



City Council Agenda 5/3/2022

Notice is hereby given of a regular meeting of the City Council of City of San Angelo to be held May 3, 2022 at 8:30 AM at the McNease Convention Center – South Meeting Room, 501 Rio Concho Drive, San Angelo, Texas, for the purpose of considering the following agenda items.

1. Call to Order

2. Chaplain Prayer & Pledges

3. Proclamations/Recognitions

- a. Recognition of May 6, 2022 as SAISD Difference Maker Day
- b. Proclamation of May 2022 as Motorcycle Safety Awareness Month
- c. Proclamation of May 2022 as Historic Preservation Month

4. Public Comment

Issues or concerns not on the Regular Agenda may be raised by the public at this time. Citizens should speak from the podium, address all comments to the dais, begin by stating their name and address or Single Member District number, and limit their remarks to less than three minutes.

5. Consent Agenda

- a. Consider approving the April 18, 2022 special meeting minutes (Julia Antilley)
- b. Consider authorizing the purchase of Hot-Applied Crack Seal Material from Crafcro, Inc. via Sourcewell Contract #080521-CFC in the amount of \$200,000, budgeted per fiscal year, and authorizing the City Manager to execute all related documents (Patrick Frerich)
- c. Consider a resolution authorizing the removal of the "Ran" sculpture at Civic League Park (Carl White)
- d. Consider a resolution authorizing the Solid Waste Department to provide funding to Keep San Angelo Beautiful in the amount of \$50,000 for a hazardous household waste collection event (Jeremy Miller)
- e. Consider ratifying an agreement between the City of San Angelo Development Corporation and Taurus Technologies, Inc. in the amount of \$48,200 via TIPS Contract # 210101 for technology upgrades in the Business Resource Center Training Room and Conference Room, and authorizing the Board President or their designee to execute all related documents (Guy Andrews)
- f. Consider accepting an annexation petition for 37.98 acres of land, being 36.60 acres and a 1.38-acre access easement, in the M. Mayer Survey No. 169, Abstract No. 1647, and part of Block 9, Upton and Collins Subdivision, Tom Green County, Texas, located southeast of Country Club Rd. and S. Ratliff Rd., and setting a public hearing on the annexation for the June 7, 2022 City Council meeting (Jon James)

- g. Consider abandoning, vacating, and releasing a 3,990-sq ft portion of a 20-ft wide utility easement in order to relocate a fire hydrant, located northeast of Pulliam St. and Smith Blvd., within Tract 4 of Block 1 of the Anne Gregory Addition, Section 2; and authorizing the City Manager to execute a release of easement for recording with the County Clerk and other related documents (Jon James)

6. 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 exempt from the time limit above and instead must limit their remarks to less than five minutes.

- a. Consider accepting the City's fiscal year 2021 Annual Comprehensive Financial Report and Single Audit (Presentation made by Armstrong, Backus & Company, LLC Partner Gayla Thornton)
- b. San Angelo Chamber of Commerce Economic Development - 2021 Report (Presentation made by Chamber Vice President of Economic Development Michael Looney)
- c. Discussion and consideration of the following items related to the Property Casualty Fund:
 - 1. Discussion on the impact of the Recent Claims History and the related increase in the premium contribution to the Texas Municipal League Intergovernmental Risk Pool
 - 2. First public hearing and introduction of an ordinance amending the budget for fiscal year October 1, 2021 and ending September 30, 2022 for a one-time transfer of \$480,000 from the Worker's Compensation Fund to the Property Casualty Fund (Presentation made by Risk Manager Charles Hagen)
- d. First reading and public hearing of an ordinance readopting Chapter 8 "Offenses and Nuisances," Article 8.07 "Minors," Division 2 "Curfew" of the Code of Ordinances of the City of San Angelo (Presentation made by Assistant Police Chief Tracy Fincher)
- e. First reading and public hearing of an ordinance amending Chapter 2 "Administration and Personnel," Article 2.07 "Boards, Committees, and Commissions," regarding:
 - 1. Section 2.07.001 "Organization and Procedure" clarifying the Conflict of Interest provision
 - 2. Section 2.07.061 "Creation; members" clarifying the recent change to dividing the River Corridor into three areas (Presentation made by City Clerk Julia Antilley)

7. 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. Section 551.072 - Deliberations about real property regarding 316.879 acres, Sarah R. Robertson S-0178, A-8474

8. Follow Up and Administrative Issues

- a. Consider items discussed in Executive Session, if needed
- b. Consider approving various Board nominations:
Public Housing Authority: Troyce Wilcox to a sixth term, Monette Molinar and Becky Frazier both to a fourth term, all ending April 2024
- c. Announcements and consideration of Future Agenda Items

9. Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board at City Hall in the City of San Angelo, Texas, on the 27th day of April 2022, at 5:12 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.

Recognition

San Angelo Independent School District educators and staff impact the future of San Angelo daily – through their care for, and dedication and commitment to, the children of our city.

Their impact happens from the moment a child steps on a bus, walks through the school door, is fed a nourishing breakfast, and throughout the day until the last bell, and beyond. Educators and the entire SAISD team make a difference in each child's life, and with nearly 14,000 students, this is an incredible impact on our community.

Today we acknowledge the special commitment our SAISD educators and staff have on the well-being of our children. They provide a relevant and inspiring education, preparing future-ready graduates. These graduates may one day care for your loved ones as a nurse or doctor at a local hospital, address cybersecurity threats that impact our community, create beautiful artwork or music for others to enjoy, or go on to teach the next generation of San Angeloans.

At SAISD they often say, "Our people make the difference," and today we honor the San Angelo Difference Makers, those who inspire and prepare our students and support their hopes and dreams.

Therefore, I, Brenda Gunter, Mayor of the City of San Angelo, Texas, on behalf of the City Council, and together with San Angelo Independent School District, do hereby recognize May 6, 2022 as

"SAISD DIFFERENCE MAKER DAY"

and thank all SAISD educators and staff for their dedicated service to our students and families and urge all citizens to acknowledge the occasion of this day.

In Witness Whereof, I have hereunto set my hand and have caused the Official Seal of the City of San Angelo to be affixed this 3rd day of May 2022.

Brenda Gunter
Mayor of the City of San Angelo

Proclamation

Poderosas MC, as members of the Region 5 Texas Council of Clubs and Independents, in collaboration and support of the National Safety Council, TXDOT, and local Motorcycle enthusiasts, would like to remind all road users that the month of May marks a National recognition of Motorcycle Safety Awareness Month.

Motorists are reminded of the frequency in higher seasonal return of motorcycle enthusiasts to Texas' roadways during this month.

Due to their smaller size, motorcycles may easily be overlooked in regular traffic flow. Motorists are encouraged to always be aware of motorcycles on all roadways, when approaching intersections, when performing lane changes, as well as whenever motorists near or pass other vehicles, including motorcycles.

Motorcyclists are encouraged to operate their motorcycles in a defensive manner and within the rules of the road. Motorcyclists ask that as motorists drive, they take a few extra seconds to Look Twice for Motorcycles, both during Motorcycle Safety Awareness Month and throughout the year to promote overall safety.

Therefore, I, Brenda Gunter, Mayor of the City of San Angelo, Texas, on behalf of the City Council, do hereby proclaim May as

"MOTORCYCLE SAFETY AWARENESS MONTH"

in San Angelo, Texas, and encourage everyone to share the road safely.

In Witness Whereof, I have hereunto set my hand and have caused the Official Seal of the City of San Angelo to be affixed this 3rd day of May 2022.

Brenda Gunter

Mayor of the City of San Angelo

Proclamation

The month of May is nationally recognized as Historic Preservation Month. The National Trust for Historic Preservation established the theme “People Saving Places” for this year's campaign. National and Local Preservation Groups, State Historical Societies, and business and civic organizations across the country come together to celebrate Historic Preservation Month to demonstrate all the social and economic benefits of historic preservation.

Downtown San Angelo Inc. has made it their mission to promote the preservation of our past. The very past that shows our city's sense of brilliance and creativity. Downtown San Angelo consists of 51 properties containing historical attributes and significant architectural design. These structures are connections to our past reminding us of our great city's ingenuity and progression towards our future.

This month is of great importance as we thank our local historic preservation groups and the passionate individuals who have saved and protected our city's notable history.

Therefore, I, Brenda Gunter, Mayor of the City of San Angelo, Texas, on behalf of the City Council do hereby proclaim May 2022 as

NATIONAL HISTORIC PRESERVATION MONTH

in San Angelo, Texas, and call upon citizens to support the continued efforts of preservation in our community.

In Witness Whereof, I have hereunto set my hand and have caused the Official Seal of the City of San Angelo to be affixed this 3rd day of May 2022.

Brenda Gunter
Mayor of San Angelo, Texas

City of San Angelo, Texas
Special City Council Meeting
Monday, April 18, 2022

Present:

Mayor Brenda Gunter
Mayor Pro tem Tom Thompson, SMD 2
Council Member Tommy Hiebert, SMD 1
Council Member Harry Thomas, SMD 3
Council Member Lucy Gonzalez, SMD 4
Council Member Karen Hesse Smith, SMD 5
Council Member Larry Miller, SMD 6

1. Call to Order

With a quorum of the City Council Members present, Mayor Gunter called the special session of the San Angelo City Council to order at 8:30 a.m. on Monday, April 18, 2022, at the San Angelo McNease Convention Center, 501 Rio Concho Drive, San Angelo, Texas 76903.

2. Chaplain Prayer & Pledges

An invocation was provided, and pledges were led by, San Angelo Police Department Chaplain Ralph Dawkins.

3. Proclamations/Recognitions

April 30, 2022 was proclaimed as Beta Sigma Phi Day.

April 2022 was proclaimed as Sexual Assault Awareness Month.

April 2022 was proclaimed as World Autism Acceptance Month.

4. Public Comment

Bobby Eggemeyer (SMD1) provided an update on the old Vogel Blacksmith shop/Public Museum on Bart DeWitt Park in downtown and stated their display items have been removed as requested by the City.

5. Consent Agenda

- a. Approval of the April 5, 2022 City Council regular meeting minutes (Julia Antilley)
- b. Award of WU-10-22 Liquid Sodium Hypochlorite for treatment purposes at the Water Reclamation Facility to DPC Industries (Sweetwater, TX) in the amount of \$117,600, budgeted for one year with an additional one-year term extension, budgeted for purchase in all applicable fiscal years and authorizing the City Manager to negotiate and execute all related documents (Allison Strube)
- c. Adoption of a resolution of the City of San Angelo, Texas finding that AEP Texas Inc.'s application to amend its distribution cost recovery factors to increase distribution rates within the City should be denied; authorizing participation with the cities served by AEP Texas; authorizing hiring of legal counsel; finding that the City's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel (Brandon Dyson) (Pg. 110, 2022-028)
- d. Adoption of a resolution authorizing a special event known as "Wake the Desert 2022" and approving variances to City ordinances at Middle Concho Park for July 13-18, 2022 (Carl White) (Pg. 112, 2022-029)

- e. Adoption of a resolution approving non-monetary in-kind support for the Ballet San Angelo "Sharing Dance Day" event for three years, to be held in June in front of City Hall (Carl White) (Pg. 117, 2022-030)
- f. Ratification of the use of Sales and Use Tax Funds for the 2022 Business Plan Competition in the total amount of \$80,000 as authorized under Texas Local Government Code Ch. 505, which includes \$70,000 for competition prizes, \$5,000 for competition operating expenses, and \$5,000 for marketing expenses; and in conjunction with this approval, approving an advertising services agreement by and between the City of San Angelo Development Corporation and McLaughlin Advertising in the amount of \$5,000 for marketing and promotion of the 2022 Business Plan Competition and authorizing the Board President or their designee to negotiate and execute all related documents (Guy Andrews)
- g. Second reading and adoption of an ordinance approving Standards of Care for Recreation Summer Camp held at Recreation Centers for ages 5 through 13 (Brent Casey) (Pg. 118, 2022-031)
- h. Second reading and adoption of an ordinance for Z22-04 to rezone a property from the Single-Family Residential zoning district to the Neighborhood Commercial zoning district; being 0.149 acres, located at 430 W. Ave. X (Jon James) (Pg. 127, 2022-032)
- i. Second reading and adoption of ordinances on the following cases for property, being 0.436 acres located on the west side of S. Bell St. between Culberson St. and Bryan St.:
 - 1. CP22-01, a request for approval of an amendment to the Comprehensive Plan, changing the Future Land Use from Neighborhood to Commercial (Pg. 130, 2022-033)
 - 2. Z22-05, a request for approval of a rezoning from the Single-Family Residential to the General Commercial zoning district (Jon James) (Pg. 133, 2022-034)
- j. Second reading and adoption of an ordinance for Z22-06, a request for approval of a rezoning from the Single-Family Residential zoning district to the Low Rise Multifamily Residential zoning district, being 0.328 acres, located at 1740 La Follette St. (Jon James) (Pg. 136, 2022-035)

Motion: Council Member Hesse Smith made a motion, seconded by Council Member Gonzales, to approve the Consent Agenda, as presented. The motion carried unanimously (7) ayes to (0) nays, with no public comment.

6. Regular Agenda

- a. Presentation of the 2021 City of San Angelo Development Corporation Annual Report (Presentation made by Economic Development Administrator Nolan Sosa and Economic Development Director Guy Andrews)

No Action Taken on this Item.

- b. Award of BuyBoard Contract #613-20, Municipal Pool Filtration System Replacement, to Progressive Commercial Aquatics, Inc., in the amount of \$262,045, utilizing the General Fund balance, and authorizing the City Manager to negotiate and execute all related documents (Presentation made by Recreation Manager Brent Casey)

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, with no public comment.

7. 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. Section 551.072 - Deliberations about real property regarding 17.583 acres, Lot 9D, Blk. 2, Sec. 9A Red Arroyo Hills Addition

8. Follow Up and Administrative Issues

- a. Consideration of items discussed in Closed Session, if needed

Motion: Council Member Thompson made a motion, seconded by Council Member Gonzales, to authorize the sale of 17.581 acres known as Lot 9D, Block 2, Section 9A Red Arroyo Hills Addition for \$1,000,000 to E&B Bryant Properties, LLC and authorizing the City Manager to negotiate and execute all necessary documents. The motion carried unanimously (7) ayes to (0) nays, with no public comment.

- b. Approval of various Board nominations:

Animal Shelter Advisory Committee: Chris Carpenter (SMD3) to a first term

Construction Board of Adjustment & Appeals: Michael Spencer (SMD1) to a first term ending February 2024

Public Art Commission: Ryan Dalgliesh (SMD2) and Suzanna Valenzuela (SMD3) both to a third term ending April 2024

Motion: Council Member Hesse Smith made a motion, seconded by Council Member Gonzales, to approve the item, as presented. The motion carried unanimously (7) ayes to (0) nays, with no public comment.

- c. Announcements and consideration of Future Agenda Items:

No Action Taken on this Item.

9. 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 9:53 a.m.

THE CITY OF SAN ANGELO, TEXAS:

ATTEST:

Brenda Gunter, Mayor

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.)

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Patrick Frerich, Asst. Director of Operations, Street and Bridge, (325) 657-4206

Meeting Date: May 3, 2022

Item type: Consent Item

Caption:

Consider authorizing the purchase of Hot-Applied Crack Seal Material from CrafcO, Inc. via Sourcewell Contract #080521-CFC in the amount of \$200,000, budgeted per fiscal year, and authorizing the City Manager to execute all related documents (Patrick Frerich)

Staff Recommendation:

Accept

Summary/History:

The City of San Angelo solicited quotes for the purchase of Polyflex Type 3 Hot-Applied Crack Sealant from CrafcO, Inc. via Sourcewell cooperative purchasing.

Crack sealant is used to seal cracks in the asphalt roadway as a preventative maintenance procedure. This application is primarily used ahead of, and in preparation for, the sealcoating and other street preservation procedures.

Quotes were solicited for an annual purchase of approximately 360,000 pounds of material. Authorization will allow for a purchase contract through the end of CrafcO, Inc. Sourcewell contract (October 11, 2025). The City's contract will automatically renew annually for no more than three (3) one-year extensions.

Funding Source(s):

Fund:	Account:	Project Number:	Amount Budgeted:
101-3200	101-3200-432-0435	NA	\$200,000.00

Financial Impact:

Purchases of Polyflex Type 3 Hot Applied Crack Sealant are budgeted annually at \$200,000 from the Street and Bridge operating expense budget.

Other Information/Recommendation:

Staff recommends authorizing the purchase of Hot-Applied Crack Seal Material from CrafcO, Inc. via Sourcewell Contract #080521-CFC in the amount of \$200,000 per fiscal year with the option of no more than three (3) one-year extensions as CrafcO, Inc.'s Sourcewell contract extends, respectively.

Attachments:

1. Craftco Sourcewell Contract
2. Craftco Material and Unit Price Quote

Craftco Sourcewell Contract.pdf
Craftco Material and Unit Price Quote.pdf

Presentation:

Patrick Frerich

Approvals/Reviews:

Patrick Frerich
Patrick Frerich
Shane Kelton
Theresa James
Jeffrey Tomlinson
Tina Dierschke
Julia Antilley

Created/Initiated
Approved
Approved
Approved
Approved
Approved
Final Approval



Crafco

Roadway Maintenance Equipment

#080521-CFC

Maturity Date: 10/11/2025

Products & Services



Products & Services

Sourcewell contract 080521-CFC gives access to the following types of goods and services:

- Pavement & asphalt maintenance
- Seal coat applicators
- Melters & applicators
- Asphalt recyclers
- Crack preparation equipment
- Hot boxes
- Crack & joint sealants
- Disinfectant sprayers
- Patchers
- Pavement marking & grinding

Locate your local USA dealer or representative [↗](#)

(nongovernment site)

Locate your local international dealer or representative [↗](#)

(nongovernment site)

Additional information can be found on the vendor-provided, nongovernment website at: crafco.com/how-to-purchase/buying-partners 

Become a Member

Simply complete the online application or contact the Client Development team at service@sourcewell-mn.gov or 877-585-9706.

Search Vendors & Contracts

[General Contracts](#)

[ezlQC Contracts](#)

Sourcewell's website may contain links to nongovernment websites being provided as a convenience and for informational purposes only. Sourcewell neither endorses nor guarantees, in any way, the external organization's services, advice, or products included in these website links. Sourcewell bears no responsibility for the accuracy, legality, or timeliness of any content on the external site or for that of subsequent links. All questions related to content on external sites should be addressed directly to the host of that particular website.



[Learn More About Sourcewell](#) [Contact Us](#) [Help](#) [Feedback](#)



[Sourcewell for Vendors](#) →

[Terms & Conditions](#)

[Privacy Policy](#)

[Sitemap](#)

[Accessibility](#)

© 2022 Sourcewell. All rights reserved.

**Crafco**

Roadway Maintenance Equipment

#080521-CFC

Maturity Date: 10/11/2025

Products & Services**Products & Services**

Sourcewell contract 080521-CFC gives access to the following types of goods and services:

- Pavement & asphalt maintenance
- Seal coat applicators
- Melters & applicators
- Asphalt recyclers
- Crack preparation equipment
- Hot boxes
- Crack & joint sealants
- Disinfectant sprayers
- Patchers
- Pavement marking & grinding

Locate your local USA dealer or representative [🔗](#)

(nongovernment site)

Locate your local international dealer or representative [🔗](#)

(nongovernment site)

Additional information can be found on the vendor-provided, nongovernment website at:
crafc.com/how-to-purchase/buying-partners 

Become a Member

Simply complete the online application or contact the Client Development team at service@sourcewell-mn.gov or 877-585-9706.

Search Vendors & Contracts

General Contracts

ezIQC Contracts

Sourcewell's website may contain links to nongovernment websites being provided as a convenience and for informational purposes only. Sourcewell neither endorses nor guarantees, in any way, the external organization's services, advice, or products included in these website links. Sourcewell bears no responsibility for the accuracy, legality, or timeliness of any content on the external site or for that of subsequent links. All questions related to content on external sites should be addressed directly to the host of that particular website.



[Sourcewell for Vendors](#) →

[Terms & Conditions](#)

[Sitemap](#)

[Privacy Policy](#)

[Accessibility](#)



Solicitation Number: RFP #080521

CONTRACT

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Crafcu Inc., 6165 W. Detroit St., Chandler, AZ 85226 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Roadway Maintenance Equipment from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires October 11, 2025, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable

time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcwell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcwell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcwell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcwell Price and Product Change Request Form to the assigned Sourcwell Supplier Development Administrator. This approved form is available from the assigned Sourcwell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcwell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and

- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcwell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. **PARTICIPATION.** Sourcwell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcwell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcwell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcwell. Sourcwell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. **PUBLIC FACILITIES.** Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. **ORDERS AND PAYMENT.** To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcwell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcwell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity

payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be negotiated directly between the Participating Entity and the Supplier. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. **TERMINATION OF ORDERS.** Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and

- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be

mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:

- a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
- b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.

2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in

advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. Use; Quality Control.

- a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
- b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. As applicable, Supplier agrees to indemnify and hold harmless Sourcewell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Participating Entities by any person on account of the use of any Equipment or Products by Sourcewell or its Participating Entities supplied by Supplier in violation of applicable patent or copyright laws.

5. *Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Network Security and Privacy Liability Insurance.* During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is

primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names

of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation

and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier not use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by an Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

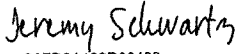
S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

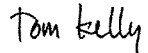
22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

DocuSigned by:

By: C0FD2A139D06489...
Jeremy Schwartz
Title: Chief Procurement Officer
Date: 10/5/2021 | 8:30 PM CDT

Crafco Inc.

DocuSigned by:

By: 8F822047DF4445B...
N. Thomas Kelly
Title: Vice President Sales and Marketing
Date: 10/5/2021 | 1:20 PM PDT

Approved:

DocuSigned by:

By: 7E42B8F817A64CC...
Chad Coquette
Title: Executive Director/CEO
Date: 10/5/2021 | 8:46 PM CDT

RFP 080521 - Roadway Maintenance Equipment

Vendor Details

Company Name: Crafc0 Inc.

Does your company conduct
business under any other name? If
yes, please state: AZ

Address: 6165 W Detroit St
Chandler, AZ 85226

Contact: Bryan Darling

Email: bryan.darling@crafc0.com

Phone: 602-276-0406 8041

Fax: 480-961-0513

HST#: 860324978

Submission Details

Created On: Thursday June 17, 2021 12:41:38

Submitted On: Monday August 02, 2021 12:48:32

Submitted By: Angie Hoaglin

Email: angie.hoaglin@crafc0.com

Transaction #: 9c568ab1-33ec-42ae-be15-9e64d1fa6b81

Submitter's IP Address: 174.77.66.50

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Crafco, Inc.
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	Crafco is an authorized distributor for the KM International and Graco products we are offering on this proposal. While Crafco is affiliated with these companies, they are not subsidiaries of Crafco.
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	N/A
4	Proposer Physical Address:	6165 W. Detroit St. Chandler, AZ 85226
5	Proposer website address (or addresses):	www.crafco.com www.graco.com www.kminternational.com
6	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	N. Thomas Kelly, Vice President Sales and Marketing, 6165 W. Detroit St. Chandler, AZ 85226, tom.kelly@crafco.com, 602-276-0406
7	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Bryan Darling, Regional Manager, 6165 W. Detroit St. Chandler, AZ 85226, bryan.darling@crafco.com, 602-276-0406
8	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Angie Hoaglin, Sales & Contract Administrator, 6165 W. Detroit St. Chandler, AZ 85226, angie.hoaglin@crafco.com, 602-276-0406

Table 2: Company Information and Financial Strength

Line Item	Question	Response *
9	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	Since 1976, Crafcro, Inc. has supplied the pavement preservation industry with quality products including roadway maintenance equipment and pavement preservation materials. Crafcro is the only manufacturer in the pavement preservation industry that manufactures equipment and materials to provide a total pavement preservation solution. This gives Crafcro a better understanding of how the melters and crack sealants should work together and apply the product in the most efficient way possible. This provides the agencies that best possible equipment and materials for their needs. VISION STATEMENT: To be the global leader in preservation and modified asphalt science through a relentless pursuit of exceptional relationships, unsurpassed quality, innovation, and exceeding expectations. MISSION STATEMENT: We produce, promote, and supply specialized preservation products to the pavement, roofing and waterproofing industries. VALUES: EMPOWERED SERVICE- Together, we are committed to delivering unparalleled service. We do what's right, provide solutions and foster stronger relationships with our team and customers. SELFLESS LEADERSHIP- We lead with compassion and put those around us before ourselves. We don't say we're the experts; we demonstrate it through technical expertise, category innovation and genuine care for what we do. PURPOSEFUL GROWTH- Employee growth and company growth go hand in hand. We build our legacy together to ensure future success. RESPECTFUL RELATIONSHIPS- Together we foster a culture of respect, acceptance and diversity of ideas and of people. Our differences make us stronger, and we are united by our shared values.
10	What are your company's expectations in the event of an award?	In the event of an award, Crafcro expects 60-70 units with 1,000,000-1,500,000 pounds of material each year. Per our current Sourcewell contract we have sold 169 units and 1,856,070 pounds of material. Looking to grow by 25%.
11	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	Attached.
12	What is your US market share for the solutions that you are proposing?	70%
13	What is your Canadian market share for the solutions that you are proposing?	30-40%
14	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No
15	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	Crafcro is an authorized distributor for the KM and Graco products we are offering on this proposal. Company owned Supply Centers strategically located throughout the US to provide service and support for the products we are offering. Crafcro covers 50 States with 24 independent Distributors and 18 Crafcro owned Service Centers. Crafcro has 4 Regional Managers that manage 29 Territory Sales Mangers across the United States. Our International Department has 1 Territory Manager for Canada and 4 independent Distributors with one Crafcro warehouse. Crafcro works with all of their Distributors to provide warranty and general service and repair facilities across the US and Canada.
16	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	Crafcro holds numerous business licenses and resell licenses for all States and local agencies across the United States and Canada where we manufacture and distribute directly to customers. We also require our Distribution to provide the appropriate licensing in all jurisdictions in which they are conducting business.
17	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	N/A

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
18	Describe any relevant industry awards or recognition that your company has received in the past five years	Roads & Bridges' Contractor's Choice Award (7 years in a row) for best equipment in the industry. Top 5 for all advertisers and #1 in the Industry in AdStudy conducted by Signet Research Inc. Maintenance Superintendent Association (MSA) has awarded one of Crafcro Regional Managers in 2018 with the Stellar Vendor award and in 2020 this award was given to one of Crafcro's Territory Managers.
19	What percentage of your sales are to the governmental sector in the past three years	55%
20	What percentage of your sales are to the education sector in the past three years	Less than 1%
21	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Sourcewell \$10,883,750.17 BUYBOARD \$627,790.94 HGAC: \$251,156.46
22	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	N/A

Table 4: References/Testimonials

Line Item 23. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *
Deschutes County, OR	Randy McCulley	541-322-7125
City of Tempe, AZ	Adam Padilla	480-350-8707
NYS DOT	Lou Cardinale	845-647-5614
Lee County, AL	Patrick Harvill	334-737-7011

Table 5: Top Five Government or Education Customers

Line Item 24. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *
DELDOT	Government	Delaware - DE	Sealant & Equipment	Equipment (3) Sealant (585,000 Lbs.)	\$473,554.32
SDDOT	Government	South Dakota - SD	Equipment	Equipment (5)	\$312,157.04
City of Roseville	Government	California - CA	Sealant & Equipment	Equipment (3) Sealant (84,000 Lbs.)	\$233,852.77
City of Barstow	Government	California - CA	Sealant & Equipment	Equipment (1) Sealant (126,000 Lbs.)	\$195,992.42
City of Buckeye	Government	Arizona - AZ	Equipment	Equipment (2)	\$187,707.22

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *
25	Sales force.	30 Territory Managers in the US (Crafcro employees) AL 1 - AK 1 - AZ 3 - AR 1 - CA 4 - CO 1 - CT 2 - DE 1 - FL 1 - GA 1 - HI 1 - ID 1 - IL 2 - IN 2 - IA 1 - KS 1 - KY 1 - LA 1 - ME 2 - MD 1 - MA 2 - MI 1 - MN 1 - MS 1 - MO 2 - MT 1 - NE 1 - NV 1 - NH 2 - NJ 1 - NM 1 - NY 1 - NC 1 - ND 1 - OH 1 - OK 1 - OR 1 - PA 2 - RI 2 - SC 1 - SD 1 - TN 2 - TX 4 - UT 1 - VT 2 - VA 1 - WA 2 - WV 1 - WI 1 - WY 1 1 Territory Manager in Canada (Crafcro employee)
26	Dealer network or other distribution methods.	21 US Distributors with single State locations average of 2-4 salespeople 3 US Distributors with 2-7 multiple State locations and 5-8 salespeople 4 Canada Distributors single locations average of 2-4 salespeople

27	Service force.	CRAFCO SUPPLY CENTERS Anderson, CA 4 Direct Employees Bridgeton, MO 2 Direct Employees Edmond, OK 6 Direct Employees Evansville, IN 5 Direct Employees Farmer's Branch, TX 3 Direct Employees Fontana, CA 3 Direct Employees Lee's Summit, MO 3 Direct Employees Millbury, MA 4 Direct Employees Nashville, TN 5 Direct Employees Nassau, NY 5 Direct Employees Newtown, CT 2 Direct Employees Portland, ME 1 Direct Employee Portland, OR 3 Direct Employees Sacramento, CA 3 Direct Employees San Antonio, TX 5 Direct Employees Tulsa, OK 2 Direct Employees Wichita, KS 3 Direct Employees MANUFACTURING/SERVICE CENTERS 8 PLANTS Allentown, PA 6 Service Center employees (does not include all manufacturing staff) Cheyenne, WY 2 Service Center employees (does not include all manufacturing staff) DeKalb, IL 2 Service Center employees (does not include all manufacturing staff) Chandler, AZ (2) Two strategically located service Centers with 2 Service Center employees (does not include all manufacturing staff) Halls, TN 2 Service Center employees (does not include all manufacturing staff) Naples, TX 2 Service Center employees (does not include all manufacturing staff) Youngstown, OH 2 Service Center employees (does not include all manufacturing staff)
28	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	DIRECT SALES: Once contacted by the Agency interested on purchasing off of the Sourcewell contract, the Territory Manager in the area will work with the Agency on which piece of equipment or material fits their needs and requirements. They will fill out the Worksheet with all information priced out along with an internal quote. This must be approved by Angie Hoaglin, the Contract Administrator for Crafcoc. The Territory Manager will submit the worksheet to the Agency for review. Once approved, the PO will need to be made out to Crafcoc, Inc. along with the approved worksheet and sent to Angie Hoaglin at angie.hoaglin@crafcoc.com. Once the notice to proceed is given, Angie will notify Customer Service and the specific plant by sending a copy of the worksheet, Crafcoc quote and PO. Once equipment is received, the Territory Manager will be responsible for making the final delivery to the Agency and conducting the start-up training and safety training. Crafcoc will invoice the Agency. Once paid, Crafcoc will pay the Sourcewell fee. DISTRIBUTORS: It will be their responsibility to fill out the worksheet with equipment, options, materials, delivery, taxes etc. The worksheet will be sent to Angie Hoaglin, the Contract Administrator for Crafcoc to be checked, approved and returned with a quote for reference when placing an order. Distributor will submit worksheet to the Agency for approval and Purchase Order. Once the notice to proceed is given, Angie will notify Customer Service and the specific plant by sending a copy of the worksheet, Crafcoc quote and PO. Once equipment is received, the Distributor will be responsible for making the final delivery to the Agency and conducting the start-up training and safety training. Once paid, Crafcoc will pay the Sourcewell fee. Crafcoc will ship and invoice the Distributor. Distributor is responsible for invoicing the customer.
29	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	Once an inquiry has been made, our direct sales staff is able to respond to the customer's request within a day of the inquiry from the customer. All sales force is well versed in the Crafcoc/Graco/ KM International product lines. Our sales staff can handle demos for new customer inquiries to help Agencies determine the type of machine that best suits their needs. Crafcoc works closely with its Distributors when involved in the sale of the equipment to make sure that all the customers' needs are met, from the delivery, new equipment start-up training and warranty service after the sale.
30	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Crafcoc is willing and able to provide equipment, materials and service within all 50 states. 7 sealant manufacturing plants strategically placed across the Country minimize freight cost to the end users. One equipment manufacturing plant in Chandler, Arizona that use a very coordinated shipping plan to move equipment across the country at the most competitive cost possible. Crafcoc has 24 US Distributors with 30 Territory Managers.
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Crafcoc has one of its oldest Distributors based in Canada with 45 years selling and servicing the Canadian market. Crafcoc currently has 4 Distributors and 1 Territory Manager in Canada. We would like to extend all products and services. All sales of products into Canada are based on US Price List in US Dollars. Payment will be made in USD or current (date of invoice) equivalent Canadian dollars. We also work with Canoe, which represents all the Canadian Provinces. With our current Sourcewell contract we are working with Canadian Armed Forces in Goose Bay.
32	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	N/A
33	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	N/A
34	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	N/A

Table 7: Marketing Plan

Line Item	Question	Response *
35	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Crafco will provide awareness to the marketplace by including Sourcewell in our marketing and advertising. For example: include Sourcewell in literature used by sales representatives when talking with customers every day, include Sourcewell at tradeshow, conducted regionally (102 shows last 3 years) and nationally (18 shows last 3 years) reaching thousands of people every year, include Sourcewell on www.crafco.com website reaching 9,500 people a month and on outbound email advertising which reaches 40,000 people a month. Once awarded, the Sourcewell awarded logo will be added within all of these.
36	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Crafco's social media posts focus on our products, financing, promotions and Supply Centers. We also share customers posts that feature Crafco products to help maintain engagement. Facebook has 1,570 followers (+22% over last 18 months) LinkedIn has 1,761 followers (+63% over last 18 months) YouTube has 228 followers (+93% over last 18 months) Over the last year, Crafco has developed and posted Troubleshooting videos to help end users with quick field repairs and service. Launched Instagram July 2021 Crafco runs multiple print ads in a variety of industry publications as well as 1000's digital ads with our email marketing campaigns per year.
37	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	After Crafco's initial launch of its contract in 2017, extensive training for our sales team was developed to utilize the Sourcewell contract and how to work with Agencies in providing best equipment and sealant solutions. This training is ongoing with webinars and Crafco University in house training. This training is also extended to our Distributor network and their sales team. Sourcewell's role is being accessible to members and non-members looking for information on how to use the contract as well as legal questions regarding purchasing equipment and material from the contract.
38	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	No, Crafco does not utilize an e-procurement processing system.

Table 8: Value-Added Attributes

Line Item	Question	Response *
39	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcwell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	Operational and safety training is standard with each delivery of machine. This is completed either by the Distributor or direct sales representative in that area at no cost to the customer. Each new Crafcro unit delivered to the end user includes up to 8 hours of on-site training and safe operation techniques for the equipment. Periodic training is available at the end user request. Crafcro provides ongoing equipment training seminars as well as web-based training and troubleshooting.
40	Describe any technological advances that your proposed products or services offer.	With over 45 years of manufacturing experience, Crafcro has been the leader in the pavement preservation equipment with advancements in safety controls with our on-demand pump system that stops the flow of sealant if the application wand is dropped, keeping the operator from getting burned from sealant splashing from the wand. The Pump Lockout system was also developed to keep the operator from trying to pump sealant before it is heated to the proper temperature and causing premature wear on the pump. New engine operation controls are being used to operate and monitor the entire unit and override operator errors. This control panel also allows the engine to run at a lower speed while heating up, once the meller is ready to start pumping, the engine speeds up to produce more power. This makes the Crafcro melters much more fuel efficient. Crafcro's engineering and designs make our crack sealing and patching equipment the safest in the marketplace.
41	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	Crafcro utilizes Tier 4 engines which meet Emission Standards. Crafcro developed the Crack-Vac filter system for cleaning the cracks and joints in asphalt and concrete roadways and parking lots. This system contains particle matter down to ten microns (PM-10) which complies with the strict air quality standards in effect today. Crafcro also developed the Dust Control Router which eliminates occupational exposure to respirable crystalline silica and reduces dust by 96% when routing cracks and joint for sealant application. Many Crafcro sealants are blended with recycled ground tire rubber, as a company, Crafcro utilizes approximately 10 million pounds of recycled tire rubber a year. Crafcro's sealant Box packaging contains recycled cardboard and is 100% recyclable. Over the past several years Crafcro has patented 2 different boxless packages for sealant that eliminates cardboard boxes and is environmentally friendly with all waste eliminated.
42	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	N/A
43	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	N/A
44	What unique attributes does your company, your products, or your services offer to Sourcwell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcwell participating entities?	Crafcro has been in business since 1976 serving the Pavement Preservation Industry. Crafcro has engineers that are members of the ASTM committees that work on sealant specifications for the Country. Crafcro is also involved with several sealant test decks across the Country: National Transportation Product Evaluation Program, National Center for Asphalt Technology and the MNROADS testing facility in Minnesota. This involvement assures that Crafcro sealants are designed and manufactured to the highest quality and deliver the best performance possible for the Agency's needs. Each of the sealant manufacturing plants for Crafcro have testing labs. Every manufacturing lot of material is tested and is certified that the sealants meet the specification it was manufactured to before it is shipped to the end user. This guarantees the products quality. The Crafcro equipment plant has a very extensive AQ, QC program, that includes the run up of all pieces of equipment to assure all operational aspects of the equipment. All pieces of equipment are inspected and signed off by the QC Manager before shipment. All KM and Graco equipment will be received either at a Crafcro facility or Distributor and will be run up to make sure the equipment is in good working order and ready to be delivered to the Agency. Crafcro is the only manufacturer of equipment and materials to provide a total pavement preservation solution. This gives Crafcro a better understanding of how the melters should work and apply the product in the most efficient way possible.

Table 9A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
45	Do your warranties cover all products, parts, and labor?	Warranty covers products and parts. Detailed warranty information specific to each product offered can be found in the attached documents.
46	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	N/A
47	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Warranty does not cover travel expense.
48	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	All geographic regions are covered.
49	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Warranties will be passed on to the original equipment manufacturer.
50	What are your proposed exchange and return programs and policies?	Crafco will only accept the return of products that have been authorized in writing in advance, and proof of purchase is required. Not all purchases are returnable. This is a Return Policy for non-warranty claims. Refer to the product data sheet for information about warranty and claims for warranty reimbursement.
51	Describe any service contract options for the items included in your proposal.	N/A We do not offer service contracts.

Table 9B: Performance Standards or Guarantees

Describe in detail your performance standards or guarantees, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your performance materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
52	Describe any performance standards or guarantees that apply to your services	Crafco warrants that all Crafco products meet applicable ASTM, AASHTO, Federal or State specifications at time of shipment.
53	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	All Crafco Service Centers and distributors work on a first come, first service basis for equipment service. Exceptions are made when an emergency occurs. Crafco is committed to customer satisfaction. We have a policy of addressing any customer issues within 1 business day.

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *
54	Describe your payment terms and accepted payment methods?	Net 30 Days -- Credit Card and Wire Transfer.
55	Describe any leasing or financing options available for use by educational or governmental entities.	Sourcewell awarded NCL, and other agency preferred financing.
56	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	Per our current Sourcewell Contract, attached in the Standard Transactions section is the worksheet and quote which will be used if awarded this Sourcewell Contract.
57	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Crafco accepts P-Card procurement and payment process at no additional cost.

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcwell Price and Product Change Request Form.

Line Item	Question	Response *
58	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcwell discounted price) on all of the items that you want Sourcwell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Product Category Discount. Pricing lists are attached with related discounts noted.
59	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Crafco Equipment and Options: 5-20% off list. Crafco Materials: 20% off list. KM International: 10-18% off list. Graco: 15% off list.
60	Describe any quantity or volume discounts or rebate programs that you offer.	N/A. Not typically offered as most agencies have various specs they want to meet, making it difficult to offer volume or quantity discounts.
61	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	When requested for Non-Standard options; these items are sourced through our supply vendor at best price possible.
62	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	N/A
63	If freight, delivery, or shipping is an additional cost to the Sourcwell participating entity, describe in detail the complete freight, shipping, and delivery program.	Freight is an additional charge. Equipment/Sealant may be combined with other equipment/material going to the closest Crafco facility or Distributor. Actual charges are divided between equipment/material. Crafco works closely with our freight company to get the best rate possible.
64	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Freight is an additional charge. Equipment/Sealant may be combined with other equipment/material going to the closest Crafco facility or Distributor. Actual charges are divided between equipment/material. Crafco works closely with our freight company to get the best rate possible.
65	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Crafco always works closely with our freight company to get the best delivery methods possible.

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
66	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	

Table 13: Audit and Administrative Fee

Line Item	Question	Response *
67	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcwell. This process includes ensuring that Sourcwell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcwell. Provide sufficient detail to support your ability to report quarterly sales to Sourcwell as described in the Contract template.	Either the direct Territory Manager or Distributor will complete the Sourcwell Worksheet, it will be sent to Crafco corporate office Angie Hoaglin, Contract Administrator, she will verify all pricing is correct, sign worksheet then the approved worksheet is ready to submit to Agency. Once PO is received, we enter in our Quarterly Log where we add all information from PO including fees to be paid to Sourcwell.
68	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	Crafco will keep a log of all PO's received from the Sourcwell contract that totals all sales from date of award. This information is tracked monthly and reviewed by Senior Management members at Crafco.
69	Identify a proposed administrative fee that you will pay to Sourcwell for facilitating, managing, and promoting the Sourcwell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	2% based on total sales.

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *
70	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	Roadway maintenance equipment including Pothole Patchers, Seal Coaters, Crack Sealers and Mastic/Adhesive Melters, Sealants and Mastics, Pavement Marking Application Machines and Sani-Sprayers, Asphalt Recyclers and Reclaimers.
71	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	N/A

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
72	Asphalt recycles and reclaimers	☒ Yes ☐ No	KM International
73	Patchers, seal coaters, crack sealers, and mastic and adhesive melters	☒ Yes ☐ No	Also Crafcro Crack Sealants, Mastic and Patching Products.
74	Chip spreaders, asphalt brooms, and pavement grinding or grooving equipment	☐ Yes ☒ No	N/A
75	Pavement marking application and removal equipment	☒ Yes ☐ No	Graco.
76	Other	☒ Yes ☐ No	Sani-Sprayers.

Table 15: Exceptions to Terms, Conditions, or Specifications Form

Line Item 77. NOTICE: To identify any exception, or to request any modification, to the Sourcewell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcewell and will not automatically be included in the contract.

Contract Section	Term, Condition, or Specification	Exception or Proposed Modification

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- [Pricing](#) - Pricing.pdf - Thursday July 29, 2021 10:08:55
- [Financial Strength and Stability](#) - Crafcro 6-30-20.pdf - Thursday July 08, 2021 11:00:31
- [Marketing Plan/Samples](#) - Marketing Materials.pdf - Thursday July 08, 2021 12:16:12
- [WMBE/MBE/SBE or Related Certificates](#) (optional)
- [Warranty Information](#) - Warranty Information.pdf - Wednesday July 28, 2021 08:39:40
- [Standard Transaction Document Samples](#) - Transaction Documents.pdf - Wednesday July 28, 2021 08:43:07
- Upload Additional Document (optional)

Addenda, Terms and Conditions**PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE**

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☒ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - N.Thomas Kelly, Vice President Sales and Marketing, Crafc, Inc.

