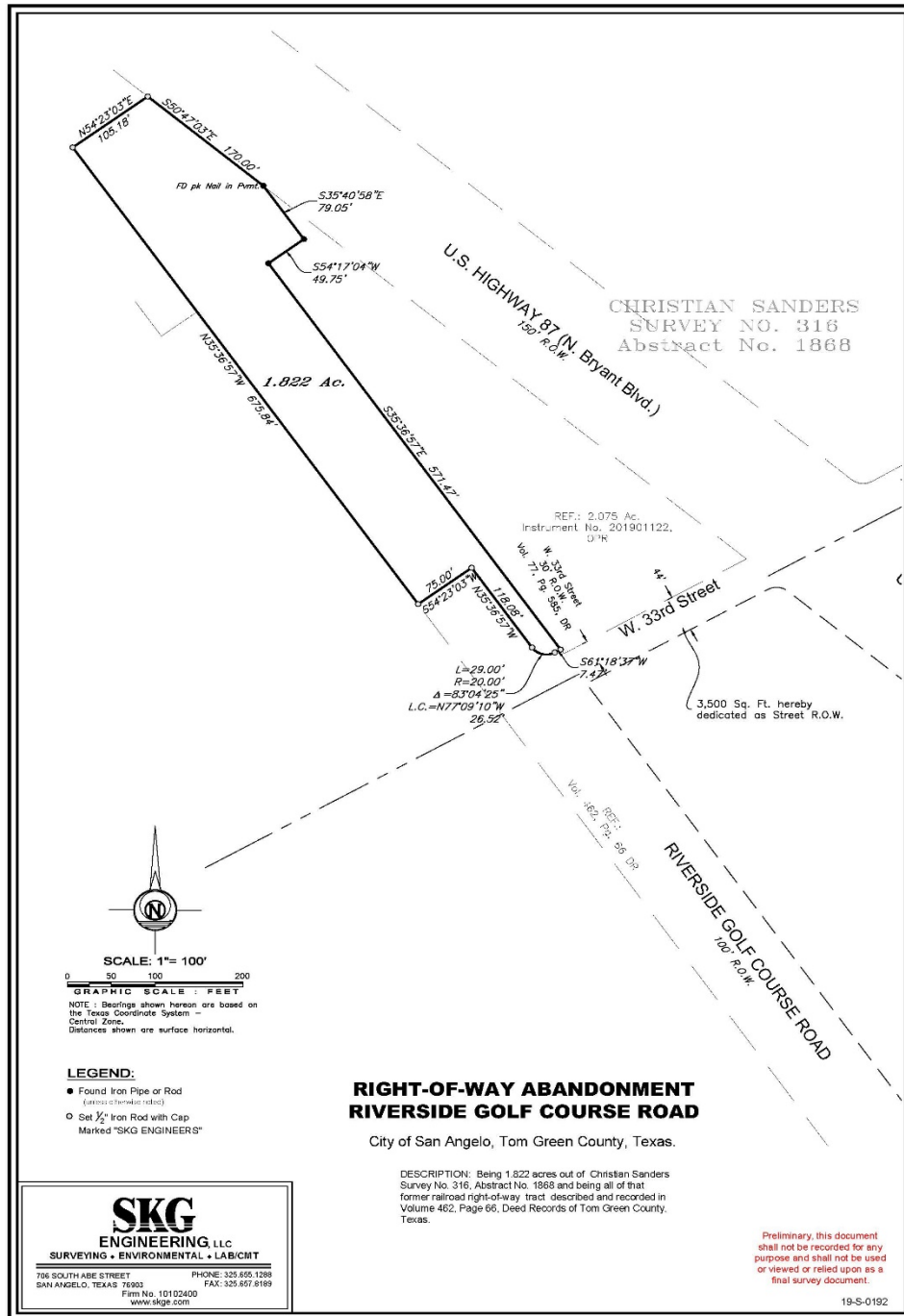
ATTEST:

APPROVED AS TO FORM:

Julia Antilley, City Clerk

Theresa James, City Attorney

Exhibit "A"





City Council

May 5, 2020



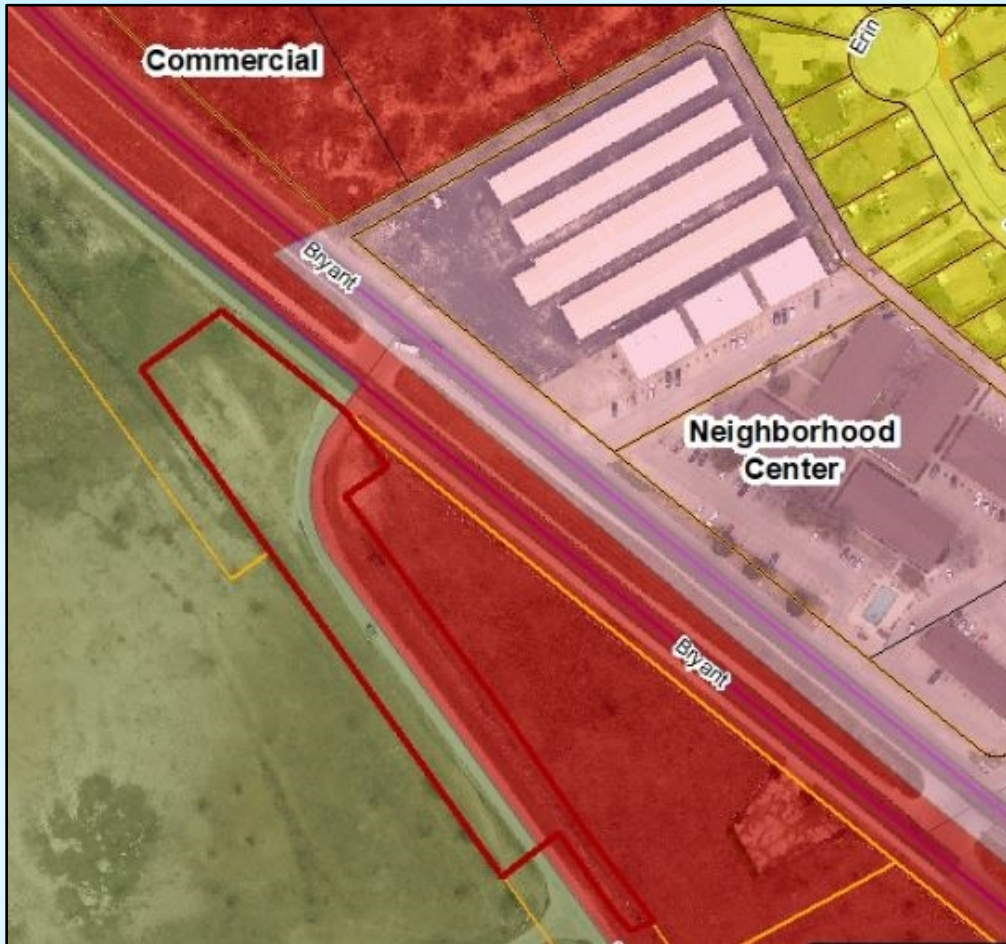
Riverside Golf Club Rd. Abandonment



- ~675 feet length; 1.822 acres
- From north of the golf course access to the connection at Hwy 87
- Intended to ensure large truck usage of traffic light at 33rd street
- District 2 – Tom Thompson
- Neighborhood – Riverside



Future land use and zoning map



Open Space/Commercial



ML & CG/CH



ROW Abandonment

Riverside Golf Club Rd



Abandonment starts north
of golf course entrance



ROW Abandonment



Riverside Golf Course Rd. existing connection to
Highway 87 to be closed



Analysis

- Kent Truck Stop is constructing a traffic light at 33rd and Highway 87
- Intent is to control large truck access to the truck stop
- Abandoning Riverside Golf Club Rd. north of the golf course access closes the northern Highway 87 access
- Addresses safety concerns of vehicles accessing at this unsignalized intersection
- Retains the golf course access



Recommendations

Staff recommendation:

Staff recommends **APPROVAL** of the abandonment of Riverside Golf Club Road public right of way north of the golf course access road to the connection at Highway 87, **subject to five conditions of Approval:**

Planning Commission recommendation:

On January 27, 2020 the Planning Commission recommended **APPROVAL** with a 6-0 vote.



Recommended Conditions

1. Pay per assessment formula outlined in fee schedule
2. Verification of recordation of quit claim deed(s)
3. Record an approved subdivision replat absorbing all of the abandoned right-of-way into adjacent lot(s)
4. 33rd Street and Riverside Golf Club Road improvements shall be constructed and accepted prior to abandonment.
5. 33rd Street and Bryant Blvd. traffic light must be installed and operational prior to abandonment.





Planning Commission

May 5, 2020

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Tina Dierschke, Finance Director, City Clerk, 325-657-4268

Meeting Date: May 5, 2020

Item type: Regular Item

Caption:

Discuss and consider adoption on first reading of an Ordinance authorizing the issuance and sale of City of San Angelo, Texas Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2020; levying an annual ad valorem tax and providing for the security for and payment of said Certificates; and enacting other provisions relating to the subject (Presentation made by Finance Director Tina Dierschke and Specialized Public Finance, Inc. Managing Director Vince Viaille)

Summary/History:

Adopt an ordinance for the issuance of Series 2020 Certificates of Obligation. Series 2020 certificates are associated with projects related to Street Improvements and Reconstruction.

Publication of notice of intention to issue combination tax and limited surplus revenue Certificates of Obligation was approved by the City Council on January 23, 2018.

Financial Impact:

Debt service obligation associated with issuance: \$17,500,000

Other Information/Recommendation:

Attachments:

- | | | |
|----|-----------------------------------|--|
| 1. | FIN+5-5-20+Series+2020+Bond+issue | FIN+5-5-20+Series+2020+Bond+issue.pptx |
| 2. | 5.5.20 Ordinance v1 | 5.5.20 Ordinance v1.pdf |

Presentation:

Approvals/Reviews:

Tina Dierschke	Created/Initiated
Theresa James	Approved
Tina Dierschke	Approved
Theresa James	Approved
Julia Antilley	Final Approval



City Council

May 5, 2020



Proposed Certificates of Obligation

- The City is reviewing the issuance of \$17,500,000 in Certificates of Obligation to fund Street Improvements.
- The Certificates will be amortized over a 20 year period.
- The issuance of the new Certificates will NOT increase the I&S Tax Rate.





City Council

May 5, 2020



ORDINANCE NO. 2020-__

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF SAN ANGELO, TEXAS COMBINATION TAX AND LIMITED SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2020; LEVYING AN ANNUAL AD VALOREM TAX AND PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID CERTIFICATES; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

THE STATE OF TEXAS	§
COUNTY OF TOM GREEN	§
CITY OF SAN ANGELO	§

WHEREAS, the City Council of the City of San Angelo, Texas (the "Issuer"), deems it advisable to issue Certificates of Obligation in the amount and for the purposes hereinafter set forth;

WHEREAS, the Certificates of Obligation hereinafter authorized and designated are to be issued and delivered for cash pursuant to Subchapter C of Chapter 271, Local Government Code and Subchapter B, Chapter 1502, Government Code;

WHEREAS, the City Council has heretofore passed a resolution authorizing and directing the City Clerk to give notice of intention to issue Certificates of Obligation, and said notice has been duly posted on the Issuer's internet website and duly published in a newspaper of general circulation in the Issuer, said newspaper being a "newspaper" as defined in § 2051.044, Texas Government Code, as amended;

WHEREAS, the Issuer received no petition from the qualified electors of the Issuer protesting the issuance of such Certificates of Obligation;

WHEREAS, no bond proposition to authorize the issuance of bonds for the same purpose as any of the projects being financed with the proceeds of the Certificates of Obligation was submitted to the voters of the Issuer during the preceding three years and failed to be approved;

WHEREAS, the City Council of the Issuer hereby finds and determines that it is in the best interests of the Issuer to issue the Certificates of Obligation hereinafter authorized, for the purposes stated herein; and

WHEREAS, It is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Tex. Gov't Code Ann. ch. 551; Now, Therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANGELO, TEXAS:

Section 1. RECITALS, AMOUNT AND PURPOSE OF THE CERTIFICATES. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section. The certificates of the City of San Angelo, Texas (the "Issuer") are hereby authorized to be issued and delivered in the aggregate principal amount of \$_____ for paying all or a portion of the Issuer's contractual obligations to be incurred in connection with: (i) constructing and improving streets, roads, alleys, bridges and sidewalks including related utility relocation, drainage, signalization, landscaping, screening walls, lighting and signage; and (ii) legal, fiscal and engineering fees in connection with such projects (collectively, the "Project").

Section 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF THE CERTIFICATES. Each Certificate of Obligation issued pursuant to this Ordinance shall be designated: "CITY OF SAN ANGELO, TEXAS COMBINATION TAX AND LIMITED SURPLUS REVENUE CERTIFICATE OF OBLIGATION, SERIES 2020" and initially there shall be issued, sold and delivered hereunder one fully registered certificate, without interest coupons, dated May 1, 2020, in the aggregate principal amount stated above and in the denominations hereinafter stated, numbered T-1, with certificates issued in replacement thereof being in the denominations and principal amounts hereinafter stated and numbered consecutively from R-1 upward, payable to the respective Registered Owners thereof (with the initial certificate being made payable to the initial purchaser as described in Section 12 hereof), or to the registered assignee or assignees of said certificate or any portion or portions thereof (in each case, the "Registered Owner"). The Certificates of Obligation shall mature on February 15 in the years and in the principal amounts, respectively, and shall bear interest from the dates set forth in the FORM OF CERTIFICATE set forth in Section 4 of this Ordinance to their respective dates of maturity or redemption prior to maturity at the rates per annum, as set forth in the following schedule:

<u>Years</u>	<u>Principal Amounts</u>	<u>Interest Rates</u>	<u>Years</u>	<u>Principal Amounts</u>	<u>Interest Rates</u>
2021			2031		
2022			2032		
2023			2033		
2024			2034		
2025			2035		
2026			2036		
2027			2037		
2028			2038		
2029			2039		
2030			2040		

The term "Certificates" as used in this Ordinance shall mean and include collectively the certificates initially issued and delivered pursuant to this Ordinance and all substitute certificates exchanged therefor, as well as all other substitute certificates and replacement certificates issued pursuant hereto, and the term "Certificate" shall mean any of the Certificates.