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

☐ Yes ☐ No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_4_Roadway_Maint_Equipt_RFP_080521 Wed July 28 2021 06:54 PM	☒	2
Addendum_3_Roadway_Maint_Equipt_RFP_080521 Mon July 26 2021 04:56 PM	☒	2
Addendum_2_Roadway_Maint_Equipt_RFP_080521 Fri July 16 2021 12:55 PM	☒	1
Addendum_1_Roadway_Maint_Equipt_RFP_080521_Draft Thu June 24 2021 04:18 PM	☒	1



CRAFCO, INC.
6165 WEST DETROIT STREET
CHANDLER, AZ 85226
FED I.D. 86-0324978

INVOICE

PAGE 1 OF 1

Remit To: CRAFCO, INC.
DEPT #2279
PO Box 11407
BIRMINGHAM AL 35246-2279

Bill To: 928517

CITY OF SAN ANGELO - TX
72 W. COLLEGE AVENUE
SAN ANGELO TX 76903

INVOICE # 9402673100

INVOICE DATE 04/13/2022

DUE DATE 05/13/2022

Ship To: 2040639

FREIGHT TERMS PPD

CITY OF SAN ANGELO
1943 ST. ANN STREET
SAN ANGELO TX 76903

PLANT TX10 CRAFCO NAPLES

BOL NUM 82878488

TERMS Due in full within 30 days

P.O. NUMBER 127706	S.O. NUMBER 2762050	QUOTATION NUMBER BBBQ50923
-----------------------	------------------------	-------------------------------

Item #	Material #	Item Description	Quantity	Units	Unit Price	Amount USD
000001	34521-3	POLYFLEX TYPE 3	45000	LB	0.532000	23,940.00
SALES AMOUNT						23,940.00
FREIGHT						2,100.80
SUB TOTAL						26,040.80

SOURCEWELL CONTRACT NO. 080521-CFC

ADDITIONAL NOTES:

All sales are subject to Crafcro Terms and Conditions of Sale which may be found at www.crafcro.com/Terms-of-Sale.pdf

NO STATEMENT WILL BE FURNISHED

PLEASE PAY THIS AMOUNT

26,040.80

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Carl White, Parks and Recreation Director, Parks and Recreation, 325-657-4450

Meeting Date: May 3, 2022

Item type: Consent Item

Caption:

Consider a resolution authorizing the removal of the "Ran" sculpture at Civic League Park (Carl White)

Staff Recommendation:

Adopt

Summary/History:

The "Ran" sculpture at Civic League Park is deteriorating. One of the spires collapsed last summer and we removed and stored it. We took an item to the Public Art Commission last fall to discuss the situation and the Commission recommended removal of the entire sculpture, pending the artist's approval. We have no agreement for this sculpture; both the sculpture and park belong to the City. Staff visited with the artist and he understood the situation and is not claiming ownership of the sculpture.

The "Ran" sculpture was designed by John Raimondi and constructed with the help of Central High School students in 1979, under a project coordinated by the San Angelo Independent School District. The sculpture is constructed of corten steel and is expected to rust. At its location at Civic League Park it continued to rust to such an extent that the integrity of the sculpture was lost.

Staff recommends approval.

Funding Source(s):

Financial Impact:

There is no direct cost associated with this item. City staff will remove the remaining parts of the sculpture.

Other Information/Recommendation:

The Public Art Commission considered the disposition of the sculpture at its meeting on October 13, 2021, and recommended removal, pending the artist's approval. The artist's approval was secured on April 19, 2022.

Attachments:

- | | | |
|----|--|---|
| 1. | Council May 3, 2022 | Council May 3, 2022.pptx |
| 2. | 2022-4-25 Ran Sculpture Removal Resolution | 2022-4-25 Ran Sculpture Removal Resolution.docx |

Presentation:

Carl White

Approvals/Reviews:

Carl White	Created/Initiated
Theresa James	Approved
Jeffrey Tomlinson	Approved
Tina Dierschke	Approved
Theresa James	Approved
Julia Antilley	Final Approval



City Council

May 3, 2022

“Ran” Sculpture

Carl White
Parks & Recreation

Civic League Park



“Ran” Sculpture

- “Ran” sculpture
- Artist, John Raimondi
- Geometric abstraction sculpture
- Sculpture dedicated to John’s brother, Randy
- The piece was created in 1979, with help of the Central High School shop class.
- Materials are corten steel.
- Condition of the sculpture is rapidly deteriorating.
- [Ran - John Raimondi](#)





Ran - 1979

















A RESOLUTION BY THE CITY OF SAN ANGELO CITY COUNCIL AUTHORIZING STAFF TO REMOVE THE “RAN” SCULPTURE AT CIVIC LEAGUE PARK WHICH IS OVER 40 YEARS OLD AND DETERIORATING AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL DOCUMENTS NECESSARY TO COMPLETE THE REMOVAL PROCESS.

WHEREAS, THE CITY COUNCIL OF THE CITY OF SAN ANGELO, TEXAS owns Civic League Park which is operated by the City of San Angelo (“City”);

WHEREAS, the “Ran” sculpture in Civic League Park has significantly deteriorated since it was erected in 1979; and

WHEREAS, the City Attorney’s office conducted diligent research on the “Ran” sculpture and expended reasonable effort to communicate and negotiate removal of the sculpture with the artist of the sculpture, John Raimondi; and

WHEREAS, John Raimondi has consented to the removal of the sculpture but requested to be given the plaque which was placed at the base of the sculpture; and

WHEREAS, staff is seeking authorization to remove the “Ran” sculpture from Civic League Park.

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

1. The City Attorney’s Office is hereby authorized to remove the “Ran” sculpture from Civic League Park and to give the plaque from the sculpture to the artist, John Raimondi.
2. The City Manager is hereby authorized to execute any and all documents necessary to complete the removal process.

PASSED, APPROVED and ADOPTED on this 3rd day of May, 2022.

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: Jeremy Miller, Solid Waste Contract Manager, Solid Waste, (325) 486-3798

Meeting Date: May 3, 2022

Item type: Consent Item

Caption:

Consider a resolution authorizing the Solid Waste Department to provide funding to Keep San Angelo Beautiful in the amount of \$50,000 for a hazardous household waste collection event (Jeremy Miller)

Staff Recommendation:

Adopt

Summary/History:

The non-profit organization Keep San Angelo Beautiful (KSAB) has asked the City of San Angelo Solid Waste Department to assist with funding for a hazardous household waste collection event to be held on June 11, 2022. The cleanup event will be beneficial to the City of San Angelo by allowing citizens to dispose of chemicals and other waste that have no other method of proper disposal and thus improve the appearance of the City and the quality of life of citizens. The funding for this event has been budgeted for in the current fiscal year's solid waste budget.

Funding Source(s):

Financial Impact:

\$50,000 has been budgeted for this collection event in the Solid Waste budget. The solid waste department has historically provided funding for these events that were held by the non-profit organization SAFE Recycling until the organization dissolved. The KSAB non-profit organization has taken on the role of hosting these events. The Solid Waste Department provided funding for the same event conducted in 2021 in the amount of \$50,000.

Other Information/Recommendation:

Staff recommends adopting this resolution to provide \$50,000 in funding to the KSAB organization to conduct a hazardous household waste collection event.

Attachments:

1. Resolution for KSAB Project Funding 2022 Resolution for KSAB Project Funding 2022.docx

Presentation:

Jeremy Miller, Shane Kelton

Approvals/Reviews:

Jeremy Miller
Patrick Frerich
Shane Kelton
Theresa James
Tina Dierschke
Julia Antilley

Created/Initiated
Approved
Approved
Approved
Approved
Final Approval

A RESOLUTION BY THE CITY OF SAN ANGELO CITY COUNCIL AUTHORIZING THE SOLID WASTE DEPARTMENT TO FUND A HAZARDOUS HOUSEHOLD WASTE COLLECTION EVENT ORGANIZED BY THE KEEP SAN ANGELO BEAUTIFUL NON-PROFIT ORGANIZATION

WHEREAS, Keep San Angelo Beautiful (KSAB) is hosting a hazardous household waste collection event; and

WHEREAS, the City of San Angelo supports KSAB and their organization of such cleanup events because this event will assist with keeping prohibited items from the landfill and enhance the appearance and quality of life for the citizens of San Angelo; and

WHEREAS, in order to conduct the event KSAB has requested that the City of San Angelo provide funding in the amount of \$50,000 to be used to support the event; and

WHEREAS, without this financial assistance it is unlikely this event will occur.

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

Part 1: That the City of San Angelo City Council hereby declares there is a public purpose in assisting KSAB with such community cleanup efforts.

Part 2: The City of San Angelo Solid Waste Division is hereby authorized to provide funding in the amount of \$50,000 to be used to assist KSAB in a hazardous household waste collection event.

Part3: That the City Manager is authorized to execute any necessary documents for the funding of these events.

Part 4: That KSAB will at the conclusion of the cleanup in which these allocated funds are used provide a report in the City of San Angelo Friday packet that provides information about the effectiveness of the event and the specific use of the funds.

PASSED and APPROVED THIS 3th DAY OF MAY, 2022.

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: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: May 3, 2022

Item type: Consent Item

Caption:

Consider ratifying an agreement between the City of San Angelo Development Corporation and Taurus Technologies, Inc. in the amount of \$48,200 via TIPS Contract # 210101 for technology upgrades in the Business Resource Center Training Room and Conference Room, and authorizing the Board President or their designee to execute all related documents (Guy Andrews)

Staff Recommendation:

Approve

Summary/History:

The Business Resource Center (BRC) Training Room hosts several training events and public meetings each year. The existing projectors, installed in 2012, are beyond their useful life. Specifically, it is increasingly difficult (and costly) to purchase replacement bulbs and service the equipment. The BRC Conference Room is the largest conference room in the BRC and serves as the primary meeting space for our community economic development partners. The conference room lacks video conferencing support and audio equipment (e.g., microphones and speakers).

The Angelo State University Small Business Development Center referred COSADC Staff to Taurus Technologies. Taurus services works with Angelo State University to provide audio-visual solutions for their various facilities (e.g., conference rooms, meeting spaces, and auditoriums). Taurus submitted a proposal to COSADC Staff under a cooperative purchasing agreement, as authorized under Ch. 791 of the Texas Government Code.

The City of San Angelo Development Corporation approved the allocation on April 27, 2022.

Funding Source(s):

Fund:	Account:	Project Number:	Amount Budgeted:
700 (Eco Dev)	700-0700-800-07-44	Technology Upgrades	\$48,200.00

Financial Impact:

If approved, Staff will route an internal budget amendment to allocate funds from Future Projects to our Technology Capital account.

Other Information/Recommendation:

Staff recommends approving an agreement by and between the City of San Angelo Development Corporation and Taurus Technologies, Inc. in the amount of \$48,200 via The Interlocal Purchasing System (TIPS) Contract # 210101 for technology upgrades in the Business Resource Center Training Room and Conference Room and authorizing the Board President or their designee to execute all necessary documents.

Attachments:

- | | | |
|----|---|--|
| 1. | COSA (SBDC Projection & Conference Room Upgrades) Quote | COSA (SDBC Proejction & Conference Room Upgrades) JT016022rev2 QTE.pdf |
| 2. | COSA (SBDC Projection & Conference Room Upgrades) SOW | COSA (SDBC Proejction & Conference Room Upgrades) JT016022rev2 SOW.pdf |

Presentation:

Guy Andrews

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Tina Dierschke	Approved
Theresa James	Approved
Guy Andrews	Approved
Julia Antilley	Final Approval



PROJECT PROPOSAL

Prepared for:

Nolan A. Sosa

CITY OF SAN ANGELO

69 N Chadbourne Street

San Angelo, Texas 76903

Email: nolan.sosa@cosatx.us

Phone: 325.653.7197

Prepared by:

Jonathan E. Traverzo

Taurus Technologies



Ship To: Taurus Headquarters
1420 Lakeside Parkway
Suite 100
Flower Mound, TX 75208

469-630-9900

Location: City of San Angelo
69 N Chadbourne Street

San Angelo, Texas 76903
nolan.sosa@cosatx.us
325.653.7197

Bill To: City of San Angelo
69 N Chadbourne Street
TIPS Contract #210101
San Angelo, Texas 76903
nora.nevarez@cosatx.us
325.653.7197

Date: 4/11/2022
Quote Number: JT016022

Shipping Method: Standard Shipping

Salesperson	Job Name	Designed By	Approved By	Due Date
Jonathan E. Traverzo	SBDC Projection & Conference Room Upgrades	AS	AS	5/11/2022
Description				Line Total
Option				
San Angelo - Business Resource Center / 1st Floor - SBDC Training Room - AV Upgrade				\$ 19,652.00
San Angelo - Business Resource Center / 1st Floor - Conference Room - AV Upgrade				\$ 28,548.00

Please send all purchase orders to sales@taurustechinc.com and your sales representative, Jonathan E. Traverzo, 469-630-9900. Quotation valid for 30 days from date on upper right of page. If your order contains a flat panel display you MUST inspect the product within 24 hours of receipt for damage to the housing and or glass. Any warranty claims will be filed within that period to replace the unit promptly. Payment terms: NEW Customers or for Orders greater than \$25k-25% due on issuance of PO, 50% due upon equipment delivery, remaining balance due upon project completion. Orders less than \$25k-NET30 from equipment delivery. Customer is responsible for any and all state or local taxes or duties. Any item desiring to be returned must be done within 15 days of receipt. All returns items are subject to a restocking fee. Taurus will arrange proper shipment and bill accordingly for shipping and handling. Invoices are issued and payable in US Dollars directly to Taurus Technologies Incorporated. Any project installation scheduling requires a purchase order at least 2 weeks in advance to the desired date(s).



Ship To: Taurus Headquarters
1420 Lakeside Parkway
Suite 100
Flower Mound, TX 75208

469-630-9900

Location: City of San Angelo
69 N Chadbourne Street

San Angelo, Texas 76903
nolan.sosa@cosatx.us
325.653.7197

Bill To: City of San Angelo
69 N Chadbourne Street
TIPS Contract #210101
San Angelo, Texas 76903
nora.nevarez@cosatx.us
325.653.7197

Date: 4/11/2022
Quote Number: JT016022

Shipping Method: Standard Shipping

Salesperson		Room	Designed By	Approved By	Due Date
Jonathan E. Traverzo		San Angelo - Business Resource Center / 1st Floor - SBDC Training Room - AV Upgrade	AS	AS	05/11/2022
Qty	Part Number	Description	Unit Price	Discount Price	Line Total
Display Solutions					
2	V11H923520	Epson PowerLite 800F Laser Projector, 1080p, 5000 Lumens, 3LCD, White - White	\$ 4853.00	\$ 2657.00	\$ 5314.00
2	WP22US	Chief ST PROJ. WALL MOUNT 40" EXT + RSAUS	\$ 481.00	\$ 330.00	\$ 660.00
2	25943	DaLite IDEA Screen 108" Diag. 16:9 with 24" Marker Tray	\$ 1693.00	\$ 1270.00	\$ 2540.00
Video Solutions					
1	LAPTOP	Customer Provider Laptop Device with Digital Output	OFE	OFE	OFE
1	60-1421-13	Extron DTP T HWP 4K 231 D DTP Transmitter for HDMI - Decorator-Style Wallplate, White - 230 feet (70 m)	\$ 630.00	\$ 366.00	\$ 366.00
1	60-1491-12	Extron DTP T HD2 4K 230 HDMI Twisted Pair Transmitter with Input Loop-Through - 230 feet (70 m)	\$ 840.00	\$ 488.00	\$ 488.00
2	60-1271-13	Extron DTP HDMI 4K 230 Rx HDMI Twisted Pair Receiver - 230 feet (70 m)	\$ 510.00	\$ 296.00	\$ 592.00
Audio Solutions					
1	AUDIO MIXER	Existing Audio Rack Mount Mixer	OFE	OFE	OFE
Control Solutions					
1	60-1469-03	Extron MLC Plus 100 MediaLink® Plus Controller	\$ 1250.00	\$ 725.00	\$ 725.00
Miscellaneous Solutions					
1	CMA473	Chief XL PLENUM CEILING BOX	\$ 230.00	\$ 163.00	\$ 163.00
1	26-663-03	Extron HDMI Ultra/3 4K Premium High Speed HDMI Ultra-Flexible Cable - 3' (90 cm)	\$ 54.00	\$ 37.00	\$ 37.00
2	26-663-09	Extron HDMI Ultra/9 4K Premium High Speed HDMI Ultra-Flexible Cable - 9' (2.7 m)	\$ 88.00	\$ 60.00	\$ 120.00
1	26-663-15	Extron HDMI Ultra/15 4K Premium High Speed HDMI Ultra-Flexible Cable - 15' (4.5 m)	\$ 112.00	\$ 76.00	\$ 76.00
1	DL-ARD	Liberty Adapter Ring W/DisplayPort, Mini DisplayPort and USB-C	\$ 169.57	\$ 111.00	\$ 111.00
1	MISC	Miscellaneous Cables, Connectors and Hardware.	\$ 300.00	\$ 180.00	\$ 180.00
Service					
0	TT-BRS-1	1 Year Taurus Technologies Blue Ribbon Support: Normal Business Hour Telephone/ Video Support (8am-5pm CST, Excluding Weekends and Holidays) & 24/7 Video Conferencing Test Facilities. INCLUDED FIRST YEAR.	\$ 520.00	\$ 0.00	\$ 0.00
1	TT-BRSO-1	1 Year Taurus Technologies Blue Ribbon Support Plus: Next Day On-Site Technical Support (Calls Received by 3pm CST on Previous Business Day), 24/7 Telephone/ Video Support (1 Hour Call Back Time Outside of Normal Business Hours), and 24/7 Video Conferencing Test Facilities. Parts Replacement limited to the Manufacture Warranty. This contract will ONLY include products sold and installed by Taurus Technologies unless otherwise specified prior to purchase.	\$ 1310.00	\$ 1310.00	\$ 1310.00
1	TT-DESIGN	Custom Design of Project: Includes Project Management and As-Built Line Drawings. All Final Drawings will be the Property of the Customer.	\$ 520.00	\$ 520.00	\$ 520.00
Installation					
1	TT-INSTALL	Taurus Technologies Custom Installation of ALL Above Listed Equipment & Complete Training.	\$ 5565.00	\$ 5565.00	\$ 5565.00
				Shipping	\$ 885.00
				Subtotal	\$ 19,652.00
				Estimated Taxes	TBD
				Total	\$ 19,652.00

Taurus Technologies Incorporated

1420 Lakeside Pkwy Suite 100, Flower Mound, TX 75028 / 5760 40th Street Unit D, Lubbock, Texas 79407



Ship To: Taurus Headquarters
1420 Lakeside Parkway
Suite 100
Flower Mound, TX 75208

469-630-9900

Location: City of San Angelo
69 N Chadbourne Street

San Angelo, Texas 76903
nolan.sosa@cosatx.us
325.653.7197

Bill To: City of San Angelo
69 N Chadbourne Street
TIPS Contract #210101
San Angelo, Texas 76903
nora.nevarez@cosatx.us
325.653.7197

Date: 4/11/2022
Quote Number: JT016022

Shipping Method: Freight

Salesperson		Room	Designed By	Approved By	Due Date
Jonathan E. Traverzo		San Angelo - Business Resource Center / 1st Floor - Conference Room - AV Upgrade	AS	AS	05/11/2022
Qty	Part Number	Description	Unit Price	Discount Price	Line Total
Display Solutions					
1	QB85R-B	Samsung 85" 4K UHD Commercial Display - 16/7	\$ 3849.00	\$ 3086.00	\$ 3086.00
1	QB75R-B	Samsung 75" 4K UHD Commercial Display - 16/7	\$ 2769.00	\$ 2222.00	\$ 2222.00
2	TS525TU	Chief THIN SWING ARM (LARGE)	\$ 749.00	\$ 522.00	\$ 1044.00
2	FHB5147	Chief HARDWARE KIT	\$ 16.50	\$ 12.00	\$ 24.00
Video Solutions					
1	999-21100-000	Vaddio IntelliSHOT USB Camera BLK	\$ 2183.00	\$ 2047.00	\$ 2047.00
1	R9861522US	Barco CX-50 ClickShare Conference Set. TAA Compliant - Black	\$ 2950.00	\$ 1563.00	\$ 1563.00
2	CG54428	C2G 6in(.15m) USB C Female to USB A Male 3.0	\$ 20.99	\$ 14.00	\$ 28.00
1	60-1869-52	Extron DTP3 T 202 4K/60 HDMI DTP3 Transmitter with Input Loop-Through and Audio Embedding	\$ 1040.00	\$ 604.00	\$ 604.00
1	60-1869-53	Extron DTP3 R 201 4K/60 HDMI DTP3 Receiver with Audio De-Embedding	\$ 900.00	\$ 522.00	\$ 522.00
1	PC-G1791-E-P-B	Liberty Single Gang Wall Plate with HDMI Pigtail	\$ 52.00	\$ 32.00	\$ 32.00
Audio Solutions					
1	MRB-L-X400-C	Biamp Meeting room bundle; includes 1 TesiraFORTE X 400, 1 Parlé TCM-XA (white), 1 Parlé TCM-XEX (white), 2 pair of Desono C-IC6 loudspeakers (white), 1 BPAK, (1) 25 ft (7.5m) plenum-rated Cat5e cable, (7) 10 ft (3m) plenum-rated Cat5e cable	\$ 9500.00	\$ 6413.00	\$ 6413.00
Miscellaneous Solutions					
1	CG54174	C2G 2m USB 3.0 AM-BM CBL BLK	\$ 12.99	\$ 9.00	\$ 9.00
1	CG28102	C2G 2m USB 2.0 A/B CBL BLK	\$ 5.99	\$ 4.00	\$ 4.00
3	26-663-06	Extron HDMI Ultra/6 4K Premium High Speed HDMI Ultra-Flexible Cable - 6' (1.8 m)	\$ 78.00	\$ 53.00	\$ 159.00
1	26-663-09	Extron HDMI Ultra/9 4K Premium High Speed HDMI Ultra-Flexible Cable - 9' (2.7 m)	\$ 88.00	\$ 60.00	\$ 60.00
1	26-663-15	Extron HDMI Ultra/15 4K Premium High Speed HDMI Ultra-Flexible Cable - 15' (4.5 m)	\$ 112.00	\$ 76.00	\$ 76.00
1	DL-ARD	Liberty Adapter Ring W/DisplayPort, Mini DisplayPort and USB-C	\$ 183.13	\$ 120.00	\$ 120.00
1	MISC	Miscellaneous Cables, Connectors and Hardware.	\$ 600.00	\$ 405.00	\$ 405.00
Service					
0	TT-BRS-1	1st Year Taurus Technologies Blue Ribbon Support: Normal Business Hour Telephone/ Video Support (8am-5pm CST, Excluding Weekends and Holidays) & 24/7 Video Conferencing Test Facilities. INCLUDED FIRST YEAR.	\$ 830.00	\$ 0.00	\$ 0.00
1	TT-BRSO-1	1st Year Taurus Technologies Blue Ribbon Support Plus: Next Day On-Site Technical Support (Calls Received by 3pm CST on Previous Business Day), 24/7 Telephone/ Video Support (1 Hour Call Back Time Outside of Normal Business Hours), and 24/7 Video Conferencing Test Facilities. Parts Replacement limited to the Manufacture Warranty. This contract will ONLY include products sold and installed by Taurus Technologies unless otherwise specified prior to purchase.	\$ 2120.00	\$ 2120.00	\$ 2120.00
1	TT-DSPCONFIG	Custom DSP Configuration. All Configuration Files Remains Property of the Customer.	\$ 900.00	\$ 900.00	\$ 900.00
1	TT-DESIGN	Custom Design of Project: Includes Review of All Design Requirements, Pre-Installation Drawings for Internal Use by Field Staff, and As-Built Line Drawings Following Project Completion. As-Built Line Drawings Will Be Given to the Customer Upon Request.	\$ 830.00	\$ 830.00	\$ 830.00
Installation					
1	TT-INSTALL	Taurus Technologies Custom Installation of ALL Above Listed Equipment & Complete Training.	\$ 5565.00	\$ 5565.00	\$ 5565.00
				Shipping	\$ 715.00
				Subtotal	\$ 28,548.00
				Estimated Taxes	TBD
				Total	\$ 28,548.00

Taurus Technologies Incorporated

1420 Lakeside Pkwy Suite 100, Flower Mound, TX 75028 / 5760 40th Street Unit D, Lubbock, Texas 79407

City of San Angelo

SBDC Projection & Conference Room Upgrades - JT016022

San Angelo - Business Resource Center / 1st Floor - SBDC Training Room - AV Upgrade



Prepared For:

Nolan A. Sosa
69 N Chadbourne Street
San Angelo
Texas, 76903

Ph. 325.653.7197
Cell NA

Prepared By:

Jonathan E. Traverzo
Taurus Technologies

Date Prepared:

4/9/2022

Summary

In this proposal Taurus Technologies (Taurus) will provide and implement a local presentation solution at City of San Angelo - Business Resource Center / 1st Floor - SBDC Training Room in San Angelo, TX.. This solution will have two (2) DaLite IDEA 108" diagonal screen with an Epson ultra-short throw projector. Control for the projectors will come from an Extron button panel located at the front of the room. Video will come from a single HDMI input plate located at the front of the room. Both projectors will display the same image an audio feed from projector will route to the closest to the existing audio system and volume control will come from Extron button panel at the front of the room. All equipment will be located in a plenum rated ceiling box near one projector. All network connections will be owner provided along with POE (Power Over Ethernet) for button panel user interface.

Client is responsible for all custom programming to the Extron Button controller

Taurus will remove any existing A/V equipment not needed for this deployment, equipment not needed will be handed-off to the client for repurposing at a later date or recycled.

Key Components

(2) Dalite IDEA Screen 108" Diagonal 16:9
(2) Epson PowerLite 800F Laster 5000 Lumens Projector
HDMI Wall Plate - BYOD (Bring Your Own Device)
Extron MediaLink Button Controller (Wall mounted)
Customer Provided Custom Extron Programming
1 Year of "FREE" Blue Ribbon Support
Project Management and As-Built Line Drawings
Custom Installation and Complete Training

(OPTIONAL) Taurus Conductor Service for Digital User Guide & Support Info.

*Includes QR Code on (1) Key Tag, (5) Table Tent and Room Placard (Choice of Color)

Client Requirements

POWER:

- (1) 15A Quad at primary projector location
- (1) 15A Duplex at secondary projector location

LAN:

- (1) Network connection with POE at wall location for button panel

AUDIO:

- (1) Open audio input for primary projector feed input

Cable Conveyance:

Continuous conduit is required:

- All cable conveyance running through inaccessible areas (i.e. hard ceilings, drywall, etc.)
- Conduit may be substituted with 'ring and string' in all accessible areas (i.e. acoustic drop ceiling)
- from rack location to accessible ceiling shared with projectors

Owner Furnished Equipment (OFE):

All OFE will be presumed in proper working order for the purpose of this Scope of Work

City of San Angelo

SBDC Projection & Conference Room Upgrades - JT016022

San Angelo - Business Resource Center / 1st Floor - Conference Room - AV Upgrade



Prepared For:

Nolan A. Sosa
69 N Chadbourne Street
San Angelo
Texas, 76903

Ph. 325.653.7197
Cell NA

Prepared By:

Jonathan E. Traverzo
Taurus Technologies

Date Prepared:

4/9/2022

Summary

In this proposal Taurus Technologies (Taurus) will provide and implement a distance learning, local presentation and wireless presentation solution at City of San Angelo - Business Resource Center / 1st Floor - Conference Room in San Angelo, TX.. This solution will use a 85" large format 4K commercial display to offer both web-conferencing and local presentation abilities to the room, the display will be mount on the front wall. An additional 75" large format display will be mounted on the side wall. A new Barco wireless presentation / conferencing receiver will be mounted behind the display. An OFE (Owner Furnished Equipment) Laptop with digital video output and embedded audio will provide the web-based conferencing experiences along with a source for local presentation (customer is responsible for the web conferencing software and any licenses required to operate it) via the Barco USB dongle. Two (2) wireless button transmitter will be included to connect the User Laptop to the Barco wireless presenter. Standard USB connection will be USB-C, Two (2) adapters will be provided to have the ability to do USB-A if needed for the user laptop. A new Vaddio Intellishot auto-framing camera will be mounted above the display and will connect USB to the Barco, a new Biamp audio DSP will be mounted behind the display for inbound / outbound audio for conferencing and presentation audio. Two (2) new ceiling beam forming microphones will be mounted in the ceiling above the table. Four (4) new ceiling speakers will be installed for inbound and presentation audio sound reproduction. Display control will be via the manufacturers handheld IR wireless remotes. All equipment will be mounted behind the display. The 75" large format display will show the same content as the 85" display at all times. A new HDMI wall plate will be installed below the 85" display on the front wall, the front display will auto switch between the wall plate input and the Barco presenter.

****Taurus will remove any existing A/V equipment not needed for this deployment, equipment not needed will be handed-off to the client for repurposing at a later date or recycled.****

Key Components

- New Samsung 85" 4K UHD Commercial Display
 - Will be mounted on the front wall as the primary display
 - Includes articulating wall mount
 - Client will be responsible for wall reinforcement at display location
- New Samsung 75" 4K UHD Commercial Display
 - Will be mounted on the side wall
 - Includes articulating wall mount
 - Client will be responsible for wall reinforcement at display location
- New Barco Clickshare Wireless Presenter
- New Vaddio IntelliSHOT USB Camera
- (2) New Beamforming Microphones
- (4) New Ceiling Speakers
- 1 Year of FREE Blue Ribbon Support
- Project Management, Functional and As-Built Line Drawings
- Custom Installation and Complete Training

Client Requirements

Power:

(1) 15A Quad at each Display Location (2 TOTAL)

Wall Reinforcement:

Yes, at Display Location

LAN:

(1) LAN at Display Location for Barco Clickshare

Cable Conveyance:

Continuous conduit is required:

- All cable conveyance running through inaccessible areas (i.e. hard ceilings, drywall, etc.)
- Conduit may be substituted with 'ring and string' in all accessible areas (i.e. acoustic drop ceiling)
- Pathway from behind display to ceiling accessible space

- Customer Requirements
 - Please note that all LAN, Phone and Power recommendations made by TTI will be in reference to the Audio/Visual and Integrated Conferencing equipment ONLY. Any additional LAN or Phone needs required for room use will not be included in this Statement of Work. All applicable requirements MUST be complete prior to TTI's arrival. ANY requirements not met prior to arrival may result in rescheduling and or additional charges.
- Payment Terms
 - NEW Customers or for Orders greater than \$25k; 25% due on issuance of PO, 50% due upon equipment delivery, remaining balance due upon project completion.
 - Orders less than \$25k-NET30 from equipment delivery.
 - Customer is responsible for any and all state or local taxes or duties.
 - Any item desiring to be returned must be done within 15 days of receipt. All returns items are subject to a restocking fee.
 - Taurus will arrange proper shipment and bill accordingly for shipping and handling.
 - Invoices are issued and payable in US Dollars directly to Taurus Technologies Incorporated.
- Owner Furnished Equipment (a.k.a - 'OFE')
 - IF any Owner Furnished Equipment (OFE) shall be utilized in this design it will be presumed for the purpose of this Scope of Work and price quotation that all OFE is in good and proper working order.
 - No provisions have been made in this price quotation to test, troubleshoot or repair any Owner Furnished Equipment.
 - Should any testing, troubleshooting or repair be required to bring the Customer's equipment back to good and proper working order, additional charges may apply.
 - The appropriate Taurus Technologies and customer representatives shall agree on services to be rendered and price for such prior to any services being rendered by Taurus Technologies.
 - If the customer is providing any type of source code or configuration files for new or existing equipment, for Taurus to amend and implement, those files must be in complete and proper working order. Any unforeseen issues with said files, that cause additional time outside of this scope of work, may come with additional charges.
- Project Specifics
 - i. Client Responsibilities
 - Any functionality features or equipment not included in this Scope of Work must be addressed in writing prior to acceptance and authorization of this project.
 - A clean and secure work area and that provides conditions that are not detrimental to the equipment provided or personnel on site.
 - ***** All required spaces (rooms, access points, etc.) must be available at the start of the installation and remain available for the duration of the project. Any required space that is unavailable during the scheduled installation timeframe may result in delayed delivery of the project and possible additional charges.**
 - Uninterrupted access to work area during normal business hours in the local time zone (8AM-6PM). Afterhours access will be arranged when needed.
 - All Owner Furnished equipment must be in proper working order and accessible at the beginning of the project.
 - All shipments directly received by the client must be inspected for physical damage and any issues MUST be reported within 24 hours. Any damage not reported within the 24-hour delivery window will be the sole responsibility of the client.
 - It is understood that the Customer takes possession of product from TTI shipping point regardless of which party pays for freight. Upon acceptance, in good order, by carrier from TTI, the material becomes the property of the consignee. All claims for damage, breakage or losses (concealed or obvious) must be made by the consignee, to the carrier in accordance with ICC regulations. (ship to information contained in section I.a and I.b)
 - Installation and testing of all LAN, Phone, and Power circuits prior to arrival on site.
 - "Hard Point" for mounting of equipment. TTI will provide equipment specific mounting hardware to be attached to structural support provided by the customer.
 1. When in doubt, the Customer should contact a certified structural engineer.

- Ceiling Recessed Projection Screen: TTI shall mount and level projection screen(s) within the ceiling grid. Customer is responsible for repairs and/or replacement of any ceiling materials modified or damaged during the screen installation. Client shall be responsible for providing proper power circuit at screen location and connection of the screen control unit to the circuit.
- Pathway for AV cabling to include any core drilling or structural modifications.
- All conduit and raceway as required per local code.
- Proper ventilation at all rack locations.
- Any changes to the scope or functionality of the proposed design and subsequent signature of the Statement of Work will result in additional costs to include, but not limited to, equipment cost, shipping cost, travel expenses, programming charges, and labor expenses.
- Custom millwork, construction, or trim required to complete the project.
- Suitable area for receipt/delivery of equipment. Any inside delivery charges will be the responsibility of the client (noted in section I.c)
- **Any project installation scheduling requires a purchase order at least 2 weeks in advance to the desired date(s).**
- **Prior to installation, all end user locations will be sent a Certificate of Insurance at the place of install. Should the customer/leasing company/owner request additionally insured certificates of more than (1) listed on the C.O.I. Texas Legislation Senate Bill 45 will only allow (1) listed owner on the Certificate of Insurance and not multiple entities. Any deviations from this policy will require the End User to request each owner/entity additional information of business name and location for underwriting purposes, which could incur additional fees.**
- Intellectual Property
 - Control Code – Programming and Touch Panel Files
 - a. All control code and intellectual property related to the control code becomes the property of the client after all invoices have been paid in full. A copy of this code will be maintained by Taurus Technologies in order to easily and efficiently make changes as requested by the customer.
 - b. A touch panel “test drive” is allowed for the first thirty (30) days after which one (1) minor touch panel revision will be made at no cost to the client. Minor changes will include “look and feel” of panel as well as small functional needs that may have changed after the room has been in use but that do NOT deviate from the Scope of Work. All touch panel changes will be made at the end of the 30-day period unless customer requests otherwise. If the customer does request the changes to be made before the 30-day period is up the remaining days will be forfeited and no additional amendments will be made. All deviations from the Scope of Work or that require cabling changes or equipment moves will be billed as a change order.
 - Line/Schematic Drawings, and Flow Drawings
 - a. All drawings become the property of the client after all invoices are paid in full.
 - Warranties – All manufacturer warranties apply. These warranties and ownership thereof will be the customers. Optional upgrade warranties may be purchased upon request as well as Taurus Remote and On-site support packages.

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Jeff Fisher, Sr. Planner, Planning and Development Services, 325-657-4210

Meeting Date: May 3, 2022

Item type: Consent Item

Caption:

Consider accepting an annexation petition for 37.98 acres of land, being 36.60 acres and a 1.38-acre access easement, in the M. Mayer Survey No. 169, Abstract No. 1647, and part of Block 9, Upton and Collins Subdivision, Tom Green County, Texas, located southeast of Country Club Rd. and S. Ratliff Rd., and setting a public hearing on the annexation for the June 7, 2022 City Council meeting (Jon James)

Staff Recommendation:

Accept

Summary/History:

The applicant has submitted applications for annexation of this property into the City Limits, along with associated Comprehensive Plan Amendment and Zone Change applications. On April 18, 2022, the Planning Commission approved a subdivision plat for this area, Fairway Downs, Phase 1 for 52 single-family home lots and a commercial lot, with the condition that the plat not be recorded until the property is annexed into the City Limits with appropriate zoning. The proposed plat would also be required to connect to City water but may utilize private septic systems as all lots are at least 0.5 acres in size. The Comprehensive Plan Amendment would change the future land use from Rural to Neighborhood and Commercial, and the Zone Change would zone the residential portion, Single-Family Residential (RS-1) and the commercial portion, General Commercial (CG).

If Council accepts the petition, the proposed timeline is as follows:

1. May 16, 2022 - Planning Commission meeting to discuss annexation and recommendation on Comprehensive Plan and Zone Change requests;
2. June 7, 2022 - City Council public hearing and 1st reading of annexation, Comprehensive Plan amendment and Zone Change request; and,
3. June 21, 2022 - City Council final reading annexation, Comprehensive Plan amendment, and Zone Change request.

Funding Source(s):

Financial Impact:

There is no direct financial impact to accepting this annexation petition.

Other Information/Recommendation:

Staff recommends accepting this petition in order to start the annexation process.

Attachments:

- | | |
|--|--|
| 1. Petition Requesting Annexation by Landowner-Signed | 4. Petition Requesting Annexation by Landowner-Signed.pdf |
| 2. Fairway Downs Suddeth Survey FP-3 (BOUNDARY SURVEY) | 5. FAIRWAY DOWNS SUDDETH SURVEY FP-3 (BOUNDARY SURVEY).pdf |
| 3. Fairway Downs Suddeth Survey FP-2 (FIELD NOTES) | 6. FAIRWAY DOWNS SUDDUTH SURVEY FP-2 (FIELD NOTES).pdf |

Presentation:

Jon James

Approvals/Reviews:

Jeff Fisher	Created/Initiated
Zachary Rainbow	Approved
Jon James	Approved
Brandon Dyson	Approved
Jon James	Approved
Theresa James	Approved
Julia Antilley	Final Approval

Petition Requesting Annexation by Landowner

TO THE MAYOR AND GOVERNING BODY OF THE CITY OF SAN ANGELO, TX

The undersigned owner of the hereinafter described tract of land, which is vacant and without residents hereby petition your honorable Body to extend the present city limits so as to include as part of the City of San Angelo, TX, the property described in Exhibit "A", by metes and bounds and attached herein.

CASEY A POYNOR certifies that the above described tract of land is contiguous and adjacent to the City of San Angelo, TX, is not more than one-half mile in width, and that this petition is signed and duly acknowledged by each and every person having interest in said land.

Signed: [Signature]

Printed Name: Casey A Poynor

Entity: Devado Bay LLC

Title: Managing Member

Date: 3/31/2022

The State of Texas

County of Tom Green

BEFORE ME, this instrument was acknowledged on 3/31/2022 by

Casey Poynor.

[Signature]

Notary Public, State of Texas

My Commission expires: 4/17/2024



DATE:	03/18/2022
VERSION:	REV D
PREPARED BY:	JOSEPH BULLARD, P.E.
DRAWN BY:	ROBERT D. HARD, P.E.
CHECKED:	JOSEPH BULLARD, P.E.
APPROVED:	CASEY POYNOR

PHASE 1 - FINAL PLAT
FAIRWAY DOWNS

TOM GREEN COUNTY
SAN ANGELO, TEXAS



DATE: 03/18/2022
REV: FINAL PLAT

FP-3

SUDDUTH SURVEYING

136 W. Twohig Avenue, San Angelo, Texas 76903 (325) 277-0817

EXHIBIT "A"
FIELD NOTES

BEING 37.98 ACRES OF LAND COMPRISED OF 36.60 ACRES, AND A 1.38 ACRE ACCESS EASEMENT, ALL IN SURVEY 169, ABSTRACT NO. 1647, M. MAYER SURVEY, BLOCK 9, UPTON AND COLLINS SUBDIVISION, RECORDED IN VOLUME 1, PAGE 140, PLAT RECORDS, TOM GREEN COUNTY, TEXAS, SAID 81.70 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a found ½" iron pipe for the southwest corner of this tract, along the east line of Ratliff Road, and the northwest corner of a 10.881 acre tract out of Survey 169, Abstract No. 1647, M. Mayer Survey, Block 9, Upton and Collins Subdivision, recorded in Volume 757, Page 342, Official Public Records, Tom Green County, Texas, from which a found1/2" iron pipe bears S 0°21'28" W 853.23 feet;

THENCE N 0°21'24" E 970.73 feet along the west line of this tract, the e ast line of said Ratliff Road, to a point for the northwest corner of this tract, and the northwest corner of said Ratliff road, from which a found ½" iron rod with cap stamped "WILDE" bears N 25°45'52" W 1.56 feet;

THENCE N 68°00'53" E 1459.05 feet along the north line of this tract, the south line of Country Club Road, at 942.64 feet, a found 4" iron pipe corner post, continuing along, at 1312.57 feet, pass a found ½" iron rod, continuing along, at 1366.60 feet, pass a found ½" iron rod, and for a total distance of 1459.05 feet, to a found 5/8" iron rod for an angle corner of this tract, along the south line of Canal Road;

THENCE N 68°04'42" E 53.42 feet along the north line of this tract, the south line of Canal Road, to a point for the northeast corner of this tract, and the northwest corner of Sunset Ranch Estates, Section 2, recorded in Cabinet A, Slide 107, Plat Records, Tom Green County, Texas;

THENCE S 0°17'48" W 381.06 feet along the east line of this tract, the west line of said Sunset Ranch Estates, to a set ½" iron rod for an ell corner of this tract;

THENCE N 89°42'12" W 320.00 feet along the south line of this tract, the north line of 5.00 acres out of Survey 169, Abstract No. 1647, M. Mayer Survey, Block 9, Upton and Collins Subdivision, recorded in Volume 945, Page 430, Official Public Records, Tom Green County, Texas, to a set ½" iron rod for an ell corner of this tract, and the northwest corner of said 5.00 acres;

THENCE S 0°17'48" W 681.00 feet along the east line of this tract, the west line of said 5.00 acres, to a set ½" iron rod for an angle corner of this tract, the southwest corner of said 5.00 acres, and the northwest corner of 2.50 acres of land out of Survey 169, Abstract No. 1647, M. Mayer Survey, Block 9, Upton and Collins Subdivision, recorded in Volume 1082, Page 72, Official Public Records, Tom Green County, Texas;

THENCE S 0°03'08" W 341.39 feet along the east line of this tract, the west line of said 2.50 acres, to a set ½" iron rod for an ell corner of this tract, the southwest corner of said 2.50 acres, and along the north line of 5.00 acres out of Survey 169, Abstract No. 1647, M. Mayer Survey, Block 9, Upton and Collins Subdivision, recorded as Instrument No. 617331, Official Public Records, Tom Green County, Texas

THENCE N 89°46'28" W 40.00 feet along the south line of this tract, the north line of said 5.00 acres, to a set ½" iron rod for an ell corner of this tract

THENCE S 0°22'24" W 399.69 feet along the east line of this tract, the west line of said 5.00 acres, to a set ½" iron rod for the southeast corner of this tract;

THENCE N 89°39'00 W along the south line of this tract, and the north line of said 10.881 acres, at 102.73 feet, pass a found ½" iron pipe for the northeast corner of said 10.881 acres, continuing along, at 939.04 feet, for a total distance of 1041.77 feet, to the place of beginning containing 37.98 acres in Tom Green County, Texas.

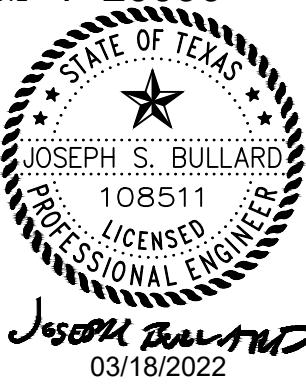
Surveyed on the ground under my supervision according to the Minimum Standards of the Professional Land Surveying Practices Act and General Rules of Procedures and Practices set forth by the Texas Board of Professional Land Surveying.