Section 3. CHARACTERISTICS OF THE CERTIFICATES.

(a) Registration, Transfer, Conversion and Exchange. The Issuer shall keep or cause to be kept at the corporate trust office of BOKF, N.A. in Dallas, Texas (the "Paying Agent/Registrar"), books or records for the registration of the transfer, conversion and exchange of the Certificates (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided within three days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Certificate to which payments with respect to the Certificates shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall

not permit their inspection by any other entity. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Certificate or Certificates. Registration of assignments, transfers, conversions and exchanges of Certificates shall be made in the manner provided and with the effect stated in the FORM OF CERTIFICATE set forth in this Ordinance. Each substitute Certificate shall bear a letter and/or number to distinguish it from each other Certificate.

(b) Authentication. Except as provided in subsection (i) of this section, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate, date and manually sign said Certificate, and no such Certificate shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Certificates and Certificates surrendered for conversion and exchange. No additional ordinances, orders or resolutions need be passed or adopted by the governing body of the Issuer or any other body or person so as to accomplish the foregoing conversion and exchange of any Certificate or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution and delivery of the substitute Certificates in the manner prescribed herein. Pursuant to Subchapter D, Chapter 1201, Texas Government Code, the duty of conversion and exchange of Certificates as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the converted and exchanged Certificate shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Certificates which initially were issued and delivered pursuant to this Ordinance, approved by the Office of the Attorney General of the State of Texas (the "Attorney General"), and registered by the Office of the Comptroller of Public Accounts of the State of Texas (the "Comptroller").

(c) Payment of Principal and Interest. The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificates, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Certificates, and of all conversions and exchanges of Certificates, and all replacements of Certificates, as provided in this Ordinance. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(d) Payment to Registered Owner. Notwithstanding any other provision of this Ordinance to the contrary, the Issuer and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Registration Books as the absolute owner of such Certificate for the purpose of payment of principal and interest with respect to such Certificate, for the purpose of registering transfers with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Certificates only to or upon the order of the registered owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of and interest on the Certificates to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a Certificate certificate evidencing the obligation of the Issuer to make payments of principal and interest pursuant to this Ordinance.

(e) Paying Agent/Registrar. The Issuer covenants with the registered owners of the Certificates that at all times while the Certificates are outstanding the Issuer will provide a competent and legally qualified

bank, trust company, financial institution or other agency to act as and perform the services of Paying Agent/Registrar for the Certificates under this Ordinance, and that the Paying Agent/Registrar will be a single entity. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(f) Substitute Paying Agent/Registrar. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Certificates, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Certificates, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar.

(g) Book-Entry Only System. The Certificates issued in exchange for the Certificates initially issued to the purchaser or purchasers specified herein shall be initially issued in the form of a separate single fully registered Certificate for each of the maturities thereof and the ownership of each such Certificate shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("DTC"), and except as provided in subsections (i) and (j) of this Section, all of the outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

(h) Blanket Letter of Representations. The previous execution and delivery of the Blanket Issuer Letter of Representations with respect to obligations of the Issuer is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Certificates. Should DTC require an updated Blanket Issuer Letter of Representations to be submitted by the Issuer, the City's Finance Director is hereby authorized and directed to execute and deliver an updated Blanket Issuer Letter of Representations to DTC in the name and on behalf of the Issuer. Notwithstanding anything to the contrary contained herein, while the Certificates are subject to DTC's Book-Entry Only System and to the extent permitted by law, the Blanket Issuer Letter of Representations is hereby incorporated herein and its provisions shall prevail over any other provisions of this Ordinance in the event of conflict.

(i) Certificates Registered in the Name of Cede & Co. With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates. Without limiting the immediately preceding sentence, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of Certificates, as shown on the Registration Books, of any notice with respect to the Certificates, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Certificates, as shown in the Registration Books of any amount with respect to principal of or interest on the Certificates. Upon delivery by DTC to the Paying Agent/Registrar of written notice to

the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the registered owner at the close of business on the Record date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(j) Successor Securities Depository; Transfers Outside Book-Entry Only System. In the event that the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the Issuer to DTC or that it is in the best interest of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having Certificates credited to their DTC accounts. In such event, the Certificates shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names registered owners transferring or exchanging Certificates shall designate, in accordance with the provisions of this Ordinance.

(k) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificate is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Certificate and all notices with respect to such Certificate shall be made and given, respectively, in the manner provided in the Blanket Issuer Letter of Representations of the Issuer to DTC.

(l) General Characteristics of the Certificates. The Certificates (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificates to be payable only to the Registered Owners thereof, (ii) may and shall be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Certificates, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Certificates shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the Issuer shall have certain duties and responsibilities with respect to the Certificates, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF CERTIFICATE set forth in this Ordinance. The Certificate initially issued and delivered pursuant to this Ordinance is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Certificate issued in conversion of and exchange for any Certificate or Certificates issued under this Ordinance the Paying Agent/Registrar shall execute the Paying Agent/Registrar's Authentication Certificate, in the FORM OF CERTIFICATE set forth in this Ordinance.

(m) Cancellation of Initial Certificate. On the closing date, one initial Certificate representing the entire principal amount of the Certificates, payable in stated installments to the order of the initial purchaser of the Certificates or its designee, executed by manual or facsimile signature of the Mayor and City Clerk, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to such purchaser or its designee. Upon payment for the initial Certificate, the Paying Agent/Registrar shall insert the Delivery Date on Certificate No. T-1, cancel the initial Certificate and deliver to The Depository Trust Company ("DTC") on behalf of such purchaser one registered definitive Certificate for each year of maturity of the Certificates, in the aggregate principal amount of all of the Certificates for such maturity, registered in the name of Cede & Co., as nominee of DTC. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an

agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Certificates in safekeeping for DTC.

Section 4. FORM OF CERTIFICATES. The form of the Certificates, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Certificates initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance:

(a) Form of Certificate.

NO. R-	UNITED STATES OF AMERICA STATE OF TEXAS CITY OF SAN ANGELO, TEXAS	PRINCIPAL AMOUNT \$_____
COMBINATION TAX AND LIMITED SURPLUS REVENUE CERTIFICATE OF OBLIGATION SERIES 2020		

Interest Rate	Delivery Date	Maturity Date	CUSIP No.
_____%	May 27, 2020	February 15, 20__	

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

ON THE MATURITY DATE specified above, the City of San Angelo, in Tom Green County, Texas (the "Issuer"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above. The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date specified above at the Interest Rate per annum specified above. Interest is payable on February 15, 2021, and semiannually on each August 15 and February 15 thereafter to the Maturity Date specified above, or the date of redemption prior to maturity; except, if this Certificate is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate or Certificates, if any, for which this Certificate is being exchanged is due but has not been paid, then this Certificate shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Certificate are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Certificate shall be paid to the registered owner hereof upon presentation and surrender of this Certificate at maturity, or upon the date fixed for its redemption prior to maturity, at the principal corporate trust office of BOKF, N.A. in Dallas, Texas, which is the "Paying Agent/Registrar" for this Certificate. The payment of interest on this Certificate shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar

on, and payable solely from, funds of the Issuer required by the ordinance authorizing the issuance of this Certificate (the "Certificate Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared at the close of business on the last business day of the month preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Certificate appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity or upon the redemption of this Certificate prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Certificate for redemption and payment at the principal corporate trust office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Certificate that on or before each principal payment date, interest payment date, and accrued interest payment date for this Certificate it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Certificate Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Certificates, when due.

IF THE DATE for the payment of the principal of or interest on this Certificate shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day that is not such a Saturday, Sunday, legal holiday or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE is one of a series of Certificates dated May 1, 2020, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$_____ for paying all or a portion of the Issuer's contractual obligations incurred in connection with (i) constructing and improving streets, roads, alleys, bridges and sidewalks including related utility relocation, drainage, signalization, landscaping, screening walls, lighting and signage; and (ii) legal, fiscal and engineering fees in connection with such projects.

ON FEBRUARY 15, 2028, or on any date thereafter, the Certificates of this series may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Certificates, or portions thereof, to be redeemed shall be selected and designated by the Issuer (provided that a portion of a Certificate may be redeemed only in an integral multiple of \$5,000), at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

IF AT THE TIME OF MAILING of notice of optional redemption there shall not have either been deposited with the Paying Agent/Registrar or legally authorized escrow agent immediately available funds sufficient to redeem all the Certificates called for redemption, such notice may state that it is conditional, and is subject to the deposit of the redemption moneys with the Paying Agent/Registrar or legally authorized

escrow agent at or prior to the redemption date. If such redemption is not effectuated, the Paying Agent/Registrar shall, within five days thereafter, give notice in the manner in which the notice of redemption was given that such moneys were not so received and shall rescind the redemption.

AT LEAST 30 days prior to the date fixed for any redemption of Certificates or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, to the registered owner of each Certificate to be redeemed at its address as it appeared on the 45th day prior to such redemption date; provided, however, that the failure of the registered owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Certificate. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates or portions thereof that are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Certificates or portions thereof that are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Certificate shall be redeemed, a substitute Certificate or Certificates having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Certificate Ordinance.

ALL CERTIFICATES OF THIS SERIES are issuable solely as fully registered certificates, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Certificate Ordinance, this Certificate may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered certificates, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate registered owner, assignee or assignees, as the case may be, upon surrender of this Certificate to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Certificate Ordinance. Among other requirements for such assignment and transfer, this Certificate must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Certificate or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Certificate may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate or any portion or portions hereof from time to time by the registered owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Certificate or portion thereof will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Certificate or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Certificates is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Certificate Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Certificates.

IT IS HEREBY certified, recited and covenanted that this Certificate has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Certificate have been performed, existed and been done in accordance with law; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in said Issuer, and have been pledged for such payment, within the limit prescribed by law, and that this Certificate is additionally secured by and payable from a limited pledge of the Surplus Revenues of the Issuer's waterworks and sewer system remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve and other requirements in connection with all of the Issuer's revenue obligations (now or hereafter outstanding) that are payable from all or part of said revenues, all as provided in the Certificate Ordinance.

THE ISSUER HAS RESERVED THE RIGHT to amend the Certificate Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Certificates.

BY BECOMING the registered owner of this Certificate, the registered owner thereby acknowledges all of the terms and provisions of the Certificate Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Certificate Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Certificate and the Certificate Ordinance constitute a contract between each registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Certificate to be signed with the manual or facsimile signature of the Mayor of the Issuer (or in his absence, by the Mayor Pro Tem) and countersigned with the manual or facsimile signature of the City Clerk of said Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Certificate.

(signature)
City Clerk

(signature)
Mayor

(SEAL)

(b) Form of Paying Agent/Registrar's Authentication Certificate.

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
(To be executed if this Certificate is not accompanied by an executed Registration
Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Certificate has been issued under the provisions of the Certificate Ordinance described in the text of this Certificate; and that this Certificate has been issued in conversion or replacement of, or in exchange for, a certificate, certificates, or a portion of a certificate or certificates of a series that originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____.

BOKF, N.A.
Dallas, Texas
Paying Agent/Registrar

By: _____
Authorized Representative

(c) Form of Assignment.

ASSIGNMENT
(Please print or type clearly)

For value received, the undersigned hereby sells, assigns and transfers
unto: _____

Transferee's Social Security or Taxpayer Identification Number: _____

Transferee's name and address, including zip code: _____

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints
_____, attorney, to register the transfer of
the within Certificate on the books kept for registration thereof, with full power of substitution in the
premises.

Dated: _____.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an
eligible guarantor institution participating in a
securities transfer association recognized signature
guarantee program.

NOTICE: The signature above must correspond with
the name of the registered owner as it appears upon
the front of this Certificate in every particular,
without alteration or enlargement or any change
whatsoever.

(d) Form of Comptroller's Registration Certificate.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that there is on file and of record in my office a true and correct copy of the opinion
of the Attorney General of the State of Texas approving this Certificate and that this Certificate has been
registered this day by me.

Witness my signature and seal this _____.

Comptroller of Public Accounts of the State of Texas

(COMPTROLLER'S SEAL)

(e) Initial Certificate Insertions.

(i) The initial Certificate shall be in the form set forth in paragraph (a) of this Section, except that:

A. immediately under the name of the Certificate, the headings "Interest Rate" and "Maturity Date" shall both be completed with the words "As shown below" and "CUSIP No. _____" shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"THE CITY OF SAN ANGELO, TEXAS, in Tom Green County, Texas (the "Issuer"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on February 15 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Installments</u>	<u>Interest Rates</u>
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(Information from Pricing Certificate to be inserted)

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Delivery Date specified above at the respective Interest Rate per annum specified above. Interest is payable on February 15, 2021, and semiannually on each August 15 and February 15 thereafter to the date of payment of the principal installment specified above, or the date of redemption prior to maturity; except, that if this Certificate is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate or Certificates, if any, for which this Certificate is being exchanged is due but has not been paid, then this Certificate shall bear interest from the date to which such interest has been paid in full."

C. The Initial Certificate shall be numbered "T-1."

Section 5. INTEREST AND SINKING FUND; SURPLUS REVENUES.