Grady Glyn Sudduth
Registered Professional Land Surveyor No. 5309
March 18, 2022
File Name: FAIRWAY_DOWNS_DORADO_FN

I, JOSEPH BULLARD, AM AUTHORIZED UNDER THE LAWS OF THE STATE OF TEXAS, TO PRACTICE THE PROFESSION OF ENGINEERING, AND DO HEREBY CERTIFYTHAT THIS PLAT IS FEASIBLE FROM AN ENGINEERING STANDPOINT AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

JOSEPH BULLARD, P.E.
LICENSED PROFESSIONAL ENGINEER NO. 108511
DORADO CONSTRUCTION GROUP, LLC.
424 SOUTH CHADBOURNE
SAN ANGELO, TEXAS 76905

F-20090



This Plat is filed in Cabinet_____Slide_____
Plat Records of Tom Green County Texas.

GENERAL NOTES

1. BEARING ORIENTATION IS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE 4203, NAD83.
2. BUILDING SETBACKS SHALL CONFORM TO CITY OF SAN ANGELO STANDARDS.
3. A 10.0 FOOT PUBLIC UTILITY EASEMENT (PUE) IS HEREBY DEDICATED ALONG AND ADJACENT TO ALL STREET SIDE PROPERTY LINES.
4. A TEN FOOT RIGHT OF WAY EASEMENT IS HEREBY DEDICATED ON THE REAR LOT LINES ADJACENT TO RATLIFF ROAD.
5. NO LOT LESS THAN 1 ACRE IN SIZE IN THIS SUBDIVISION SHALL BE OCCUPIED UNTIL CONNECTION IS MADE TO PUBLIC WATER UTILITIES.
6. STREET LIGHTING SHALL BE PROVIDED BY THE DEVELOPER IN CONFORMANCE WITH CITY OF SAN ANGELO STANDARDS.
7. WATER ON LOTS LESS THAN 1 ACRE TO BE PROVIDED BY CITY OF SAN ANGELO.
8. NO PORTION OF THIS TRACT IS ENCROACHED BY THE ULTIMATE 1% ANNUAL CHANCE FLOODPLAIN.
9. THE PROPERTY LIES OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN AS DELINEATED ON THE FLOOD INSURANCE RATE MAPS FOR TOM GREEN COUNTY, TEXAS.
10. IN ORDER TO PROMOTE DRAINAGE AWAY FROM A STRUCTURE, THE SLAB ELEVATIONS SHALL BE BUILT AT LEAST ONE (1) FOOT ABOVE THE SURROUNDING GROUND AND SHOULD BE GRADED AWAY FROM THE STRUCTURE AT A SLOPE OF ¼" PER FOOT FOR A DISTANCE OF AT LEAST TEN (10) FEET.
11. ALL SUBDIVISION CONSTRUCTION SHALL CONFORM TO THE CITY OF SAN ANGELO STANDARDS AND GENERALLY ACCEPTED ENGINEERING PRACTICES.
12. ON-SITE STORMWATER DETENTION FACILITITES WILL BE PROVIDED TO REDUCE POST-DEVELOPMENT PEAK RATES OF DISCHARGE OF THE 2,1 10-, 25- AND 100-YEAR STORM EVENTS.
13. ALL EASEMENTS ON PRIVATE PROPERTY SHALL BE MAINTAINED BY THE PROPERTY OWNER OR HIS OR HER ASSIGNS.

STATE OF TEXAS

COUNTY OF TOM GREEN

KNOW ALL MEN BY THESE PRESENTS:

THAT DORADO BAY, LLC., ACTING HEREIN BY IT’S GENERAL PARTNER, CASEY POYNOR, BEING THE OWNER OF A CALLED 37.98 ACRES OF LAND OUT OF MARTIN MAYER SURVEY 169, ABSTRACT NO. 1647, TOM GREEN COUNTY, TEXAS ACCORDING TO THE PLAT RECORDED IN VOLUME 1, PAGE 140 OF THE PLAT RECORDS OF TOM GREEN COUNTY, TEXAS, AND BEING OUT OF A 89.92 ACRE TRACT AS DESCRIBED IN DEED FROM MARION D. BADGER TO BERTRAND BRANDT BADGER DATED JUNE 1, 1994 AND RECORDED AS VOLUME 440, PAGE 992 OF THE OFFICIAL PUBLIC RECORDS OF TOM GREEN COUNTY, TEXAS, DOES HEREBY SUBDIVIDE 45.00 ACRES OF LAND IN ACCORDANCE WITH THE ATTACHED MAP OR PLAT SHOWN HEREON, PURSUANT TO CHAPTERS 212 AND 232 OF THE TEXAS LOCAL GOVERNMENT CODE, TO BE KNOWN AS:

FAIRWAY DOWNS PHASE I

AND DOES HEREBY DEDICATE TO THE PUBLIC THE USE OF THE STREETS AND EASEMENTS SHOWN HEREON, SUBJECT TO ANY EASEMENTS AND/OR RESTRICTIONS HERETOFORE GRANTED AND NOT RELEASED.

WITNESS MY HAND, THIS THE _____DAY OF _____, 2021, A.D.

CASEY POYNOR
DORADO BAY, LLC.
424 SOUTH CHADBOURNE
SAN ANGELO, TEXAS 76905

STATE OF TEXAS

COUNTY OF TOM GREEN

BEFORE ME, THE UNDERSIGNED AUTHORITY, PERSONALLY APPEARED CASEY POYNOR, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSED AND CONSIDERATION THEREIN EXPRESSED AND IN CAPACITY THEREIN STATED.

NOTARY PUBLIC, STATE OF TEXAS

PRINT NOTARY’S NAME

MY COMMISSION EXPIRES _____

CURVE TABLE					
NUMBER	LENGTH	RADIUS	DELTA ANGLE	CHORD LENGTH	TANGENT
C1	31.30'	20'	89°40'04"	28.202'	19.884'
C2	23.31'	60'	22°15'31"	22.013'	13.182'
C3	15.83'	60'	15°07'08"	15.387'	7.753'
C4	31.53'	20'	90°10'08"	28.365'	20.114'
C5	42.73'	110'	90°04'51"	42.462'	21.638'
C6	15.83'	60'	15°07'08"	15.784'	7.961'
C7	26.14'	20'	74°52'53"	24.319'	15.315'
C8	36.82'	20'	105°28'59"	31.836'	26.293'
C9	17.45'	20'	49°59'41"	16.902'	9.324'
C10	43.63'	50'	49°59'41"	42.259'	23.313'
C11	78.54'	50'	90°00'00"	70.711'	50.00'
C12	39.83'	50'	45°38'37"	38.785'	21.040'
C13	38.71'	50'	44°21'23"	37.750'	20.383'
C14	43.63'	50'	49°59'41"	42.259'	23.313'
C15	17.45'	20'	49°59'41"	16.902'	9.324'
C16	25.83'	20'	73°59'29"	24.072'	15.070'
C17	37.00'	20'	106°00'31"	31.945'	26.540'
C18	17.45'	20'	49°59'41"	16.902'	9.324'
C19	33.56'	50'	38°27'28"	32.934'	17.440'
C20	47.61'	50'	54°33'43"	45.832'	25.783'
C21	40.99'	50'	46°58'30"	39.852'	21.726'
C22	42.08'	50'	48°12'56"	40.849'	22.377'
C23	36.46'	50'	41°47'04"	35.658'	19.083'
C24	43.63'	50'	49°59'41"	42.259'	23.313'
C25	47.61'	20'	49°59'41"	37.138'	49.994'
C26	31.42'	20	90°00'00"	28.287'	20.004'
C27	31.42'	20	90°00'00"	28.287'	20.004'
C28	6.05'	60'	05°46'50"	6.047'	3.028'
C29	18.28'	60'	17°27'25"	18.209'	9.211'
C30	26.04'	20'	73°34'58"	24.239'	15.236'
C31	28.69'	50'	54°33'43"	28.298'	14.752'
C32	24.33'	60'	25°14'16"	24.164'	12.334'
C33	36.66'	110'	19°05'51"	36.491'	18.502'
C34	7.95'	110'	04°08'24"	7.948'	3.977'

LINE TABLE		
NUMBER	LENGTH	DIRECTION
L1	35.466'	S21°56'09.49"E
L2	34.965'	S21°56'09.49"W
L3	73.21'	S00°19'21.98"W
L4	89.682'	S00°19'21.98"W
L5	60.311'	S15°26'30.35"W

DATE:	03/18/22
VERSION:	REV D
PREPARED BY:	JOSEPH BULLARD, P.E.
DRAWN BY:	ROBERT D. HARD, P.E.
CHECKED BY:	JOSEPH BULLARD, P.E.
APPROVED:	CASEY POYNOR

PHASE 1 - FINAL PLAT
FAIRWAY DOWNS
TOM GREEN COUNTY
SAN ANGELO, TEXAS

DATE: 03/18/2022
REV: FINAL PLAT

FP-2
Of: 2 - 3

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Jeff Fisher, Sr. Planner, Planning and Development Services, 325-657-4210

Meeting Date: May 3, 2022

Item type: Consent Item

Caption:

Consider abandoning, vacating, and releasing a 3,990-sq ft portion of a 20-ft wide utility easement in order to relocate a fire hydrant, located northeast of Pulliam St. and Smith Blvd., within Tract 4 of Block 1 of the Anne Gregory Addition, Section 2; and authorizing the City Manager to execute a release of easement for recording with the County Clerk and other related documents (Jon James)

Staff Recommendation:

Adopt

Summary/History:

The Easement Release request is to facilitate the relocation of an existing fire hydrant closer to Pulliam Street, and abandon the remaining northern portion that will no longer be needed. The applicant will add an 865.5-sq ft easement area to the south for the relocation. Prior to execution of the easement release, the applicant will be required to obtain approval from the City Engineer for installation/modification of the water main and fire hydrant.

Funding Source(s):

Financial Impact:

N/A

Other Information/Recommendation:

Planning Staff recommends that City Council approve this item as outlined in the attached resolution.

Attachments:

- | | | |
|----|-----------------------------|---------------------------------|
| 1. | Application | Application.pdf |
| 2. | Easement | Easement.pdf |
| 3. | Easement within Signed Plat | Easement within Signed Plat.pdf |

Presentation:

Jon James

Approvals/Reviews:

Jeff Fisher

Created/Initiated

Zachary Rainbow
Jon James
Brandon Dyson
Jon James
Theresa James
Julia Antilley

Approved
Approved
Approved
Approved
Approved
Final Approval



**City of San Angelo, Texas – Planning Division
52 West College Avenue
Application for Easement Release**

**Section 1: Basic Information**Name of Applicant(s): Kelly Lankford, Executive VP/CEO - Concho Valley Electric Cooperative☒ Owner☐ Representative (Affidavit Required)

<u>2530 Pulliam Street</u>	<u>San Angelo</u>	<u>Texas</u>	<u>76905</u>
Mailing Address	City	State	Zip Code

<u>325-655-6950</u>	<u>klankford@cvec.coop</u>
Contact Phone Number	Contact E-mail Address

<u>2530 Pulliam Street</u>	<u>San Angelo</u>	<u>Texas</u>	<u>76905</u>
Subject Property Address	City	State	Zip Code

Blk: 1, Subd: ANNE GREGORY ADDITION, Tract: 4, SEC 2 BEING 10.000 ACRES

Legal Description (can be found on property tax statement or at www.tomgreencad.com)Size of Easement (in acreage or square feet): See attached. Zoning: CG - General Commercial**Easement Type:**

- ☒ City Utility Easement within a recorded subdivision plat
☐ City Utility Easement *not* within a recorded subdivision plat
☐ Easement not used by City (i.e. private utility easement)

Section 2: Site Specific DetailsGeneral Description of Location*: Concho Valley Electric Cooperative - East Parking Lot2530 Pulliam Street, San Angelo, Texas 76905Subdivision Name, Lots and Blocks Affected (if applicable): Blk: 1, Subd: ANNE GREGORY ADDITION, Tract: 4, SEC 2 BEING 10.000 ACRESReason for Easement Release*: Relocate fire hydrant

*Use attachment if necessary.

Section 3: Applicant's acknowledgement

(By checking the boxes you indicate that you understand the following regulations)

☒ An application for Easement Release may only be made by the owner of that property, or an authorized representative of the property owner. An authorized representative shall present a notarized affidavit from the property owner.

☒ Removal of the easement shall require a resolution and official release from City Council. Removal of City utility easements within a recorded plat shall also require approval of a Subdivision Application removing said easement from the plat.

Section 3 continued: Applicant's acknowledgementHours of Operation: 8 AM -12 PM & 1PM - 5 PM 325-657-4210, #2 www.cosatx.us/departments-services/planning

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

Kelly C. Lankford
Signature of licensee or authorized representative
affirming the truth of the above statement.

3-16-22
Date

Kelly C. Lankford
Printed name of licensee or authorized representative

Concha Valley Electric Cooperative
Name of business/Entity of representative

FOR OFFICE USE ONLY:

Date of Application: ____/____/____ ☐ Application Form complete ☐ Attached Checklist complete

Affidavit attached? ☐ Yes ☐ No ☐ N/A

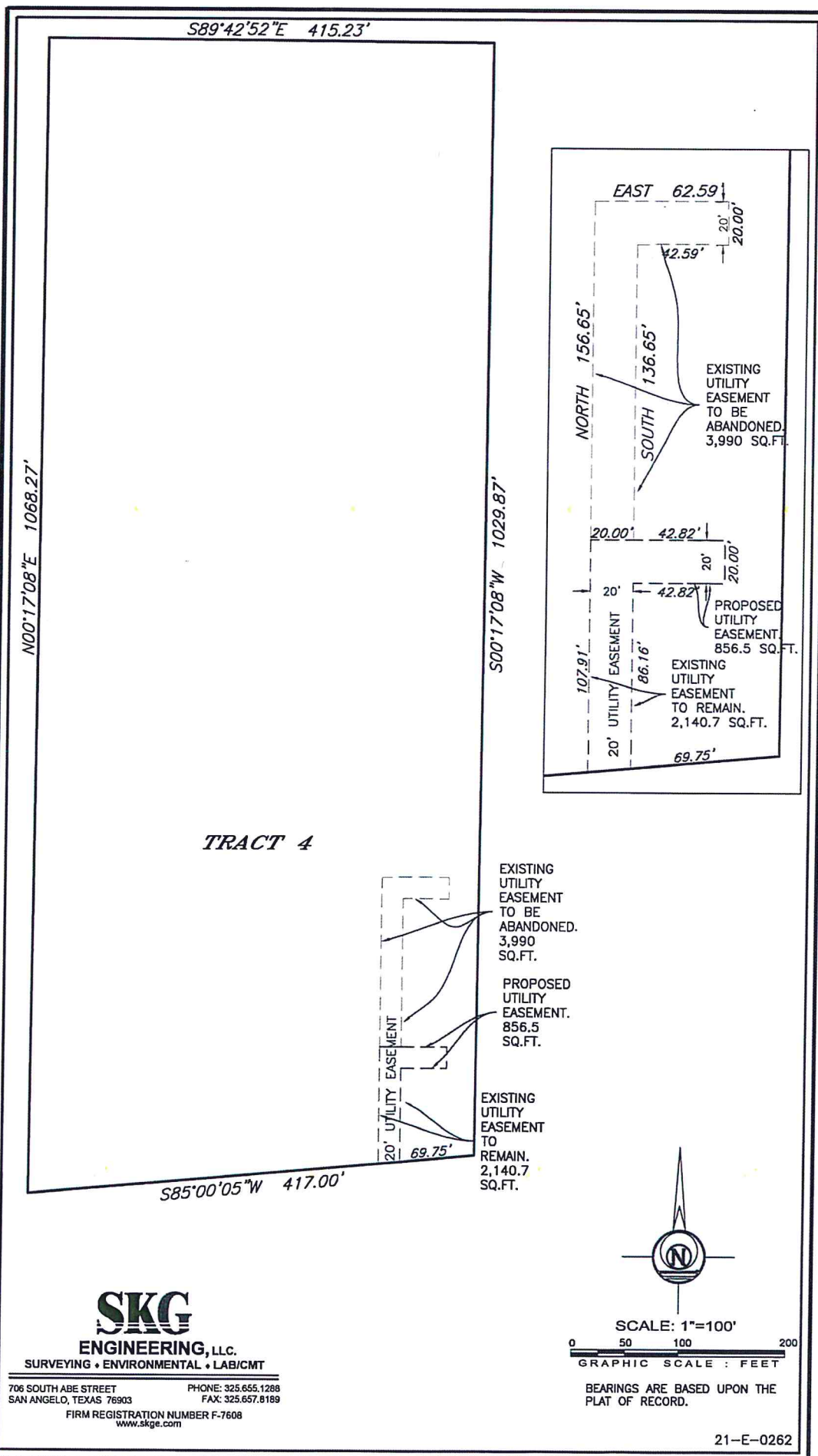
Nonrefundable fee: \$ _____

Receipt #: _____

Date paid: ____/____/____

Reviewed/Accepted by: _____

Date: ____/____/____



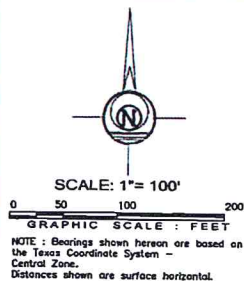


PL 700159
1 PG

REF: Anne Gregory Addition,
Vol. 4, Pg. 713 Plat Records

TR. 3
8.984 Ac.

ONE



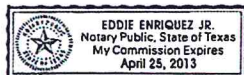
DEPARTMENT OF PLANNING
Approved for recording this 6 day
of March, 20 11.
By: [Signature]
Director of Planning

DEPARTMENT OF WATER UTILITIES
Approved for recording this 10 day
of March, 20 11.
By: [Signature]
Director of Water Utilities

DEPARTMENT OF PUBLIC WORKS
Approved for recording this 11 day
of March, 20 11.
By: [Signature]
Director of Public Works

COUNTY CLERK
Filed for record this 11th day of
March, 20 11, @ 11:30 AM
County Clerk of Tom Green Co., Tx.
By: [Signature] Christy Taylor, Deputy

STATE OF TEXAS
COUNTY OF TOM GREEN
This instrument was acknowledged before
me on 3-9-11
by Kelly Lankford, Executive Vice President/CEO
in the capacity shown.
[Signature]
Notary Public, State of Texas



TR. 1
2.279 Ac.

TR. 2A
1.00 Ac.

TR. 2B
2.167 Ac.

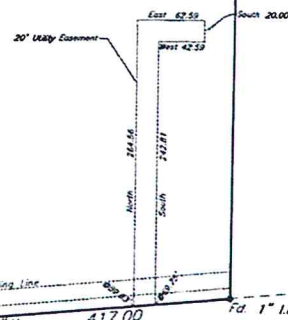
TR. 4
10.000 Ac.

SMITH BLVD.

REF: Replat of Tract 2, Block One,
Anne Gregory Addition,
Cabinet E, Slide 44, Plat Records

REF: Anne Gregory Addition
Vol. 4, Pg. 713 Plat Records

BLOCK



PULLIAM ST.

Anne Gregory Addition, Section Two
City of San Angelo, Tom Green County, Texas.

OWNER/DEVELOPER: Concho Valley Electric Cooperative, Inc

DESCRIPTION: Being 10 000 acres of land out of Frederick
Heinemann Survey 327, Abstract No. 344, San Angelo, Tom
Green County, Texas and Being that same tract described
and recorded in Volume 618, Page 601 Deed Records of
Tom Green County, Texas.

ACKNOWLEDGEMENT/DEDICATION
We, Concho Valley Electric Cooperative Inc., do hereby adopt this
plat as the subdivision of our property and dedicate for the
use of the public the easement shown hereon.

Kelly Lankford, Executive Vice President/CEO



SURVEYOR'S CERTIFICATE

Know all men by these presents:
that I, Russell T. Gully RPLS, 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 platted lies
within the city limits of the City of
San Angelo, Texas.

This Plat is Filed in Cabinet D, Slide 352
Plat Records of Tom Green County, Texas.
Field Notes are filed as Instrument No. 700160
Official Public Records of Real Property, Tom Green
County, Texas.

SKG
ENGINEERING, LLC
SURVEYING • ENVIRONMENTAL • LAB/CMT
1122 SOUTH BRYANT BLVD. PHONE: 325 655 1238
SAN ANGELO, TEXAS 76903 FAX: 325 657 8189
www.skg.com

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



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

Meeting Date: May 3, 2022

Item type: Regular Item

Caption:

Consider accepting the City's fiscal year 2021 Annual Comprehensive Financial Report and Single Audit (Presentation made by Armstrong, Backus & Company, LLC Partner Gayla Thornton)

Staff Recommendation:

Accept

Summary/History:

The Annual Report 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 Annual Report and Single Audit presented are for the fiscal year ended September 30, 2021.

The Audit Committee convened to review the reports with the external auditor on April 19, 2022, 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.

Funding Source(s):

Financial Impact:

N/A

Other Information/Recommendation:

N/A

Attachments:

- | | | |
|----|---|---|
| 1. | COSA - FY21 Annual Comprehensive Financial Report | COSA - FY21 Annual Comprehensive Financial Report.pdf |
| 2. | COSA - FY21 Single Audit | COSA - FY21 Single Audit.pdf |

Presentation:

Gayla Thornton

Approvals/Reviews:

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



**For the Fiscal Year Ended
September 30, 2021**

Annual Comprehensive Financial Report

CITY OF SAN ANGELO, TEXAS

Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2021



Prepared by: Finance Department

Tina Dierschke, Finance Director

CITY OF SAN ANGELO, TEXAS
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2021

TABLE OF CONTENTS

	<u>Page</u>
<u>INTRODUCTORY SECTION:</u>	
Letter of Transmittal	2-5
List of Principal Officials	6
City Government Organizational Chart	7
Certificate of Achievement for Excellence in Financial Reporting	8
<u>FINANCIAL SECTION:</u>	
INDEPENDENT AUDITORS' REPORT	11-13
MANAGEMENT'S DISCUSSION AND ANALYSIS	15-25
BASIC FINANCIAL STATEMENTS:	
Statement of Net Position	27
Statement of Activities	28
Balance Sheet – Governmental Funds	29
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	30
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	31
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	32
Statement of Fiduciary Net Position – Proprietary Funds	33
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	34
Statement of Cash Flows – Proprietary Funds	35-36
Statement of Net Position – Fiduciary Funds	37
Notes to the Basic Financial Statements	38-83

CITY OF SAN ANGELO, TEXAS
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2021

TABLE OF CONTENTS

	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION:	
Budgetary Comparison Schedule – General Fund	85-86
Notes to the Budgetary Comparison Schedule	87
Texas Municipal Retirement Fund – Schedule of Changes in Net Pension Liability and Related Ratios	88
Texas Municipal Retirement Fund – Schedule of Employer Contributions	89
San Angelo Firemen’s Relief and Retirement Fund – Schedule of Changes in Net Pension Liability and Related Ratios	90
San Angelo Firemen’s Relief and Retirement Fund – Schedule of Employer Contributions	91
Other Post Employment Benefits – Schedule of Changes in Total OPEB Liability and Related Ratios	92
OTHER SUPPLEMENTARY INFORMATION:	
GENERAL FUND COMBINING SCHEDULES:	
General Fund Descriptions	94
Combining Balance Sheet – General Fund Accounts	95
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – General Fund Accounts	96
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) – General Fund Accounts	97-100

CITY OF SAN ANGELO, TEXAS
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2021

TABLE OF CONTENTS

	<u>Page</u>
NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENTS:	
Nonmajor Governmental Funds Description	102
Combining Balance Sheet – Nonmajor Governmental Funds	103
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds	104
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) – Nonmajor Governmental Funds	105-107
MAJOR GOVERNMENTAL SPECIAL REVENUE FUND:	
Major Governmental Special Revenue Fund Description	108
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) – Major Governmental Special Revenue Fund	109
MAJOR GOVERNMENTAL CAPITAL PROJECTS FUND:	
Major Governmental Capital Projects Fund Description	110
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) – Major Governmental Capital Projects Fund	111
MAJOR GOVERNMENTAL DEBT SERVICE FUND:	
Major Governmental Debt Service Fund Description	112
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) – Major Governmental Debt Service Fund	113
NONMAJOR ENTERPRISE FUNDS COMBINING STATEMENTS:	
Nonmajor Enterprise Funds Description	114
Combining Statement of Net Position – Nonmajor Enterprise Funds	115
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Nonmajor Enterprise Funds	116
Combining Statement of Cash Flows – Nonmajor Enterprise Funds	117

CITY OF SAN ANGELO, TEXAS
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2021

TABLE OF CONTENTS

	<u>Page</u>
INTERNAL SERVICE FUNDS COMBINING STATEMENTS:	
Internal Service Funds Description	118
Combining Statement of Net Position – Internal Service Funds	119
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds	120
Combining Statement of Cash Flows – Internal Service Funds	121
FIDUCIARY FUNDS:	
Fiduciary Fund Description	122
Combining Statement of Fiduciary Net Position	123
DISCRETELY PRESENTED COMPONENT UNIT COMBINING STATEMENTS:	
Discretely Presented Component Unit Description	124
Combining Balance Sheet – Discretely Presented Component Unit	125
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Discretely Presented Component Unit	126

CITY OF SAN ANGELO, TEXAS
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2021

TABLE OF CONTENTS

	<u>Table</u>	<u>Page</u>
<u>STATISTICAL SECTION:</u>		
Statistical Section Narrative and Table of Contents		128-129
<u>Financial Trends:</u>		
Net Position by Component – Last Ten Fiscal Years	1	130
Changes in Net Position – Last Ten Fiscal Years	2	131-132
Fund Balances, Governmental Funds – Last Ten Fiscal Years	3	133
Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years	4	134
<u>Revenue Capacity:</u>		
Assessed Value and Actual Value of Taxable Property – Last Ten Fiscal Years	5	135
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	6	136
Principal Property Taxpayers – Current Year and Nine Years Ago	7	137
Property Tax Levies and Collections – Last Ten Fiscal Years	8	138
Direct and Overlapping Sales Tax Rates – Last Ten Fiscal Years	9	139
Sales Tax Revenue by Industry – Current Year and Last Ten Fiscal Years	10	140
<u>Debt Capacity:</u>		
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	11	141
Ratios of Net General Bonded Debt Outstanding – Last Ten Fiscal Years	12	142
Direct and Overlapping Governmental Activities Debt	13	143

CITY OF SAN ANGELO, TEXAS
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2021

TABLE OF CONTENTS

	<u>Table</u>	<u>Page</u>
Pledged-Revenue Coverage – Last Ten Fiscal Years	14	144
<u>Demographic and Economic Information:</u>		
Demographic and Economic Statistics – Last Ten Calendar Years	15	145
Principal Employers – Current Year and Nine Years Ago	16	146
<u>Operating Information:</u>		
Full-Time Equivalent City Employees by Department – Last Ten Fiscal Years	17	147
Operating Indicators by Function/Program – Last Ten Fiscal Years	18	148
Capital Asset Statistics by Function/Program – Last Ten Fiscal Years	19	149



**The City of
San Angelo, Texas
72 W College Ave.
San Angelo, TX 76903**

March 25, 2022

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, 2021.

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, 2021, 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, 2021, 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 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, 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. Post-graduate degrees are offered in 30 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 2020, 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 ensure 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 2022.

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 to date with the first three debt phases issued in 2016, 2018, and 2020. The fourth issue will be completed in 2022.

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 an Annual Comprehensive Financial Report that is easily readable and efficiently organized. To be awarded the Certificate of Achievement, these financial statements must satisfy both GAAP and applicable legal requirements. The City received the GFOA Certificate of Achievement for its financial statements for the fiscal year ended September 30, 2020. A Certificate of Achievement is valid for a period of one year only. We believe that the City's current financial statements meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for the certificate for the fiscal year ended September 30, 2021.

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 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, 2021

City Council

Brenda Gunter
Tommy Hiebert
Tom Thompson
Harry Thomas
Lucy Gonzales
Lane Carter
Larry Miller

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

Jay Daniel

Municipal Court Judge

Frank Carter

Police Chief

Brian Dunn

Fire Chief

Brian Groves

Communications Manager

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

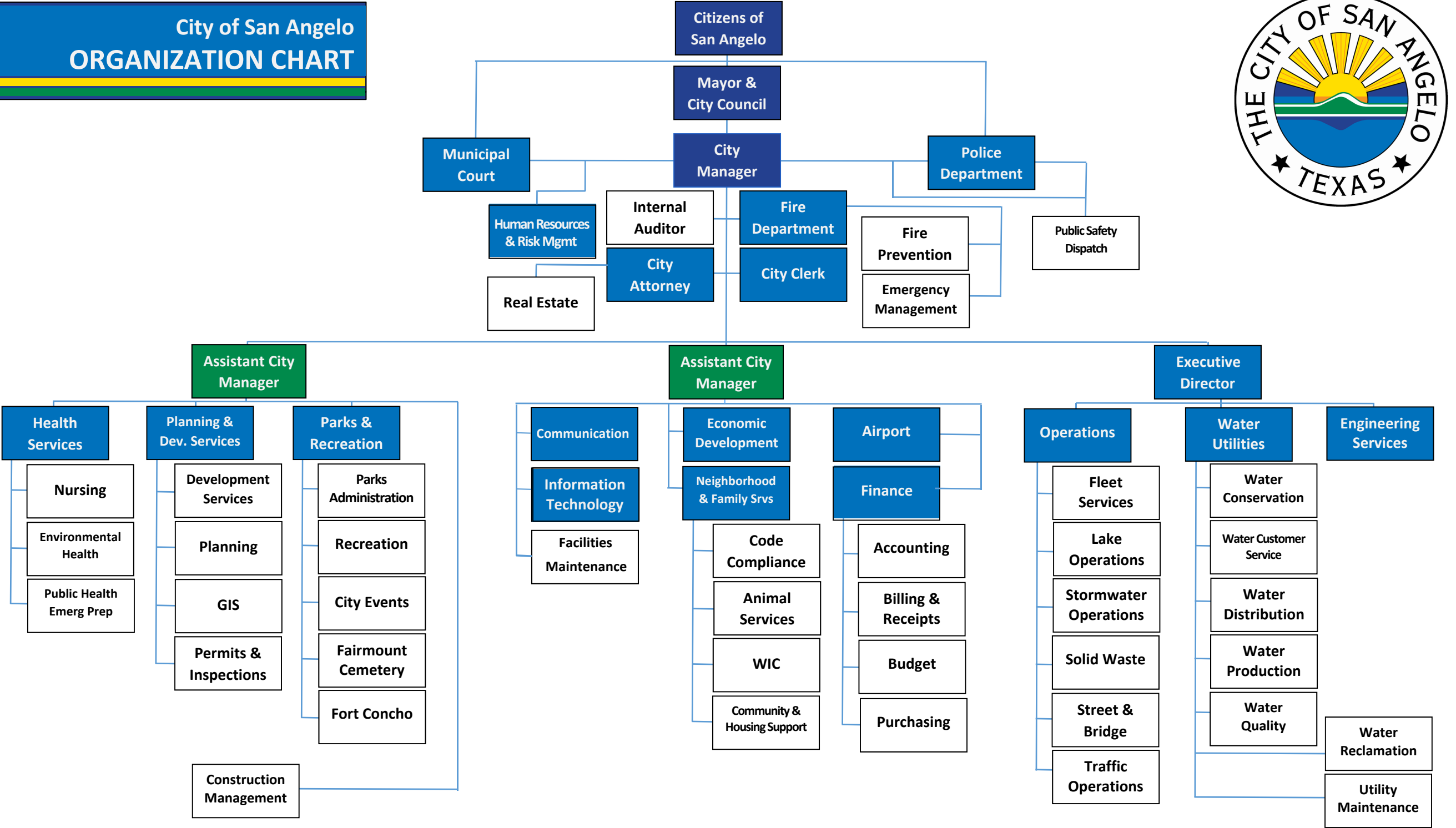
Health Services Director

Kevin Pate

Interim 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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

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, 2021, 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, 2021, 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 March 25, 2022 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
March 25, 2022



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

In this section of the Annual Comprehensive 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, 2021. 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 27 and 28). 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 29 through 37) 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 38 through 83) 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 27. 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 of 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 the current year's revenues and expenses are considered 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 the water and sewer utilities and grants provided by the State and Federal governments 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 also considered regardless of whether they must be paid in the current or future years.

These two statements report the City's net position and changes in net position. The City's net position (the difference between assets and liabilities) provides one measure of the City's financial health or financial position. Over time, increases or decreases in the City's net position 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 three 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.
- ❖ Component Units – Two legally separate organizations for which the City is financially accountable are included in these statements as component units. These organizations include the City of San Angelo Development Corporation as a discretely presented component unit and Keep San Angelo Beautiful as a blended component unit.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements begin on page 29 and provide detailed information about the City's most significant funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. 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 established purposes (like capital projects). All the funds of the City can be divided into these three categories: governmental funds, proprietary funds, and fiduciary funds and 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.

The City of San Angelo maintains 11 individual governmental funds. Information for the General Fund, Intergovernmental Fund, Capital Improvement Fund, and the Debt Service Fund are presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances because they are considered major funds of the City. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds are provided in the Combining Financial Statement Section of this report.

- ❖ **Proprietary funds** – The City maintains two different types of proprietary, or enterprise, funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operations, landfill operations, municipal drainage system, regional airport fund, and state office building fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City’s various functions. The City uses its internal service funds to account for its equipment maintenance services, technology services, risk management, and health claims 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. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City’s own programs. The City is only responsible for ensuring that the assets reported in this fund are used for their intended purposes. The accounting used for fiduciary funds is much like that used for proprietary funds. The City's fiduciary activity is reported in a separate Statement of Net Position.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Governmental Activities

The City’s total net position of governmental activities increased by \$12.8 million. This result is due primarily to COVID-19 Coronavirus Relief Fund (CRF) and American Rescue Plan Act (ARPA) awards and reduced pension and OPEB expenses.

Business-Type Activities

In 2021, the total net position of business-type activities increased by \$33.3 million. This is primarily the result of growth in utility operating income, CRF and ARPA grant awards for the Airport operation, and reduced OPEB expenses.

Combined Activities

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. The City’s combined net position was \$259.3 million as of September 30, 2021. This analysis focuses on the net position (Table 1) and changes in net position (Table 2) of the City’s governmental and business-type activities.

By far, the largest portion of the City’s net position reflects its net investment in capital assets (land, buildings, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

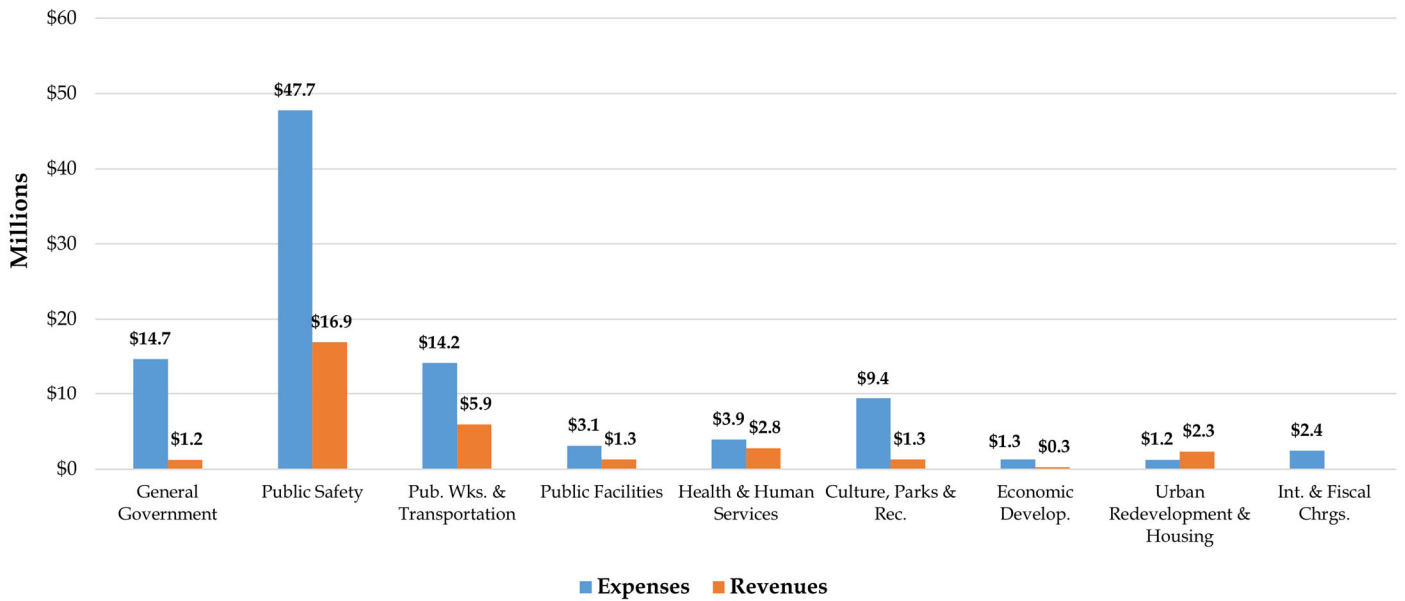
Table 1 - Net Position

	Governmental		Business-type		Total	
	Activities		Activities			
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$ 121,291,271	\$ 109,081,087	\$ 221,241,343	\$ 159,403,322	\$ 342,532,614	\$ 268,484,409
Capital Assets	91,179,109	82,129,315	302,612,629	377,801,013	393,791,738	459,930,328
Total Assets	\$ 212,470,380	\$ 191,210,402	\$ 523,853,972	\$ 537,204,335	\$ 736,324,352	\$ 728,414,737
Deferred Outflows of Resources	19,938,526	24,149,189	1,873,536	1,640,055	21,812,062	25,789,244
Current Liabilities	14,358,424	13,058,974	17,997,678	20,847,033	32,356,102	33,906,007
Long-term Liabilities	235,572,412	241,640,215	205,589,014	247,405,411	441,161,426	489,045,626
Total Liabilities	\$ 249,930,836	\$ 254,699,189	\$ 223,586,692	\$ 268,252,444	\$ 473,517,528	\$ 522,951,633
Deferred Inflows of Resources	23,342,188	25,694,455	1,878,347	1,925,956	25,220,535	27,620,411
Net Position:						
Net Investment in Capital Assets	45,548,654	42,532,871	239,727,017	298,364,531	285,275,671	340,897,402
Restricted	56,811,637	7,371,196	15,481,094	17,392,704	72,292,731	24,763,900
Unrestricted	(143,224,409)	(114,938,120)	45,054,358	(47,091,245)	(98,170,051)	(162,029,365)
Total Net Position	(\$ 40,864,118)	(\$ 65,034,053)	\$ 300,262,469	\$ 268,665,990	\$ 259,398,351	\$ 203,631,937

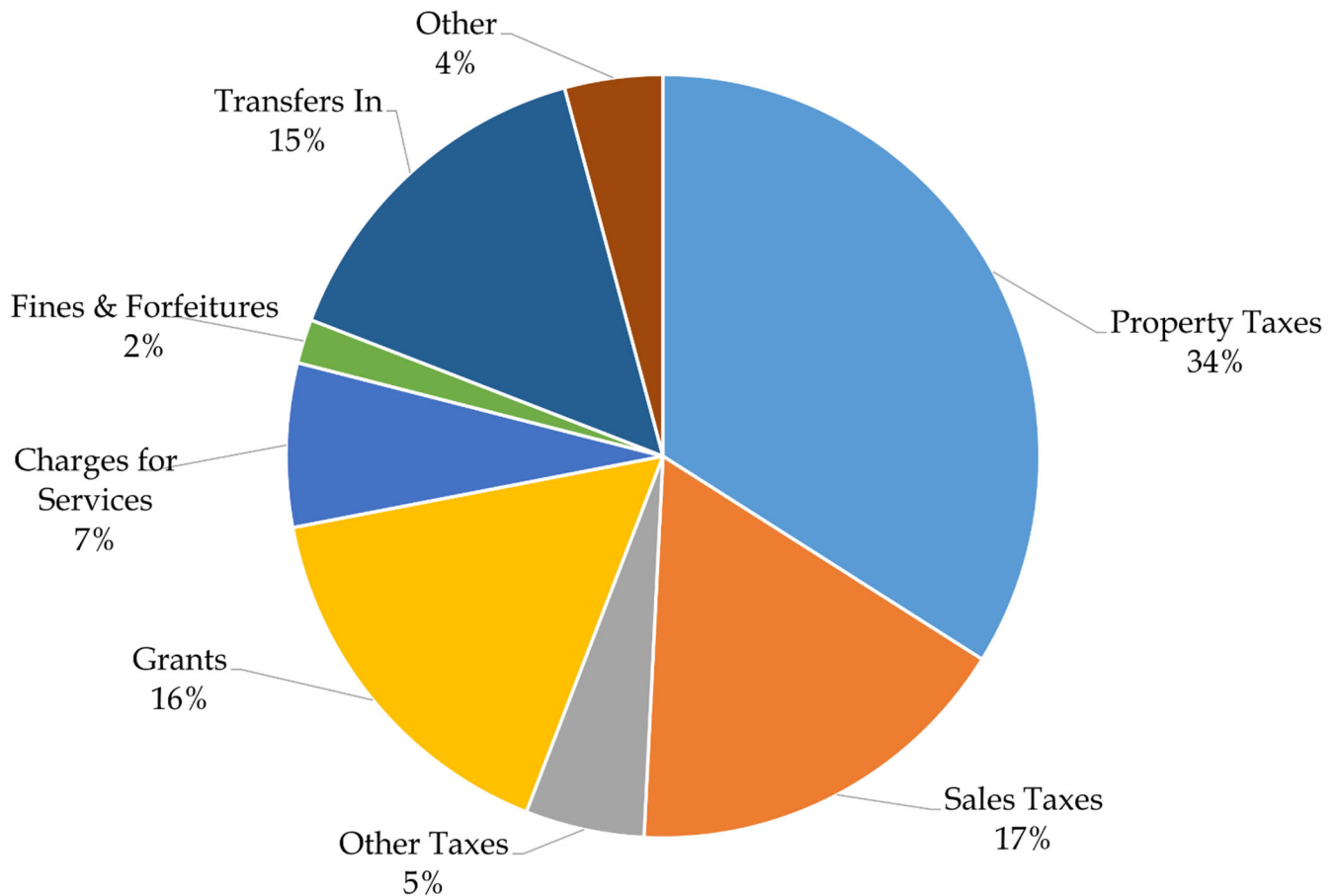
Table 2 - Changes in Net Position

	Governmental		Business-type		Total	
	Activities		Activities			
	2021	2020	2021	2020	2021	2020
REVENUES						
Program Revenues:						
Charges for Services	\$ 10,788,129	\$ 14,923,840	\$ 68,456,279	\$ 66,647,147	\$ 79,244,408	\$ 81,570,987
Operating Grants and Contributions	20,534,221	4,700,560	-0-	1,205	20,534,221	4,701,765
Capital Grants and Contributions	647,372	405,598	1,944,362	748,880	2,591,734	1,154,478
General Revenues:						
Property Taxes - General Levy	37,146,999	36,171,781	-0-	-0-	37,146,999	36,171,781
Property Taxes - Debt Service Levy	5,113,885	4,941,910	-0-	-0-	5,113,885	4,941,910
Sales Taxes	21,527,546	20,440,115	-0-	-0-	21,527,546	20,440,115
Franchise Taxes	3,481,709	4,591,806	-0-	-0-	3,481,709	4,591,806
Motel Taxes	2,605,469	2,339,122	-0-	-0-	2,605,469	2,339,122
Mixed Drink Taxes	397,447	360,233	-0-	-0-	397,447	360,233
Bingo Taxes	29,742	50,373	-0-	-0-	29,742	50,373
Penalty, Interest and Fees on						
Delinquent Taxes	1,035,580	936,604	-0-	-0-	1,035,580	936,604
Investment Income	88,319	(468,675)	234,322	(6,753,812)	322,641	(7,222,487)
Miscellaneous	5,105,492	3,991,362	-0-	-0-	5,105,492	3,991,362
Total Revenues	\$ 108,501,910	\$ 93,384,629	\$ 70,634,963	\$ 60,643,420	\$ 179,136,873	\$ 154,028,049
EXPENSES						
Governmental Activities:						
General Government	\$ 14,683,815	\$ 11,429,983	\$ -0-	\$ -0-	\$ 14,683,815	\$ 11,429,983
Public Safety	47,741,958	56,098,247	-0-	-0-	47,741,958	56,098,247
Public Works and Transportation	14,166,558	15,004,639	-0-	-0-	14,166,558	15,004,639
Public Facilities	3,103,094	3,339,678	-0-	-0-	3,103,094	3,339,678
Health and Human Services	3,889,999	3,604,030	-0-	-0-	3,889,999	3,604,030
Culture, Parks and Recreation	9,395,769	10,168,157	-0-	-0-	9,395,769	10,168,157
Economic Development	1,266,269	693,708	-0-	-0-	1,266,269	693,708
Urban Redevelopment and Housing	1,196,494	1,247,703	-0-	-0-	1,196,494	1,247,703
Interest and Fiscal Charges	2,413,810	1,944,326	-0-	-0-	2,413,810	1,944,326
Business-Type Activities:						
Water	-0-	-0-	25,641,958	28,141,865	25,641,958	28,141,865
Sewer	-0-	-0-	5,033,881	15,459,800	5,033,881	15,459,800
Airport	-0-	-0-	2,901,544	4,214,237	2,901,544	4,214,237
State Office Building	-0-	-0-	688,925	915,718	688,925	915,718
Solid Waste	-0-	-0-	784,969	1,477,731	784,969	1,477,731
Stormwater	-0-	-0-	2,251,183	1,686,980	2,251,183	1,686,980
Total Expenses	\$ 97,857,766	\$ 103,530,471	\$ 37,302,460	\$ 51,896,331	\$ 135,160,226	\$ 155,426,802
Excess or Deficiency Before						
Transfers & Special Items	\$ 10,644,144	(\$ 10,145,842)	\$ 33,332,503	\$ 8,747,089	\$ 43,976,647	(\$ 1,398,753)
Transfers	1,958,476	(9,215,662)	(1,958,476)	9,215,662	-0-	-0-
Gain (Loss) on Sale of Capital Assets	207,742	(22,165)	2,014,509	2,135,426	2,222,251	2,113,261
Change in Net Position	\$ 12,810,362	(\$ 19,383,669)	\$ 33,388,536	\$ 20,098,177	\$ 46,198,898	\$ 714,508
Net Position-Beginning	(65,034,053)	(45,600,384)	268,665,990	248,517,813	203,631,937	202,917,429
Restatement of Beginning Net Position	11,359,573	(50,000)	(1,792,057)	50,000	9,567,516	-0-
Net Position-Ending	(\$ 40,864,118)	(\$ 65,034,053)	300,262,469	\$ 268,665,990	\$ 259,398,351	\$ 203,631,937