(a) A special "Interest and Sinking Fund" is hereby created and shall be established and maintained by the Issuer as a separate fund or account and the funds therein shall be deposited into and held in an account at an official depository bank of said Issuer. Said Interest and Sinking Fund shall be accounted for separate and apart from all other funds and accounts of said Issuer, and shall be used only for paying the interest on and principal of said Certificates. All amounts received from the sale of the Certificates as accrued interest shall be deposited upon receipt to the Interest and Sinking Fund, and all ad valorem taxes levied and collected for and on account of said Certificates shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said Certificates are outstanding and unpaid, the governing

body of said Issuer shall compute and ascertain a rate and amount of ad valorem tax that will be sufficient to raise and produce the money required to pay the interest on said Certificates as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of said Certificates as such principal matures (but never less than 2% of the original amount of said Certificates as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of said Issuer, with full allowances being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in said Issuer, for each year while any of said Certificates are outstanding and unpaid, and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of said Certificates, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

(b) The Certificates are additionally secured by a limited pledge, not to exceed \$1,000, of revenues of the Issuer's waterworks and sewer system that remain after the payment of all maintenance and operation expenses thereof, and all debt service, reserve and other requirements in connection with all of the Issuer's revenue obligations (now or hereafter outstanding) that are secured by a lien on all or any part of the net revenues of the Issuer's waterworks and sewer system, constituting "Surplus Revenues". The Issuer shall deposit such Surplus Revenues to the credit of the Interest and Sinking Fund created pursuant to subsection (a) of this section, to the extent necessary to pay the principal and interest on the Certificates. Notwithstanding the requirements of subsection (a) of this section, if Surplus Revenues or other lawfully available moneys of the Issuer are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes that otherwise would have been required to be levied pursuant to subsection (a) of this section may be reduced to the extent and by the amount of the Surplus Revenues or other lawfully available funds then on deposit in the Interest and Sinking Fund.

(c) Chapter 1208, Texas Government Code, applies to the issuance of the Certificates of Obligation and the pledge of the taxes and Surplus Revenues granted by the Issuer under this Section and is therefore valid, effective, and perfected. Should Texas law be amended at any time while the Certificates of Obligation are outstanding and unpaid, the result of such amendment being that the pledge of the taxes and Surplus Revenues granted by the Issuer under this Section is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, in order to preserve to the registered owners of the Certificates of Obligation a security interest in said pledge, the Issuer agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing of a security interest in said pledge to occur.

Section 6 DEFEASANCE OF CERTIFICATES.

(a) Any Certificate and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Certificate") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Certificate, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar for the payment of its services until all Defeased Certificates shall have become due and payable. At such time as a Certificate shall be deemed to be a

Defeased Certificate hereunder, as aforesaid, such Certificate and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities, and thereafter the Issuer will have no further responsibility with respect to amounts available to such paying agent (or other financial institution permitted by applicable law) for the payment of such Defeased Certificates, including any insufficiency therein caused by the failure of such paying agent (or other financial institution permitted by applicable law) to receive payment when due on the Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Certificates that is made in conjunction with the payment arrangements specified in subsections (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the Issuer expressly reserves the right to call the Defeased Certificates for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Certificates immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the Issuer be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Certificates and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Issuer, or deposited as directed in writing by the Issuer. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Certificates may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsections 6(a)(i) or (ii). All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Certificates, with respect to which such money has been so deposited, shall be remitted to the Issuer or deposited as directed in writing by the Issuer.

(c) The term "Defeasance Securities" means any securities and obligations now or hereafter authorized by State law that are eligible to refund, retire or otherwise discharge obligations such as the Certificates.

(d) Until all Defeased Certificates shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Certificates the same as if they had not been defeased, and the Issuer shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(e) In the event that the Issuer elects to defease less than all of the principal amount of Certificates of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Certificates by such random method as it deems fair and appropriate.

Section 7. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED CERTIFICATES.

(a) Replacement Certificates. In the event any outstanding Certificate is damaged, mutilated, lost, stolen or destroyed, the Paying Agent/Registrar shall cause to be printed, executed and delivered, a new certificate of the same principal amount, maturity and interest rate, as the damaged, mutilated, lost, stolen or destroyed Certificate, in replacement for such Certificate in the manner hereinafter provided.

(b) Application for Replacement Certificates. Application for replacement of damaged, mutilated, lost, stolen or destroyed Certificates shall be made by the registered owner thereof to the Paying

Agent/Registrar. In every case of loss, theft or destruction of a Certificate, the registered owner applying for a replacement certificate shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft or destruction of a Certificate, the registered owner shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft or destruction of such Certificate, as the case may be. In every case of damage or mutilation of a Certificate, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Certificate so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this , in the event any such Certificate shall have matured, and no default has occurred that is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Certificate, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Certificate) instead of issuing a replacement Certificate, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Certificates. Prior to the issuance of any replacement certificate, the Paying Agent/Registrar shall charge the registered owner of such Certificate with all legal, printing, and other expenses in connection therewith. Every replacement certificate issued pursuant to the provisions of this Section by virtue of the fact that any Certificate is lost, stolen or destroyed shall constitute a contractual obligation of the Issuer whether or not the lost, stolen or destroyed Certificate shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Certificates duly issued under this Ordinance.

(e) Authority for Issuing Replacement Certificates. In accordance with Sec. 1206.022, Government Code, this Section 9 of this Ordinance shall constitute authority for the issuance of any such replacement certificate without necessity of further action by the governing body of the Issuer or any other body or person, and the duty of the replacement of such certificates is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Certificates in the form and manner and with the effect, as provided in Section 4(b) of this Ordinance for Certificates issued in conversion and exchange for other Certificates.

Section 8. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE CERTIFICATES.

(a) Covenants. The Issuer covenants to take any action necessary to assure, or refrain from any action that would adversely affect, the treatment of the Certificates as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Certificates (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed by the Certificates (the "Project") are so used, such amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Certificates, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Certificates or the projects financed

therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" that is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount that is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Certificates (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action that would otherwise result in the Certificates being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Certificates being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Certificates, directly or indirectly, to acquire or to replace funds that were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) that produces a materially higher yield over the term of the Certificates, other than investment property acquired with –

(A) proceeds of the Certificates invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 90 days or less until such proceeds are needed for the purpose for which the Certificates or refunding bond are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the rules and regulations of the United States Department of the Treasury ("Treasury Regulations"), and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Certificates;

(7) to otherwise restrict the use of the proceeds of the Certificates or amounts treated as proceeds of the Certificates, as may be necessary, so that the Certificates do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) to refrain from using the proceeds of the Certificates or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Certificates in contravention of the requirements of section 149(d) of the Code (relating to advance refundings);

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Certificates) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Certificates have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code; and

(10) to assure that the proceeds of the Certificates will be used solely for new money projects.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (a)(9), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without limitation the Certificateholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Certificates, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Certificates under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Certificates, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Certificates under section 103 of the Code.

(d) The Issuer hereby authorizes and directs the Mayor, City Manager, Assistant City Manager, and Finance Director to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates.

(e) Allocation Of, and Limitation On, Expenditures for the Project. The Issuer covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Ordinance (the "Project") on its books and records in accordance with the requirements of the Internal Revenue Code. The Issuer recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the Issuer recognizes that in order for proceeds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Certificates, or (2) the date the Certificates are retired. The Issuer agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Certificates. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(f) Disposition of Project. The Issuer covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless any action taken in connection with such disposition will not adversely affect the tax-exempt status of the Certificates. For purpose of the foregoing, the Issuer may rely on an opinion of nationally-recognized bond counsel that the action taken in connection with such sale or other disposition will not adversely affect the tax-exempt status of the Certificates. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(g) Reimbursement. This Ordinance is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

Section 9. SALE OF CERTIFICATES AND APPROVAL OF OFFICIAL STATEMENT; FURTHER PROCEDURES.