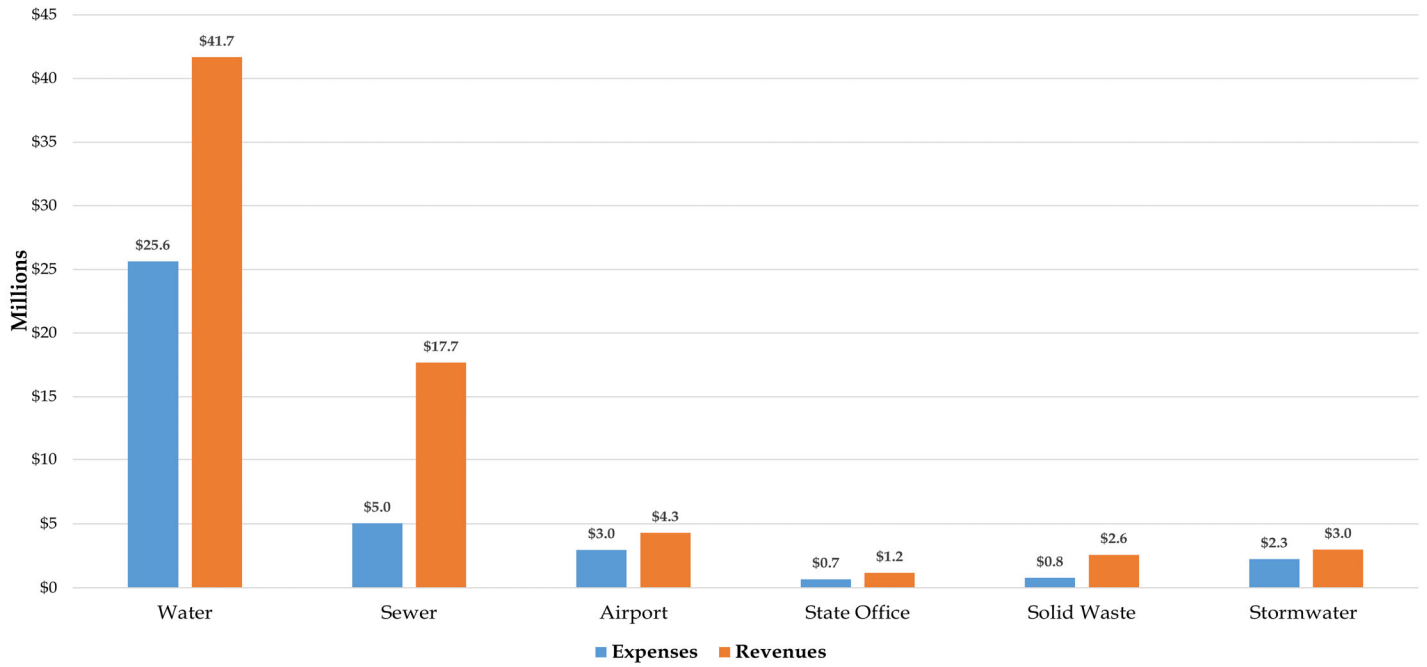
Expenses & Program Revenues - Governmental Activities



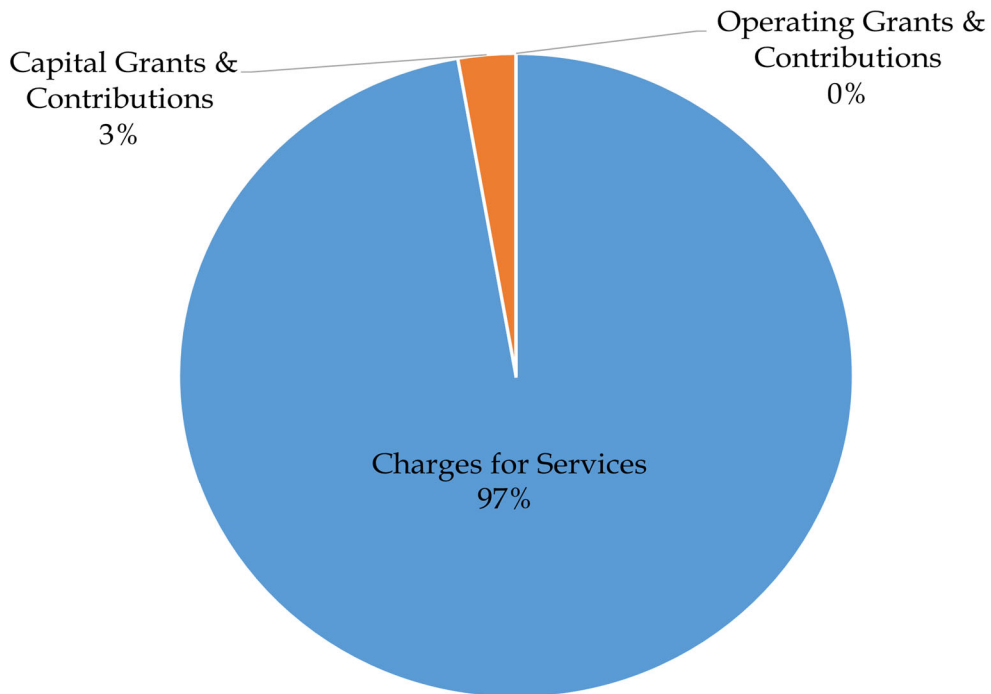
Revenues by Source - Governmental Activities



Expenses & Program Revenues - Business-Type Activities



Revenue 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. 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 29) reported a combined fund balance of \$103.8 million, a decrease of \$3.2 million from the prior year. This result is primarily due to additional net capital outlays (streets program) offset partially by grant awards related to COVID-19.

Approximately 48%, or \$47 million of the total amount, is unassigned and rests in the General Fund. Most 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 55% of total General Fund expenditures. The total fund balance in the General Fund decreased by \$8.3 million during the current fiscal year.

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 decreased \$8.6 million in FY 2021, resulting in a fund balance of \$32.8 million, due to capital outlay related to street reconstruction and improvements.

The City's street reconstruction and improvement projects continue to be the primary area of capital improvement investing. The City Council adopted a 10-year plan in January 2016 to issue \$80 million in debt to rebuild San Angelo's worst streets. Every other year the City will issue \$16 million in new debt to pay for the projects. Thus, streets will be improved without having to raise the property tax rate, which for the ninth straight year will remain at 77.6 cents. Additionally, the City Council voted during the FY 2022 budget cycle to allocate 0.006 cents of the property tax rate to a separate fund to further support the mission of street reconstruction and improvement. This rate would yield approximately \$325,000 to that fund for FY 2022. Street reconstruction and improvements are one of the City Council's top three strategic priorities.

The Debt Service Fund has a total fund balance of \$2,405,850, all of which is reserved for the payment of debt service. The increase in fund balance during the current year was \$2,236,624, which was primarily the result of an increase in investments.

The Intergovernmental Fund is a newly presented governmental fund in the current fiscal year due to the significant activity associated with the receipt of grant awards from the Coronavirus Relief Fund (CRF) and the American Rescue Plan Act (ARPA).

Proprietary Funds

The City of San Angelo's proprietary funds provides the same type of information found in the government-wide financial statements but in more detail. Total net position in the Water Fund is \$182 million, an increase of \$13.6 million. Total net position in the Sewer Fund was \$74.5 million, an increase of \$9.7 million. This is due to continued favorable operating income from operations.

General Fund Budgetary Highlights

Differences between the original and final amended budget for revenue amounted to \$4.1 million, an increase of 6%. This was due primarily to an increase in sales tax revenue and the receipt of grant awards from the CRF programs. Property values increased about 1.67% this year, while property tax revenue exceeded budget by \$909,000. Sales tax collections in the fiscal year that ended September 30, 2021 were approximately \$1.8 million more than what was originally budgeted. The City budgets its revenues conservatively and even more so in light of COVID-19 and the economic uncertainties associated with it. Consequently, sales tax collections in the coming year have been budgeted at a 5% decline from this year's collections. The City Council used the sales tax surplus in 2021 to fund the purchase of a building, to pay for unexpected ancillary electricity charges that resulted from Winter Storm Uri, and to assist with the implementation of a loyalty pay program to encourage employee recruitment and retention.

The COVID-19 pandemic certainly continued to affect City revenues and expenditures. At the beginning of the pandemic, the City took immediate steps to cut costs, including implementing a freeze on hiring, travel and training, and purchasing, and delaying or canceling the start of capital projects. City leaders continued to closely monitor revenue sources and adjust as necessary throughout the year.

The final amended expenditure budgeted amounts increased \$19.3 million. This is primarily the result of re-budgeting 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 \$10.6 million under the final amended budget. Most of this is for unfinished special or capital projects that will be re-budgeted in fiscal year 2022, such as street maintenance and reconstruction.

After the passage of the COVID Cares Act, the City became eligible for \$5.5 million in federal funds. These funds were used to fund Public Safety salaries. The City received an ARPA grant award of \$16.6 million, of which \$8.3 million was received in FY 2021 and earmarked for drainage improvements.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal year 2021, the City had \$394 million invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, bridges, and water and sewer lines (Table 3). This amount represents a net decrease (including additions and deductions) of \$66 million over the prior fiscal year.

The following is a list of the major capital events for FY 2021:

- \$42 million decrease due to the sale of Ford Ranch properties
- \$22 million in infrastructure improvements and construction in progress
- \$28 million in water rights – restated for FY2020

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 4,566,133	\$ 4,566,133	\$ 8,477,943	\$ 51,286,009	\$ 13,044,076	\$ 55,852,142
Buildings	64,093,728	64,075,596	40,590,746	40,590,746	104,684,474	104,666,342
Improvements Other Than Buildings	44,185,977	44,185,977	46,078,594	42,543,975	90,264,571	86,729,952
Infrastructure	29,272,590	27,814,848	303,883,155	303,622,011	333,155,745	331,436,859
Machinery and Equipment	45,676,085	45,614,077	29,647,900	30,940,935	75,323,985	76,555,012
Construction in Progress	38,903,668	26,841,682	25,068,106	21,090,191	63,971,774	47,931,873
Water Rights	-0-	-0-	54,797,725	82,719,539	54,797,725	82,719,539
Accumulated Depreciation	(135,519,072)	(130,968,998)	(205,931,540)	(194,992,393)	(341,450,612)	(325,961,391)
Total	\$ 91,179,109	\$ 82,129,315	\$ 302,612,629	\$ 377,801,013	\$ 393,791,738	\$ 459,930,328

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

Debt

At the end of the current fiscal year, the City had a total bonded debt and notes of \$237 million. During the 2020-21 fiscal year, the City's total debt decreased by \$29.2 million. The outstanding debt was reduced by the amount of principal payments and water debt refunding in FY 2021.

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
General Obligation Bonds	\$ 14,510,000	\$ 21,432,177	\$ 165,295,000	\$ 185,134,754	\$ 179,805,000	\$ 206,566,931
Advalorem Tax COs	44,425,000	46,575,000	-0-	-0-	44,425,000	46,575,000
Sales Tax COs	11,780,000	11,970,000	-0-	-0-	11,780,000	11,970,000
Promissory Notes	965,000	1,072,000	-0-	88,655	965,000	1,160,655
Total	\$ 71,680,000	\$ 81,049,177	\$ 165,295,000	\$ 185,223,409	\$ 236,975,000	\$ 266,272,586

As of September 30, 2021, Moody's Investor's Service had assigned a credit rating of Aa2 for the City's General Obligation Bonds and for the City's Water and Sewer System Revenue Bonds. Standard & Poor's had assigned a credit rating of AA for the City's General Obligation Bonds and for its Water and Sewer System Revenue Bonds. Fitch had assigned a credit rating of AA+ for the City's General Obligation Bonds and for its Water and Sewer System Revenue Bonds.

The City is permitted by Article XI, 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.

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 total City operating budget for the 2021-22 fiscal year is \$167.5 million, which is an increase of \$4 million from the 2020-21 adopted operating budget of \$163.5 million. This increase reflects increases in overall City spending.

The fiscal year 2021-22 budget is reflective of the City's efforts to combat the pandemic and to budget conservatively, using only current year resources, as it continues to weather the storm. The budget was based on the City's long-term forecasting for City funds.

Over the past ten years, the City has seen an average growth rate of about 4% in property tax revenue. Property tax is the largest source of revenue in the General Fund. The City has not changed the tax rate in nine years.

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, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Development Corporation
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 45,354,405	\$ 104,056,352	\$ 149,410,757	\$ 4,320,308
Investments	52,015,061	15,600,844	67,615,905	15,191,435
Receivables:				
Accrued Interest	35,487	38,890	74,377	-0-
Property Taxes	1,909,474	-0-	1,909,474	-0-
Accounts, Net	7,032,799	11,780,368	18,813,167	615,313
Due from Other Governments	8,128,996	106,496	8,235,492	1,856,836
Inventories	62,172	591,404	653,576	-0-
Prepays	6,018	-0-	6,018	28,638
Restricted Assets:				
Cash and Cash Equivalents	1,280,299	18,194,053	19,474,352	-0-
Investments	5,466,560	64,375,875	69,842,435	-0-
Closure and Post-Closure Trust Fund	-0-	6,497,061	6,497,061	-0-
Total Current Assets	\$ 121,291,271	\$ 221,241,343	\$ 342,532,614	\$ 22,012,530
Noncurrent Assets:				
Capital Assets:				
Land, Construction in Progress, and Water Rights	\$ 43,469,801	\$ 88,343,774	\$ 131,813,575	\$ 62,948
Buildings, Improvements, Infrastructure, and Machinery and Equipment, Net	47,709,308	214,268,855	261,978,163	1,421,383
Net Capital Assets	\$ 91,179,109	\$ 302,612,629	\$ 393,791,738	\$ 1,484,331
Total Noncurrent Assets	\$ 91,179,109	\$ 302,612,629	\$ 393,791,738	\$ 1,484,331
Total Assets	\$ 212,470,380	\$ 523,853,972	\$ 736,324,352	\$ 23,496,861
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charges	\$ -0-	\$ 236,945	\$ 236,945	\$ -0-
Deferred Amounts Related to Pensions	18,166,490	1,381,604	19,548,094	-0-
Deferred Charge on Refunding	1,772,036	254,987	2,027,023	-0-
Total Deferred Outflows of Resources	\$ 19,938,526	\$ 1,873,536	\$ 21,812,062	\$ -0-
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 6,684,693	\$ 4,243,582	\$ 10,928,275	\$ 1,032,029
Accrued Interest Payable	521,427	214,059	735,486	-0-
Unearned Revenue	86,250	-0-	86,250	-0-
Deposits	277,836	1,855,214	2,133,050	-0-
Noncurrent Liabilities Due Within One Year	6,788,218	11,684,823	18,473,041	-0-
Total Current Liabilities	\$ 14,358,424	\$ 17,997,678	\$ 32,356,102	\$ 1,032,029
Noncurrent Liabilities:				
Noncurrent Liabilities Due After One Year	\$ 85,454,018	\$ 185,467,488	\$ 270,921,506	\$ -0-
Net Pension Liability	67,121,215	6,278,503	73,399,718	-0-
Total OPEB Liability	82,997,179	13,843,023	96,840,202	-0-
Total Noncurrent Liabilities	\$ 235,572,412	\$ 205,589,014	\$ 441,161,426	\$ -0-
Total Liabilities	\$ 249,930,836	\$ 223,586,692	\$ 473,517,528	\$ 1,032,029
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue	\$ -0-	\$ 193,802	\$ 193,802	\$ -0-
Deferred Amounts Related to Pensions	23,342,188	1,684,545	25,026,733	-0-
Total Deferred Inflows of Resources	\$ 23,342,188	\$ 1,878,347	\$ 25,220,535	\$ -0-
NET POSITION				
Net Investment in Capital Assets	\$ 45,548,654	\$ 239,727,017	\$ 285,275,671	\$ 1,484,331
Restricted For:				
Debt Service	2,405,850	4,825,221	7,231,071	-0-
Asset Construction and Acquisition	33,709,853	2,500,000	36,209,853	-0-
Passenger Facility Charges	-0-	1,658,812	1,658,812	-0-
Landfill Closure and Post-Closure	-0-	6,497,061	6,497,061	-0-
Economic Development	3,177,752	-0-	3,177,752	20,980,501
Grant Expenditures	10,583,374	-0-	10,583,374	-0-
Designated Purposes	4,417,479	-0-	4,417,479	-0-
Permanent Fund Purposes:				
Nonexpendable	2,517,329	-0-	2,517,329	-0-
Unrestricted (Deficit)	(143,224,409)	45,054,358	(98,170,051)	-0-
Total Net Position	\$ 40,864,118	\$ 300,262,469	\$ 259,398,351	\$ 22,464,832

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Activities

For the Year Ended September 30, 2021

Net (Expense) Revenue and Changes in Net Position								
		Program Revenues			Primary Government			Component Unit
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	\$ 14,683,815	\$ 1,238,012	\$ -0-	\$ -0-	(\$ 13,445,803)	\$ -0-	(\$ 13,445,803)	
Public Safety	47,741,958	6,346,886	10,587,211	-0-	(30,807,861)	-0-	(30,807,861)	
Public Works and Transportation	14,166,558	1,066,912	4,831,522	-0-	(8,268,124)	-0-	(8,268,124)	
Public Facilities	3,103,094	623,905	-0-	647,372	(1,831,817)	-0-	(1,831,817)	
Health and Human Services	3,889,999	850,065	1,935,240	-0-	(1,104,694)	-0-	(1,104,694)	
Culture, Parks and Recreation	9,395,769	392,411	872,581	-0-	(8,130,777)	-0-	(8,130,777)	
Economic Development	1,266,269	251,376	-0-	-0-	(1,014,893)	-0-	(1,014,893)	
Urban Redevelopment and Housing	1,196,494	18,562	2,307,667	-0-	1,129,735	-0-	1,129,735	
Interest and Fiscal Charges	2,413,810	-0-	-0-	-0-	(2,413,810)	-0-	(2,413,810)	
Total Government Activities	<u>\$ 97,857,766</u>	<u>\$ 10,788,129</u>	<u>\$ 20,534,221</u>	<u>\$ 647,372</u>	<u>(\$ 65,888,044)</u>	<u>\$ -0-</u>	<u>(\$ 65,888,044)</u>	
Business-type Activities:								
Water	\$ 25,641,958	\$ 41,668,411	\$ -0-	\$ -0-	\$ -0-	\$ 16,026,453	\$ 16,026,453	
Sewer	5,033,881	17,674,189	-0-	-0-	-0-	12,640,308	12,640,308	
Airport	2,901,544	2,348,292	-0-	1,944,362	-0-	1,391,110	1,391,110	
State Office Building	688,925	1,183,051	-0-	-0-	-0-	494,126	494,126	
Solid Waste	784,969	2,591,680	-0-	-0-	-0-	1,806,711	1,806,711	
Stormwater	2,251,183	2,990,656	-0-	-0-	-0-	739,473	739,473	
Total Business-type Activities	<u>\$ 37,302,460</u>	<u>\$ 68,456,279</u>	<u>\$ -0-</u>	<u>\$ 1,944,362</u>	<u>\$ -0-</u>	<u>\$ 33,098,181</u>	<u>\$ 33,098,181</u>	
Total Primary Government	<u><u>\$ 135,160,226</u></u>	<u><u>\$ 79,244,408</u></u>	<u><u>\$ 20,534,221</u></u>	<u><u>\$ 2,591,734</u></u>	<u><u>(\$ 65,888,044)</u></u>	<u><u>\$ 33,098,181</u></u>	<u><u>(\$ 32,789,863)</u></u>	
COMPONENT UNIT								
Development Corporation	<u>\$ 11,620,784</u>	<u>\$ 47,129</u>	<u>\$ 674,046</u>	<u>\$ -0-</u>				(\$ 10,899,609)
Total Component Unit	<u><u>\$ 11,620,784</u></u>	<u><u>\$ 47,129</u></u>	<u><u>\$ 674,046</u></u>	<u><u>\$ -0-</u></u>				<u><u>(\$ 10,899,609)</u></u>
General Revenue								
Taxes								
		Property Taxes - General Levy			\$ 37,146,999	\$ -0-	\$ 37,146,999	\$ -0-
		Property Taxes - Debt Service Levy			5,113,885	-0-	5,113,885	-0-
		Sales Taxes			21,527,546	-0-	21,527,546	10,763,773
		Franchise Taxes			3,481,709	-0-	3,481,709	-0-
		Motel Taxes			2,605,469	-0-	2,605,469	-0-
		Mixed Drink Taxes			397,447	-0-	397,447	-0-
		Bingo Taxes			29,742	-0-	29,742	-0-
		Penalty, Interest and Fees, and Delinquent Taxes			1,035,580	-0-	1,035,580	-0-
		Unrestricted Investment Earnings			88,319	234,322	322,641	499
		Miscellaneous			5,105,492	-0-	5,105,492	-0-
		Gain (Loss) on Sale of Capital Assets			207,742	2,014,509	2,222,251	-0-
		Transfers			1,958,476	(1,958,476)	-0-	-0-
		Total General Revenue and Transfers			<u>\$ 78,698,406</u>	<u>\$ 290,355</u>	<u>\$ 78,988,761</u>	<u>\$ 10,764,272</u>
		Change in Net Position			<u>\$ 12,810,362</u>	<u>\$ 33,388,536</u>	<u>\$ 46,198,898</u>	<u>(\$ 135,337)</u>
Net Position - Beginning								
					(65,034,053)	268,665,990	203,631,937	22,141,385
		Restatement of Beginning Net Position			11,359,573	(1,792,057)	9,567,516	458,784
		Net Position - Ending			<u>(\$ 40,864,118)</u>	<u>\$ 300,262,469</u>	<u>\$ 259,398,351</u>	<u>\$ 22,464,832</u>

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Balance Sheet - Governmental Funds

As of September 30, 2021

	General	Intergovernmental	Capital Improvement Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 23,320,410	\$ 8,359,686	\$ 4,275,048	\$ -0-	\$ 1,946,572	\$ 37,901,716
Investments	19,182,317	221	29,297,131	-0-	1,232,211	49,711,880
Receivables:						
Accrued Interest	19,859	-0-	8,915	1,522	2,648	32,944
Property Taxes	1,243,456	-0-	-0-	179,915	486,103	1,909,474
Accounts	7,121,027	2,800	-0-	407,106	244,065	7,774,998
Less: Allowance for Uncollectible (	899,749)	-0-	-0-	-0-	(11,886)	(911,635)
Due from Other Funds	-0-	-0-	-0-	-0-	-0-	-0-
Due from Other Governments	5,484,921	2,509,048	-0-	-0-	135,027	8,128,996
Inventories	37,304	-0-	-0-	-0-	-0-	37,304
Prepays	6,018	-0-	-0-	-0-	-0-	6,018
Restricted Assets:						
Cash and Cash Equivalents	-0-	-0-	-0-	-0-	1,280,299	1,280,299
Investments	-0-	-0-	-0-	1,954,112	3,512,448	5,466,560
Total Assets	<u>\$ 55,515,563</u>	<u>\$ 10,871,755</u>	<u>\$ 33,581,094</u>	<u>\$ 2,542,655</u>	<u>\$ 8,827,487</u>	<u>\$ 111,338,554</u>
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 4,945,966	\$ 200,499	\$ 731,287	\$ 7,821	\$ 121,457	\$ 6,007,030
Due to Other Funds	451	-0-	-0-	-0-	-0-	451
Unearned Revenue	86,250	-0-	-0-	-0-	-0-	86,250
Deposits	277,836	-0-	-0-	-0-	-0-	277,836
Total Liabilities	<u>\$ 5,310,503</u>	<u>\$ 200,499</u>	<u>\$ 731,287</u>	<u>\$ 7,821</u>	<u>\$ 121,457</u>	<u>\$ 6,371,567</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue - Property Taxes	\$ 969,296	\$ -0-	\$ -0-	\$ 128,984	\$ -0-	\$ 1,098,280
Unavailable Revenue - Street Pavement	58,286	-0-	-0-	-0-	-0-	58,286
Total Deferred Inflows of Resources	<u>\$ 1,027,582</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 128,984</u>	<u>\$ -0-</u>	<u>\$ 1,156,566</u>
FUND BALANCES						
Nonspendable	\$ 43,322	\$ -0-	\$ -0-	\$ -0-	\$ 2,514,329	\$ 2,557,651
Restricted	2,156,718	10,671,256	-0-	-0-	3,181,677	16,009,651
Committed	99,999	-0-	32,849,807	2,405,850	3,020,808	38,376,464
Assigned	-0-	-0-	-0-	-0-	-0-	-0-
Unassigned (Deficit)	46,877,439	-0-	-0-	-0-	(10,784)	46,866,655
Total Fund Balances	<u>\$ 49,177,478</u>	<u>\$ 10,671,256</u>	<u>\$ 32,849,807</u>	<u>\$ 2,405,850</u>	<u>\$ 8,706,030</u>	<u>\$ 103,810,421</u>

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Balance Sheet - Governmental Funds

As of September 30, 2021

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

Total Fund Balance, Governmental Funds	\$ 103,810,421
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 \$91,179,109 and less internal service fund net position of \$390,023	90,789,085
Certain other deferred outflows are not available in the current period, and therefore, are deferred in the funds	1,156,566
Certain long-term liabilities are not due and payable from current financial resources and, therefore, are not reported in the funds:	
Accrued interest payable	(521,427)
Revenue bonds payable	(70,715,000)
Notes payable	(965,000)
Unamortized debt discount	(3,957,943)
Deferred charge on refunding	1,772,036
Accrued compensated absences	(12,578,373)
Unfunded OPEB obligation	(79,299,384)
Net pension obligation (and related deferrals, net)	(71,358,114)
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	1,003,015
Net Position of Governmental Activities	<u><u>(\$ 40,864,118)</u></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, 2021

	General	Intergovernmental	Capital Improvement Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes:						
Property	\$ 37,011,401	\$ -0-	\$ -0-	\$ 5,113,885	\$ 1,166,243	\$ 43,291,529
Sales	21,527,546	-0-	-0-	-0-	-0-	21,527,546
Franchise	3,481,709	-0-	-0-	-0-	-0-	3,481,709
Motel	-0-	-0-	-0-	-0-	2,605,469	2,605,469
Mixed Drink	397,447	-0-	-0-	-0-	-0-	397,447
Bingo	29,742	-0-	-0-	-0-	-0-	29,742
Licenses and Permits	1,140,024	-0-	-0-	-0-	-0-	1,140,024
Intergovernmental	1,355,625	17,965,167	-0-	-0-	1,213,429	20,534,221
Charges for Services	7,529,200	128,566	-0-	-0-	50,445	7,708,211
Fines and Forfeitures	2,388,001	-0-	-0-	-0-	-0-	2,388,001
Investment Income:						
Interest	121,069	-0-	6,876	9,129	(21,346)	115,728
Change in Fair Value of Investments	(17,088)	-0-	(23,526)	(1,343)	(5,193)	(47,150)
Miscellaneous:						
Gifts and Contributions	52,338	34,322	-0-	-0-	110,680	197,340
Program Income	-0-	-0-	-0-	-0-	1,926	1,926
Other Miscellaneous	2,535,148	3,600	-0-	2,482,656	84,088	5,105,492
Total Revenues	<u>\$ 77,552,162</u>	<u>\$ 18,131,655</u>	<u>(\$ 16,650)</u>	<u>\$ 7,604,327</u>	<u>\$ 5,205,741</u>	<u>\$ 108,477,235</u>
EXPENDITURES						
Current:						
General Government	\$ 13,283,858	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 13,283,858
Public Safety	43,706,017	1,271,803	-0-	-0-	-0-	44,977,820
Public Works and Transportation	11,470,540	572,962	-0-	-0-	-0-	12,043,502
Public Facilities	934,169	14,709	-0-	-0-	-0-	948,878
Health and Human Services	1,624,556	1,523,634	-0-	-0-	455,127	3,603,317
Culture, Parks and Recreation	6,472,550	-0-	-0-	-0-	1,112,855	7,585,405
Economic Development	-0-	-0-	-0-	-0-	1,255,269	1,255,269
Urban Redevelopment and Housing	-0-	-0-	-0-	-0-	1,181,817	1,181,817
Total Current Expenditures	\$ 77,491,690	\$ 3,383,108	\$ -0-	\$ -0-	\$ 4,005,068	\$ 84,879,866
Capital Outlay	8,363,843	2,126,753	8,268,850	-0-	757,492	19,516,938
Debt Service:						
Principal	-0-	-0-	-0-	4,675,000	-0-	4,675,000
Interest and Fiscal Charges	-0-	-0-	-0-	2,959,413	-0-	2,959,413
Total Expenditures	<u>\$ 85,855,533</u>	<u>\$ 5,509,861</u>	<u>\$ 8,268,850</u>	<u>\$ 7,634,413</u>	<u>\$ 4,762,560</u>	<u>\$ 112,031,217</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(\$ 8,303,371)</u>	<u>\$ 12,621,794</u>	<u>(\$ 8,285,500)</u>	<u>(\$ 30,086)</u>	<u>\$ 443,181</u>	<u>(\$ 3,553,982)</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	\$ 12,638,468	\$ 984,040	\$ -0-	\$ 2,266,710	\$ 3,220,655	\$ 19,109,873
Proceeds from Long-term Debt	-0-	-0-	-0-	-0-	-0-	-0-
Proceeds from Sale of Capital Assets	-0-	-0-	-0-	-0-	19,417	19,417
Transfers Out	(12,664,316)	(4,723,927)	(340,808)	-0-	(1,075,413)	(18,804,464)
Total Other Sources (Uses)	<u>(\$ 25,848)</u>	<u>(\$ 3,739,887)</u>	<u>(\$ 340,808)</u>	<u>\$ 2,266,710</u>	<u>\$ 2,164,659</u>	<u>\$ 324,826</u>
Net Change in Fund Balances	<u>(\$ 8,329,219)</u>	<u>\$ 8,881,907</u>	<u>(\$ 8,626,308)</u>	<u>\$ 2,236,624</u>	<u>\$ 2,607,840</u>	<u>(\$ 3,229,156)</u>
Fund Balances - Beginning, as Previously Stated	48,741,966	1,843,281	43,856,529	(433,365)	4,040,167	98,048,578
Restatement of Beginning Fund Balance	8,764,731	(53,932)	(2,380,414)	602,591	2,058,023	8,990,999
Fund Balances - Ending	<u>\$ 49,177,478</u>	<u>\$ 10,671,256</u>	<u>\$ 32,849,807</u>	<u>\$ 2,405,850</u>	<u>\$ 8,706,030</u>	<u>\$ 103,810,421</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, 2021

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

Net Change in Fund Balances - Total Governmental Funds (\$ 3,229,156)

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	16,871,894
Depreciation expense	(7,748,787)
Capital asset disposals	(71,372)
Capital assets donated to business-type activities	31,399

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	(213,930)
Interest expense	23,298

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	4,935
----------------	-------

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:

Bond principal payment	4,675,000
Note payable principal payment	107,000
Bond premium	629,234

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	47,659
Change in total OPEB liability	(3,604,220)
Change in net pension liability	2,714,635

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.

2,572,773

Change in Net Position of Governmental Activities

\$ 12,810,362

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, 2021

	Business-type Activities - Enterprise Funds				Governmental	
	Water	Sewer	Other Enterprise Funds	Total	Activities - Internal Service Funds	
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 94,279,262	\$ 3,281,134	\$ 6,495,956	\$ 104,056,352	\$ 7,452,689	
Investments	8,687,994	11,118	6,901,732	15,600,844	2,303,181	
Receivables:						
Accrued Interest	17,534	14,009	7,347	38,890	2,543	
Accounts	7,090,876	2,729,236	3,597,259	13,417,371	204,368	
Less: Allowance for Uncollectibles	(1,116,806)	(380,957)	(139,240)	(1,637,003)	(34,932)	
Due from Other Funds	-0-	-0-	-0-	-0-	451	
Due from Other Governments	-0-	-0-	106,496	106,496	-0-	
Inventories	534,502	56,902	-0-	591,404	24,868	
Restricted Assets:						
Cash and Cash Equivalents	-0-	17,676,432	517,621	18,194,053	-0-	
Investments	51,358,588	12,378,971	638,316	64,375,875	-0-	
Closure and Post-Closure Trust Fund	-0-	-0-	6,497,061	6,497,061	-0-	
Total Current Assets	<u>\$ 160,851,950</u>	<u>\$ 35,766,845</u>	<u>\$ 24,622,548</u>	<u>\$ 221,241,343</u>	<u>\$ 9,953,168</u>	
Noncurrent Assets:						
Capital Assets:						
Land	\$ 1,612,197	\$ 3,781,119	\$ 3,084,627	\$ 8,477,943	\$ -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	21,740,820	46,078,594	5,303,405	
Infrastructure	212,781,057	71,894,920	19,207,178	303,883,155	-0-	
Machinery and Equipment	11,344,143	11,710,012	6,593,745	29,647,900	10,709,167	
Water Rights	54,797,725	-0-	-0-	54,797,725	-0-	
Construction in Progress	9,342,979	11,549,680	4,175,447	25,068,106	-0-	
Less: Accumulated Depreciation	(94,039,973)	(55,815,826)	(56,075,741)	(205,931,540)	(16,012,818)	
Net Capital Assets	<u>\$ 219,388,815</u>	<u>\$ 53,448,983</u>	<u>\$ 29,774,831</u>	<u>\$ 302,612,629</u>	<u>\$ 390,023</u>	
Total Noncurrent Assets	<u>\$ 219,388,815</u>	<u>\$ 53,448,983</u>	<u>\$ 29,774,831</u>	<u>\$ 302,612,629</u>	<u>\$ 390,023</u>	
Total Assets	<u>\$ 380,240,765</u>	<u>\$ 89,215,828</u>	<u>\$ 54,397,379</u>	<u>\$ 523,853,972</u>	<u>\$ 10,343,191</u>	
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Charges	\$ -0-	\$ 236,945	\$ -0-	\$ 236,945	\$ -0-	
Deferred Amounts Related to Pensions	675,814	312,237	393,553	1,381,604	288,038	
Deferred Charge on Refunding	254,987	-0-	-0-	254,987	-0-	
Total Deferred Outflows of Resources	<u>\$ 930,801</u>	<u>\$ 549,182</u>	<u>\$ 393,553</u>	<u>\$ 1,873,536</u>	<u>\$ 288,038</u>	
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 1,802,264	\$ 1,078,484	\$ 1,362,834	\$ 4,243,582	\$ 677,662	
Accrued Interest Payable	156,857	51,585	5,617	214,059	-0-	
Due to Other Funds	-0-	-0-	-0-	-0-	-0-	
Deposits	1,855,214	-0-	-0-	1,855,214	-0-	
Noncurrent Liabilities Due Within One Year	9,760,191	1,846,116	110,502	11,684,823	1,629,212	
Total Current Liabilities	<u>\$ 13,574,526</u>	<u>\$ 2,976,185</u>	<u>\$ 1,478,953</u>	<u>\$ 17,997,678</u>	<u>\$ 2,306,874</u>	
Noncurrent Liabilities:						
Net Pension Liability	\$ 3,531,385	\$ 1,394,333	\$ 1,352,785	\$ 6,278,503	\$ 783,398	
Total OPEB Liability	8,617,358	3,047,027	2,178,638	13,843,023	3,697,795	
Noncurrent Liabilities Due After One Year	172,319,474	7,552,317	5,563,711	185,467,488	2,396,708	
Total Noncurrent Liabilities	<u>\$ 184,468,217</u>	<u>\$ 11,993,677</u>	<u>\$ 9,095,134</u>	<u>\$ 205,589,014</u>	<u>\$ 6,877,901</u>	
Total Liabilities	<u>\$ 198,042,743</u>	<u>\$ 14,969,862</u>	<u>\$ 10,574,087</u>	<u>\$ 223,586,692</u>	<u>\$ 9,184,775</u>	
DEFERRED INFLOWS OF RESOURCES						
Deferred Revenue	\$ 193,802	\$ -0-	\$ -0-	\$ 193,802	\$ -0-	
Deferred Amounts Related to Pensions	886,923	321,579	476,043	1,684,545	443,439	
Total Deferred Inflows of Resources	<u>\$ 1,080,725</u>	<u>\$ 321,579</u>	<u>\$ 476,043</u>	<u>\$ 1,878,347</u>	<u>\$ 443,439</u>	
NET POSITION						
Net Investment in Capital Assets	\$ 165,721,634	\$ 44,364,737	\$ 29,640,646	\$ 239,727,017	\$ 390,023	
Restricted for:						
Debt Service	3,171,396	1,653,825	-0-	4,825,221	-0-	
Asset Construction and Acquisition	2,500,000	-0-	-0-	2,500,000	-0-	
Passenger Facility Charges	-0-	-0-	1,658,812	1,658,812	-0-	
Landfill Closure and Post-Closure	-0-	-0-	6,497,061	6,497,061	-0-	
Unrestricted (Deficit)	10,655,068	28,455,007	5,944,283	45,054,358	612,992	
Total Net Position	<u>\$ 182,048,098</u>	<u>\$ 74,473,569</u>	<u>\$ 43,740,802</u>	<u>\$ 300,262,469</u>	<u>\$ 1,003,015</u>	

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, 2021

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Other Enterprise Funds	Total	
OPERATING REVENUES					
Charges for Sales and Services:					
Pledged for Payment of Revenue Bonds:					
Water Sales	\$ 38,505,956	\$ -0-	\$ -0-	\$ 38,505,956	\$ -0-
Sewer Service	-0-	17,473,828	-0-	17,473,828	-0-
Stormwater Fee	-0-	-0-	2,913,128	2,913,128	-0-
Solid Waste Service	-0-	-0-	2,248,144	2,248,144	-0-
Rents, Leases, and Fees	351,153	9,808	1,181,711	1,542,672	-0-
Billing and Collection	2,106,813	-0-	-0-	2,106,813	-0-
Paving Cuts, Taps, and Connections	435,830	114,600	-0-	550,430	-0-
Other	265,215	75,953	988,223	1,329,391	-0-
Unpledged:					
Rents, Leases, and Fees	-0-	-0-	1,351,925	1,351,925	-0-
Sales and Service	-0-	-0-	-0-	-0-	19,159,743
Other	3,445	-0-	430,548	433,993	1,078,992
Total Operating Revenues	\$ 41,668,412	\$ 17,674,189	\$ 9,113,679	\$ 68,456,280	\$ 20,238,735
OPERATING EXPENSES					
Cost of Sales and Services	\$ 5,683,788	\$ 1,000,826	\$ 3,443,251	\$ 10,127,865	\$ 19,259,769
Administrative	8,241,610	431,896	1,028,754	9,702,260	-0-
Depreciation	7,724,926	3,228,904	2,147,207	13,101,037	307,300
Total Operating Expenses	\$ 21,650,324	\$ 4,661,626	\$ 6,619,212	\$ 32,931,162	\$ 19,567,069
Operating Income (Loss)	\$ 20,018,088	\$ 13,012,563	\$ 2,494,467	\$ 35,525,118	\$ 671,666
NONOPERATING REVENUES (EXPENSES)					
Interest	\$ 137,553	\$ 107,132	\$ 41,660	\$ 286,345	\$ 21,325
Change in Fair Value of Investments	(38,264)	(8,636)	(5,123)	(52,023)	(1,583)
Interest Expense and Fiscal Agent Fees	(3,991,634)	(372,256)	(7,409)	(4,371,299)	-0-
Gain on Sale of Capital Assets	2,035,690	(21,181)	-0-	2,014,509	228,298
Total Nonoperating Revenues (Expenses)	(\$ 1,856,655)	(\$ 294,941)	\$ 29,128	(\$ 2,122,468)	\$ 248,040
Income (Loss) Before Contributions and Transfers	\$ 18,161,433	\$ 12,717,622	\$ 2,523,595	\$ 33,402,650	\$ 919,706
CONTRIBUTIONS AND TRANSFERS					
Contributions:					
Federal Grants	\$ -0-	\$ -0-	\$ 1,944,362	\$ 1,944,362	\$ -0-
Total Contributions	\$ -0-	\$ -0-	\$ 1,944,362	\$ 1,944,362	\$ -0-
Transfers In	1,757,322	82,842	7,757,390	9,597,554	1,667,583
Transfers Out	(6,268,970)	(3,062,315)	(2,224,745)	(11,556,030)	(14,516)
Total Contributions and Transfers	(\$ 4,511,648)	(\$ 2,979,473)	\$ 7,477,007	(\$ 14,114)	\$ 1,653,067
Change in Net Position	\$ 13,649,785	\$ 9,738,149	\$ 10,000,602	\$ 33,388,536	\$ 2,572,773
Net Position - Beginning	156,216,146	76,877,727	35,572,117	268,665,990	(3,938,332)
Restatement of Beginning Net Position	12,182,167	(12,142,307)	(1,831,917)	(1,792,057)	2,368,574
Net Position - Ending	\$ 182,048,098	\$ 74,473,569	\$ 43,740,802	\$ 300,262,469	\$ 1,003,015