(a) The Certificates are hereby sold and shall be delivered to Raymond James & Associates, Inc. (the "Representative"), SAMCO Capital Markets, Inc. and FHN Financial Capital Markets (together with the Representative, the "Underwriters") for the purchase price of \$_____, representing the aggregate principal amount of the Certificates, plus a net reoffering premium of \$_____, and less an underwriters' discount of \$_____, pursuant to the terms and provisions of a Bond Purchase Agreement, in substantially the form presented at this meeting, which the Mayor or Mayor Pro-Tem of the Issuer is hereby authorized to execute and deliver in the name of and on behalf of the Issuer. It is hereby officially found, determined, and declared that the terms and issuance of the Certificates are in the best interests of the Issuer. The Initial Certificates shall be registered in the name of the Representative or its designee.

(b) The Issuer hereby approves the form and content of the Official Statement relating to the Certificates and any addenda, supplement or amendment thereto, and approves the distribution of such Official Statement in the reoffering of the Certificates by the Underwriters in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement, dated as of April 28, 2020, prior to the date hereof is hereby ratified and confirmed.

(c) The Mayor, City Manager, City Clerk and Finance Director, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such documents, certificates and instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Certificates, the sale of the Certificates and the Official Statement. In case any officer whose signature shall appear on any Certificate shall cease to be such officer before the delivery of such Certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 10. CUSTODY, APPROVAL, AND REGISTRATION OF CERTIFICATES; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED; ENGAGEMENT OF BOND COUNSEL.

(a) The Finance Director is hereby authorized to have control of the Initial Certificate and all necessary records and proceedings pertaining to the Certificates pending their delivery and the investigation, examination, and approval by the Attorney General of the State of Texas, and registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Initial Certificate, said Comptroller (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Certificates, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the Issuer's Bond Counsel and the assigned CUSIP numbers may, at the option of the Issuer, be printed on the Certificates issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Certificates. In addition, if bond insurance is obtained, the Certificates may bear an appropriate legend as provided by the insurer.

(b) The obligation of the Initial Purchaser to accept delivery of the Certificates is subject to the Initial Purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond

counsel to the Issuer, which opinion shall be dated as of and delivered on the date of initial delivery of the Certificates to the Initial Purchaser. The engagement letter entered into between the Issuer and said firm, dated as of March 5, 2019 is hereby confirmed and shall apply to the issuance of the Certificates.

Section 11. INVESTMENT AND SECURITY OF FUNDS. (a) Interest earnings derived from the investment of proceeds from the sale of the Certificates shall be used along with other certificate proceeds for the Project; provided that after completion of such purpose, if any of such interest earnings remain on hand, such interest earnings shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any interest earnings on certificate proceeds that are required to be rebated to the United States of America pursuant to Section 10 hereof in order to prevent the Certificates from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

(b) The Issuer may place proceeds of the Certificates (including investment earnings thereon) and amounts deposited into the Interest and Sinking Fund in investments authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended; provided, however, that the Issuer hereby covenants that the proceeds of the sale of the Certificates will be used as soon as practicable for the purposes for which the Certificates are issued.

(c) All deposits authorized or required by this Ordinance shall be secured to the fullest extent required by law for the security of public funds.

Section 12. CONSTRUCTION FUND.

The Issuer hereby creates and establishes and shall maintain on the books of the Issuer a separate fund to be entitled the "Series 2020 Certificate of Obligation Construction Fund" for use by the Issuer for payment of all lawful costs associated with the acquisition and construction of the Project as hereinbefore provided. Upon payment of all such costs, any moneys remaining on deposit in said Fund shall be transferred to the Interest and Sinking Fund and used in the manner described in Section 5 of this Ordinance.

Section 13. COMPLIANCE WITH RULE 15c2-12.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

(b) Annual Reports.

(i) The Issuer shall provide annually to the MSRB, in an electronic format as prescribed by the MSRB, (A) within six months after the end of each fiscal year ending in or after 2020, financial information and operating data with respect to the Issuer of the general type included in the final Official under Tables 1 through 6 and 8 through 15; and (B) within 12 months after the end of each fiscal year ending in or after 2020, audited financial statements, if the Issuer commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the Issuer will provide unaudited financial information of the type in the numbered tables described above by the required time and will provide the Issuer's annual audited financial

statements when and if such audited financial statements become available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in Appendix B to the Official Statement or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation.

(ii) If the Issuer changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document that is available to the public on the MSRB's internet website or filed with the SEC. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(c) Event Notices.

(i) The Issuer shall notify the MSRB in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Certificates, if such event is material within the meaning of the federal securities laws:

1. Non-payment related defaults;
2. Modifications to rights of Certificateholders;
3. Certificate calls;
4. Release, substitution, or sale of property securing repayment of the Certificates;
5. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
6. Appointment of a successor or additional trustee or the change of name of a trustee; and
7. Incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material.

(ii) The Issuer shall notify the MSRB in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Certificates, without regard to whether such event is considered material within the meaning of the federal securities laws:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;

3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
6. Tender offers;
7. Defeasances;
8. Rating changes;
9. Bankruptcy, insolvency, receivership or similar event of an obligated person; and
10. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

For the purposes of the above describe event notices, the term “financial obligation” means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) a guarantee of (i) or (ii); provided however, that a “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

(iii) The Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such subsection.

(d) Limitations, Disclaimers, and Amendments.

(i) The Issuer shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Issuer remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the Issuer in any event will give notice of any deposit made in accordance with this Ordinance or applicable law that causes Certificates no longer to be outstanding.

(ii) The provisions of this Section are for the sole benefit of the registered owners and beneficial owners of the Certificates, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

(iii) UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(iv) No default by the Issuer in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Issuer under federal and state securities laws.

(v) Should the Rule be amended to obligate the Issuer to make filings with or provide notices to entities other than the MSRB, the Issuer hereby agrees to undertake such obligation with respect to the Certificates in accordance with the Rule as amended. The provisions of this Section may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the registered owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Certificates consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the registered owners and beneficial owners of the Certificates. The Issuer may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates. If the Issuer so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided.

Section 14. METHOD OF AMENDMENT. The Issuer hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

(a) The Issuer may from time to time, without the consent of any holder, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance in order to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the holders, (ii) grant additional rights or security for the benefit of the holders, (iii) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the holders, (iv) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, or (v) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be inconsistent with the provisions of this Ordinance and that shall not in the opinion of the Issuer's Bond Counsel materially adversely affect the interests of the holders.

(b) Except as provided in paragraph (a) above, the holders of Certificates aggregating in principal amount 51% of the aggregate principal amount of then outstanding Certificates that are the subject of a proposed amendment shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the Issuer; provided, however, that without the consent of 100% of the holders in aggregate principal amount of the then outstanding Certificates, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Certificates so as to:

- (1) Make any change in the maturity of any of the outstanding Certificates;
- (2) Reduce the rate of interest borne by any of the outstanding Certificates;
- (3) Reduce the amount of the principal of, or redemption premium, if any, payable on any outstanding Certificates;
- (4) Modify the terms of payment of principal or of interest or redemption premium on outstanding Certificates or any of them or impose any condition with respect to such payment; or
- (5) Change the minimum percentage of the principal amount of any series of Certificates necessary for consent to such amendment.