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, 2021

	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	\$ 41,288,068	\$ 17,534,036	\$ 6,732,872	\$ 65,554,976	\$ -0-
Cash Received From Other Governments	-0-	-0-	(106,496)	(106,496)	-0-
Cash Received From Other Funds for Interfund Services Provided	-0-	-0-	(286,027)	(286,027)	14,909,929
Cash Received From Reinsurance	-0-	-0-	-0-	-0-	5,292,430
Cash Received From Meter Deposits	193,539	-0-	-0-	193,539	-0-
Cash Paid to Suppliers for Goods and Services	(7,392,555)	(4,484,008)	(2,526,941)	(14,403,504)	(17,838,831)
Cash Paid for Insurance Claims and Premiums	-0-	-0-	-0-	-0-	(681,156)
Cash Paid for Employees' Services and Benefits	(6,305,105)	(758,136)	(1,553,553)	(8,616,794)	(1,428,919)
Net Cash Provided (Used) by Operating Activities	<u>\$ 27,783,947</u>	<u>\$ 12,291,892</u>	<u>\$ 2,259,855</u>	<u>\$ 42,335,694</u>	<u>\$ 253,453</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers In	\$ 1,787,322	\$ 616,736	\$ 7,757,390	\$ 10,161,448	\$ 1,667,583
Transfers Out	(6,268,970)	(3,596,209)	(2,224,845)	(12,090,024)	(14,516)
Short-Term Interfund Loans Received	-0-	-0-	-0-	-0-	(451)
Short-Term Interfund Loans Paid	-0-	-0-	(5,284,499)	(5,284,499)	(828,377)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(\$ 4,481,648)</u>	<u>(\$ 2,979,473)</u>	<u>\$ 248,046</u>	<u>(\$ 7,213,075)</u>	<u>\$ 824,239</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of Capital Assets	(\$ 2,422,480)	(\$ 2,688,550)	(\$ 3,573,881)	(\$ 8,684,911)	(\$ 273,959)
Principal Paid on Debt	(11,425,153)	(3,485,250)	(168,760)	(15,079,163)	-0-
Interest Paid on Debt	(3,527,068)	(420,925)	(8,981)	(3,956,974)	-0-
Proceeds from Sale of Assets	44,864,955	-0-	-0-	44,864,955	228,298
Capital Grants Received	-0-	-0-	1,944,362	1,944,362	-0-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>\$ 27,490,254</u>	<u>(\$ 6,594,725)</u>	<u>(\$ 1,807,260)</u>	<u>\$ 19,088,269</u>	<u>(\$ 45,661)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase & Maturities of Investments	(\$ 36,131,450)	(\$ 12,280,122)	(\$ 861,351)	(\$ 49,272,923)	\$ 621,599
Interest Received on Investments	126,660	105,062	39,384	271,106	19,699
Net Cash Provided (Used) by Investing Activities	<u>(\$ 36,004,790)</u>	<u>(\$ 12,175,060)</u>	<u>(\$ 821,967)</u>	<u>(\$ 49,001,817)</u>	<u>\$ 641,298</u>
Net Increase (Decrease) in Cash	\$ 14,787,763	(\$ 9,457,366)	(\$ 121,326)	\$ 5,209,071	\$ 1,673,329
Cash - Beginning	79,521,499	30,414,932	7,134,903	117,071,334	5,779,360
Cash - Ending	<u>\$ 94,309,262</u>	<u>\$ 20,957,566</u>	<u>\$ 7,013,577</u>	<u>\$ 122,280,405</u>	<u>\$ 7,452,689</u>
CASH ON STATEMENT OF NET POSITION					
Current Assets	\$ 94,279,262	\$ 3,281,134	\$ 6,495,956	\$ 104,056,352	\$ 7,452,689
Restricted Assets	-0-	17,676,432	517,621	18,194,053	-0-
Total	<u>\$ 94,279,262</u>	<u>\$ 20,957,566</u>	<u>\$ 7,013,577</u>	<u>\$ 122,250,405</u>	<u>\$ 7,452,689</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, 2021

	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)	\$ 20,018,089	\$ 13,012,563	\$ 2,430,048	\$ 35,460,700	\$ 671,666
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Depreciation	7,724,926	3,228,904	2,147,207	13,101,037	307,300
(Increase) Decrease in:					
Accounts Receivable	(427,883)	(140,153)	(455,306)	(1,023,342)	(36,376)
Other Receivable	-0-	-0-	(1,925,401)	(1,925,401)	-0-
Due From Other Governments	-0-	-0-	(106,496)	(106,496)	-0-
Inventories	(279,606)	(10,152)	-0-	(289,758)	-0-
Deferred Outflow Pension	(27,282)	20,587	(73,709)	(80,404)	(47,714)
Increase (Decrease) in:					
Accounts Payable	(103,006)	871,094	199,198	967,286	313,376
Due To Other Funds	-0-	-0-	(286,027)	(286,027)	-0-
Insurance Claims Payable	-0-	-0-	-0-	-0-	(946,735)
Total OPEB Liability	1,000,977	(4,569,355)	247,806	(3,320,572)	119,106
Net Pension Liability	(363,686)	(107,074)	(115,443)	(586,203)	(298,137)
Compensated Absences	78,520	(19,357)	2,389	61,552	151,119
Deferred Inflow Pension	(78,180)	4,835	(15,008)	(88,353)	19,848
Landfill Postclosure Liability	-0-	-0-	210,597	210,597	-0-
Customer Deposits	193,539	-0-	-0-	193,539	-0-
Unearned Revenue	47,539	-0-	-0-	47,539	-0-
Net Cash Provided (Used) by Operating Activities	<u>\$ 27,783,947</u>	<u>\$ 12,291,892</u>	<u>\$ 2,259,855</u>	<u>\$ 42,335,694</u>	<u>\$ 253,453</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES					
Capital Assets Transfers In/(Out)	(\$ 2,655)	\$ -0-	\$ 77,607	\$ 74,952	(\$ 20,800)
Amortization of Premiums and Discounts	\$ 11,132	(\$ 149,729)	(\$ 1,572)	(\$ 140,169)	\$ -0-
Change in Fair Value of Investments	(\$ 38,264)	(\$ 8,636)	(\$ 424,826)	(\$ 471,726)	(\$ 1,583)
Amortization of Gain or Loss on Refunding	\$ -0-	\$ 101,910	\$ -0-	\$ 101,910	\$ -0-

The accompanying notes are an integral part of this statement.

CITY OF SAN ANGELO, TEXAS

Statement of Fiduciary Net Position - Fiduciary Funds

As of September 30, 2021

	Custodial Funds	
ASSETS		
Cash and Cash Equivalents	\$	465,653
Accounts Receivable		75,273
Total Assets	\$	540,926
LIABILITIES		
Accounts Payable	\$	323,981
Due to Other Governments		216,945
Total Liabilities	\$	540,926
NET POSITION		
Net Position	\$	-0-
Total Net Position	\$	-0-

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, 2021

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. 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. KSAB does not issue separate financial statements.

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, 2021

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, 2021

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 subject 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 subject 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 *intergovernmental fund* accounts for the expenditure of various federal and state funds.

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:

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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:

- *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.
- *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.

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:

- The *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 proposed uses of interest income during the budget and budget amendment process.
- *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.

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:

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

- *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.
- *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 communication system (communications fund), basically on a cost reimbursement basis.

Fiduciary funds are used to account for assets held in a trust or as an agent 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 funds:

- *CJC Agency fund* is used to report resources held by the City in a purely custodial capacity. The CJC fund accounts for the accumulation of fines and fees collected on behalf of the State of Texas.
- *TWDB Regional Flood Planning fund* is used to account for expenditure payments associated with the regional flood planning project and the subsequent reimbursement receipts from the Texas Water Development Board (TWDB), which is funding the project in total.

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

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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 fair 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 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.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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, 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 assets 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 assets 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.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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 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, 2021. 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:

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

- 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.
- 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 amounts 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.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

- 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 unit is reported as if they were external transactions.

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 tax rate (excluding tax rates for bonds and other contractual obligations, and adjusted for new improvements) exceeds the previous year's rate by more than 3.5%, an election of qualified voters must approve the

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

proposed rate via an election. This change was effective January 1, 2020, SB2/HB2, the Texas Property Tax Reform and Transparency Act of 2019 reduced the increase from 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:

- 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 Communications Fund, an internal service fund, had a deficit fund balance of \$142,820 as of September 30, 2021. The Vehicle Maintenance Fund, an internal service fund, had a deficit fund balance of \$1,092,482 as of September 30, 2021.

THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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.

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.

THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

IV.A. Deposit and Investment Risks

As of September 30, 2021, 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	\$ 7,496,456	\$ -0-	\$ 7,496,456	\$ -0-
FFCB	1	AAA	22,481,994	-0-	14,994,993	7,487,001
FHLMC	1	AAA	7,500,616	-0-	7,500,616	-0-
FNMA	1	AAA	53,403,828	-0-	-0-	53,403,828
Commercial Paper	1	AAA	30,226,414	30,226,414	-0-	-0-
Treasury Coupons	1	AAA	9,962,500	-0-	-0-	9,962,500
Municipal Bonds	1	AAA	5,189,076	5,189,076	-0-	-0-
Money Market	1	AAA	1,197,456	1,197,456	-0-	-0-
Total Reported in Investments			<u>\$ 137,458,340</u>	<u>\$ 36,612,946</u>	<u>\$ 29,992,065</u>	<u>\$ 70,853,329</u>

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).

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 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% fair value margin, is required, and collateral is

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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 nationally 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.

As of September 30, 2021 in the City's Operating Portfolio,

- US Treasury obligations represented 3.94% of the total portfolio,
- US Government agency securities (non-MBS) represented 35.58% of the portfolio,
- A1/P1 commercial paper represented 11.87% of the total portfolio,
- State and local obligations represented 2.05% of the total portfolio, and
- FDIC insured or collateralized bank accounts represented 46.55% of the total City portfolio.

As of September 30, 2021, in the Lake Nasworthy Portfolio,

- US agency obligations represented 40.77% of the total portfolio,
- Commercial paper represented 10.22% of the total portfolio,
- Fully insured or collateralized bank deposits represented 49.01% of the total 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.

As of September 30, 2021, the City's Total Operating Portfolio was in full compliance with the diversification parameters of the policy.

As of September 30, 2021, the Lake Nasworthy Portfolio was in full compliance with the diversification parameters of 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 Policy sets maximum maturity dates and maximum weighted average maturity limits. The weighted average maturity (WAM) of the City's portfolio is restricted to a maximum weighted average maturity

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

of two years. The maximum maturity limit is three years. The weighted average maturity (WAM) of the Lake Nasworthy portfolio is restricted to a maximum of three years. Maximum maturity limit for the City is three years and ten years for Lake Nasworthy.

As of September 30, 2021, the City held thirteen structured securities (quarterly and continuously callable securitites) with a total fair value of \$90,882,894.

As of September 30, 2021, in the City's Operating Portfolio,

- No holding had a stated maturity date beyond 1,075 days within the policy limits of three years maximum maturity, and
- The dollar-weighted average of the total portfolio was 385 days.

As of September 30, 2021, in the Lake Nasworthy Portfolio,

- No holding had a stated maturity date beyond 1,791 days within the policy limits of ten years maximum maturity, and
- The dollar-weighted average of the total portfolio was 614 days.

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 fair 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, 2021, in both the City's Operating Portfolio and the Lake Nasworthy Portfolio,

- 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	<u>Maturities in Years</u>		
				< than 1 Year	1 to 2 Years	2 to 3 Years
U.S. Agencies:						
FHLB	1	AAA	\$ 6,967,437	\$ -0-	\$ -0-	\$ 6,967,437
Commercial Paper	1	AAA	2,997,663	2,997,663	-0-	-0-
Municipal Bonds	1	AAA	1,003,100	-0-	1,003,100	-0-
Land Held for Investment			4,223,235	-0-	-0-	4,223,235
Total Reported in Investments			<u>\$ 15,191,435</u>	<u>\$ 2,997,663</u>	<u>\$ 1,003,100</u>	<u>\$ 11,190,672</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.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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.

The land held for investment was purchased during the years ended September 30, 2020 and 2021, and the purchase price is the stated fair value for this property.

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 Corporation'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 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, 2021, in the Corporation's Portfolio,

- US Government Agency Securities (non-MBS) represented 38.55% of the portfolio,
- State and local obligations represented 5.55% of the total portfolio,
- Commercial paper represented 16.58% of the total portfolio, and
- FDIC insured or collateralized bank accounts represented 39.32% of the total 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.

As of September 30, 2021, 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, 2021

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 \$6,967,437.

As of September 30, 2021, in the Corporation's Portfolio,

- No holding had a stated maturity date beyond 1,789 days, and
- The dollar-weighted average of the total portfolio was 569 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, 2021, 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, 2021 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	Inter- governmental Fund	Other Governmental Funds	Total Governmental Activities
Accounts Receivable						
Ambulance Code Enforcement	\$ 2,339,823	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 2,339,823
COSADC	1,256,482	-0-	-0-	-0-	-0-	1,256,482
Demolition	1,030,563	-0-	393,282	-0-	8,005	1,431,850
Grants	444,812	-0-	-0-	-0-	-0-	444,812
Paving	1,626,028	-0-	-0-	-0-	985	1,627,013
Permits	55,970	-0-	-0-	-0-	11,690	67,660
Program Loans	83,127	-0-	-0-	-0-	-0-	83,127
Miscellaneous	-0-	-0-	-0-	-0-	91,334	91,334
	284,222	-0-	13,824	2,800	132,051	432,897
Gross Accounts Receivable	\$ 7,121,027	\$ -0-	\$ 407,106	\$ 2,800	\$ 244,065	\$ 7,774,998
Less: Allowance for Uncollectible	(899,749)	-0-	-0-	-0-	(11,886)	(911,635)
Net Accounts Receivable	\$ 6,221,278	\$ -0-	\$ 407,106	\$ 2,800	\$ 232,179	\$ 6,863,363
Internal Service	\$ 204,368	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 204,368
Less: Allowance for Uncollectible	(34,932)	-0-	-0-	-0-	-0-	(34,932)
Net Accounts Receivable	\$ 169,436	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 169,436
Total	\$ 6,390,714	\$ -0-	\$ 407,106	\$ 2,800	\$ 232,179	\$ 7,032,799

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

Business-Type Activities

Receivables as of September 30, 2021 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	\$ 7,083,495	\$ 2,729,236	\$ 3,547,084	\$ 13,359,815
Meter Deposits	7,381	-0-	-0-	7,381
Miscellaneous	-0-	-0-	50,175	50,175
Gross Accounts Receivable	\$ 7,090,876	\$ 2,729,236	\$ 3,597,259	\$ 13,417,371
Less: Allowance for Uncollectible	(1,116,806)	(380,957)	(139,240)	(1,637,003)
Net Total Receivable	\$ 5,974,070	\$ 2,348,279	\$ 3,458,019	\$ 11,780,368

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-	\$ 1,954,112	\$ -0-
Deposits Held for Business Development	399,454	-0-	-0-
Deposits Held for Purposes Specified by Donors	866,920	1,069,061	-0-
Deposits Held for Park Improvements	13,925	-0-	-0-
Deposits Held for Lake Nasworthy Improvements	-0-	2,443,387	-0-
Total Governmental Activities	\$ 1,280,299	\$ 5,466,560	\$ -0-
Business-type Activities			
Deposits Held for Debt Service	\$ 3,817,297	\$ 31,031,379	\$ -0-
Deposits Held for Capital Projects	13,859,135	32,706,180	-0-
Deposits Held for Airport Construction	517,621	638,316	-0-
Deposits Held for Landfill Closure and Post-Closure	-0-	-0-	6,497,061
Total Business-type Activities	\$ 18,194,053	\$ 64,375,875	\$ 6,497,061

THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

IV.D. Capital Assets

Current year changes in capital assets are summarized below:

<u>Governmental Activities</u>	Beginning				Ending
	Balance	Additions	Retirements	Transfers	Balance
<u>Assets Not Being Depreciated:</u>					
Land	\$ 4,566,133	\$ -0-	\$ -0-	\$ -0-	\$ 4,566,133
Construction in Progress	26,841,682	14,213,225	-0-	(2,151,239)	38,903,668
Total Non-Depreciable	\$ 31,407,815	\$ 14,213,225	\$ -0-	(\$ 2,151,239)	\$ 43,469,801
<u>Assets Being Depreciated:</u>					
Buildings	\$ 64,075,596	\$ 18,132	\$ -0-	\$ -0-	\$ 64,093,728
Improvements Other Than					
Buildings	44,185,977	-0-	-0-	-0-	44,185,977
Infrastructure	27,814,848	-0-	-0-	1,457,742	29,272,590
Machinery and Equipment	45,614,077	2,889,090	(4,251,841)	1,424,759	45,676,085
Total Depreciable	\$ 181,690,498	\$ 2,907,222	(\$ 4,251,841)	\$ 2,882,501	\$ 183,228,380
<u>Less Accumulated Depreciation:</u>					
Buildings	\$ 42,257,223	\$ 2,257,350	\$ -0-	\$ -0-	\$ 44,514,573
Improvements Other Than					
Buildings	28,156,670	1,541,998	-0-	-0-	29,698,668
Infrastructure	20,019,930	229,811	-0-	-0-	20,249,741
Machinery and Equipment	40,535,175	4,026,928	(4,180,469)	674,456	41,056,090
Total Accumulated Depreciation	\$ 130,968,998	\$ 8,056,087	(\$ 4,180,469)	\$ 674,456	\$ 135,519,072
Assets Being Depreciated - Net	\$ 50,721,500	(\$ 5,148,865)	(\$ 71,372)	\$ 2,208,045	\$ 47,709,308
Governmental Activities Capital Assets, Net	\$ 82,129,315	\$ 9,064,360	(\$ 71,372)	\$ 56,806	\$ 91,179,109
<u>Business-type Activities</u>					
	Beginning				Ending
	Balance	Additions	Retirements	Transfers	Balance
<u>Assets Not Being Depreciated:</u>					
Land	\$ 51,286,009	\$ -0-	(\$ 42,808,066)	\$ -0-	\$ 8,477,943
Construction in Progress	21,090,191	7,773,680	(3,795,765)	-0-	25,068,106
Water Rights	82,719,539	-0-	(27,921,814)	-0-	54,797,725
Total Non-Depreciable	\$ 155,095,739	\$ 7,773,680	(\$ 74,525,645)	\$ -0-	\$ 88,343,774
<u>Assets Being Depreciated:</u>					
Buildings	\$ 40,590,746	\$ -0-	\$ -0-	\$ -0-	\$ 40,590,746
Improvements Other Than					
Buildings	42,543,975	3,534,619	-0-	-0-	46,078,594
Infrastructure	303,622,011	261,144	-0-	-0-	303,883,155
Machinery and Equipment	30,940,935	971,942	(1,533,715)	(731,262)	29,647,900
Total Depreciable	\$ 417,697,667	\$ 4,767,705	(\$ 1,533,715)	(\$ 731,262)	\$ 420,200,395
<u>Less Accumulated Depreciation:</u>					
Buildings	\$ 22,940,450	\$ 1,120,314	\$ -0-	\$ -0-	\$ 24,060,764
Improvements Other Than					
Buildings	31,423,901	2,938,643	-0-	-0-	34,362,544
Infrastructure	119,738,182	7,563,963	-0-	-0-	127,302,145
Machinery and Equipment	20,889,860	1,478,117	(1,487,434)	(674,456)	20,206,087
Total Accumulated Depreciation	\$ 194,992,393	\$ 13,101,037	(\$ 1,487,434)	(\$ 674,456)	\$ 205,931,540
Assets Being Depreciated - Net	\$ 222,705,274	(\$ 8,333,332)	(\$ 46,281)	(\$ 56,806)	\$ 214,268,855
Business-type Activities Capital Assets, Net	\$ 377,801,013	(\$ 559,652)	(\$ 74,571,926)	(\$ 56,806)	\$ 302,612,629

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

Discretely Presented Component Unit - Development Corporation

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
<u>Assets Not Being Depreciated:</u>					
Land	\$ 604,304	\$ -0-	(\$ 541,356)	\$ -0-	\$ 62,948
Total Non-Depreciable	\$ 604,304	\$ -0-	(\$ 541,356)	\$ -0-	\$ 62,948
<u>Assets Being Depreciated:</u>					
Buildings	\$ 2,004,967	\$ 14	\$ -0-	\$ -0-	\$ 2,004,981
Improvements Other Than Buildings	496,585	-0-	-0-	-0-	496,585
Total Depreciable	\$ 2,501,552	\$ 14	\$ -0-	\$ -0-	\$ 2,501,566
<u>Less Accumulated Depreciation:</u>					
Buildings	\$ 870,466	\$ 100,102	\$ -0-	\$ -0-	\$ 970,568
Improvements Other Than Buildings	103,906	5,709	-0-	-0-	109,615
Total Accumulated Depreciation	\$ 974,372	\$ 105,811	\$ -0-	\$ -0-	\$ 1,080,183
Assets Being Depreciated - Net	\$ 1,527,180	(\$ 105,797)	\$ -0-	\$ -0-	\$ 1,421,383
Component Unit Capital Assets, Net	\$ 2,131,484	(\$ 105,797)	(\$ 541,356)	\$ -0-	\$ 1,484,331

Depreciation expense was charged to functions in the statement of activities as follows:

Governmental Activities:

General Government	\$ 119,094
Public Safety	2,714,960
Public Works and Transportation	949,282
Public Facilities	2,167,991
Health and Human Services	52,807
Culture, Parks, and Recreation	1,733,653
Urban Redevelopment and Housing	11,000
Capital Assets Held by the City's Internal Service Funds are Charged to the Various Functions on Their Usage of the Assets	307,300

Total Depreciation Expense – Governmental Activities

\$ 8,056,087

Business-type Activities:

Water	\$ 7,724,926
Sewer	3,228,904
Stormwater	383,849
Solid Waste	22,117
Airport	1,518,988
State Office Building	222,253

Total Depreciation Expense – Business-type Activities

\$ 13,101,037

Discretely Presented Component Unit:

Development Corporation	\$ 105,811
-------------------------	------------

THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

IV.E. Interfund Receivables, Payables, and Transfers

Interfund Receivables and Payables

Interfund receivables and payables at September 30, 2021 consist of the following:

Receivable Fund	Payable Fund	Amount
Employee/Retiree Health Fund	General Fund	\$ 351
Workers' Compensation Fund	General Fund	100
Total Interfund		<u>\$ 451</u>

Reconciliation to Fund Financial Statements:

	Due From Other Funds	Due To Other Funds
Governmental Funds	\$ -0-	\$ 451
Internal Service Funds	451	-0-
Enterprise Funds	-0-	-0-
Total	<u>\$ 451</u>	<u>\$ 451</u>

Interfund Transfers

Reconciliation to Fund Financial Statements:

Governmental Funds:

	Transfers to Other Funds	Transfers from Other Funds
General Fund	\$ 12,664,316	\$ 12,638,468
Intergovernmental Fund	4,723,927	984,040
Capital Improvement Fund	340,808	-0-
Debt Service Fund	-0-	2,266,710
Other Governmental Funds	1,075,413	3,220,655
Total Governmental Funds	<u>\$ 18,804,464</u>	<u>\$ 19,109,873</u>

Proprietary Funds:

	Transfers to Other Funds	Transfers from Other Funds
Enterprise Funds:		
Water Enterprise Fund	\$ 6,268,970	\$ 1,757,322
Sewer Enterprise Fund	3,062,315	82,842
Other Enterprise Funds	2,224,745	7,757,390
Total Enterprise Funds	<u>\$ 11,556,030</u>	<u>\$ 9,597,554</u>
Internal Service Funds	\$ 14,516	\$ 1,667,583
Total Proprietary Funds	<u>\$ 11,570,546</u>	<u>\$ 11,265,137</u>
Totals	<u>\$ 30,375,010</u>	<u>\$ 30,375,010</u>

	Transfers to Other Funds	Transfers From Other Funds	Transfer of Capital Assets	Net Transfers
Reconciliation to Statement of Activities:				
Net Transfers for Governmental Activities:				
Governmental Funds	(\$ 18,070,650)	\$ 17,026,761	\$1,349,298	\$ 305,409
Internal Service Funds	(14,516)	1,667,583	-0-	1,653,067
Total Net Transfers for Governmental Activities	<u>(\$ 18,085,166)</u>	<u>\$ 18,694,344</u>	<u>\$ 1,349,298</u>	<u>\$ 1,958,476</u>
Net Transfers for Business-type Activities:				
Enterprise Funds	(\$ 10,206,732)	\$ 9,597,554	(\$1,349,298)	(\$ 1,958,476)
Total Net Transfers for Business-type Activities	<u>(\$ 10,206,732)</u>	<u>\$ 9,597,554</u>	<u>(\$1,349,298)</u>	<u>(\$ 1,958,476)</u>

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

Interfund Transfers for the year ended September 30, 2021 were as follows:

Transfer From	Transfer To	Amount	Nature of Interfund Balance
General Fund	Debt Service Fund	\$ 200,000	Debt Service
General Fund	Intergovernmental Fund	934,041	Local Match for Grants
Airport Fund	Intergovernmental Fund	50,000	Airport Ramp Grant
General Fund	Stormwater Fund	95,000	Mowing of Right of Ways and Easements
Hotel Tax Fund	General Fund	1,025,818	Hotel Occupancy Tax
General Fund	Property/Casualty Fund	357,445	Insurance Liability
Intergovernmental Fund	Property/Casualty Fund	13,298	Insurance Liability
State Office Building Fund	Property/Casualty Fund	18,997	Insurance Liability
Airport Fund	Property/Casualty Fund	109,876	Insurance Liability
Stormwater Fund	Property/Casualty Fund	8,586	Insurance Liability
Water Fund	Property/Casualty Fund	221,257	Insurance Liability
Sewer Fund	Property/Casualty Fund	56,995	Insurance Liability
Vehicle Maintenance Fund	Property/Casualty Fund	14,270	Insurance Liability
Employee/Retiree Health Fund	Property/Casualty Fund	246	Insurance Liability
State Office Building Fund	General Fund	330,000	Building Rent
Sewer Fund	Water Fund	651,357	Engineering and Utility Maintenance
Sewer Fund	General Fund	86,150	Trench Repair Salaries
Water Fund	General Fund	341,439	Trench Repair and Lake Patrol Salaries
Solid Waste Fund	General Fund	309,641	Franchise and Contract Fees
Sewer Fund	General Fund	859,651	Franchise Fees
Water Fund	General Fund	1,776,396	Franchise Fees
Solid Waste Fund	Water Fund	309,641	Fund Billing Fees
Stormwater Fund	Water Fund	116,445	Fund Billing Fees
Sewer Fund	Water Fund	677,783	Fund Billing Fees
Lake Nasworthy Trust Fund	Water Fund	2,095	Interest on Investment
Solid Waste Fund	General Fund	255,000	Indirect Cost Allocation Plan
Intergovernmental Fund	General Fund	99,363	Indirect Cost Allocation Plan
State Office Building Fund	General Fund	18,821	Indirect Cost Allocation Plan
Airport Fund	General Fund	93,707	Indirect Cost Allocation Plan
Stormwater Fund	General Fund	289,414	Indirect Cost Allocation Plan
Water Fund	General Fund	1,763,923	Indirect Cost Allocation Plan
Sewer Fund	General Fund	690,379	Indirect Cost Allocation Plan
Solid Waste Fund	Keep San Angelo Beautiful Fund	65,000	Keep San Angelo Beautiful
Sewer Fund	General Fund	40,000	Infill Development Support
Airport Fund	Debt Service Fund	150,000	Debt Service
Sales Tax Projects Fund	General Fund	47,500	Park Projects
Intergovernmental Fund	General Fund	4,611,266	Public Safety Reimbursement
General Fund	Airport Fund	6,714,024	Due to Capitalization of Assets
General Fund	Communications Fund	866,613	Due to Capitalization of Assets
General Fund	Sales Tax Projects Fund	1,067,931	Due to Capitalization of Assets
General Fund	Community Development Fund	4,612	Due to Capitalization of Assets
General Fund	Debt Service Fund	1,916,710	Due to Capitalization of Assets
General Fund	State Office Building Fund	214,552	Due to Capitalization of Assets
Water Fund	Sewer Fund	82,842	Capital Asset Transfer
Water Fund	Lake Nasworthy Trust Fund	2,083,112	Capital Asset Transfer
General Fund	Stormwater Fund	393,006	Capital Asset Transfer
Capital Improvement Fund	Airport Fund	340,808	Capital Asset Transfer
		<u>\$ 30,375,010</u>	

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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, 2021 were as follows:

Transfer From	Transfer To	Amount	Nature of Interfund Balance
Development Corporation	General Fund	\$ 267,837	Indirect Cost Allocation Plan
Airport Fund	Development Corporation	24,235	L-3 Airport Contract
Development Corporation	Debt Service Fund	2,566,094	Debt Service Payment for Long-Term Debt
Development Corporation	Water Fund	2,900,000	Debt Service Payment for Long-Term Debt
Development Corporation	HOME Program Fund	7,534	Affordable Housing
		<u>\$ 5,663,313</u>	

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 \$2,985,849. The depreciable facilities have total cost of \$13,995,773 with accumulated depreciation of \$11,218,627 leaving the carrying amount at \$2,777,146. Total rent received during the year was \$2,766,279.

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, 2021 was \$592,380.

Operating Leases - City as a Lessee

The City rents copiers on a month-to-month basis. Total rental cost for the year was \$228,796.

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, 2021, the governmental activities long-term debt consisted of the following:

Accrued Compensated Absences:

Current Portion	\$ 37,592
Noncurrent Portion	12,852,027
Total Accrued Compensated Absences	<u>\$ 12,889,619</u>

THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

Bonds Payable:

General Refunding Bonds:

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. \$ 14,510,000

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 \$ 25,685,000

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. \$ 605,000

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. 5,200,000

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. 8,950,000

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. 980,000

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. 13,250,000

2020 Series Certificate of Obligation, dated May 27, 2020, issued by the City of San Angelo, secured by pledged sales tax, original issue amount of \$16,280,000, interest rate at 3.00%-5.00%, final maturity February 15, 2045, used for construction projects. This bond's debt service is currently paid with property tax. 16,045,000

Total Certificates of Obligation \$ 45,030,000

Total Bonds Payable \$ 70,715,000

Add: Unamortized Bond Premium 3,957,943

Total Bonds Payable, Net \$ 74,672,943

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

Current Portion, Net	\$ 5,020,000
Noncurrent Portion, Net	69,652,943
Total Bonds Payable, Net	<u>\$ 74,672,943</u>

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.

	\$ 965,000
Current Portion	\$ 107,000
Noncurrent Portion	858,000
Total Note Payable	<u>\$ 965,000</u>

Changes in Long-Term Debt:

	Balance September 30, 2020	Additions	Deductions	Balance September 30, 2021	Amount Due in One Year
<u>Governmental Activities</u>					
Compensated Absences	\$ 12,909,579	\$ 437,243	\$ 457,203	\$ 12,889,619	\$ 37,592
Insurance Claims Payable	4,669,258	526,517	1,481,101	3,714,674	1,623,626
Bonds Payable	75,390,000	-0-	4,675,000	70,715,000	5,020,000
Unamortized Bond Premium	4,587,177	-0-	629,234	3,957,943	-0-
Note Payable	1,072,000	-0-	107,000	965,000	107,000
	<u>\$ 98,628,014</u>	<u>\$ 963,760</u>	<u>\$ 7,349,538</u>	<u>\$ 92,242,236</u>	<u>\$ 6,788,218</u>

Debt Service Requirements to Maturity:

For the Year Ending September 30,	Principal	Interest
2022	\$ 5,127,000	\$ 3,210,430
2023	4,442,000	3,028,348
2024	4,507,000	2,844,122
2025	4,142,000	2,118,229
2026	3,137,000	1,954,259
2027-2031	18,505,000	7,563,670
2032-2036	20,675,000	3,984,864
2037-2041	11,145,000	717,913
Total	<u>\$ 71,680,000</u>	<u>\$ 25,421,835</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, 2021, the business-type activities long-term debt consisted of the following:

Accrued Compensated Absences:

Current Portion	\$ 64,384
Noncurrent Portion	1,959,985
Total Accrued Compensated Absences	<u>\$ 2,024,369</u>

Landfill Postclosure Care Liability:

Landfill Postclosure Care Liability	<u>\$ 5,020,519</u>
-------------------------------------	---------------------

THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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. \$ 1,210,000

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. 1,341,850

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. 1,378,965

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. 38,868

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. 95,317

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. 6,115,000

2021 Series General Obligation Refunding Bond, dated June 15, 2021, issued by the City of San Angelo, secured by ad valorem tax revenue, original issue amount of \$57,275,000, interest rates from 2.00%-3.00%, final maturity February 15, 2031, used for water and sewer improvements. 57,275,000

Total General Refunding Bonds \$ 67,455,000

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. \$ 43,960,000

2019 Series Water and Sewer Revenue Bonds, Dated October 15, 2019, issued by City of San Angelo, secured by utility revenue, original issue amount of \$56,075,000, interest rates from .05%-.72%, final maturity February 15, 2045, used for water and sewer improvements. 53,880,000

Total Revenue Bonds \$ 97,840,000

Total Bonds Payable \$ 165,295,000

Add: Unamortized Bond Premium 6,232,158

Total Bonds Payable, Net \$ 171,527,158

Current Portion, Net \$ 10,995,000

Noncurrent Portion, Net 160,532,158

Total Bonds Payable, Net \$ 171,527,158

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

Changes in Long-Term Debt:

	Balance September 30, 2020	Additions	Deductions	Balance September 30, 2021	Amount Due in One Year
<u>Business-type Activities</u>					
Compensated Absences	\$ 1,956,020	\$ 149,279	\$ 80,930	\$ 2,024,369	\$ 64,384
Water Rights Obligation	47,082,765	-0-	28,502,500	18,580,265	625,439
Landfill Postclosure	4,809,922	210,597	-0-	5,020,519	-0-
Bonds Payable	184,800,000	57,275,000	76,780,000	165,295,000	10,995,000
Unamortized Bond Premium	334,754	5,983,328	85,924	6,232,158	-0-
Promissory Note to COSADC	88,655	-0-	88,655	-0-	-0-
	<u>\$ 239,072,116</u>	<u>\$ 63,618,204</u>	<u>\$105,538,009</u>	<u>\$ 197,152,311</u>	<u>\$11,684,823</u>

Debt Service Requirements to Maturity:

For the Year Ending September 30,	Principal	Interest
2022	\$ 10,995,000	\$ 3,765,248
2023	11,120,000	3,540,812
2024	9,890,000	3,331,790
2025	10,080,000	3,138,067
2026	10,310,000	2,909,573
2027-2031	49,570,000	10,777,691
2032-2036	19,430,000	6,756,662
2037-2041	21,690,000	4,494,000
2042-2046	22,210,000	1,594,449
Total	<u>\$ 165,295,000</u>	<u>\$ 40,308,292</u>

Advanced Refunding

On June 15, 2021, the City issued \$57,275,000 Series 2021 General Obligation Refunding Bonds with interest rates ranging from 2.0% to 3.0%. The proceeds were used to advance refund \$62,605,000 of outstanding 2011B Series Certificates of Obligation with interest rates ranging from 0.0% to 2.07%. The net proceeds of \$63,526,641 (including a \$5,876,641 premium and after payment of \$407,190 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the 2011B Series bonds are considered defeased, and the liability on the statement of net position has decreased by \$3,330,000.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$254,987. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to operations through the year 2031 using the effective interest method. The City completed the advanced refunding to reduce its total debt service payments over the next eleven years by \$2,686,518 and to obtain an economic gain (the difference between the present values of the old and new debt service payments) of \$2,934,384.

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, 2021, the balance of defeased bonds outstanding is \$-0-.

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.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

The landfill post-closure care liability at year-end of \$5,020,519 represents the cumulative amount to date based on the use of approximately 87.96% care of \$5,707,868 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, 2021, investments are held for these purposes. The total contributed by Republic Services as of September 30, 2021 is \$6,497,061.

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:

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: Fort Stockton – Annual payments of \$318,514 to \$1,093,942 through the year 2070 for an interlocal agreement between the cities of Abilene, Midland, and San Angelo for the supply of untreated groundwater.

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:

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	Fort Stockton	Total
2022	(\$ 212,828)	(\$ 212,828)
2023	(221,426)	(221,426)
2024	(230,372)	(230,372)
2025	(180,028)	(180,028)
2026	(187,301)	(187,301)
Thereafter	19,612,220	19,612,220
Total Commitments	\$ 18,580,265	\$ 18,580,265

The City paid \$879,927 under all of these water purchase contracts in the current year.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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 Fund	Debt Service Fund	Intergovernmental Fund	Other Governmental Funds
Nonspendable for:					
Inventories	\$ 37,304				
Prepays	6,018				
Lake Nasworthy					\$ 2,504,329
Santa Fe Park					10,000
Total					
Nonspendable	<u>\$ 43,322</u>				<u>\$ 2,514,329</u>
Restricted for:					
Economic					\$ 3,177,752
Development					
Grant Expenditures				\$ 10,671,256	
Law Enforcement	\$ 2,156,718				
Santa Fe Park					3,925
Total Restricted	<u>\$ 2,156,718</u>			<u>\$ 10,671,256</u>	<u>\$ 3,181,677</u>
Committed for:					
Designated					\$ 2,260,761
Purposes					
Keep San Angelo					20,426
Beautiful					
Capital	\$ 99,999	\$ 32,849,807			739,621
Improvements					
Debt			\$ 2,405,850		
Total Committed	<u>\$ 99,999</u>	<u>\$ 32,849,807</u>	<u>\$ 2,405,850</u>		<u>\$ 3,020,808</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.

THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

Restatement of Beginning Fund Balance/Net Position

The City restated beginning net position and fund balances as shown below:

	<u>Government-Wide</u>	<u>Fund Level</u>
Governmental Activities:		
Beginning Net Position and Fund Balance		
as Previously Reported	(\$ 65,034,053)	\$ 98,048,578
Plus: Prior Year Fair Market Value Investment Adjustment	6,377,401	4,087,516
Plus: Reallocation of Cash	5,230,228	5,151,539
Less: Community Development Accounts Receivable Adjustment	(16,338)	(16,338)
Less: Franchise Fee Adjustment	(231,718)	(231,718)
Beginning Net Position and Fund Balance		
As Restated	<u><u>(\$ 53,674,480)</u></u>	<u><u>\$ 107,039,577</u></u>
Business-Type Activities:		
Beginning Net Position and Fund Balance		
as Previously Reported	\$ 268,665,990	\$ 268,665,990
Plus: Prior Year Fair Market Value Investment Adjustment	3,667,261	3,667,261
Plus: Franchise Fee Adjustment	231,718	231,718
Less: Fort Stockton Water Rights Asset and Liability Correction	(299,241)	(299,241)
Less: Reallocation of Cash	(5,391,795)	(5,391,795)
Beginning Net Position and Fund Balance		
As Restated	<u><u>\$ 266,873,933</u></u>	<u><u>\$ 266,873,933</u></u>
Internal Service Funds:		
Beginning Net Position and Fund Balance		
as Previously Reported		(\$ 3,938,332)
Plus: Prior Year Fair Market Value Investment Adjustment		2,289,885
Plus: Reallocation of Cash		78,689
Beginning Net Position and Fund Balance		
As Restated		<u><u>(\$ 1,569,758)</u></u>
Discretely Presented Component Unit:		
Beginning Net Position and Fund Balance		
as Previously Reported	\$ 22,141,385	\$ 16,945,214
Plus: Prior Year Receivable and Revenue	458,784	458,784
Beginning Net Position and Fund Balance		
As Restated	<u><u>\$ 22,600,169</u></u>	<u><u>\$ 17,403,998</u></u>

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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	\$ 71,461
Capital Assets	2,063,861
Total Assets	<u>\$ 2,135,322</u>
Deferred Outflows of Resources	
Deferred Amounts Related to Pensions	<u>\$ 90,541</u>
Liabilities	
Current Liabilities	\$ 40,271
Noncurrent Liabilities Due Within One Year	68,150
Noncurrent Liabilities Due After One Year	172,513
Total Liabilities	<u>\$ 280,934</u>
Deferred Inflows of Resources	
Deferred Amounts Related to Pensions	<u>\$ 77,298</u>
Net Position	
Net Investment in Capital Assets	\$ 1,929,676
Unrestricted	(62,045)
Total Net Position	<u>\$ 1,867,631</u>

Condensed Statement of Revenues, Expenses, and Changes in Net Position

Revenues Pledged for Payment of Bonds and COs	\$ 1,183,051
Cost of Sales and Services and Administrative	(459,263)
Depreciation and Amortization	(222,253)
Operating Income	<u>\$ 501,535</u>
Non-Operating Revenues (Expenses):	
Investment Income	1,582
Change in Fair Value of Investments	(24)
Interest Expense	(7,409)
Transfer Out	(153,266)
Change in Net Position	<u>\$ 342,418</u>
Net Position – Beginning	1,589,796
Restatement of Beginning Net Position	(64,583)
Net Position – Ending	<u>\$ 1,867,631</u>

Condensed Statement of Cash Flows

Net Cash Provided (Used) by:	
Operating Activities	\$ 395,383
Non-Capital Financing Activities	(252,883)
Capital and Related Financing Activities	(153,506)
Investing Activities	11,006
Net Increase (Decrease) in Cash	<u>\$ -0-</u>
Cash and Cash Equivalents – Beginning	-0-
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, 2021

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 \$265,414, \$1,245,966, and \$726,937 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, 2019	\$ 226,237	\$ 691,068	\$ 2,373,491	\$ 3,290,796
FY20 Incurred	684,423	1,077,009	949,779	2,711,211
FY20 Paid	-0-	(815,785)	(516,964)	(1,332,749)
September 30, 2020	\$ 910,660	\$ 952,292	\$ 2,806,306	\$ 4,669,258
FY21 Incurred	-0-	291,386	235,131	526,517
FY21 Paid	(557,732)	(564,814)	(358,555)	(1,481,101)
September 30, 2021	\$ 352,928	\$ 678,864	\$ 2,682,882	\$ 3,714,674

V.B. 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.C. Litigation

The City is a defendant in several lawsuits. Lawsuits pending on September 30, 2021 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, 2021

V.D. 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	Remaining Commitment
Bell St Reconstruction	Bond Funding, Water Capital, Wastewater Capital	\$ 22,812,318	\$ 19,139,279	\$ 3,673,039
College Hills Reconstruction	Bond Funding, Water Capital, Wastewater Capital	\$ 21,331,783	\$ 1,573,926	\$ 19,757,857
Chadbourne Reconstruction	TIRZ and Bond Funding, Water Capital, Wastewater Capital, TxDOT Grant	\$ 18,451,656	\$ 8,452,189	\$ 9,999,467
Southwest Reconstruction	Bond Funding, Water Capital, Wastewater Capital	\$ 6,167,849	\$ 3,652,273	\$ 2,515,576
N. Chadbourne 306 to 43rd	Bond Funding, Water Capital, Wastewater Capital	\$ 8,640,142	\$ 1,767,665	\$ 6,872,477
Glenna/Edmund/ 29th St Reconstruction	Bond Funding, Water Capital, Wastewater Capital	\$ 5,635,606	\$ 395,078	\$ 5,240,528
Howard: Glenna-Sherwood Reconstruction	Bond Funding, Water Capital, Wastewater Capital	\$ 3,562,576	\$ 69,701	\$ 3,492,875
Sulphur Draw Sewer Project	Wastewater Capital	\$ 4,500,000	\$ 3,370,530	\$ 1,129,470
Remediation of Drainage Ave P	Stormwater Capital and General Fund	\$ 3,273,845	\$ 2,018,093	\$ 1,255,752
Runway 18-36 Rehabilitation	FAA Funds, PFC Funds	\$ 1,222,889	\$ 948,834	\$ 274,055
Terminal Ramp	FAA Funds, PFC Funds	\$ 1,111,111	\$ 20,300	\$ 1,090,811
Airport Entrance Road	PFC Funds	\$ 1,945,874	\$ 403,737	\$ 1,542,137
Fort Concho Visitors Center Restoration	Type B Sales Tax, Private Donations	\$ 3,500,000	\$ 260,638	\$ 3,239,362
Brentwood Neighborhood Park Renovation	Type B Sales Tax	\$ 250,000	\$ 179,578	\$ 70,422
Texas Bank Sports Complex Improvements	General Capital Fund, Type B Sales Tax	\$ 708,744	\$ 429,303	\$ 279,441
South Concho Park and Trail Improvements	TPWD Trail Grant, Type B Sales Tax	\$ 200,777	\$ 61,393	\$ 139,384
Unidad Park Refurbishment	Type B Sales Tax, San Angelo Health Foundation Grant	\$ 385,000	\$ 209,882	\$ 175,118
Sunken Garden	Type B Sales Tax	\$ 74,974	\$ 59,815	\$ 15,159
Lake Nasworthy Park Improvements	Lake Nasworthy Funds	\$ 6,000,000	\$ 1,170,614	\$ 4,829,386
McNease Convention Center Improvements	Civic Events Funds, HOT funds	\$ 221,000	\$ 72,769	\$ 148,231
Riverstage Improvements	Civic Events Funds, HOT funds	\$ 1,606,000	\$ 140,886	\$ 1,465,114
29th St Sports Complex	Globe Life Texas Rangers Grant, Type B Sales Tax	\$ 1,760,000	\$ 137,345	\$ 1,622,655
Animal Shelter Improvements	General Capital Fund	\$ 200,000	\$ 10,083	\$ 189,917

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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.