(c) If at any time the Issuer shall desire to amend this Ordinance under this Section, the Issuer shall send by U.S. mail to each registered owner of the affected Certificates a copy of the proposed amendment and cause notice of the proposed amendment to be published at least once in a financial publication published in The City of New York, New York or in the State of Texas. Such published notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the office of the Issuer for inspection by all holders of such Certificates.

(d) Whenever at any time within one year from the date of publication of such notice the Issuer shall receive an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of all of the Certificates then outstanding that are required for the amendment, which instrument or instruments shall refer to the proposed amendment and that shall specifically consent to and approve such amendment, the Issuer may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the Issuer and all holders of such affected Certificates shall thereafter be determined, exercised, and enforced, subject in all respects to such amendment.

(f) Any consent given by the holder of a Certificate pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the publication of the notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Certificate during such period. Such consent may be revoked at any time after six months from the date of the publication of said notice by the holder who gave such consent, or by a successor in title, by filing notice with the Issuer, but such revocation shall not be effective if the holders of 51% in aggregate principal amount of the affected Certificates then outstanding, have, prior to the attempted revocation, consented to and approved the amendment.

(g) For the purposes of establishing ownership of the Certificates, the Issuer shall rely solely upon the registration of the ownership of such Certificates on the registration books kept by the Paying Agent/Registrar.

Section 15. DEFAULT AND REMEDIES

(a) Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Certificates when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the Issuer, the failure to perform which materially, adversely affects the rights of the registered owners of the Certificates, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the Issuer.

(b) Remedies for Default.

(i) Upon the happening of any Event of Default, then and in every case, any Registered Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the Issuer for the purpose of protecting and enforcing the rights of the Registered Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners hereunder or any combination of such remedies.

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Registered Owners of Certificates then outstanding.

(c) Remedies Not Exclusive.

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Certificates or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Certificates shall not be available as a remedy under this Ordinance.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Certificate authorized under this Ordinance, such Registered Owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers or employees of the Issuer or the City Council.

Section 16. APPROPRIATION. To pay the debt service coming due on the Certificates, if any, prior to receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

Section 17. EFFECTIVE DATE. In accordance with the provisions of V.T.C.A., Government Code, Section 1201.028, this Ordinance shall be effective immediately upon its adoption by the City Council.

Section 18. SEVERABILITY. If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any persons or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portion of this Ordinance, despite such invalidity, which remaining portions shall remain in full force and effect.

(Execution Page Follows)

APPROVED AND ADOPTED ON THE 5TH DAY OF MAY, 2020.

THE CITY OF SAN ANGELO, TEXAS

Brenda Gunter, Mayor

Attest:

Julie Antilley, City Clerk

Approved As to Form:

Approved As to Content:

Rodolfo Segura Jr
McCall, Parkhurst & Horton L.L.P.

Tina Dierschke, Finance Director
City of San Angelo, Texas

[CITY SEAL]

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Kimberly Holle, Budget Manager, Budget, 325-657-4211

Meeting Date: May 5, 2020

Item type: Regular Item

Caption:

Second reading and public hearing of an ordinance amending the budget for the fiscal year beginning October 1, 2019, and ending September 30, 2020 for grants, capital items and projects (Presentation made by Finance Director Tina Dierschke)

Summary/History:

This proposed amendment contains the following items (additional information attached):

- Historic downtown district Grant
- Emergency Management Rehab Trailer Grant
- TIRZ Awards
- Texas Bank Sports Complex Equipment replacement
- COVID-19 Relief funds
- City Hall Waterproofing

The following two items are new and can be approved in one reading under the emergency declaration:

- Airport COVID-19 Relief funds
- COVID-19 Relief funds for supplies

Financial Impact:

See Exhibit A of the ordinance.

Other Information/Recommendation:

Staff recommends approval.

Attachments:

- | | |
|----------------------------------|--------------------------------------|
| 1. BA Memo - ALL | BA Memo - ALL.pdf |
| 2. Ordinance 04.21.20 | Ordinance 04.21.20 2.docx |
| 3. Budget Amendment Presentation | 04.21.20 FIN Budget Amendment 2.pptx |

Presentation:

Tina Dierschke

Approvals/Reviews:

Kimberly Holle	Created/Initiated
Tina Dierschke	Approved
Theresa James	Approved
Julia Antilley	Final Approval

Memo

To: Tina Dierschke, Finance Director

From: Jeremy Valgardson, Airport Director

Date: 05/05/20

Re: Budget Amendment Request

Purpose of Budget Amendment Request:

To receive CARES Act money from the FAA for any expenses that airport revenue can be used for.

Source of Funding:

FAA CARES Act.

Funding previously approved? If so, by City Manager or City Council and when?

No. Grant application submitted 4/27/2020

Project/Budget to be amended	Current Budget	Proposed Change	Proposed Revised Budget
Grant Revenue	0	1,227,539	1,227,539
Grant Expense	0	1,227,539	1,227,539
			0
			0
			0
			0

Additional Comments:

There is no local match required.

Memo

To: Tina Dierschke, Finance Director

From: Brandon Sanders, Internal Auditor

Date: 05/05/20

Re: Budget Amendment Request

Purpose of Budget Amendment Request:

Budget for grant funding for supplies related to the COVID-19 pandemic

Source of Funding:

U.S Office of Justice

Funding previously approved? If so, by City Manager or City Council and when?

Project/Budget to be amended	Current Budget	Proposed Change	Proposed Revised Budget
Grant Revenue	0	78,915	78,915
Grant Expense	0	78,915	78,915
			0
			0
			0
			0

Additional Comments:

Memo

To: Tina Dierschke, Finance Director
From: Jon James, Planning & Dev. Services Director
Date: 04/21/20
Re: Budget Amendment Request

Purpose of Budget Amendment Request:

Budget for grant funds that will be used to develop a historic downtown district that can be converted to possible National Registered District.

Source of Funding:

Texas Historical Commission Grant and Intergovernmental Fund Balance

Funding previously approved? If so, by City Manager or City Council and when?

On October 15, 2019, City Council adopted a resolution authorizing staff to apply and accept a Texas Historical Commission Certified Local Government Grant.

Project/Budget to be amended	Current Budget	Proposed Change	Proposed Revised Budget
Revenue:			0
Historical Commission Grant	0	17,500	17,500
Local Match	0	17,500	17,500
			0
Expense:			0
Historic downtown district projects	0	35,000	35,000

Additional Comments:

Memo

To: Tina Dierschke, Finance Director

From: Johnny Fisher, Assistant Fire Chief

Date: 04/21/20

Re: Budget Amendment Request

Purpose of Budget Amendment Request:

Budget for grant funds to purchase an Emergency Management Rehab Trailer, rehab kit and 3000 watt generator

Source of Funding:

Homeland Security Grant Program

Funding previously approved? If so, by City Manager or City Council and when?