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.

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.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

Employees Covered by Benefit Terms

Inactive plan members or beneficiaries currently receiving benefits	160
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	186
Total	<u>350</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 16.20% 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, 2019 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 \$2,670,050.

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

The City reported \$2,779,125 in pension expense for the year ended September 30, 2021. At September 30, 2021, 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	\$ 358,983	\$ 1,911,919
Changes of Assumptions	10,995,751	11,640,315
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-0-	3,556,164
City Contributions Subsequent to the Measurement Date	1,990,116	-0-
Total	<u>\$ 13,344,850</u>	<u>\$ 17,108,398</u>

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

The \$1,990,116 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, 2022. 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:

2022	(\$	445,106)
2023	(	828,484)
2024	(	557,238)
2025	(	2,366,859)
Thereafter	(	398,724)
Total	(\$	<u>4,596,411</u>)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2019, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	2.5%
Salary Increases:	Service Based, (14% to 3% for 0 to 30+ years)
Investment Rate of Return:	7.8%

Mortality rates were based on the PubS-2010 Mortality Tables. The mortality rates for all participants are sex distinct with mortality improvement projected 5 years beyond the valuation date using scale MP-2019 and base year of 2010.

The actuarial assumptions used in the December 31, 2019 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

The actuarial assumptions used in the December 31, 2019, 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, 2019, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity:		
Domestic Equity	54.0%	4.5%
International Equity	6.0%	5.5%
Real Estate	6.0%	0.0%
Fixed Income	32.0%	2.0%
Cash	2.0%	0.5%
	<u>100.0%</u>	

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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, 2019 with a measurement date of December 31, 2020. 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:

	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	<u>\$ 112,758,721</u>	<u>\$ 71,680,768</u>	<u>\$ 41,077,953</u>
Changes for the Year:			
Service cost	\$ 2,685,941	\$ -0-	\$ 2,685,941
Interest expense	8,740,499	-0-	8,740,499
Contributions - City	-0-	2,617,702	(2,617,702)
Contributions - Members	-0-	2,366,974	(2,366,974)
Net investment income	-0-	7,520,995	(7,520,995)
Benefits paid	(6,773,977)	(6,773,977)	-0-
Plan administrative expenses	-0-	(83,876)	83,876
Other changes	-0-	472	(472)
Net Changes	<u>\$ 4,652,463</u>	<u>\$ 5,648,290</u>	<u>(\$ 995,827)</u>
Balances End of Year	<u>\$ 117,411,184</u>	<u>\$ 77,329,058</u>	<u>\$ 40,082,126</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	<u>\$ 52,852,559</u>	<u>\$ 40,082,126</u>	<u>\$ 29,331,121</u>

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.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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 annual comprehensive financial report (ACFR) that can be obtained at www.tmr.com.

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

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, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Active Employees	647
Deferred Vested Former Employees	337
Retirees or Retiree Beneficiaries	<u>729</u>
Total	<u>1,713</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 17.43% and 17.33% in calendar years 2020 and 2021, respectively. The City's contributions to TMRS for the year ended September 30, 2021 were \$6,543,533 and were equal to the required contributions.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2020 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, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation -	2.5% per year
Overall Payroll Growth -	3.5% to 11.5% 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 Pub-2010 Mortality Table and 2019 Municipal Retirees of Texas mortality tables. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the mortality tables for healthy retirees are used with a 4-year set-forward for males a 3-year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively.

Actuarial assumptions used in the December 31, 2020 valuation were based on the results of actuarial experience studies performed for the 2019 actuarial valuation. This experience study was for the period December 31, 2010 through December 31, 2014 through December 31, 2018. 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 2020 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
Global Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.25%
Non-Core Fixed Income	20.00%	4.14%
Real Return	10.00%	3.85%
Real Estate	10.00%	4.00%
Absolute Return	10.00%	3.48%
Private Equity	10.00%	7.75%
Total	<u>100.00%</u>	

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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.

Changes in the Net Pension Liability

<u>SCHEDULE OF CHANGES IN NET PENSION LIABILITY</u>			
	<u>Increase (Decrease)</u>		
	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (a) - (b)
Balances Beginning of Year	\$ 250,978,370	\$ 213,516,569	\$ 37,461,801
Changes for the Year:			
Service cost	\$ 5,568,830	\$ -0-	\$ 5,568,830
Interest expense	16,688,903	-0-	16,688,903
Changes of assumptions	-0-	-0-	-0-
Difference between expected and actual experience	(1,356,615)	-0-	(1,356,615)
Contributions - City	-0-	6,394,140	(6,394,140)
Contributions - Members	-0-	2,567,971	(2,567,971)
Net investment income	-0-	16,192,181	(16,192,181)
Benefits paid	(13,039,566)	(13,039,566)	-0-
Plan administrative expenses	-0-	(104,873)	104,873
Other Charges	-0-	(4,092)	4,092
Net Changes	<u>\$ 7,861,552</u>	<u>\$ 12,005,761</u>	<u>(\$ 4,144,209)</u>
Balances End of Year	<u>\$ 258,839,922</u>	<u>\$ 225,522,330</u>	<u>\$ 33,317,592</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	\$ 68,237,600	\$ 33,317,592	\$ 4,601,869

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.

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

For the year ended September 30, 2021, the City recognized pension expense of \$2,762,928. At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 138,742	\$ 1,227,087
Changes of Assumptions	431,383	-0-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-0-	6,094,162
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	736,328	597,086
City Contributions Subsequent to the Measurement Date	4,896,791	-0-
Total	<u>\$ 6,203,244</u>	<u>\$ 7,918,335</u>

The \$4,896,791 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, 2022. 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:	
2022	(\$ 2,519,304)
2023	63,347
2024	(3,799,963)
2025	(355,962)
	<u>(\$ 6,611,882)</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 actives 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. The Plan is a single-employer defined benefit OPEB plan administered by the City.

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

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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, 2021, the following employees were covered by the benefit terms:

Active Employees	110
Inactives or Beneficiaries Currently Receiving Benefit Payments	491
Total	<u>601</u>

Total OPEB Liability

The City's total OPEB liability of \$96,840,203 was measured as of September 30, 2021 and was determined by an actuarial valuation as of September 30, 2020.

Actuarial Assumptions

The total OPEB liability was determined based on an actuarial valuation prepared as of September 30, 2020 using the following actuarial assumptions:

- Actuarial Cost Method - Entry Age Normal Level Percentage of Salary
- Inflation – 2.50%
- Salary Scale – 3.00%
- Discount Rate – 2.41%, based on September 30, 2020 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%

THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

- 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+	0.000000	0.000000

- Healthcare cost trend rates –

Year	Rate
2020-2021	7.58%
2021-2022	7.58%
2022-2023	7.20%
2023-2024	6.82%
2024-2025	6.43%
2025-2026	6.05%
2026-2027	5.67%
2027-2030	5.29%
Ultimate	4.04%

- Married – 25%; with females assumed age to be three years younger
- Average per capita claim cost – Range from age 40 of \$3,693 to age 80 of \$4,037
- Mortality Rates – PUB-2010 General Table projected using MP-2019
- Coverage – 95% of all retirees who currently have healthcare coverage will continue with coverage.

THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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	\$ 96,437,448
Changes for the Year:	
Service Cost	\$ 887,195
Interest Expense	2,290,702
Benefits Paid	(2,775,143)
Net Changes	\$ 402,754
Balances, End of Year	\$ 96,840,202

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 2.41%, 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 (1.41%) or 1-percentage-point higher (3.41%) than the current rate:

	1% Decrease (1.41%)	Current Discount Rate (2.41%)	1% Increase (3.41%)
Employers' Total OPEB Liability	\$ 116,541,513	\$ 96,840,202	\$ 81,543,957

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	\$ 79,823,974	\$ 96,840,202	\$ 115,878,634

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

For the year ended September 30, 2021, the City recognized negative OPEB expense of \$3,177,896. At September 30, 2021, the City did not report any deferred outflows and deferred inflows of resources related to OPEB.

THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

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 \$7,879.

VII. TAX ABATEMENTS

As of September 30, 2021, 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, 2021 are:

<u>Program</u>	<u>Amount Abated</u>
COSADC	\$ 6,848
TIRZ	2,551
Total	<u>\$ 9,399</u>

VIII. SUBSEQUENT EVENTS

The following events occurred after the fiscal year end and are disclosed for reporting purposes:

- City Council approved a street reconstruction contract for a portion of College Hills Blvd with a total base bid and contingency of \$32,661,092.
- The costs for the various components of the project are:
 - HMAC Paving, Pavement Marking and Traffic Control: \$10,928,096
 - Water Reclamation: \$10,061,193
 - Water Utility: \$3,133,625
 - Drainage Infrastructure: \$8,538,178
- The City Council approved the use of General Fund's fund balance in the amount of \$271,812 for the purchase of dump trucks. This amount will be deducted from the original budget of Fund 501 General Equipment Replacement in FY 2023.

CITY OF SAN ANGELO, TEXAS

Notes to the Basic Financial Statements

For the Year Ended September 30, 2021

- The Texas Division of Emergency Management approval of the Non-congregate Sheltering Costs in the amount of \$834,815 incurred in FY 2020 and FY 2021.
- The Federal Emergency Management Agency Disaster Declaration of the February 2021 Winter Storm Uri which allows the City to submit for possible reimbursement costs for certain emergency response action, damages to streets due to the ice, repairs to the water infrastructure, and insurance deductibles associated with damaged facilities.
- The City of San Angelo Development Corporation and City Council approved an agreement with Skyline Aviation in the amount of \$3,000,000. The Skyline P3 Project will allow for improvements to the GTE Hangar, parking lot improvements, apron rehabilitation, and construction of an FBO terminal.
- San Angelo citizens elected Karen Hesse Smith to fill the seat vacated by Lane Carter in SMD #5.
- The City Council approved the application to the Texas Water Development Board for additional funding not to exceed \$14 million for the Hickory project.
- The City Council approved the forth of five planned issues of the ten-year rolling debt program in the amount of \$16,000,000 for street reconstruction and improvements.

CITY OF SAN ANGELO, TEXAS

Budgetary Comparison Schedule - General Fund

For the Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Modified Accrual	Adjustments	Budget Basis	
REVENUES						
Taxes:						
Property	\$ 36,079,269	\$ 36,079,269	\$ 37,011,401	(\$ 23,606)	\$ 36,987,795	\$ 908,526
Sales	18,339,709	19,663,132	21,527,546	(14,421)	21,513,125	1,849,993
Franchise	4,153,873	4,403,873	3,481,709	-0-	3,481,709	(922,164)
Mixed Drink	389,247	389,247	397,447	-0-	397,447	8,200
Bingo	36,960	36,960	29,742	-0-	29,742	(7,218)
Licenses and Permits	980,474	1,048,862	1,140,024	-0-	1,140,024	91,162
Intergovernmental	661,801	2,369,874	1,355,625	-0-	1,355,625	(1,014,249)
Charges for Services	6,944,701	6,916,037	7,529,200	-0-	7,529,200	613,163
Fines and Forfeitures	2,675,494	2,674,494	2,388,001	-0-	2,388,001	(286,493)
Investment Income:						
Interest	301,176	301,176	121,069	-0-	121,069	(180,107)
Change in Fair Value of Investments	-0-	-0-	(17,088)	-0-	(17,088)	(17,088)
Miscellaneous:						
Gifts and Contributions	55,050	55,050	52,338	-0-	52,338	(2,712)
Other Miscellaneous	745,466	1,531,725	2,535,148	-0-	2,535,148	1,003,423
Total Revenues	\$ 71,363,220	\$ 75,469,699	\$ 77,552,162	(\$ 38,027)	\$ 77,514,135	\$ 2,044,436
EXPENDITURES						
Current:						
General Government:						
City Council	\$ 187,635	\$ 180,135	\$ 331,584	\$ -0-	\$ 331,584	(\$ 151,449)
City Manager	805,225	792,514	792,530	-0-	792,530	(16)
Legal	1,250,910	1,399,009	1,239,199	-0-	1,239,199	159,810
Communications	181,426	181,426	172,182	-0-	172,182	9,244
Construction Management	504,939	516,204	531,771	-0-	531,771	(15,567)
Finance	2,566,521	2,590,013	2,506,848	-0-	2,506,848	83,165
Information Technology	682,722	726,224	2,732,096	-0-	2,732,096	(2,005,872)
Purchasing	234,613	234,613	201,401	-0-	201,401	33,212
Personnel	2,756,029	2,776,886	2,604,804	-0-	2,604,804	172,082
Non-Departmental	2,668,491	2,630,090	2,171,443	-0-	2,171,443	458,647
Total General Government	\$ 11,838,511	\$ 12,027,114	\$ 13,283,858	\$ -0-	\$ 13,283,858	(\$ 1,256,744)
Public Safety:						
Municipal Court	\$ 2,491,394	\$ 3,216,226	\$ 2,178,082	\$ -0-	\$ 2,178,082	\$ 1,038,144
Police	19,771,161	20,298,959	20,288,358	-0-	20,288,358	10,601
Fire	18,767,611	19,351,657	19,786,129	-0-	19,786,129	(434,472)
Dispatch	1,253,651	1,433,133	1,355,200	-0-	1,355,200	77,933
School Crossing Guards	113,496	134,665	98,248	-0-	98,248	36,417
Total Public Safety	\$ 42,397,313	\$ 44,434,640	\$ 43,706,017	\$ -0-	\$ 43,706,017	\$ 728,623
Public Works and Transportation:						
Public Works	\$ 368,848	\$ 352,071	\$ 287,414	\$ -0-	\$ 287,414	\$ 64,657
Signal Control	847,337	1,059,745	799,286	-0-	799,286	260,459
Streets and Bridges	7,413,085	10,517,239	7,060,106	-0-	7,060,106	3,457,133
Planning and Zoning	2,505,764	2,515,866	2,427,497	-0-	2,427,497	88,369
Permits and Inspections	912,064	922,563	896,237	-0-	896,237	26,326
Total Public Works and Transportation	\$ 12,047,098	\$ 15,367,484	\$ 11,470,540	\$ -0-	\$ 11,470,540	\$ 3,896,944

CITY OF SAN ANGELO, TEXAS

Budgetary Comparison Schedule - General Fund

For the Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Modified Accrual	Adjustments	Budget Basis	
Public Facilities:						
City Hall	\$ 544,286	\$ 642,918	\$ 493,774	\$ -0-	\$ 493,774	\$ 149,144
Fairmount Cemetery	457,299	535,278	440,395	-0-	440,395	94,883
Total Public Facilities	\$ 1,001,585	\$ 1,178,196	\$ 934,169	\$ -0-	\$ 934,169	\$ 244,027
Health and Human Services:						
Health Department	\$ 261,497	\$ 227,571	\$ 171,628	\$ -0-	\$ 171,628	\$ 55,943
Animal Control	862,091	1,002,520	929,270	-0-	929,270	73,250
Code Compliance	541,459	541,758	523,658	-0-	523,658	18,100
Social Services	-0-	-0-	-0-	-0-	-0-	-0-
Total Health and Human Services	\$ 1,665,047	\$ 1,771,849	\$ 1,624,556	\$ -0-	\$ 1,624,556	\$ 147,293
Culture, Parks and Recreation:						
Parks	\$ 4,895,732	\$ 4,922,456	\$ 4,415,000	\$ -0-	\$ 4,415,000	\$ 507,456
Recreation	943,242	950,405	753,382	-0-	753,382	197,023
Swimming Pool	121,852	164,094	138,931	-0-	138,931	25,163
Fort Concho Museum	1,042,813	1,896,762	1,165,237	-0-	1,165,237	731,525
Total Culture, Parks and Recreation	\$ 7,003,639	\$ 7,933,717	\$ 6,472,550	\$ -0-	\$ 6,472,550	\$ 1,461,167
Total Current Expenditures	\$ 75,953,193	\$ 82,713,000	\$ 77,491,690	\$ -0-	\$ 77,491,690	\$ 5,221,310
Capital Outlay	1,186,409	13,759,224	8,363,843	-0-	8,363,843	5,395,381
Debt Service:						
Principal	-0-	-0-	-0-	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	-0-	-0-	-0-	-0-	-0-
Total Expenditures	\$ 77,139,602	\$ 96,472,224	\$ 85,855,533	\$ -0-	\$ 85,855,533	\$ 10,616,691
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 5,776,382)	(\$ 21,002,525)	(\$ 8,303,371)	(\$ 38,027)	(\$ 8,341,398)	\$ 12,661,127
OTHER FINANCING SOURCES (USES)						
Transfers In	\$ 7,860,532	\$ 7,900,532	\$ 12,638,468	\$ -0-	\$ 12,638,468	\$ 4,737,936
Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-
Premium on Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-
Sale of Capital Assets	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out	(1,338,976)	(1,992,421)	(12,664,316)	-0-	(12,664,316)	(10,671,895)
Total Other Financing Sources (Uses)	\$ 6,521,556	\$ 5,908,111	(\$ 25,848)	\$ -0-	(\$ 25,848)	(\$ 5,933,959)
Net Change in Fund Balance	\$ 745,174	(\$ 15,094,414)	(\$ 8,329,219)	(\$ 38,027)	(\$ 8,367,246)	\$ 6,727,168
Fund Balance - Beginning	9,102,238	(80,186,278)	48,741,966	(14,647,537)	10,143,869	90,330,147
Restatement of Beginning Fund Balance	-0-	-0-	8,764,731	-0-	8,764,731	8,764,731
Fund Balance - Ending	\$ 9,847,412	(\$ 95,280,692)	\$ 49,177,478	(\$ 14,685,564)	\$ 10,541,354	\$ 105,822,046

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2021

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, Capital Project fund, and the Permanent 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, 2021

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

Last Fiscal Year

	2015	2016	2017	2018	2019	2020	*2021
Total pension liability							
Service cost	\$ 4,231,932	\$ 4,877,309	\$ 5,329,787	\$ 5,416,244	\$ 5,491,969	\$ 5,632,354	\$ 5,568,830
Interest	13,765,927	14,190,598	14,439,741	15,033,601	15,606,133	16,052,939	16,688,903
Differences between expected and actual experience	(1,528,383)	253,147	827,202	120,491	(1,489,022)	321,298	(1,356,615)
Changes of assumptions	-0-	2,707,629	-0-	-0-	-0-	998,992	-0-
Benefit payments, including refunds of member contributions	(10,826,257)	(10,624,607)	(11,486,726)	(12,197,321)	(12,055,161)	(14,064,705)	(13,039,566)
Net change in total pension liability	\$ 5,643,219	\$ 11,404,076	\$ 9,110,004	\$ 8,373,015	\$ 7,553,919	\$ 8,940,878	\$ 7,861,552
Total pension liability - beginning	199,953,259	205,596,478	217,000,554	226,110,558	234,483,573	242,037,492	250,978,370
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>	<u>\$ 250,978,370</u>	<u>\$ 258,839,922</u>
Plan fiduciary net position							
Contributions - employer	\$ 5,576,688	\$ 5,728,465	\$ 5,856,113	\$ 6,159,661	\$ 6,243,572	\$ 6,389,919	\$ 6,394,140
Contributions - member	2,132,065	2,265,505	2,399,261	2,442,228	2,481,845	2,561,824	2,567,971
Net investment income	9,503,498	254,398	11,478,572	24,663,190	(5,956,141)	29,282,407	16,192,181
Benefit payments, including refunds of member contributions	(10,826,257)	(10,624,607)	(11,486,726)	(12,197,321)	(12,055,161)	(14,064,705)	(13,039,566)
Administrative expense	(99,229)	(154,965)	(129,662)	(127,845)	(115,163)	(165,553)	(104,873)
Other	(8,158)	(7,652)	(6,986)	(6,479)	(6,016)	(4,973)	(4,091)
Net change in plan fiduciary net position	\$ 6,278,607	(\$ 2,538,856)	\$ 8,110,572	\$ 20,933,434	(\$ 9,407,064)	\$ 23,998,919	\$ 12,005,762
Plan fiduciary net position - beginning	166,140,957	172,419,564	169,880,708	177,991,280	198,924,714	189,517,650	213,516,569
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>\$ 189,517,650</u>	<u>\$ 213,516,569</u>	<u>\$ 225,522,331</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>\$ 52,519,842</u>	<u>\$ 37,461,801</u>	<u>\$ 33,317,591</u>
Plan fiduciary net position as a percentage of the total pension liability	83.86%	78.29%	78.72%	84.84%	78.30%	85.07%	87.13%
Covered payroll	\$ 30,458,079	\$ 31,518,849	\$ 34,655,009	\$ 34,745,984	\$ 35,305,734	\$ 36,644,791	\$ 37,965,486
Net pension liability as a percentage of covered payroll	108.93%	149.50%	138.85%	102.34%	148.76%	102.23%	87.76%

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 2021 is based on a measurement date of December 31, 2020.

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%. For fiscal year 2020, mortality tables were updated to the Pub-2010

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2021

Texas Municipal Retirement Fund Schedule of Employer Contributions							Last Fiscal Year
	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 5,688,038	\$ 5,974,012	\$ 6,067,440	\$ 6,215,573	\$ 6,410,024	\$ 6,620,228	\$ 6,543,533
Contributions in relation to the actuarially determined contribution	5,688,038	5,974,012	6,067,440	6,215,573	6,410,024	6,620,228	6,543,533
Contribution deficiency (excess)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Covered payroll	\$ 31,518,849	\$ 34,655,009	\$ 34,745,984	\$ 35,305,734	\$ 36,644,791	\$ 37,965,486	\$ 37,704,242
Contributions as a percentage of covered payroll	18.05%	17.24%	17.46%	17.60%	17.49%	17.44%	17.35%

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	25 years
Contributions	17.43% for Calendar Year 2020 17.33% for Calendar Year 2021
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% 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	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety Table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2021

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	2020	2021
Total pension liability							
Service cost	\$ 2,438,145	\$ 2,002,372	\$ 2,160,559	\$ 2,347,801	\$ 2,298,123	\$ 2,522,010	\$ 2,685,941
Interest	6,609,094	6,772,296	7,510,752	7,941,043	7,937,118	8,144,609	8,740,499
Changes of benefit terms	-0-	-0-	-0-	473,900	-0-	-0-	-0-
Differences between expected and actual experience	-0-	3,449,753	-0-	(3,909,779)	-0-	(318,222)	-0-
Changes of assumptions	-0-	2,215,105	-0-	1,137,592	-0-	(17,460,473)	-0-
Contributions - buy back	-0-	-0-	-0-	22,656	-0-	-0-	-0-
Benefit payments, including refunds of member contributions	(4,391,400)	(4,695,087)	(6,039,371)	(6,554,930)	(5,704,822)	(5,817,746)	(6,773,977)
Benefit payments, including refunds of member contributions	-0-	-0-	-0-	-0-	-0-	18,250,650	-0-
Net change in total pension liability	\$ 4,655,839	\$ 9,744,439	\$ 3,631,940	\$ 1,458,283	\$ 4,530,419	\$ 5,320,828	\$ 4,652,463
Total pension liability - beginning	83,416,973	88,072,812	97,817,251	101,449,191	102,907,474	107,437,893	112,758,721
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>	<u>\$ 112,758,721</u>	<u>\$ 117,411,184</u>
Plan fiduciary net position							
Contributions - employer	\$ 2,044,568	\$ 2,086,618	\$ 2,239,456	\$ 2,293,931	\$ 2,375,378	\$ 2,460,299	\$ 2,617,702
Contributions - member	1,432,875	1,462,906	1,590,202	1,755,034	1,934,896	2,126,575	2,366,974
Contributions - buy back	-0-	-0-	-0-	22,656	-0-	-0-	-0-
Net investment income	3,264,867	(1,262,749)	4,199,126	8,954,582	(3,957,401)	11,785,951	7,520,995
Benefit payments, including refunds of member contributions	(4,391,400)	(4,695,087)	(6,039,371)	(6,554,930)	(5,704,822)	(5,817,746)	(6,773,977)
Administrative expense	(62,491)	(48,866)	(55,543)	(59,338)	(56,020)	(85,077)	(83,876)
	-0-	-0-	-0-	-0-	-0-	-0-	472
Net change in plan fiduciary net position	\$ 2,288,419	(\$ 2,457,178)	\$ 1,933,870	\$ 6,411,935	(\$ 5,407,969)	\$ 10,470,002	\$ 5,648,290
Plan fiduciary net position - beginning	58,441,691	60,730,110	58,272,932	60,206,802	66,618,737	61,210,768	71,680,770
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>	<u>\$ 71,680,770</u>	<u>\$ 77,329,060</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>	<u>\$ 41,077,951</u>	<u>\$ 40,082,124</u>
Plan fiduciary net position as a percentage of the total pension liability	68.95%	59.57%	59.35%	64.74%	56.97%	63.57%	65.86%
Covered payroll	\$ 10,090,669	\$ 10,246,197	\$ 10,965,035	\$ 10,754,438	\$ 11,682,741	\$ 12,007,512	\$ 12,761,557
Net pension liability as a percentage of covered payroll	270.97%	385.94%	376.13%	337.43%	395.69%	342.10%	314.08%

Notes to Schedule:

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, 2021

**San Angelo Firemen's Relief and Retirement Fund
Schedule of Employer Contributions**

Last Fiscal Year

	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 2,075,551	\$ 2,219,315	\$ 2,173,090	\$ 2,360,039	\$ 2,425,374	\$ 2,577,835	\$ 2,668,251
Contributions in relation to the actuarially determined contribution	2,075,551	2,219,315	2,173,090	2,360,039	2,425,374	2,577,835	2,668,251
Contribution deficiency (excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Covered payroll	\$ 10,246,197	\$ 10,965,035	\$ 10,754,438	\$ 11,682,741	\$ 12,007,512	\$ 12,761,557	\$ 13,209,163
Contributions as a percentage of covered payroll	20.26%	20.24%	20.21%	20.20%	20.20%	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
Retirement Rate	Based on age, average age of 54.9 years
Contributions	20.20% -Firefighters hired on or after May 1, 1986 21.65% -Firefighters 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	PubS-2010 Mortality Table. The mortality rates for all participants are sex distinct with mortality improvement projected 5 years beyond the valuation date using the MP-2019 and a base year of 2010.

CITY OF SAN ANGELO, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2021

Other Postemployment Benefit

Schedule of Changes in Total OPEB Liability and Related Ratios

Last 10 Fiscal Years

	2018	2019	2020	2021
Total OPEB liability				
Service cost	\$ 989,000	\$ 840,187	\$ 872,366	\$ 887,195
Interest	3,817,000	3,436,621	3,510,000	2,290,702
Differences between expected and actual experience	-0-	-0-	(31,101,284)	-0-
Change in assumptions	(20,271,000)	-0-	34,235,604	-0-
Benefit payments, including refunds of member contributions	(2,768,626)	(3,044,808)	(3,537,612)	(2,775,143)
Net change in total OPEB liability	(\$ 18,233,626)	\$ 1,232,000	\$ 3,979,074	\$ 402,754
Total OPEB liability - beginning	109,460,000	91,226,374	92,458,374	96,437,448
Total OPEB liability - ending	<u>\$ 91,226,374</u>	<u>\$ 92,458,374</u>	<u>\$ 96,437,448</u>	<u>\$ 96,840,202</u>
Covered employee payroll	\$ 47,961,000	\$ 49,234,000	\$ 50,287,000	\$ 51,269,000
Net OPEB liability as a percentage of covered employee payroll	190.21%	187.79%	191.77%	188.89%

Notes to Schedule:

Only the current and prior years are presented because 10-year data is not yet available.

CITY OF SAN ANGELO, TEXAS

General Fund Descriptions

For the Year Ended September 30, 2021

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.

Restricted Funds Subfund – To account for the receipt and expenditure of funds restricted by law. This fund was created to ensure full transparency of activity specifically restricted by law, such as Municipal court fines, crossing guards license registration fees, police seizure proceeds, and other similar activities.

CITY OF SAN ANGELO, TEXAS

Combining Balance Sheet - General Fund Accounts

For the Year Ended September 30, 2021

	General	Texas Sports Complex	Civic Events	Equipment Replacement	General Capital Projects	Fort Concho	Fairmount Cemetery	Payroll	Restricted Funds	Total General Fund
ASSETS										
Cash and Cash Equivalents	\$ 18,574,586	\$ 764,740	\$ 1,245,565	\$ 1,757,831	(\$ 87,882)	\$ 889,913	\$ 166,596	\$ 9,061	\$ -0-	\$ 23,320,410
Investments	11,399,942	-0-	350,536	48,142	7,383,602	95	-0-	-0-	-0-	19,182,317
Receivables:										
Accrued Interest	17,227	528	1,098	638	82	286	-0-	-0-	-0-	19,859
Property Taxes	1,243,456	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,243,456
Accounts	6,152,278	-0-	-0-	1,382	916,084	-0-	51,283	-0-	-0-	7,121,027
Less: Allowance for Uncollectibles	(899,749)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(899,749)
Due from Other Governments	5,484,921	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	5,484,921
Due from Other Funds (Interfund)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3,312	-0-	3,312
Due from Other Funds	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Inventories	19,915	-0-	-0-	-0-	-0-	17,389	-0-	-0-	-0-	37,304
Prepays	6,018	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	6,018
Total Assets	<u>\$ 41,998,594</u>	<u>\$ 765,268</u>	<u>\$ 1,597,199</u>	<u>\$ 1,807,993</u>	<u>\$ 8,211,886</u>	<u>\$ 907,683</u>	<u>\$ 217,879</u>	<u>\$ 12,373</u>	<u>\$ -0-</u>	<u>\$ 55,518,875</u>
DEFERRED OUTFLOWS OF RESOURCES										
Deferred Charges	\$ -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>
LIABILITIES										
Current Liabilities:										
Accounts Payable	\$ 4,321,257	\$ 22,390	\$ 29,676	\$ 43,566	\$ 303,757	\$ 123,861	\$ 80,291	\$ 12,022	\$ 9,146	\$ 4,945,966
Deposits	277,836	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	277,836
Due to Other Funds	100	-0-	-0-	-0-	-0-	-0-	-0-	351	-0-	451
Due to Other Funds (Interfund)	2,644	-0-	-0-	-0-	-0-	-0-	668	-0-	-0-	3,312
Due to Other Governments	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Unearned Revenue	-0-	86,250	-0-	-0-	-0-	-0-	-0-	-0-	-0-	86,250
Arbitrage Rebates Payable	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Liabilities	<u>\$ 4,601,837</u>	<u>\$ 108,640</u>	<u>\$ 29,676</u>	<u>\$ 43,566</u>	<u>\$ 303,757</u>	<u>\$ 123,861</u>	<u>\$ 80,959</u>	<u>\$ 12,373</u>	<u>\$ 9,146</u>	<u>\$ 5,313,815</u>
DEFERRED INFLOWS OF RESOURCES										
Unavailable Revenue - Property Taxes	\$ 969,296	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 969,296
Deferred Revenues	-0-	-0-	-0-	-0-	55,971	2,365	(50)	-0-	-0-	58,286
Total Deferred Inflows of Resources	<u>\$ 969,296</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 55,971</u>	<u>\$ 2,365</u>	<u>(\$ 50)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 1,027,582</u>
FUND BALANCES										
Nonspendable	\$ 43,322	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 43,322
Restricted	2,156,718	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	2,156,718
Committed	12,234	-0-	13,710	-0-	-0-	-0-	74,055	-0-	-0-	99,999
Unassigned	34,215,187	656,628	1,553,813	1,764,427	7,852,158	781,457	62,915	-0-	(9,146)	46,877,439
Total Fund Balances	<u>\$ 36,427,461</u>	<u>\$ 656,628</u>	<u>\$ 1,567,523</u>	<u>\$ 1,764,427</u>	<u>\$ 7,852,158</u>	<u>\$ 781,457</u>	<u>\$ 136,970</u>	<u>\$ -0-</u>	<u>(\$ 9,146)</u>	<u>\$ 49,177,478</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, 2021

	General	Texas Sports Complex	Civic Events	Equipment Replacement	General Capital Projects	Fort Concho Museum	Fairmount Cemetery	Payroll	Restricted Funds	Total General Fund
REVENUES										
Taxes:										
Property	\$ 37,011,401	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 37,011,401
Sales	21,527,546	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	21,527,546
Franchise	3,305,128	-0-	-0-	-0-	-0-	-0-	-0-	-0-	176,581	3,481,709
Mixed Drink	397,447	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	397,447
Bingo	29,742	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	29,742
Licenses and Permits	1,140,024	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,140,024
Intergovernmental	496,351	-0-	-0-	-0-	859,274	-0-	-0-	-0-	-0-	1,355,625
Charges for Services	6,310,945	81,492	318,798	179,302	-0-	242,538	396,125	-0-	-0-	7,529,200
Fines and Forfeitures	2,124,787	-0-	-0-	-0-	-0-	-0-	-0-	-0-	263,214	2,388,001
Investment Income:										
Interest	98,514	3,852	8,572	3,692	425	1,823	4,191	-0-	-0-	121,069
Change in Fair Value of Investments	(11,741)	-0-	(241)	(33)	(5,073)	-0-	-0-	-0-	-0-	(17,088)
Miscellaneous:										
Gifts and Contributions	-0-	-0-	-0-	-0-	-0-	11,704	40,634	-0-	-0-	52,338
Other Miscellaneous	2,395,267	23,141	13,336	99,406	2,961	1,037	-0-	-0-	-0-	2,535,148
Total Revenues	\$ 74,825,411	\$ 108,485	\$ 340,465	\$ 282,367	\$ 857,587	\$ 257,102	\$ 440,950	\$ -0-	\$ 439,795	\$ 77,552,162
EXPENDITURES										
Current:										
General Government	\$ 9,936,171	\$ -0-	\$ 1,047,882	\$ -0-	\$ 2,299,805	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 13,283,858
Public Safety	43,272,838	-0-	-0-	-0-	-0-	-0-	-0-	-0-	433,179	43,706,017
Public Works and Transportation	11,470,540	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	11,470,540
Public Facilities	493,774	-0-	-0-	-0-	-0-	-0-	440,395	-0-	-0-	934,169
Health and Human Services	1,624,556	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,624,556
Culture, Parks and Recreation	4,463,780	812,238	-0-	-0-	-0-	1,196,532	-0-	-0-	-0-	6,472,550
Total Current Expenditures	\$ 71,261,659	\$ 812,238	\$ 1,047,882	\$ -0-	\$ 2,299,805	\$ 1,196,532	\$ 440,395	\$ -0-	\$ 433,179	\$ 77,491,690
Capital Outlay	257,580	42,707	176,199	1,581,928	6,086,509	-0-	38,187	-0-	180,733	8,363,843
Debt Service:										
Principal	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Expenditures	\$ 71,519,239	\$ 854,945	\$ 1,224,081	\$ 1,581,928	\$ 8,386,314	\$ 1,196,532	\$ 478,582	\$ -0-	\$ 613,912	\$ 85,855,533
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 3,306,172	(\$ 746,460)	(\$ 883,616)	(\$ 1,299,561)	(\$ 7,528,727)	(\$ 939,430)	(\$ 37,632)	\$ -0-	(\$ 174,117)	(\$ 8,303,371)
OTHER FINANCING SOURCES (USES)										
Transfers In	\$ 11,235,150	\$ 50,000	\$ 925,818	\$ -0-	\$ 47,500	\$ 380,000	\$ -0-	\$ -0-	\$ -0-	\$ 12,638,468
Transfer In (Interfund)	121,452	708,654	-0-	1,371,356	7,190,394	425,388	135,476	-0-	164,971	10,117,691
Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Premium on Bonds Issued	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Sale of Capital Assets	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out	(11,686,133)	(4,718)	(69,880)	-0-	(640,516)	(261,842)	(1,227)	-0-	-0-	(12,664,316)
Transfer Out (Interfund)	(10,008,370)	-0-	(109,321)	-0-	-0-	-0-	-0-	-0-	-0-	(10,117,691)
Total Other Financing Sources (Uses)	(\$ 10,337,901)	\$ 753,936	\$ 746,617	\$ 1,371,356	\$ 6,597,378	\$ 543,546	\$ 134,249	\$ -0-	\$ 164,971	\$ 25,848
Net Change in Fund Balances	(\$ 7,031,729)	\$ 7,476	(\$ 136,999)	\$ 71,795	(\$ 931,349)	(\$ 395,884)	\$ 96,617	\$ -0-	(\$ 9,146)	(\$ 8,329,219)
Fund Balances - Beginning	42,314,793	647,723	1,353,162	1,701,797	1,509,560	1,175,703	39,228	-0-	-0-	48,741,966
Restatement of Beginning Fund Balances	1,144,397	1,429	351,360	(9,165)	7,273,947	1,638	1,125	-0-	-0-	8,764,731
Fund Balances - Ending	\$ 36,427,461	\$ 656,628	\$ 1,567,523	\$ 1,764,427	\$ 7,852,158	\$ 781,457	\$ 136,970	\$ -0-	(\$ 9,146)	\$ 49,177,478

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, 2021

	General			Texas Sports Complex			Civic Events		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES									
Taxes:									
Property	\$ 36,079,269	\$ 37,011,401	\$ 932,132	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Sales	19,663,132	21,527,546	1,864,414	-0-	-0-	-0-	-0-	-0-	-0-
Franchise	4,153,873	3,305,128	(848,745)	-0-	-0-	-0-	-0-	-0-	-0-
Mixed Drink	389,247	397,447	8,200	-0-	-0-	-0-	-0-	-0-	-0-
Bingo	36,960	29,742	(7,218)	-0-	-0-	-0-	-0-	-0-	-0-
Licenses and Permits	1,048,862	1,140,024	91,162	-0-	-0-	-0-	-0-	-0-	-0-
Intergovernmental	661,801	496,351	(165,450)	-0-	-0-	-0-	-0-	-0-	-0-
Charges for Services	5,342,816	6,310,945	968,129	179,700	81,492	(98,208)	502,500	318,798	(183,702)
Fines and Forfeitures	2,363,975	2,124,787	(239,188)	-0-	-0-	-0-	-0-	-0-	-0-
Investment Income:									
Interest	255,048	98,514	(156,534)	9,957	3,852	(6,105)	22,158	8,572	(13,586)
Change in Fair Value of Investments	-0-	(11,741)	(11,741)	-0-	-0-	-0-	-0-	(241)	(241)
Miscellaneous:									
Gifts and Contributions	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Other Miscellaneous	1,310,225	2,395,267	1,085,042	5,000	23,141	18,141	12,500	13,336	836
Total Revenues	<u>\$ 71,305,208</u>	<u>\$ 74,825,411</u>	<u>\$ 3,520,203</u>	<u>\$ 194,657</u>	<u>\$ 108,485</u>	<u>(\$ 86,172)</u>	<u>\$ 537,158</u>	<u>\$ 340,465</u>	<u>(\$ 196,693)</u>
EXPENDITURES									
Current:									
General Government	\$ 10,830,282	\$ 9,936,171	\$ 894,111	\$ -0-	\$ -0-	\$ -0-	\$ 1,196,832	\$ 1,047,882	\$ 148,950
Public Safety	43,173,745	43,272,838	(99,093)	-0-	-0-	-0-	-0-	-0-	-0-
Public Works and Transportation	15,342,359	11,470,540	3,871,819	-0-	-0-	-0-	25,125	-0-	25,125
Public Facilities	642,918	493,774	149,144	-0-	-0-	-0-	-0-	-0-	-0-
Health and Human Services	1,762,849	1,624,556	138,293	-0-	-0-	-0-	-0-	-0-	-0-
Culture, Parks and Recreation	4,899,077	4,463,780	435,297	1,079,480	812,238	267,242	-0-	-0-	-0-
Total Current Expenditures	<u>\$ 76,651,230</u>	<u>\$ 71,261,659</u>	<u>\$ 5,389,571</u>	<u>\$ 1,079,480</u>	<u>\$ 812,238</u>	<u>\$ 267,242</u>	<u>\$ 1,221,957</u>	<u>\$ 1,047,882</u>	<u>\$ 174,075</u>
Capital Outlay	801,562	257,580	543,982	221,707	42,707	179,000	344,451	176,199	168,252
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	<u>\$ 77,452,792</u>	<u>\$ 71,519,239</u>	<u>\$ 5,933,553</u>	<u>\$ 1,301,187</u>	<u>\$ 854,945</u>	<u>\$ 446,242</u>	<u>\$ 1,566,408</u>	<u>\$ 1,224,081</u>	<u>\$ 342,327</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(\$ 6,147,584)</u>	<u>\$ 3,306,172</u>	<u>(\$ 9,453,756)</u>	<u>(\$ 1,106,530)</u>	<u>(\$ 746,460)</u>	<u>(\$ 360,070)</u>	<u>(\$ 1,029,250)</u>	<u>(\$ 883,616)</u>	<u>(\$ 145,634)</u>
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ 6,544,714	\$ 11,235,150	(\$ 4,690,436)	\$ 50,000	\$ 50,000	\$ -0-	\$ 925,818	\$ 925,818	\$ -0-
Transfer In (Interfund)	-0-	121,452	121,452	708,654	708,654	-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	-0-	2,000	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out	(1,215,861)	(11,686,133)	10,470,272	(4,718)	(4,718)	-0-	(69,880)	(69,880)	-0-
Transfers Out (Interfund)	-0-	(10,008,370)	10,008,370	-0-	-0-	-0-	(130,432)	(109,321)	(21,111)
Total Other Financing Sources (Uses)	<u>\$ 5,330,853</u>	<u>(\$ 10,337,901)</u>	<u>\$ 15,911,658</u>	<u>\$ 753,936</u>	<u>\$ 753,936</u>	<u>\$ -0-</u>	<u>\$ 725,506</u>	<u>\$ 746,617</u>	<u>(\$ 21,111)</u>
Net Change in Fund Balance	<u>(\$ 816,731)</u>	<u>(\$ 7,031,729)</u>	<u>(\$ 6,214,998)</u>	<u>(\$ 352,594)</u>	<u>\$ 7,476</u>	<u>\$ 360,070</u>	<u>(\$ 303,744)</u>	<u>(\$ 136,999)</u>	<u>\$ 166,745</u>
Fund Balance - Beginning	-0-	42,314,793	42,314,793	-0-	647,723	647,723	-0-	1,353,162	1,353,162
Restatement of Beginning Fund Balance	-0-	1,144,397	1,144,397	-0-	1,429	1,429	-0-	351,360	351,360
Fund Balance - Ending	<u>(\$ 816,731)</u>	<u>\$ 36,427,461</u>	<u>\$ 37,244,192</u>	<u>(\$ 352,594)</u>	<u>\$ 656,628</u>	<u>\$ 1,009,222</u>	<u>(\$ 303,744)</u>	<u>\$ 1,567,523</u>	<u>\$ 1,871,267</u>