February 19, 2019

Project/Budget to be amended	Current Budget	Proposed Change	Proposed Revised Budget
Grant Revenue	0	38,750	38,750
Grant Expense	0	38,750	38,750
			0
			0
			0
			0

Additional Comments:

Memo

To: Tina Dierschke, Finance Director
From: Jon James, Planning & Dev. Services Director
Date: 04/21/20
Re: Budget Amendment Request

Purpose of Budget Amendment Request:

Budget for additional funds needed to cover TIRZ Awards (January 2020 TIRZ Board Meeting)

Source of Funding:

TIRZ South Fund balance

Funding previously approved? If so, by City Manager or City Council and when?

Yes , February 18, 2020

Project/Budget to be amended	Current Budget	Proposed Change	Proposed Revised Budget
			0
TIRZ Awards	385,011	25,365	410,376
			0
			0
			0
			0

Additional Comments:

Movements of funds to cover award amounts totaling \$172,583.00

Memo

To: Tina Dierschke, Finance Director
From: Carl White, Director of Parks and Recreation
Date: 04/21/20
Re: Budget Amendment Request

Purpose of Budget Amendment Request:

Provide funding for equipment replacement, maintenance related items, equipment protection, safety related equipment and tournament support.

Source of Funding:

Texas Bank Sports Complex fund balance

Funding previously approved? If so, by City Manager or City Council and when?

Yes, by City Council at the March 3, 2020 meeting.

Project/Budget to be amended	Current Budget	Proposed Change	Proposed Revised Budget
Project funds	31,168	476,100	507,268
			0
			0
			0
			0

Additional Comments:

Memo

To: Tina Dierschke, Finance Director

From: Bob Salas, Director of NFS

Date: 04/21/20

Re: Budget Amendment Request

Purpose of Budget Amendment Request:

Budget for relief funds related to COVID-19 for rental assistance to low/moderate income citizens and other items as the situation evolves.

Source of Funding:

Coronavirus Aid, Relief, and Economic Security (CARES) Act funds from the U.S. Department of Housing and Urban Development (HUD)

Funding previously approved? If so, by City Manager or City Council and when?

No

Project/Budget to be amended	Current Budget	Proposed Change	Proposed Revised Budget
Grant Revenue	0	388,646	388,646
Grant Expense	0	388,646	388,646
			0
			0
			0
			0

Additional Comments:

Staff is awaiting detailed guidance from HUD before an expenditure proposal is created to ensure we meet the intent of the funding. This proposal will be brought back to City Council for approval.

Memo

To: Tina Dierschke, Finance Director
From: Ron Lewis, Construction & Facilities Manager
Date: 04/21/20
Re: Budget Amendment Request

Purpose of Budget Amendment Request:

Provide funding for completion of the initial discovery phase of the City Hall Wall Waterproofing Project. (West Tower - North West Corner)

Source of Funding:

General Fund Capital Projects Fund Balance

Funding previously approved? If so, by City Manager or City Council and when?

No

Project/Budget to be amended	Current Budget	Proposed Change	Proposed Revised Budget
City Hall Waterproofing	30,997	70,000	100,997
			0
			0
			0
			0
			0

Additional Comments:

**AN ORDINANCE OF THE CITY OF SAN ANGELO AMENDING
THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER
1, 2019, AND ENDING SEPTEMBER 30, 2020, FOR GRANTS,
CAPITAL ITEMS AND PROJECTS.**

WHEREAS the City of San Angelo has determined that certain budgeted amounts should be amended due to project changes and unforeseen circumstances, and

WHEREAS the resources necessary for these changes are available;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANGELO, TEXAS THAT:

The City's budget for fiscal year 2019-2020 be amended by the amounts contained in Exhibit A.

INTRODUCED on the 21st day of April, 2020, and APPROVED and ADOPTED on this 5th day of May.

ATTEST:

CITY OF SAN ANGELO, TEXAS:

Julia Antilley, City Clerk

Brenda Gunter, Mayor

APPROVED AS TO CONTENT:

APPROVED AS TO FORM:

Tina Dierschke, Finance Director

Theresa James, City Attorney

City of San Angelo
Proposed Budget Amendment
Exhibit A

Fund	Total Revenue Amendment		Total Expense Amendment		Net Benefit/(Cost)
Intergovernmental	\$	1,362,704.00	\$	1,380,204.00	\$ (17,500.00)
TIRZ	\$	-	\$	25,365.00	\$ (25,365.00)
Texas Bank Sports Complex	\$	-	\$	476,100.00	\$ (476,100.00)
HOME	\$	388,646.00	\$	388,646.00	\$ -
General Fund Capital Improvements Fund	\$	-	\$	70,000.00	\$ (70,000.00)
Airport Grant Fund	\$	1,227,539.00	\$	1,227,539.00	\$ -
	\$	1,751,350.00	\$	2,340,315.00	\$ (588,965.00)

City of San Angelo
Proposed Budget Amendment
Additional Information

Project/Need	Source of Funding	Revenue		Expense	Net Benefit/(Cost)
Historic downtown district	Texas Historical Grant and Intergovernmental Fund Balance	\$	17,500.00	\$ 35,000.00	\$ (17,500.00)
Emergency Management Rehab Trailer	Homeland Security Grant Program	\$	38,750.00	\$ 38,750.00	\$ -
TIRZ Awards	TIRZ South Fund Balance	\$	-	\$ 25,365.00	\$ (25,365.00)
Equipment replacement	Texas Bank Sports Complex Fund Balance	\$	-	\$ 476,100.00	\$ (476,100.00)
COVID-19 Relief funds	Federal CARES Act funds from HUD	\$	388,646.00	\$ 388,646.00	\$ -
City Hall Waterproofing	General Fund Capital Improvements Fund Balance	\$	-	\$ 70,000.00	\$ (70,000.00)
COVID-19 Relief funds	Federal CARES Act funds from FAA	\$	1,227,539.00	\$ 1,227,539.00	\$ -
COVID-19 Relief funds	US Office of Justice Grant	\$	78,915.00	\$ 78,915.00	\$ -
		\$	1,751,350.00	\$2,340,315.00	\$ (588,965.00)



City Council

May 5, 2020



Budget Amendment

Airport Grants Fund	Revenue	Expense
FAA CARES Funds	\$1,227,539	
COVID-19 Relief Expense		\$1,227,539



Budget Amendment

Intergovernmental Fund	Revenue	Expense
Justice Grant Funds	\$78,915	
COVID-19 Relief Expense		\$78,915



Budget Amendment

Intergovernmental Fund	Revenue	Expense
Historical Commission Grant Revenue	\$17,500	
Historic Downtown District projects		\$35,000

* 50% Local Match funded through Intergovernmental fund balance



Budget Amendment

Intergovernmental Fund	Revenue	Expense
Homeland Security Grant Revenue	\$38,750	
Emergency Management Rehab Trailer		\$38,750



Budget Amendment

TIRZ Fund	Revenue	Expense
Project Expense		\$25,365



Budget Amendment

Texas Bank Sports Complex Fund

Revenue

Expense

Project Expense

\$476,100



Budget Amendment

HOME Fund - COVID-19	Revenue	Expense
CARES Act Grant Revenue	\$388,646	
COVID-19 Relief Expense		\$388,646



Budget Amendment

General Capital Projects Fund

Revenue

Expense

City Hall Waterproofing

\$70,000





City Council

May 5, 2020