(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, 2021

	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-	1,708,073	859,274	(848,799)	-0-	-0-	-0-
Charges for Services	256,121	179,302	(76,819)	-0-	-0-	-0-	325,850	242,538	(83,312)
Fines and Forfeits	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Investment Income:									
Interest	-0-	3,692	3,692	-0-	425	425	5,013	1,823	(3,190)
Change in Fair Value of Investments	-0-	(33)	(33)	-0-	(5,073)	(5,073)	-0-	-0-	-0-
Miscellaneous:									
Gifts and Contributions	-0-	-0-	-0-	-0-	-0-	-0-	5,050	11,704	6,654
Other Miscellaneous	195,000	99,406	(95,594)	-0-	2,961	2,961	9,000	1,037	(7,963)
Total Revenues	\$ 451,121	\$ 282,367	(\$ 168,754)	\$ 1,708,073	\$ 857,587	(\$ 850,486)	\$ 344,913	\$ 257,102	(\$ 87,811)
EXPENDITURES									
Current:									
General Government	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 2,299,805	(\$ 2,299,805)	\$ -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	9,000	-0-	9,000	-0-	-0-	-0-	-0-	-0-	-0-
Culture, Parks and Recreation	-0-	-0-	-0-	-0-	-0-	-0-	1,955,160	1,196,532	758,628
Total Current Expenditures	\$ 9,000	\$ -0-	\$ 9,000	\$ -0-	\$ 2,299,805	(\$ 2,299,805)	\$ 1,955,160	\$ 1,196,532	\$ 758,628
Capital Outlay	2,249,593	1,581,928	667,665	9,297,188	6,086,509	3,210,679	-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	\$ 2,258,593	\$ 1,581,928	\$ 676,665	\$ 9,297,188	\$ 8,386,314	\$ 910,874	\$ 1,955,160	\$ 1,196,532	\$ 758,628
Excess (Deficiency) of Revenues									
Over (Under) Expenditures	(\$ 1,807,472)	(\$ 1,299,561)	(\$ 507,911)	(\$ 7,589,115)	(\$ 7,528,727)	(\$ 60,388)	(\$ 1,610,247)	(\$ 939,430)	(\$ 670,817)
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 47,500	\$ 47,500	\$ 380,000	\$ 380,000	\$ -0-
Transfer In (Interfund)	1,463,497	1,371,356	(92,141)	2,564,099	7,190,394	4,626,295	425,388	425,388	-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-	(561,304)	(640,516)	(79,212)	(47,290)	(261,842)	(214,552)
Transfers Out (Interfund)	-0-	-0-	-0-	(92,141)	-0-	92,141	-0-	-0-	-0-
Total Other Financing Sources (Uses)	\$ 1,463,497	\$ 1,371,356	(\$ 92,141)	\$ 1,910,654	\$ 6,597,378	\$ 4,686,724	\$ 758,098	\$ 543,546	(\$ 214,552)
Net Change in Fund Balance	(\$ 343,975)	\$ 71,795	\$ 415,770	(\$ 5,678,461)	(\$ 931,349)	\$ 4,747,112	(\$ 852,149)	(\$ 395,884)	\$ 456,265
Fund Balance - Beginning	-0-	1,701,797	1,701,797	-0-	1,509,560	1,509,560	-0-	1,175,703	1,175,703
Restatement of Beginning Fund Balance	-0-	(9,165)	(9,165)	-0-	7,273,947	7,273,947	-0-	1,638	1,638
Fund Balance - Ending	(\$ 343,975)	\$ 1,764,427	\$ 2,108,402	(\$ 5,678,461)	\$ 7,852,158	\$ 13,530,619	(\$ 852,149)	\$ 781,457	\$ 1,633,606

(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, 2021

	Fairmount Cemetery			Payroll			Restricted Funds		
	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-	250,000	176,581	(73,419)
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-	-0-	-0-	-0-	-0-	-0-	-0-
Charges for Services	309,050	396,125	87,075	-0-	-0-	-0-	-0-	-0-	-0-
Fines and Forfeits	-0-	-0-	-0-	-0-	-0-	-0-	310,519	263,214	(47,305)
Investment Income:									
Interest	9,000	4,191	(4,809)	-0-	-0-	-0-	-0-	-0-	-0-
Change in Fair Value of Investments	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Miscellaneous:									
Gifts and Contributions	50,000	40,634	(9,366)	-0-	-0-	-0-	-0-	-0-	-0-
Other Miscellaneous	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Revenues	\$ 368,050	\$ 440,950	\$ 72,900	\$ -0-	\$ -0-	\$ -0-	\$ 560,519	\$ 439,795	(\$ 120,724)
EXPENDITURES									
Current:									
General Government	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Public Safety	-0-	-0-	-0-	-0-	-0-	-0-	1,260,895	433,179	827,716
Public Works and Transportation	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Public Facilities	535,278	440,395	94,883	-0-	-0-	-0-	-0-	-0-	-0-
Health and Human Services	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Culture, Parks and Recreation	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Current Expenditures	\$ 535,278	\$ 440,395	\$ 94,883	\$ -0-	\$ -0-	\$ -0-	\$ 1,260,895	\$ 433,179	\$ 827,716
Capital Outlay	45,000	38,187	6,813	-0-	-0-	-0-	799,723	180,733	618,990
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	\$ 580,278	\$ 478,582	\$ 101,696	\$ -0-	\$ -0-	\$ -0-	\$ 2,060,618	\$ 613,912	\$ 1,446,706
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 212,228)	(\$ 37,632)	(\$ 174,596)	\$ -0-	\$ -0-	\$ -0-	(\$ 1,500,099)	(\$ 174,117)	(\$ 1,325,982)
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Transfer In (Interfund)	135,476	135,476	-0-	-0-	-0-	-0-	-0-	164,971	164,971
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	(1,227)	(1,227)	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out (Interfund)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Other Financing Sources (Uses)	\$ 134,249	\$ 134,249	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 164,971	\$ 164,971
Net Change in Fund Balance	(\$ 77,979)	\$ 96,617	\$ 174,596	\$ -0-	\$ -0-	\$ -0-	(\$ 1,500,099)	(\$ 9,146)	\$ 1,490,953
Fund Balance - Beginning	-0-	39,228	39,228	-0-	-0-	-0-	-0-	-0-	-0-
Restatement of Beginning Fund Balance	-0-	1,125	1,125	-0-	-0-	-0-	-0-	-0-	-0-
Fund Balance - Ending	(\$ 77,979)	\$ 136,970	\$ 214,949	\$ -0-	\$ -0-	\$ -0-	(\$ 1,500,099)	(\$ 9,146)	\$ 1,490,953

(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, 2021

	Total		Variance
	Budget	Actual	Positive (Negative)
REVENUES			
Taxes:			
Property	\$ 36,079,269	\$ 37,011,401	\$ 932,132
Sales	19,663,132	21,527,546	1,864,414
Franchise	4,403,873	3,481,709	(922,164)
Mixed Drink	389,247	397,447	8,200
Bingo	36,960	29,742	(7,218)
Licenses and Permits	1,048,862	1,140,024	91,162
Intergovernmental	2,369,874	1,355,625	(1,014,249)
Charges for Services	6,916,037	7,529,200	613,163
Fines and Forfeits	2,674,494	2,388,001	(286,493)
Investment Income:			
Interest	301,176	121,069	(180,107)
Change in Fair Value of Investments	-0-	(17,088)	(17,088)
Miscellaneous:			
Gifts and Contributions	55,050	52,338	(2,712)
Other Miscellaneous	1,531,725	2,535,148	1,003,423
Total Revenues	<u>\$ 75,469,699</u>	<u>\$ 77,552,162</u>	<u>\$ 2,082,463</u>
EXPENDITURES			
Current:			
General Government	\$ 12,027,114	\$ 13,283,858	(\$ 1,256,744)
Public Safety	44,434,640	43,706,017	728,623
Public Works and Transportation	15,367,484	11,470,540	3,896,944
Public Facilities	1,178,196	934,169	244,027
Health and Human Services	1,771,849	1,624,556	147,293
Culture, Parks and Recreation	7,933,717	6,472,550	1,461,167
Total Current Expenditures	<u>\$ 82,713,000</u>	<u>\$ 77,491,690</u>	<u>\$ 5,221,310</u>
Capital Outlay	13,759,224	8,363,843	5,395,381
Debt Service:			
Principal	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	-0-	-0-
Total Expenditures	<u>\$ 96,472,224</u>	<u>\$ 85,855,533</u>	<u>\$ 10,616,691</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>(\$ 21,002,525)</u>	<u>(\$ 8,303,371)</u>	<u>(\$ 12,699,154)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	\$ 7,900,532	\$ 12,638,468	(\$ 4,737,936)
Transfer In (Interfund)	5,297,114	10,117,691	4,820,577
Bonds Issued	-0-	-0-	-0-
Premium on Bonds Issued	-0-	-0-	-0-
Sale of Capital Assets	2,000	-0-	2,000
Transfers Out	(1,900,280)	(12,664,316)	(10,764,036)
Transfers Out (Interfund)	(222,573)	(10,117,691)	(9,895,118)
Total Other Financing Sources (Uses)	<u>\$ 11,076,793</u>	<u>(\$ 25,848)</u>	<u>(\$ 20,574,513)</u>
Net Change in Fund Balance	<u>(\$ 9,925,732)</u>	<u>(\$ 8,329,219)</u>	<u>\$ 1,596,513</u>
Fund Balance - Beginning	-0-	48,741,966	48,741,966
Restatement of Beginning Fund Balance	-0-	8,764,731	8,764,731
Fund Balance - Ending	<u>(\$ 9,925,732)</u>	<u>\$ 49,177,478</u>	<u>\$ 59,103,210</u>

(Continued)



CITY OF SAN ANGELO, TEXAS

Nonmajor Governmental Funds Description

For the Year Ended September 30, 2021

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.

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 and hotel occupancy tax restricted by law.

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, 2021

	Special Revenue Funds						Capital Projects Fund	Permanent Fund			Total Nonmajor Governmental Funds
	Community Development	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	
ASSETS											
Cash and Cash Equivalents	\$ -0-	\$ 182,115	\$ 320,080	\$ 1,374,376	\$ 20,693	\$ 1,897,264	\$ -0-	\$ -0-	\$ 49,308	\$ 49,308	\$ 1,946,572
Investments	44	-0-	-0-	492,596	-0-	492,640	739,571	-0-	-0-	-0-	1,232,211
Receivables:											
Accrued Interest	-0-	-0-	1,414	334	-0-	1,748	50	-0-	850	850	2,648
Property Taxes	-0-	-0-	-0-	486,103	-0-	486,103	-0-	-0-	-0-	-0-	486,103
Accounts	147,955	90,233	5,877	-0-	-0-	244,065	-0-	-0-	-0-	-0-	244,065
Less: Allowance for Uncollectibles	(11,886)	-0-	-0-	-0-	-0-	(11,886)	-0-	-0-	-0-	-0-	(11,886)
Due from Other Governments	135,027	-0-	-0-	-0-	-0-	135,027	-0-	-0-	-0-	-0-	135,027
Restricted Assets:											
Cash and Cash Equivalents	-0-	-0-	866,920	399,454	-0-	1,266,374	-0-	13,925	-0-	13,925	1,280,299
Investments	-0-	-0-	1,069,061	-0-	-0-	1,069,061	-0-	-0-	2,443,387	2,443,387	3,512,448
Total Assets	\$ 271,140	\$ 272,348	\$ 2,263,352	\$ 2,752,863	\$ 20,693	\$ 5,580,396	\$ 739,621	\$ 13,925	\$ 2,493,545	\$ 2,507,470	\$ 8,827,487
DEFERRED OUTFLOWS OF RESOURCES											
Deferred Charges on Refunding	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Deferred Outflows of Resources	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
LIABILITIES											
Accounts Payable	\$ 35,579	\$ 3,315	\$ 2,591	\$ 79,705	\$ 267	\$ 121,457	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 121,457
Due to Other Funds	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Deposits	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Liabilities	\$ 35,579	\$ 3,315	\$ 2,591	\$ 79,705	\$ 267	\$ 121,457	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 121,457
DEFERRED INFLOWS OF RESOURCES											
Unavailable Revenue - Property Taxes	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Deferred Outflows of Resources	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
FUND BALANCES											
Nonspendable	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 10,000	\$ 2,504,329	\$ 2,514,329	\$ 2,514,329
Restricted	235,561	269,033	-0-	2,673,158	-0-	3,177,752	-0-	3,925	-0-	3,925	3,181,677
Committed	-0-	-0-	2,260,761	-0-	20,426	2,281,187	739,621	-0-	-0-	-0-	3,020,808
Assigned	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Unassigned	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(10,784)	(10,784)	(10,784)
Total Fund Balances	\$ 235,561	\$ 269,033	\$ 2,260,761	\$ 2,673,158	\$ 20,426	\$ 5,458,939	\$ 739,621	\$ 13,925	\$ 2,493,545	\$ 2,507,470	\$ 8,706,030

CITY OF SAN ANGELO, TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds

For the Year Ended September 30, 2021

	Special Revenue Funds						Capital Projects Fund	Permanent Fund			Total Nonmajor Governmental Funds
	Community Development	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-	\$ 1,166,243	\$ -0-	\$ 1,166,243	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 1,166,243
Hotel Occupancy	-0-	-0-	2,605,469	-0-	-0-	2,605,469	-0-	-0-	-0-	-0-	2,605,469
Licenses and Permits	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Intergovernmental	954,228	259,201	-0-	-0-	-0-	1,213,429	-0-	-0-	-0-	-0-	1,213,429
Charges for Services	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	50,445	50,445	50,445
Investment Income:											
Interest	(32,338)	-0-	6,915	1,512	-0-	(23,911)	237	-0-	2,328	2,328	(21,346)
Change in Fair Value of Investments	-0-	-0-	(735)	(338)	-0-	(1,073)	(508)	-0-	(3,612)	(3,612)	(5,193)
Miscellaneous:											
Gifts and Contributions	-0-	-0-	110,680	-0-	-0-	110,680	-0-	-0-	-0-	-0-	110,680
Program Income	-0-	1,926	-0-	-0-	-0-	1,926	-0-	-0-	-0-	-0-	1,926
Other Miscellaneous	-0-	84,088	-0-	-0-	-0-	84,088	-0-	-0-	-0-	-0-	84,088
Total Revenues	\$ 921,890	\$ 345,215	\$ 2,722,329	\$ 1,167,417	\$ -0-	\$ 5,156,851	(\$ 271)	\$ -0-	\$ 49,161	\$ 49,161	\$ 5,205,741
EXPENDITURES											
Current:											
Public Safety	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Public Works and Transportation	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Public Facilities	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Health and Human Services	391,141	-0-	-0-	-0-	63,986	455,127	-0-	-0-	-0-	-0-	455,127
Culture, Parks and Recreation	-0-	-0-	1,103,055	-0-	-0-	1,103,055	-0-	-0-	9,800	9,800	1,112,855
Economic Development	-0-	-0-	-0-	1,255,269	-0-	1,255,269	-0-	-0-	-0-	-0-	1,255,269
Urban Redevelopment and Housing	605,009	576,808	-0-	-0-	-0-	1,181,817	-0-	-0-	-0-	-0-	1,181,817
Total Current Expenditures	\$ 996,150	\$ 576,808	\$ 1,103,055	\$ 1,255,269	\$ 63,986	\$ 3,995,268	\$ -0-	\$ -0-	\$ 9,800	\$ 9,800	\$ 4,005,068
Capital Outlay	-0-	-0-	-0-	-0-	-0-	-0-	757,492	-0-	-0-	-0-	757,492
Debt Service:											
Principal	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Expenditures	\$ 996,150	\$ 576,808	\$ 1,103,055	\$ 1,255,269	\$ 63,986	\$ 3,995,268	\$ 757,492	\$ -0-	\$ 9,800	\$ 9,800	\$ 4,762,560
Excess (Deficiency) of Revenues Over (Under) Expenditures	(\$ 74,260)	(\$ 231,593)	\$ 1,619,274	(\$ 87,852)	(\$ 63,986)	\$ 1,161,583	(\$ 757,763)	\$ -0-	\$ 39,361	\$ 39,361	\$ 443,181
OTHER FINANCING SOURCES (USES)											
Transfers In	\$ 4,612	\$ -0-	\$ -0-	\$ -0-	\$ 65,000	\$ 69,612	\$ 1,067,931	\$ -0-	\$ 2,083,112	\$ 2,083,112	\$ 3,220,655
Sale of Capital Assets	19,417	-0-	-0-	-0-	-0-	19,417	-0-	-0-	-0-	-0-	19,417
Transfers Out	-0-	-0-	(1,025,818)	-0-	-0-	(1,025,818)	(47,500)	-0-	(2,095)	(2,095)	(1,075,413)
Total Other Financing Sources (Uses)	\$ 24,029	\$ -0-	(\$ 1,025,818)	\$ -0-	\$ 65,000	\$ 936,789	\$ 1,020,431	\$ -0-	\$ 2,081,017	\$ 2,081,017	\$ 2,164,659
Net Change in Fund Balances	(\$ 50,231)	(\$ 231,593)	\$ 593,456	(\$ 87,852)	\$ 1,014	\$ 224,794	\$ 262,668	\$ -0-	\$ 2,120,378	\$ 2,120,378	\$ 2,607,840
Fund Balances - Beginning	282,888	500,286	604,348	2,271,227	19,412	3,678,161	(25,086)	13,925	373,167	387,092	4,040,167
Restatement of Beginning Fund Balances	2,904	340	1,062,957	489,783	-0-	1,555,984	502,039	-0-	-0-	-0-	2,058,023
Fund Balances - Ending	\$ 235,561	\$ 269,033	\$ 2,260,761	\$ 2,673,158	\$ 20,426	\$ 5,458,939	\$ 739,621	\$ 13,925	\$ 2,493,545	\$ 2,507,470	\$ 8,706,030

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, 2021

	Community Development			HOME Program			Designated Revenue/HOT Special Revenue Fund		
	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-	1,824,925	2,605,469	780,544
Licenses and Permits	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Intergovernmental	1,716,140	954,228	(761,912)	505,183	259,201	(245,982)	-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	-0-	(32,338)	(32,338)	-0-	-0-	-0-	27,873	6,915	(20,958)
Change in Fair Value of Investments	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(735)	(735)
Miscellaneous:									
Gifts and Contributions	-0-	-0-	-0-	-0-	-0-	-0-	115,050	110,680	(4,370)
Program Income	-0-	-0-	-0-	-0-	1,926	1,926	-0-	-0-	-0-
Other Miscellaneous	-0-	-0-	-0-	80,930	84,088	3,158	-0-	-0-	-0-
Total Revenues	<u>\$ 1,716,140</u>	<u>\$ 921,890</u>	<u>(\$ 794,250)</u>	<u>\$ 586,113</u>	<u>\$ 345,215</u>	<u>(\$ 240,898)</u>	<u>\$ 1,967,848</u>	<u>\$ 2,722,329</u>	<u>\$ 754,481</u>
EXPENDITURES									
Current:									
Public Safety	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 52,798	\$ -0-	\$ 52,798
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	915,169	391,141	524,028	-0-	-0-	-0-	-0-	-0-	-0-
Culture, Parks and Recreation	-0-	-0-	-0-	-0-	-0-	-0-	1,303,088	1,103,055	200,033
Economic Development	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Urban Redevelopment and Housing	944,260	605,009	339,251	798,392	576,808	221,584	-0-	-0-	-0-
Total Current Expenditures	<u>\$ 1,859,429</u>	<u>\$ 996,150</u>	<u>\$ 863,279</u>	<u>\$ 798,392</u>	<u>\$ 576,808</u>	<u>\$ 221,584</u>	<u>\$ 1,355,886</u>	<u>\$ 1,103,055</u>	<u>\$ 252,831</u>
Capital Outlay	3,853	-0-	3,853	400	-0-	400	-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 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>\$ 1,863,282</u>	<u>\$ 996,150</u>	<u>\$ 867,132</u>	<u>\$ 798,792</u>	<u>\$ 576,808</u>	<u>\$ 221,984</u>	<u>\$ 1,355,886</u>	<u>\$ 1,103,055</u>	<u>\$ 252,831</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(\$ 147,142)</u>	<u>(\$ 74,260)</u>	<u>\$ 72,882</u>	<u>(\$ 212,679)</u>	<u>(\$ 231,593)</u>	<u>(\$ 18,914)</u>	<u>\$ 611,962</u>	<u>\$ 1,619,274</u>	<u>\$ 1,007,312</u>
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ -0-	\$ 4,612	(\$ 4,612)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Sale of Capital Assets	64,559	19,417	45,142	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out	-0-	-0-	-0-	-0-	-0-	-0-	(1,025,818)	(1,025,818)	-0-
Total Other Financing Sources (Uses)	<u>\$ 64,559</u>	<u>\$ 24,029</u>	<u>\$ 40,530</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>(\$ 1,025,818)</u>	<u>(\$ 1,025,818)</u>	<u>\$ -0-</u>
Net Change in Fund Balance	<u>(\$ 82,583)</u>	<u>(\$ 50,231)</u>	<u>(\$ 32,352)</u>	<u>(\$ 212,679)</u>	<u>(\$ 231,593)</u>	<u>\$ 18,914</u>	<u>(\$ 413,856)</u>	<u>\$ 593,456</u>	<u>(\$ 1,007,312)</u>
Fund Balance - Beginning	-0-	282,888	(282,888)	-0-	500,286	(500,286)	-0-	604,348	(604,348)
Restatement of Beginning Fund Balance	-0-	2,904	(2,904)	-0-	340	(340)	-0-	1,062,957	(1,062,957)
Fund Balance - Ending	<u>(\$ 82,583)</u>	<u>\$ 235,561</u>	<u>\$ 318,144</u>	<u>(\$ 212,679)</u>	<u>\$ 269,033</u>	<u>\$ 481,712</u>	<u>(\$ 413,856)</u>	<u>\$ 2,260,761</u>	<u>\$ 2,674,617</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, 2021

	Tax Increment Reinvestment Zone Special Revenue Fund (TIRZ)			Keep San Angelo Beautiful			Sales Tax Projects		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES									
Taxes:									
Property	\$ 1,113,565	\$ 1,166,243	\$ 52,678	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Motel	-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-	-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	3,908	1,512	(2,396)	-0-	-0-	-0-	-0-	237	237
Change in Fair Value of Investments	-0-	(338)	(338)	-0-	-0-	-0-	-0-	(508)	(508)
Miscellaneous:									
Gifts and Contributions	-0-	-0-	-0-	-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>\$ 1,117,473</u>	<u>\$ 1,167,417</u>	<u>\$ 49,944</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>(\$ 271)</u>	<u>(\$ 271)</u>
EXPENDITURES									
Current:									
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	-0-	-0-	-0-	-0-	63,986	(63,986)	-0-	-0-	-0-
Culture, Parks and Recreation	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Economic Development	4,135,450	1,255,269	2,880,181	-0-	-0-	-0-	-0-	-0-	-0-
Urban Redevelopment and Housing	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Current Expenditures	<u>\$ 4,135,450</u>	<u>\$ 1,255,269</u>	<u>\$ 2,880,181</u>	<u>\$ -0-</u>	<u>\$ 63,986</u>	<u>(\$ 63,986)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Capital Outlay	-0-	-0-	-0-	-0-	-0-	-0-	741,471	757,492	(16,021)
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>\$ 741,471</u>	<u>\$ 757,492</u>	<u>\$ -0-</u>
Total Expenditures	<u>\$ 4,135,450</u>	<u>\$ 1,255,269</u>	<u>\$ 2,880,181</u>	<u>\$ -0-</u>	<u>\$ 63,986</u>	<u>(\$ 63,986)</u>	<u>(\$ 741,471)</u>	<u>\$ 1,514,984</u>	<u>(\$ 16,021)</u>
Excess (Deficiency) of Revenues									
Over (Under) Expenditures	<u>(\$ 3,017,977)</u>	<u>(\$ 87,852)</u>	<u>\$ 2,930,125</u>	<u>\$ -0-</u>	<u>(\$ 63,986)</u>	<u>(\$ 63,986)</u>	<u>\$ 741,471</u>	<u>(\$ 1,515,255)</u>	<u>(\$ 2,256,726)</u>
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 65,000	(\$ 65,000)	\$ -0-	\$ 1,067,931	(\$ 1,067,931)
Sale of Capital Assets	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out	-0-	-0-	-0-	-0-	-0-	-0-	(47,500)	(47,500)	(47,500)
Total Other Financing Sources (Uses)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 65,000</u>	<u>(\$ 65,000)</u>	<u>\$ -0-</u>	<u>\$ 1,020,431</u>	<u>(\$ 1,115,431)</u>
Net Change in Fund Balance	<u>(\$ 3,017,977)</u>	<u>(\$ 87,852)</u>	<u>\$ 2,930,125</u>	<u>\$ -0-</u>	<u>\$ 1,014</u>	<u>(\$ 1,014)</u>	<u>\$ 741,471</u>	<u>(\$ 494,824)</u>	<u>\$ 1,236,295</u>
Fund Balance - Beginning	-0-	2,271,227	2,271,227	-0-	19,412	(19,412)	-0-	(25,086)	25,086
Restatement of Beginning Fund Balance	-0-	489,783	489,783	-0-	-0-	-0-	-0-	502,039	502,039
Fund Balance - Ending	<u>(\$ 3,017,977)</u>	<u>\$ 2,673,158</u>	<u>\$ 5,691,135</u>	<u>\$ -0-</u>	<u>\$ 20,426</u>	<u>\$ 20,426</u>	<u>\$ 741,471</u>	<u>(\$ 17,871)</u>	<u>(\$ 759,342)</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, 2021

	Sante Fe Park Trust			Lake Nasworthy		
	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-	60,956	50,445	(10,511)
Fines and Forfeits	-0-	-0-	-0-	-0-	-0-	-0-
Investment Income:						
Interest	-0-	-0-	-0-	-0-	2,328	2,328
Change in Fair Value of Investments	-0-	-0-	-0-	-0-	(3,612)	(3,612)
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>\$ 60,956</u>	<u>\$ 49,161</u>	<u>(\$ 11,795)</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-	9,800	(9,800)
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>\$ 9,800</u>	<u>(\$ 9,800)</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>\$ 60,956</u>	<u>\$ 9,800</u>	<u>(\$ 9,800)</u>
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 39,361</u>	<u>\$ 39,361</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 2,083,112	(\$ 2,083,112)
Sale of Capital Assets	-0-	-0-	-0-	-0-	-0-	-0-
Transfers Out	-0-	-0-	-0-	-0-	(2,095)	2,095
Total Other Financing Sources (Uses)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 2,081,017</u>	<u>(\$ 2,081,017)</u>
Net Change in Fund Balance	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 2,120,378</u>	<u>(\$ 2,120,378)</u>
Fund Balance - Beginning	-0-	13,925	(13,925)	-0-	373,167	(373,167)
Restatement of Beginning Fund Balance	-0-	-0-	-0-	-0-	-0-	-0-
Fund Balance - Ending	<u>\$ -0-</u>	<u>\$ 13,925</u>	<u>\$ 13,925</u>	<u>\$ -0-</u>	<u>\$ 2,493,545</u>	<u>\$ 2,493,545</u>

(Continued)

CITY OF SAN ANGELO, TEXAS

Major Governmental Special Revenue Fund Description

For the Year Ended September 30, 2021

SPECIAL REVENUE FUND

To account for the proceeds of specific revenue sources that are normally restricted or committed to expenditures for specified purposes.

Intergovernmental Fund – To account for funds received from the various federal and state grants.

CITY OF SAN ANGELO, TEXAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) -
Major Governmental - Intergovernmental

For the Year Ended September 30, 2021

	Intergovernmental		
	Budget	Actual	Variance Positive (Negative)
REVENUES			
Investment Income:			
Interest	\$ -0-	\$ -0-	\$ -0-
Change in Fair Value of Investments	-0-	-0-	-0-
Intergovernmental	28,019,017	17,965,167	(10,053,850)
Charges for Services	149,723	128,566	(21,157)
Other Miscellaneous	97,600	37,922	(59,678)
Total Revenues	\$ 28,266,340	\$ 18,131,655	(\$ 10,134,685)
EXPENDITURES			
Current:			
Public Safety	\$ 1,271,804	\$ 1,271,803	\$ 1
Public Works and Transportation	910,287	572,962	337,325
Public Facilities	14,709	14,709	-0-
Health and Human Services	2,379,561	1,523,634	855,927
Total Current Expenditures	\$ 4,576,361	\$ 3,383,108	\$ 1,193,253
Capital Outlay	4,067,762	2,126,753	\$ 1,941,009
Total Expenditures	\$ 8,644,123	\$ 5,509,861	\$ 3,134,262
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	\$ 19,622,217	\$ 12,621,794	(\$ 7,000,423)
OTHER FINANCING SOURCES (USES)			
Transfers In	\$ 1,389,976	\$ 984,040	\$ 405,936
Transfers Out	(4,723,926)	(4,723,927)	1
Total Other Financing Sources (Uses)	(\$ 3,333,950)	(\$ 3,739,887)	\$ 405,937
Net Change in Fund Balance	\$ 16,288,267	\$ 8,881,907	(\$ 7,406,360)
Fund Balance - Beginning	1,843,281	1,843,281	-0-
Restatement of Beginning Fund Balances	-0-	(53,932)	(53,932)
Fund Balance - Ending	\$ 18,131,548	\$ 10,671,256	(\$ 7,460,292)

CITY OF SAN ANGELO, TEXAS

Major Governmental Capital Projects Fund Description

For the Year Ended September 30, 2021

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, 2021

	Capital Improvement Fund		
	Budget	Actual	Variance Positive (Negative)
REVENUES			
Investment Income:			
Interest	\$ -0-	\$ 6,876	\$ 6,876
Change in Fair Value of Investments	-0-	(23,526)	(23,526)
Taxes:			
Property	-0-	-0-	-0-
Other Miscellaneous	-0-	-0-	-0-
Total Revenues	<u>\$ -0-</u>	<u>(\$ 16,650)</u>	<u>(\$ 16,650)</u>
EXPENDITURES			
Current:			
Public Safety	\$ -0-	\$ -0-	\$ -0-
Total Current Expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Capital Outlay	36,318,341	8,268,850	28,049,491
Debt Service:			
Principal	-0-	-0-	-0-
Interest and Fiscal Charges	-0-	-0-	-0-
Total Expenditures	<u>\$ 36,318,341</u>	<u>\$ 8,268,850</u>	<u>\$ 28,049,491</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(\$ 36,318,341)</u>	<u>(\$ 8,285,500)</u>	<u>\$ 28,032,841</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-	(340,808)	340,808
Total Other Financing Sources (Uses)	<u>\$ -0-</u>	<u>(\$ 340,808)</u>	<u>\$ 340,808</u>
Net Change in Fund Balance	<u>(\$ 36,318,341)</u>	<u>(\$ 8,626,308)</u>	<u>\$ 27,692,033</u>
Fund Balance - Beginning	43,856,529	43,856,529	-0-
Restatement of Beginning Fund Balances	-0-	(2,380,414)	(2,380,414)
Fund Balance - Ending	<u>\$ 7,538,188</u>	<u>\$ 32,849,807</u>	<u>\$ 25,311,619</u>

CITY OF SAN ANGELO, TEXAS

Major Governmental Debt Service Fund Description

For the Year Ended September 30, 2021

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, 2021

	Debt Service Fund		
	Budget	Actual	Variance Positive (Negative)
REVENUES			
Investment Income:			
Interest	\$ 23,594	\$ 9,129	(\$ 14,465)
Change in Fair Value of Investments	-0-	(1,343)	(1,343)
Taxes:			
Property	4,945,644	5,038,299	92,655
Other Miscellaneous	2,566,094	2,482,656	(83,438)
Total Revenues	<u>\$ 7,535,332</u>	<u>\$ 7,528,741</u>	<u>(\$ 6,591)</u>
EXPENDITURES			
Current:			
General Government	\$ -0-	\$ -0-	\$ -0-
Total Current Expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Capital Outlay	-0-	-0-	-0-
Debt Service:			
Principal	4,675,000	4,675,000	-0-
Interest and Fiscal Charges	2,959,413	2,959,413	-0-
Total Expenditures	<u>\$ 7,634,413</u>	<u>\$ 7,634,413</u>	<u>\$ -0-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(\$ 99,081)</u>	<u>(\$ 105,672)</u>	<u>(\$ 6,591)</u>
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	2,266,710	(2,066,710)
Total Other Financing Sources (Uses)	<u>\$ 200,000</u>	<u>\$ 2,266,710</u>	<u>(\$ 2,066,710)</u>
Net Change in Fund Balance	<u>\$ 100,919</u>	<u>\$ 2,161,038</u>	<u>\$ 2,060,119</u>
Fund Balance - Beginning	(433,365)	(433,365)	-0-
Restatement of Beginning Fund Balances	-0-	602,591	602,591
Fund Balance - Ending	<u>(\$ 332,446)</u>	<u>\$ 2,330,264</u>	<u>\$ 2,662,710</u>

CITY OF SAN ANGELO, TEXAS

Nonmajor Enterprise Funds Description

For the Year Ended September 30, 2021

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, 2021

	Airport	State Office Building	Solid Waste	Stormwater	Total
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ -0-	\$ -0-	\$ 3,783,655	\$ 2,712,301	\$ 6,495,956
Investments	142,828	35,235	4,216,551	2,507,118	6,901,732
Receivables:					
Accrued Interest	1,077	347	4,118	1,805	7,347
Accounts	2,043,970	35,879	1,010,364	507,046	3,597,259
Less: Allowance for Uncollectibles	-0-	-0-	(103,627)	(35,613)	(139,240)
Due From Other Governments	106,496	-0-	-0-	-0-	106,496
Restricted Assets:					
Cash and Cash Equivalents	517,621	-0-	-0-	-0-	517,621
Investments	638,316	-0-	-0-	-0-	638,316
Closure and Post-Closure Trust Fund	-0-	-0-	6,497,061	-0-	6,497,061
Total Current Assets	\$ 3,450,308	\$ 71,461	\$ 15,408,122	\$ 5,692,657	\$ 24,622,548
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	20,842,155	467,576	-0-	431,089	21,740,820
Infrastructure	19,207,178	-0-	-0-	-0-	19,207,178
Machinery and Equipment	1,847,066	17,039	1,631,471	3,098,169	6,593,745
Construction in Progress	2,364,832	-0-	-0-	1,810,615	4,175,447
Less: Accumulated Depreciation	(48,473,223)	(4,747,708)	(1,236,020)	(1,618,790)	(56,075,741)
Net Capital Assets	\$ 22,193,455	\$ 2,063,861	\$ 875,761	\$ 4,641,754	\$ 29,774,831
Total Noncurrent Assets	\$ 22,193,455	\$ 2,063,861	\$ 875,761	\$ 4,641,754	\$ 29,774,831
Total Assets	\$ 25,643,763	\$ 2,135,322	\$ 16,283,883	\$ 10,334,411	\$ 54,397,379
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Amounts Related to Pensions	\$ 98,194	\$ 90,541	\$ 44,635	\$ 160,183	\$ 393,553
Total Deferred Outflows of Resources	\$ 98,194	\$ 90,541	\$ 44,635	\$ 160,183	\$ 393,553
LIABILITIES					
Current Liabilities:					
Accounts Payable	\$ 166,599	\$ 35,685	\$ 1,053,024	\$ 107,526	\$ 1,362,834
Accrued Interest Payable	-0-	4,586	1,031	-0-	5,617
Due to Other Funds	-0-	-0-	-0-	-0-	-0-
Non Current Liabilities Due Within One Year	31,986	68,150	-0-	10,366	110,502
Total Current Liabilities	\$ 198,585	\$ 108,421	\$ 1,054,055	\$ 117,892	\$ 1,478,953
Noncurrent Liabilities:					
Net Pension Liability	\$ 427,752	\$ 74,607	\$ 137,396	\$ 713,030	\$ 1,352,785
Total OPEB Liability	1,176,477	-0-	-0-	1,002,161	2,178,638
Non Current Liabilities Due After One Year	40,418	97,906	5,145,838	279,549	5,563,711
Total Noncurrent Liabilities	\$ 1,644,647	\$ 172,513	\$ 5,283,234	\$ 1,994,740	\$ 9,095,134
Total Liabilities	\$ 1,843,232	\$ 280,934	\$ 6,337,289	\$ 2,112,632	\$ 10,574,087
DEFERRED INFLOWS OF RESOURCES					
Deferred Amounts Related to Pensions	\$ 126,461	\$ 77,298	\$ 42,246	\$ 230,038	\$ 476,043
Deferred Amounts Related to OPEB	-0-	-0-	-0-	-0-	-0-
Total Deferred Inflows of Resources	\$ 126,461	\$ 77,298	\$ 42,246	\$ 230,038	\$ 476,043
NET POSITION					
Net Investment in Capital Assets	\$ 22,193,455	\$ 1,929,676	\$ 875,761	\$ 4,641,754	\$ 29,640,646
Unrestricted	1,578,809	(62,045)	9,073,222	3,510,170	14,100,156
Total Net Position	\$ 23,772,264	\$ 1,867,631	\$ 9,948,983	\$ 8,151,924	\$ 43,740,802

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, 2021

	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-	\$ 2,913,128	\$ 2,913,128
Solid Waste Service	-0-	-0-	2,248,144	-0-	2,248,144
Rents, Leases and Fees	-0-	1,181,711	-0-	-0-	1,181,711
Other	983,518	1,340	-0-	3,365	988,223
Unpledged:					
Rents, Leases, and Fees	1,351,925	-0-	-0-	-0-	1,351,925
Other	12,849	-0-	343,536	74,163	430,548
Total Operating Revenues	\$ 2,348,292	\$ 1,183,051	\$ 2,591,680	\$ 2,990,656	\$ 9,113,679
OPERATING EXPENSES					
Cost of Sales and Services	\$ 942,742	\$ 455,230	\$ 701,182	\$ 1,344,097	\$ 3,443,251
Administrative	439,814	4,033	61,670	523,237	1,028,754
Depreciation	1,518,988	222,253	22,117	383,849	2,147,207
Total Operating Expenses	\$ 2,901,544	\$ 681,516	\$ 784,969	\$ 2,251,183	\$ 6,619,212
Operating Income (Loss)	(\$ 553,252)	\$ 501,535	\$ 1,806,711	\$ 739,473	\$ 2,494,467
NON-OPERATING REVENUES (EXPENSES)					
Investment Income:					
Interest	\$ 7,298	\$ 1,582	\$ 22,130	\$ 10,650	\$ 41,660
Change in Fair Value of Investments	(537)	(24)	(2,839)	(1,723)	(5,123)
Interest Expense and Fiscal Agent Fees	-0-	(7,409)	-0-	-0-	(7,409)
Total Non-Operating Revenues (Expenses)	\$ 6,761	(\$ 5,851)	\$ 19,291	\$ 8,927	\$ 29,128
Income (Loss) Before Contributions and Transfers	(\$ 546,491)	\$ 495,684	\$ 1,826,002	\$ 748,400	\$ 2,523,595
Contributions:					
Federal Grants	\$ 1,944,362	\$ -0-	\$ -0-	\$ -0-	\$ 1,944,362
Capital	-0-	-0-	-0-	-0-	-0-
Total Contributions	\$ 1,944,362	\$ -0-	\$ -0-	\$ -0-	\$ 1,944,362
Transfers In	7,054,832	214,552	-0-	488,006	7,757,390
Transfers (Out)	(403,583)	(467,435)	(939,282)	(414,445)	(2,224,745)
Total Contributions and Transfers	\$ 8,595,611	(\$ 252,883)	(\$ 939,282)	\$ 73,561	\$ 7,477,007
Change in Net Position	\$ 8,049,120	\$ 242,801	\$ 886,720	\$ 821,961	\$ 10,000,602
Net Position - Beginning	20,229,302	1,589,796	8,504,828	5,248,191	35,572,117
Restatement of Beginning Net Position	(4,506,158)	35,034	557,435	2,081,772	(1,831,917)
Net Position - Ending	\$ 23,772,264	\$ 1,867,631	\$ 9,948,983	\$ 8,151,924	\$ 43,740,802

CITY OF SAN ANGELO, TEXAS

Combining Statement of Cash Flows - Nonmajor Enterprise Funds

For the Year Ended September 30, 2021

	Airport	State Office Building	Solid Waste	Stormwater	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	\$ 422,891	\$ 1,165,632	\$ 2,224,077	\$ 2,920,272	\$ 6,732,872
Cash Received from Other Governments	(106,496)	-0-	-0-	-0-	(106,496)
Cash Paid to Suppliers for Goods and Services	(957,344)	(447,016)	(161,152)	(897,010)	(2,462,522)
Cash Paid for Employee Services and Benefits	(267,065)	(37,206)	(49,522)	(1,199,760)	(1,553,553)
Interfund Receipts/Payments	-0-	(286,027)	-0-	-0-	(286,027)
Net Cash Provided (Used) by Operating Activities	(\$ 908,014)	\$ 395,383	\$ 2,013,403	\$ 823,502	\$ 2,324,274
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers In	\$ 7,054,832	\$ 214,552	\$ -0-	\$ 488,006	\$ 7,757,390
Transfers Out	(403,583)	(467,435)	(939,382)	(414,445)	(2,224,845)
Short-term Interfund Loans Paid	(5,284,499)	-0-	-0-	-0-	(5,284,499)
Net Cash Provided (Used) by Noncapital Financing Activities	\$ 1,366,750	(\$ 252,883)	(\$ 939,382)	\$ 73,561	\$ 248,046
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of Capital Assets	(\$ 2,172,067)	\$ -0-	(\$ 331,686)	(\$ 1,070,128)	(\$ 3,573,881)
Capital Contributions Received	1,944,362	-0-	-0-	-0-	1,944,362
Principal Paid on Debt	(88,654)	(144,525)	-0-	-0-	(233,179)
Interest Paid on Debt	-0-	(8,981)	-0-	-0-	(8,981)
Net Cash Provided (Used) by Capital and Related Financing Activities	(\$ 316,359)	(\$ 153,506)	(\$ 331,686)	(\$ 1,070,128)	(\$ 1,871,679)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase & Maturities of Investments	\$ 210,889	\$ 9,512	(\$ 1,758,550)	\$ 676,798	(\$ 861,351)
Interest Received on Investments	6,898	1,494	20,931	10,061	39,384
Net Cash Provided (Used) by Investing Activities	\$ 217,787	\$ 11,006	(\$ 1,737,619)	\$ 686,859	(\$ 821,967)
Net Increase (Decrease) in Cash	\$ 360,164	\$ -0-	(\$ 995,284)	\$ 513,794	(\$ 121,326)
Cash - Beginning	157,457	-0-	4,778,939	2,198,507	7,134,903
Cash - Ending	\$ 517,621	\$ -0-	\$ 3,783,655	\$ 2,712,301	\$ 7,013,577
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	(\$ 553,252)	\$ 501,535	\$ 1,806,711	\$ 739,473	\$ 2,494,467
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation	1,518,988	222,253	22,117	383,849	2,147,207
(Increase) Decrease in:					
Accounts Receivable	-0-	(17,419)	(367,503)	(70,384)	(455,306)
Other Receivable	(1,925,401)	-0-	-0-	-0-	(1,925,401)
Due from other governments	(106,496)	-0-	-0-	-0-	(106,496)
Postclosure liability	-0-	-0-	210,597	-0-	210,597
Deferred Outflows Related to Pensions	(2,236)	(69,423)	(20,813)	18,763	(73,709)
Increase (Decrease) in:					
Accounts Payable	68,889	9,680	358,589	(237,960)	199,198
Due To Other Funds	-0-	(286,027)	-0-	-0-	(286,027)
Compensated Absences	(35,014)	76	4,271	15,659	(15,008)
Pension Liability	(63,801)	(14,341)	(879)	(36,422)	(115,443)
OPEB Liability	187,575	-0-	-0-	60,231	247,806
Deferred Inflows Related to Pension	2,734	49,049	313	(49,707)	2,389
Net Cash Provided (Used) by Operating Activities	(\$ 908,014)	\$ 395,383	\$ 2,013,403	\$ 823,502	\$ 2,324,274
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Amortization of Premiums and Discounts	\$ -0-	\$ 1,572)	\$ -0-	\$ -0-	(\$ 1,572)
Change in Fair Value of Investments	(\$ 420,240)	(\$ 24)	(\$ 2,839)	(\$ 1,723)	(\$ 424,826)
Capital Asset Transfers In(Out)	\$ -0-	\$ -0-	(\$ 2,684)	(\$ 74,923)	(\$ 77,607)

CITY OF SAN ANGELO, TEXAS

Internal Service Funds Description

For the Year Ended September 30, 2021

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, 2021

	Vehicle Maintenance	Employee/ Retiree Health	Property and Casualty Insurance	Workers' Compensation Insurance	Communications	Total
ASSETS AND DEFERRED OUTFLOWS						
Current Assets:						
Cash and Cash Equivalents	\$ 1,432,909	\$ 1,589,490	\$ 1,145,267	\$ 3,285,023	\$ -0-	\$ 7,452,689
Investments	72,670	307	1,216,274	1,013,782	148	2,303,181
Receivables:						
Accrued Interest	585	593	578	541	246	2,543
Accounts	103,475	100,893	-0-	-0-	-0-	204,368
Less: Allowance for Uncollectibles	-0-	(34,932)	-0-	-0-	-0-	(34,932)
Due from Other Funds	-0-	351	-0-	100	-0-	451
Inventories	21,938	-0-	-0-	-0-	2,930	24,868
Total Current Assets	\$ 1,631,577	\$ 1,656,702	\$ 2,362,119	\$ 4,299,446	\$ 3,324	\$ 9,953,168
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	1,751,489	-0-	-0-	-0-	8,957,678	10,709,167
Less: Accumulated Depreciation	(1,856,227)	-0-	-0-	-0-	(14,156,591)	(16,012,818)
Total Noncurrent Assets	\$ 351,624	\$ -0-	\$ -0-	\$ -0-	\$ 38,399	\$ 390,023
Total Assets	\$ 1,983,201	\$ 1,656,702	\$ 2,362,119	\$ 4,299,446	\$ 41,723	\$ 10,343,191
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Amounts Related to Pensions	\$ 130,383	\$ 18,372	\$ 34,115	\$ 20,965	\$ 84,203	\$ 288,038
Deferred Amounts Related to OPEB	-0-	-0-	-0-	-0-	-0-	-0-
Total Deferred Outflows of Resources	\$ 130,383	\$ 18,372	\$ 34,115	\$ 20,965	\$ 84,203	\$ 288,038
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 197,609	\$ 36,679	\$ 273,637	\$ 122,142	\$ 47,595	\$ 677,662
Due to Other Funds	-0-	-0-	-0-	-0-	-0-	-0-
Noncurrent Liabilities Due Within One Year	5,606	352,928	197,525	1,073,153	-0-	1,629,212
Total Current Liabilities	\$ 203,215	\$ 389,607	\$ 471,162	\$ 1,195,295	\$ 47,595	\$ 2,306,874
Net Pension Obligation	472,563	104,754	114,873	-0-	91,208	783,398
Total OPEB Liability	2,230,503	847,260	-0-	620,032	-0-	3,697,795
Noncurrent Liabilities Due After One Year	106,477	43,650	533,687	1,668,493	44,401	2,396,708
Total Liabilities	\$ 3,012,758	\$ 1,385,271	\$ 1,119,722	\$ 3,483,820	\$ 183,204	\$ 9,184,775
DEFERRED INFLOWS OF RESOURCES						
Deferred Amounts Related to Pensions	\$ 193,308	\$ 24,389	\$ 30,546	\$ 109,654	\$ 85,542	\$ 443,439
Deferred Amounts Related to OPEB	-0-	-0-	-0-	-0-	-0-	-0-
Total Deferred Inflows of Resources	\$ 193,308	\$ 24,389	\$ 30,546	\$ 109,654	\$ 85,542	\$ 443,439
NET POSITION						
Net Investment in Capital Assets	\$ 351,624	\$ -0-	\$ -0-	\$ -0-	\$ 38,399	\$ 390,023
Unrestricted	(1,444,106)	265,414	1,245,966	726,937	(181,219)	612,992
Total Net Position	(\$ 1,092,482)	\$ 265,414	\$ 1,245,966	\$ 726,937	(\$ 142,820)	\$ 1,003,015

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, 2021

	Vehicle Maintenance	Employee/ Retiree Health	Property and Casualty Insurance	Workers' Compensation Insurance	Communications	Total
OPERATING REVENUES						
Charges for Sales and Services:						
Sales and Service	\$ 3,869,353	\$ 9,110,321	\$ 3,893,883	\$ 1,398,547	\$ 887,639	\$ 19,159,743
Other	122,167	956,825	-0-	-0-	-0-	1,078,992
Total Operating Revenues	\$ 3,991,520	\$ 10,067,146	\$ 3,893,883	\$ 1,398,547	\$ 887,639	\$ 20,238,735
OPERATING EXPENSES						
Cost of Sales and Services:						
Administrative	\$ 3,674,652	\$ 9,633,846	\$ 4,616,413	\$ 564,322	\$ 770,536	\$ 19,259,769
Depreciation	73,625	-0-	-0-	-0-	233,675	307,300
Total Operating Expenses	\$ 3,748,277	\$ 9,633,846	\$ 4,616,413	\$ 564,322	\$ 1,004,211	\$ 19,567,069
Operating Income (Loss)	\$ 243,243	\$ 433,300	(\$ 722,530)	\$ 834,225	(\$ 116,572)	\$ 671,666
NONOPERATING REVENUES (EXPENSES)						
Interest	\$ 4,161	\$ 5,281	\$ 3,218	\$ 7,189	\$ 1,476	\$ 21,325
Change in Fair Value of Investments	(50)	-0-	(836)	(697)	-0-	(1,583)
Gain on Sale of Capital Assets	228,298	-0-	-0-	-0-	-0-	228,298
Total Nonoperating Revenues (Expenses)	\$ 232,409	\$ 5,281	\$ 2,382	\$ 6,492	\$ 1,476	\$ 248,040
Income (Loss) Before Contributions, Special Items, and Transfers	\$ 475,652	\$ 438,581	(\$ 720,148)	\$ 840,717	(\$ 115,096)	\$ 919,706
CONTRIBUTIONS AND TRANSFERS						
Transfers In	\$ -0-	\$ -0-	\$ 800,970	\$ -0-	\$ 866,613	\$ 1,667,583
Transfers Out	(14,270)	(246)	-0-	-0-	-0-	(14,516)
Total Contributions and Transfers	(\$ 14,270)	(\$ 246)	\$ 800,970	\$ -0-	\$ 866,613	\$ 1,653,067
Change in Net Position	\$ 461,382	\$ 438,335	\$ 80,822	\$ 840,717	\$ 751,517	\$ 2,572,773
Net Position - Beginning	(1,704,808)	(173,227)	(44,186)	(1,121,774)	(894,337)	(3,938,332)
Restatement of Beginning Net Position	150,944	306	1,209,330	1,007,994	-0-	2,368,574
Net Position - Ending	(\$ 1,092,482)	\$ 265,414	\$ 1,245,966	\$ 726,937	(\$ 142,820)	\$ 1,003,015

CITY OF SAN ANGELO, TEXAS

Combining Statement of Cash Flows - Internal Service Funds

For the Year Ended September 30, 2021

	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	\$ 3,985,671	\$ 10,036,619	\$ -0-	\$ -0-	\$ 887,639	\$ 14,909,929
Cash Received from Reinsurance	-0-	-0-	3,893,883	1,398,547	-0-	5,292,430
Cash Paid to Suppliers for Goods and Services	(2,673,838)	(9,392,140)	(4,419,779)	(474,586)	(878,488)	(17,838,831)
Cash Paid for Insurance Claims and Premiums	-0-	(557,732)	-0-	(123,424)	-0-	(681,156)
Cash Paid for Employee Services and Benefits	(825,408)	(177,724)	(190,686)	(204,507)	(30,594)	(1,428,919)
Net Cash Provided (Used) by Operating Activities	\$ 486,425	(\$ 90,977)	(\$ 716,582)	\$ 596,030	(\$ 21,443)	\$ 253,453
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES						
Transfers In	\$ -0-	\$ -0-	\$ 800,970	\$ -0-	\$ 866,613	\$ 1,667,583
Transfers Out	(14,270)	(246)	-0-	-0-	-0-	(14,516)
Short-Term Interfund Loans Received	-0-	(351)	-0-	(100)	-0-	(451)
Short-Term Interfund Loans Paid	-0-	-0-	-0-	-0-	(828,377)	(828,377)
Net Cash Provided (Used) by Non-Capital Financing Activities	(\$ 14,270)	(\$ 597)	\$ 800,970	(\$ 100)	\$ 38,236	\$ 824,239
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of Capital Assets	(\$ 244,460)	\$ -0-	\$ -0-	\$ -0-	(\$ 29,499)	(\$ 273,959)
Proceeds from Sale of Assets	228,298	-0-	-0-	-0-	-0-	228,298
Net Cash Provided (Used) by Capital and Related Financing Activities	(\$ 16,162)	\$ -0-	\$ -0-	\$ -0-	(\$ 29,499)	(\$ 45,661)
CASH FLOWS FROM INVESTING ACTIVITIES						
Sale of Investments	\$ 19,617	\$ 84	\$ 328,334	\$ 273,671	(\$ 107)	\$ 621,599
Interest Received on Investments	3,932	4,685	3,039	6,649	1,394	19,699
Net Cash Provided (Used) by Investing Activities	\$ 23,549	\$ 4,769	\$ 331,373	\$ 280,320	\$ 1,287	\$ 641,298
Net Increase (Decrease) in Cash	\$ 479,542	(\$ 86,805)	\$ 415,761	\$ 876,250	(\$ 11,419)	\$ 1,673,329
Cash - Beginning	953,367	1,676,295	729,506	2,408,773	11,419	5,779,360
Cash - Ending	\$ 1,432,909	\$ 1,589,490	\$ 1,145,267	\$ 3,285,023	\$ -0-	\$ 7,452,689
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ 243,243	\$ 433,300	(\$ 722,530)	\$ 834,225	(\$ 116,572)	\$ 671,666
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Depreciation	73,625	-0-	-0-	-0-	233,675	307,300
(Increase) Decrease in Accounts Receivable	(5,849)	(30,527)	-0-	-0-	-0-	(36,376)
(Increase) Decrease in Deferred Outflows Related to Pension	(32,513)	10,862	23,967	9,701	(59,731)	(47,714)
Increase (Decrease) in Accounts Payable	159,213	(110,355)	260,548	113,043	(109,073)	313,376
Increase (Decrease) in Insurance Claims Payable	-0-	(557,732)	(265,579)	(123,424)	-0-	(946,735)
Increase (Decrease) in OPEB Liability	113,102	164,050	-0-	(158,046)	-0-	119,106
Increase (Decrease) in Net Pension Liability	(117,961)	(10,984)	(4,984)	(127,883)	(36,325)	(298,137)
Increase (Decrease) in Compensated Absences	136	11,442	-0-	(346)	8,616	19,848
Increase (Decrease) in Deferred Inflows Related to Pension	53,429	(1,033)	(8,004)	48,760	57,967	151,119
Net Cash Provided (Used) by Operating Activities	\$ 486,425	(\$ 90,977)	(\$ 716,582)	\$ 596,030	(\$ 21,443)	\$ 253,453
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES						
Change in Fair Value of Investments	(\$ 50)	\$ -0-	(\$ 836)	(\$ 697)	\$ -0-	(\$ 1,583)
Capital Asset Transfers In(Out)	(\$ 20,800)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	(\$ 20,800)

CITY OF SAN ANGELO, TEXAS

Fiduciary Funds Description

For the Year Ended September 30, 2021

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 the measurement of results of operations.

CJC Agency Fund – To account for fines and fees collected on behalf of the State of Texas.

TWDB Regional Flood Planning Fund – To account for expenditure payments associated with the regional flood planning project and the subsequent reimbursement receipts from the Texas Water Development Board (TWDB), which is funding the project in total.

CITY OF SAN ANGELO, TEXAS

Combining Statement of Fiduciary Net Position

For the Year Ended September 30, 2021

	CJC Agency Fund	TWDB Regional Flood Planning Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 310,558	\$ 155,095	\$ 465,653
Accounts Receivable	-0-	75,273	75,273
Total Assets	\$ 310,558	\$ 230,368	\$ 540,926
LIABILITIES			
Accounts Payable	\$ 286,591	\$ 37,390	\$ 323,981
Due to Other Governments	23,967	192,978	216,945
Total Liabilities	\$ 310,558	\$ 230,368	\$ 540,926
NET POSITION			
Net Position	\$ -0-	\$ -0-	\$ -0-
Total Net Position	\$ -0-	\$ -0-	\$ -0-

CITY OF SAN ANGELO, TEXAS

Discretely Presented Component Unit Description

For the Year Ended September 30, 2021

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, 2021

	Development Corporation
ASSETS	
Cash and Cash Equivalents	\$ 4,320,308
Investments	10,968,200
Accounts Receivable	615,313
Due from Other Governments	1,856,838
Prepays	28,638
Total Assets	<u>\$ 17,789,297</u>
LIABILITIES	
Accounts Payable	\$ 1,032,023
Total Liabilities	<u>\$ 1,032,023</u>
FUND BALANCE	
Nonspendable	\$ 28,638
Restricted	16,728,636
Committed	-0-
Assigned	-0-
Unassigned	-0-
Total Fund Balance	<u>\$ 16,757,274</u>
Total Liabilities and Fund Balance	<u>\$ 17,789,297</u>

RECONCILIATION OF THE COMPONENT UNIT'S BALANCE SHEET TO THE STATEMENT OF NET POSITION

Fund Balance - Component Unit	\$ 16,757,274
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	6,170,536
Beginning of the Year Accumulated Depreciation	(974,365)
Current Year Capital Outlay	1,158,554
Current Year Capital Disposals	(541,356)
Current Year Depreciation	(105,811)
Net Position of Component Unit	<u>\$ 22,464,832</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, 2021

	Development Corporation
REVENUES	
Taxes:	
Sales	\$ 10,763,773
Intergovernmental	674,046
Charges for Services	47,129
Investment Income - Interest	499
Total Revenues	<u>\$ 11,485,447</u>
EXPENDITURES	
Operating Expenditures	\$ 12,132,171
Total Expenditures	<u>\$ 12,132,171</u>
Excess (Deficiency) of Revenues	
Over (Under) Expenditures	<u>(\$ 646,724)</u>
Net Change in Fund Balance	(\$ 646,724)
Fund Balance - Beginning	16,945,214
Restatement of Beginning Fund Balance	458,784
Fund Balance - Ending	<u><u>\$ 16,757,274</u></u>

RECONCILIATION OF THE COMPONENT UNIT'S STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

Total Net Change in Fund Balances - Component Unit	(\$ 646,724)
Loss on disposal of assets	(541,356)
Capital asset and long term investment purchases	1,158,554
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>(105,811)</u>
Change in Net Position of Component Unit	<u><u>(\$ 135,337)</u></u>

CITY OF SAN ANGELO, TEXAS

Statistical Section Narrative

For the Year Ended September 30, 2021

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 annual comprehensive 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									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Governmental Activities:										
Net investment in capital assets	\$ 45,548,654	\$ 42,532,871	\$ 42,032,400	\$ 43,930,391	\$ 40,735,612	\$ 47,251,737	\$ 22,683,705	\$ 36,872,153	\$ 37,922,031	\$ 27,779,895
Restricted	56,811,637	7,371,196	26,659,496	17,767,899	16,874,203	34,668,116	16,248,477	11,346,760	11,346,760	21,358,553
Unrestricted	(143,224,409)	(114,938,120)	(114,292,280)	(115,842,937)	(44,678,753)	(63,955,519)	(16,545,241)	18,705,893	1,809,832	11,860,302
Total Governmental Activities Net Position	<u>(\$ 40,864,118)</u>	<u>(\$ 65,034,053)</u>	<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>
Business-Type Activities:										
Net investment in capital assets	\$ 239,727,017	\$ 298,364,531	\$ 200,960,575	\$ 150,891,275	\$ 190,198,520	\$ 168,098,952	\$ 161,562,185	\$ 137,816,767	\$ 59,580,126	\$ 111,718,102
Restricted	15,481,094	17,392,704	28,716,100	42,764,885	34,722,814	25,759,916	59,362,529	23,471,674	23,485,718	57,337,080
Unrestricted	45,054,358	(47,091,245)	18,841,138	40,902,089	(6,224,795)	9,725,257	(28,886,311)	25,651,846	91,981,182	(4,216,773)
Total Business-Type Activities Net Position	<u>\$ 300,262,469</u>	<u>\$ 268,665,990</u>	<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>
Primary Government:										
Net investment in capital assets	\$ 285,275,671	\$ 340,897,402	\$ 242,992,975	\$ 194,821,666	\$ 230,934,132	\$ 215,350,689	\$ 184,245,890	\$ 174,688,920	\$ 97,502,157	\$ 139,497,997
Restricted	72,292,731	24,763,900	55,375,596	60,532,784	51,597,017	60,428,032	75,611,006	34,818,434	34,832,478	78,695,633
Unrestricted	(98,170,051)	(162,029,365)	(95,451,142)	(74,940,848)	(50,903,548)	(54,230,262)	(45,431,552)	44,357,739	93,791,014	7,643,529
Total Primary Government Net Position	<u>\$ 259,398,351</u>	<u>\$ 203,631,937</u>	<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>

CITY OF SAN ANGELO
CHANGES IN NET POSITION,
LAST TEN FISCAL YEARS
(UNAUDITED - accrual basis of accounting)

	Fiscal Year									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Expenses										
Governmental Activities:										
General Government	\$ 14,683,815	\$ 11,429,983	\$ 11,191,578	\$ 9,742,037	\$ 11,617,429	\$ 15,503,820	\$ 14,693,548	\$ 9,351,776	\$ 12,180,551	\$ 10,863,197
Public Safety	47,741,958	56,098,247	51,306,625	45,099,899	53,883,378	45,843,672	40,093,771	37,912,268	36,925,673	36,379,803
Public Works and Transportation	14,166,558	15,004,639	13,172,331	10,931,292	10,088,428	12,554,602	10,151,004	7,271,354	9,379,877	8,123,640
Public Facilities	3,103,094	3,339,678	3,607,237	3,882,536	3,571,629	3,790,497	2,742,085	2,574,982	2,616,279	2,468,554
Health and Human Services	3,889,999	3,604,030	3,575,627	2,771,095	3,455,935	3,697,454	3,222,433	2,989,869	3,033,911	3,288,315
Culture Parks and Recreation	9,395,769	10,168,157	9,402,480	8,358,240	10,941,795	8,076,896	7,147,927	6,513,566	7,619,225	5,999,809
Economic Development	1,266,269	693,708	821,214	551,388	609,428	392,494	368,283	495,557	1,211,080	3,463,923
Urban Redevelopment and Housing	1,196,494	1,247,703	979,075	853,174	926,648	1,051,058	938,418	970,756	1,552,520	2,163,356
Interest and Fiscal Charges	2,413,810	1,944,326	2,096,755	2,442,020	2,235,720	2,153,962	2,350,993	2,539,485	840,512	1,878,828
Total Governmental Activities Expenses	<u>\$ 97,857,766</u>	<u>\$ 103,530,471</u>	<u>\$ 96,152,922</u>	<u>\$ 84,631,681</u>	<u>\$ 97,330,390</u>	<u>\$ 93,064,455</u>	<u>\$ 81,708,462</u>	<u>\$ 70,619,613</u>	<u>\$ 75,359,628</u>	<u>\$ 74,629,425</u>
Business-Type Activities:										
Water	\$ 25,641,958	\$ 28,141,865	\$ 19,194,724	\$ 18,271,162	\$ 18,722,506	\$ 17,183,317	\$ 16,783,235	\$ 16,064,612	\$ 15,711,368	\$ 18,985,682
Sewer	5,033,881	15,459,800	8,540,855	7,926,154	8,778,915	8,873,695	8,170,739	7,268,532	7,564,628	10,742,627
Airport	2,901,544	4,214,237	4,068,586	3,478,293	4,283,374	4,506,411	3,813,818	3,783,952	2,938,311	4,171,162
State Office Building	688,925	915,718	706,905	985,971	1,031,980	1,127,308	993,803	1,140,737	1,061,772	1,272,338
Solid Waste	784,969	1,477,731	1,327,285	691,372	930,399	786,709	491,075	1,876,321	-0-	-0-
Stormwater	2,251,183	1,686,980	2,284,557	1,989,444	1,772,384	2,032,021	1,952,448	2,069,601	1,454,672	-0-
Total Business-Type Activities Expenses	<u>\$ 37,302,460</u>	<u>\$ 51,896,331</u>	<u>\$ 36,122,912</u>	<u>\$ 33,342,396</u>	<u>\$ 35,519,558</u>	<u>\$ 34,509,461</u>	<u>\$ 32,205,118</u>	<u>\$ 32,203,755</u>	<u>\$ 28,730,751</u>	<u>\$ 35,171,809</u>
Total Primary Government Expenses	<u>\$ 135,160,226</u>	<u>\$ 155,426,802</u>	<u>\$ 132,275,834</u>	<u>\$ 117,974,077</u>	<u>\$ 132,849,948</u>	<u>\$ 127,573,916</u>	<u>\$ 113,913,580</u>	<u>\$ 102,823,368</u>	<u>\$ 104,090,379</u>	<u>\$ 109,801,234</u>
Program Revenues										
Governmental Activities:										
Charges for services:										
General Government	\$ 1,238,012	\$ 1,712,613	\$ 1,691,966	\$ 1,652,711	\$ 1,470,249	\$ 1,263,453	\$ 1,175,801	\$ 1,127,007	\$ 1,255,367	\$ 1,341,469
Public Safety	6,346,886	8,780,013	8,674,161	7,648,482	7,459,560	6,503,328	6,027,415	5,777,959	6,436,072	6,877,504
Public Works and Transportation	1,066,912	1,475,922	1,458,128	1,294,594	1,264,891	1,096,279	1,011,878	971,276	1,081,898	1,156,103
Public Facilities	623,905	863,083	852,678	760,856	744,368	642,393	591,151	567,979	632,669	676,062
Health and Human Services	850,065	1,175,944	1,161,767	1,114,913	1,110,551	902,281	793,706	773,866	862,005	921,127
Culture, Parks and Recreation	392,411	542,845	536,300	476,852	466,090	403,454	372,065	357,236	397,923	425,215
Economic Development	251,376	347,742	343,550	302,788	295,237	257,524	238,744	228,843	254,907	272,390
Urban Redevelopment and Housing	18,562	25,678	25,368	22,535	22,021	19,077	17,603	16,898	18,823	20,114
Operating grants and contributions	20,534,221	4,700,560	4,643,889	4,018,031	3,857,901	3,443,621	3,243,424	3,093,348	3,445,662	3,681,990
Capital grants and contributions	647,372	405,598	400,708	343,815	372,387	5,167,884	279,866	266,916	297,316	317,708
Total Governmental Activities Program Revenues	<u>\$ 31,969,722</u>	<u>\$ 20,029,998</u>	<u>\$ 19,788,515</u>	<u>\$ 17,635,577</u>	<u>\$ 17,063,255</u>	<u>\$ 19,699,294</u>	<u>\$ 13,751,653</u>	<u>\$ 13,181,328</u>	<u>\$ 14,682,642</u>	<u>\$ 15,689,682</u>
Business-Type Activities:										
Water	\$ 41,668,411	\$ 41,862,214	\$ 36,966,360	\$ 38,739,911	\$ 32,891,977	\$ 28,438,454	\$ 24,155,233	\$ 25,255,292	\$ 25,539,687	\$ 27,301,830
Sewer	17,674,189	17,111,663	16,660,607	17,542,589	13,944,617	11,808,606	11,062,765	11,169,732	11,282,467	13,435,701
Airport	2,348,292	1,379,102	1,674,529	1,528,475	1,555,945	1,664,125	1,330,236	1,246,710	2,287,792	1,437,400
State Office Building	1,183,051	1,346,039	1,230,035	1,240,281	1,232,054	1,276,717	1,220,429	1,201,085	1,191,259	1,161,119
Solid Waste	2,591,680	2,092,400	2,180,406	1,616,886	2,063,568	2,235,398	1,928,017	7,642,056	-0-	-0-
Stormwater	2,990,656	2,855,729	2,839,392	2,904,618	2,564,203	2,590,375	2,545,923	2,665,234	2,588,676	-0-
Operating grants and contributions	-0-	1,205	148	-0-	150	-0-	-0-	-0-	1,984	1,658
Capital grants and contributions	1,944,362	748,880	1,170,362	3,765,372	970,516	1,024,628	876,929	1,527,019	980,899	1,117,448
Total Business-Type Activities Program Revenues	<u>\$ 70,400,641</u>	<u>\$ 67,397,232</u>	<u>\$ 62,721,839</u>	<u>\$ 67,338,132</u>	<u>\$ 55,223,030</u>	<u>\$ 49,038,303</u>	<u>\$ 43,119,532</u>	<u>\$ 50,707,128</u>	<u>\$ 43,872,764</u>	<u>\$ 44,455,156</u>
Total Primary Government Program Revenues	<u>\$ 102,370,363</u>	<u>\$ 87,427,230</u>	<u>\$ 82,510,354</u>	<u>\$ 84,973,709</u>	<u>\$ 72,286,285</u>	<u>\$ 68,737,597</u>	<u>\$ 56,871,185</u>	<u>\$ 63,888,456</u>	<u>\$ 58,555,406</u>	<u>\$ 60,144,838</u>
Net (Expense) / Revenue										
Governmental Activities	(\$ 65,888,044)	(\$ 83,500,473)	(\$ 76,364,407)	(\$ 66,996,104)	(\$ 80,267,135)	(\$ 73,365,162)	(\$ 67,956,809)	(\$ 57,438,285)	(\$ 60,676,986)	(\$ 58,939,743)
Business-Type Activities	33,098,181	15,500,901	26,598,927	33,995,736	19,703,472	14,528,842	10,914,414	18,503,373	15,142,013	9,283,347
Total Primary Government Net Expense	<u>(\$ 32,789,863)</u>	<u>(\$ 67,999,572)</u>	<u>(\$ 49,765,480)</u>	<u>(\$ 33,000,368)</u>	<u>(\$ 60,563,663)</u>	<u>(\$ 58,836,320)</u>	<u>(\$ 57,042,395)</u>	<u>(\$ 38,934,912)</u>	<u>(\$ 45,534,973)</u>	<u>(\$ 49,656,396)</u>

CITY OF SAN ANGELO
CHANGES IN NET POSITION,
LAST TEN FISCAL YEARS
(UNAUDITED - accrual basis of accounting)

	Fiscal Year									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Taxes	\$ 42,260,884	\$ 41,113,691	\$ 39,235,072	\$ 39,181,491	\$ 36,675,045	\$ 38,061,931	\$ 36,040,174	\$ 35,886,552	\$ 31,726,116	\$ 28,675,344
Sales Taxes	21,527,546	20,440,115	19,962,832	19,812,694	17,676,790	17,147,214	19,253,436	18,948,114	17,257,554	22,633,111
Franchise Taxes	3,481,709	4,591,806	4,232,646	4,586,508	5,012,040	4,349,480	4,472,891	4,362,554	3,934,338	3,885,969
Other Taxes	3,032,658	2,749,728	3,405,338	2,884,378	2,433,101	2,334,928	2,780,823	3,599,661	3,168,436	2,489,412
Penalty, Interest and Fees on Delinquent Taxes	1,035,580	936,604	778,519	-0-	890,555	337,978	-0-	336,332	372,288	223,844
Investment Income	88,319	(468,675)	6,604,710	784,901	914,166	691,470	446,208	222,538	149,045	264,080
Miscellaneous	5,105,492	3,991,362	3,614,062	3,939,359	5,411,365	1,235,450	975,710	1,299,586	1,983,470	677,892
Settlement Proceeds	-0-	-0-	-0-	-0-	1,000,000	-0-	-0-	-0-	-0-	-0-
Gain (Loss) on Sale of Capital Assets	207,742	(22,165)	(19,527)	-0-	-0-	-0-	-0-	519,315	(3,357)	694,080
Transfers	1,958,476	(9,215,662)	7,096,796	6,055,653	5,220,801	4,800,468	5,825,678	3,775,844	4,197,654	2,299,082
Total Governmental Activities	<u>\$ 78,698,406</u>	<u>\$ 64,116,804</u>	<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>
Business-Type Activities										
Investment Income	\$ 234,322	(\$ 6,753,812)	(\$ 2,034,103)	\$ 474,918	\$ 612,318	\$ 582,468	\$ 411,913	\$ 147,684	\$ 118,321	\$ 183,002
Unrestricted Grants and Contributions	-0-	-0-	-0-	-0-	-0-	-0-	-0-	4,225	-0-	-0-
Gain (Loss) on Sale of Capital Assets	2,014,509	2,135,426	993,389	113,364	17,425	663,072	24,947	157,227	(30,138)	50,245
Transfers	(1,958,476)	9,215,662	(7,096,796)	(5,654,599)	(5,220,801)	(4,800,468)	(5,825,678)	(3,775,844)	(4,197,654)	(2,299,082)
Total Business-Type Activities	<u>\$ 290,355</u>	<u>\$ 4,597,276</u>	<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>
Total Primary Government	<u><u>\$ 78,988,761</u></u>	<u><u>\$ 68,714,080</u></u>	<u><u>\$ 76,772,938</u></u>	<u><u>\$ 72,178,667</u></u>	<u><u>\$ 70,642,805</u></u>	<u><u>\$ 65,403,991</u></u>	<u><u>\$ 64,406,102</u></u>	<u><u>\$ 65,483,788</u></u>	<u><u>\$ 58,676,073</u></u>	<u><u>\$ 59,776,979</u></u>
Change in Net Position										
Governmental Activities	\$ 12,810,362	(\$ 19,383,669)	\$ 8,546,041	\$ 10,248,880	(\$ 5,033,272)	(\$ 4,406,243)	\$ 1,838,111	\$ 11,512,211	\$ 2,108,558	\$ 2,903,071
Business-Type Activities	33,388,536	20,098,177	18,461,417	28,929,419	15,112,414	10,973,914	5,525,596	15,036,665	11,032,542	7,217,512
Total Primary Government	<u><u>\$ 46,198,898</u></u>	<u><u>\$ 714,508</u></u>	<u><u>\$ 27,007,458</u></u>	<u><u>\$ 39,178,299</u></u>	<u><u>\$ 10,079,142</u></u>	<u><u>\$ 6,567,671</u></u>	<u><u>\$ 7,363,707</u></u>	<u><u>\$ 26,548,876</u></u>	<u><u>\$ 13,141,100</u></u>	<u><u>\$ 10,120,583</u></u>

Table 3

CITY OF SAN ANGELO
FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(UNAUDITED - modified accrual basis of accounting)

	Fiscal Year									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
General Fund:										
Nonspendable	\$ 43,322	\$ 43,322	\$ 43,322	\$ 50,822	\$ 43,778	\$ 44,988	\$ 23,407	\$ 18,724	\$ 18,724	\$ -0-
Restricted	2,156,718	2,158,481	1,773,777	1,437,802	-0-	-0-	-0-	-0-	-0-	-0-
Committed	99,999	98,236	181,062	161,594	-0-	-0-	-0-	-0-	375,219	-0-
Assigned	-0-	-0-	-0-	-0-	-0-	13,950,805	-0-	-0-	-0-	-0-
Unassigned	46,877,439	46,441,927	46,324,305	52,454,021	35,424,429	24,846,560	35,932,736	30,347,858	21,450,995	15,552,359
Total General Fund	<u>\$ 49,177,478</u>	<u>\$ 48,741,966</u>	<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>
Other Governmental Funds:										
Nonspendable	\$ 2,514,329	\$ 412,267	\$ 15,748,208	\$ 14,739,825	\$ 14,201,260	\$ 12,747,748	\$ 12,747,748	(\$ -0-	\$ -0-	\$ -0-
Restricted	13,852,933	4,901,607	4,315,087	4,152,586	3,470,316	3,355,777	3,500,930	14,754,510	13,112,031	12,580,265
Committed	38,276,465	623,760	1,982,650	16,737,775	2,462,163	224,988	210,128	214,544	195,544	195,409
Assigned	-0-	-0-	-0-	-0-	-0-	-0-	3,876,293	2,174,422	1,383,199	701,355
Unassigned, reported in:										
Special Revenue Funds	(10,784)	(487,551)	(46,905)	(179,094)	-0-	-0-	-0-	857,949	(386,968)	(102,430)
Capital Projects Funds	-0-	43,856,529	26,278,540	-0-	20,547,466	29,968,800	16,889,602	4,312,945	5,953,205	9,690,599
Permanent Funds	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Other Governmental Funds	<u>\$ 54,632,943</u>	<u>\$ 49,306,612</u>	<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>
Total All Governmental Funds	<u>\$ 103,810,421</u>	<u>\$ 98,048,578</u>	<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>

CITY OF SAN ANGELO
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(UNAUDITED - modified accrual basis of accounting)

	Fiscal Year									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Revenues										
Taxes	\$ 71,333,442	\$ 69,832,695	\$ 67,506,750	\$ 66,563,532	\$ 62,687,528	\$ 62,298,826	\$ 62,509,576	\$ 63,784,662	\$ 56,905,030	\$ 58,034,537
Licenses and Permits	1,140,024	1,330,704	1,014,298	895,056	954,157	956,392	826,482	916,819	806,257	787,612
Intergovernmental	20,534,221	5,077,050	5,421,684	3,116,193	3,795,934	7,090,325	2,484,974	2,247,654	3,015,193	3,495,356
Charges for Services	7,708,211	9,079,221	9,917,452	9,519,878	8,470,254	8,387,995	6,609,817	6,233,192	7,522,933	7,964,663
Fines and Forfeits	2,388,001	2,735,129	3,088,295	3,043,918	2,848,276	2,621,105	2,995,256	3,209,901	2,813,772	2,994,371
Investment Income	68,578	695,575	6,801,350	783,199	883,366	643,833	424,050	211,041	135,729	247,146
Other Revenues	5,304,758	5,799,256	3,960,848	4,376,724	5,821,517	1,724,315	1,884,996	1,873,348	2,989,974	1,321,283
Total revenues	<u>\$ 108,477,235</u>	<u>\$ 94,549,630</u>	<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>
Expenditures										
General Government	\$ 13,283,858	\$ 10,412,196	\$ 10,429,050	\$ 10,391,827	\$ 9,945,155	\$ 10,869,576	\$ 10,011,264	\$ 9,477,008	\$ 9,366,929	\$ 9,870,672
Public Safety	44,977,820	46,284,609	43,139,312	45,308,143	42,501,940	38,904,221	36,350,918	35,320,291	34,062,079	33,814,811
Public Works and Transportation	12,043,502	12,542,111	11,313,973	10,556,255	10,058,424	11,523,740	9,540,184	6,913,690	8,767,928	7,610,698
Public Facilities	948,878	1,001,401	1,033,854	1,010,503	967,170	998,644	914,595	1,013,884	889,044	674,273
Health and Human Services	3,603,317	3,337,178	3,260,087	3,176,408	3,097,989	3,334,684	3,009,616	2,848,160	2,842,001	3,120,047
Culture, Parks and Recreation	7,585,405	8,196,185	7,118,055	7,073,447	6,878,803	6,121,336	5,414,918	5,311,249	6,292,490	4,748,136
Economic Development	1,255,269	654,800	831,623	531,555	609,428	392,494	368,283	495,557	747,629	3,417,503
Urban Redevelopment and Housing	1,181,817	1,224,805	938,963	857,450	892,762	1,018,949	913,145	932,510	1,498,100	2,249,530
Capital Outlay	19,516,938	9,250,259	11,462,491	10,759,766	13,012,354	9,283,468	5,738,482	4,217,544	5,795,660	17,642,496
Debt service:										
Principal	4,675,000	5,215,000	5,052,000	5,721,047	8,492,000	5,409,500	2,292,000	2,862,000	9,401,601	3,370,218
Interest and fees	2,959,413	2,528,645	2,504,405	2,599,386	2,502,164	2,381,580	2,138,538	2,159,487	2,133,148	2,314,013
Total expenditures	<u>\$ 112,031,217</u>	<u>\$ 100,647,189</u>	<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>
Excess revenues over (under) expenditures	<u>(\$ 3,553,982)</u>	<u>(\$ 6,097,559)</u>	<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>
Other financing sources (uses)										
Transfers In	\$ 19,109,873	\$ 12,315,805	\$ 11,206,492	\$ 8,252,955	\$ 8,583,538	\$ 5,912,120	\$ 6,638,763	\$ 4,488,533	\$ 4,703,287	\$ 12,269,292
Debt Issue Proceeds	-0-	17,658,467	-0-	16,920,760	3,216,365	16,458,568	13,641,008	-0-	6,472,462	-0-
Sale of Capital Assets	19,417	(7,418)	76,512	480,484	568,474	159,447	752,083	552,491	754,582	845,727
Transfers Out	(18,804,464)	(22,370,763)	(4,865,153)	(2,598,356)	(7,861,474)	(1,172,702)	(813,085)	(896,391)	(505,633)	(9,970,210)
Total other financing sources (uses)	<u>\$ 324,826</u>	<u>\$ 7,596,091</u>	<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>
Net change in fund balances	<u>(\$ 3,229,156)</u>	<u>\$ 1,498,532</u>	<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>
Debt service as a percentage of noncapital expenditures	8.0%	8.3%	8.7%	9.2%	12.0%	9.4%	6.0%	7.4%	15.2%	8.1%

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				
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
2019-20	2019	4,510,421,500	889,343,894	40,336,110	954,850,423	6,394,951,927	706,404,340	5,688,547,587	0.77600
2020-21	2020	4,652,279,224	920,751,295	40,010,210	964,617,982	6,577,658,711	1,110,721,840	5,466,936,871	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
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	0.54500	1.21000
2019-20	0.68240	0.09360	0.77600	0.55117	1.13000
2020-21	0.68240	0.09360	0.77600	0.54980	1.12038

* 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 2020-21				Fiscal Year 2011-12			
		Assessed Value	Rank	Percent of Total Assessed Value		Assessed Value	Rank	Percent of Total Assessed Value	
AEP Texas Inc.	Utility	\$ 88,168,440	1	1.61%		\$ 31,609,280	4	0.84%	
Walmart & Sam's	Retail	78,699,650	2	1.44%		55,593,912	1	1.48%	
Ethicon	Manufacturing	66,911,444	3	1.22%		39,719,966	2	1.06%	
Nextier Completion Solutions	Petroleum	42,793,260	4	0.78%					
Hirschfeld Steel & Energy	Manufacturing	40,878,710	5	0.75%		27,107,390	6	0.72%	
San Angelo Hospital LP	Medical	29,185,520	6	0.53%		37,165,635	3	0.99%	
HEB Grocery Company LP	Retail	24,061,090	7	0.44%					
Atmos Energy	Utility	22,846,320	8	0.42%					
Jim Bass Ford	Automobile	20,726,224	9	0.38%					
Dell Equipment	Technology	18,105,810	10	0.33%					
Verizon	Utility					27,677,883	5	0.74%	
Nabors Well Service	Petroleum					25,726,330	7	0.68%	
Sunset Mall	Real Estate					19,485,250	8	0.52%	
Alexander Construction	Real Estate					16,596,324	9	0.44%	
Suddenlink Communications	Cable TV					14,267,968	10	0.38%	
		<u>\$ 432,376,468</u>		<u>7.90%</u>		<u>\$ 294,949,938</u>		<u>7.85%</u>	
Total Assessed Value		<u>\$ 5,466,936,871</u>				<u>\$ 3,761,109,048</u>			

Source: Tom Green County Appraisal District.

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
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%
2019-20	41,060,841	89,676	40,392,930	98.37%	573,913	40,966,843	99.55%
2020-21	42,423,430	107,753	41,736,197	98.38%	595,310	42,331,507	99.53%

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
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%
2019-20	1.50%	0.50%	6.25%
2020-21	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									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Agriculture, Forestry, Fishing, Hunting	\$ 57,816	\$ 53,973	\$ 48,917	\$ 48,150	\$ 44,069	\$ 47,211	\$ 46,385	\$ 37,568	\$ 36,839	\$ 19,527
Mining, Oil and Gas	191,313.84	340,554.98	305,736	264,833	193,764	346,879	767,728	429,088	402,265	280,351
Utilities	86,022.14	106,194.78	81,775	73,572	66,739	58,381	87,880	53,777	41,687	35,275
Construction	609,615.35	570,322.94	463,427	477,993	426,851	549,393	522,345	450,768	436,994	386,899
Manufacturing	841,022.07	908,737.80	911,053	708,408	602,520	976,073	1,333,468	944,269	710,688	455,474
Wholesale Trade	1,645,898.39	1,966,711.02	1,899,898	1,486,186	1,269,721	1,609,563	1,735,430	1,219,857	1,075,020	855,832
Retail Trade	12,828,498.75	12,521,032.59	11,848,681	11,158,794	10,944,922	11,647,853	12,253,082	11,640,218	10,869,678	9,905,872
Transportation, Warehousing	17,786.13	12,887.79	17,944	15,205	20,127	79,455	102,107	91,993	83,802	71,069
Information	933,875.81	1,255,310.28	1,223,809	1,099,011	1,155,833	1,216,797	1,167,114	1,035,657	949,969	878,883
Finance, Insurance	53,589.18	46,890.84	43,223	41,040	36,666	36,262	41,043	35,754	34,687	35,805
Real Estate, Rental, Leasing	347,452.95	539,859.47	462,728	393,803	278,081	429,211	528,890	392,044	422,161	273,286
Professional, Scientific, Technical	1,044,992.30	763,432.16	408,942	287,056	487,618	352,274	300,996	190,827	181,968	142,006
Admin. Support, Waste Management	635,187.26	614,843.79	628,061	599,735	582,506	555,283	517,954	456,665	397,017	403,471
Educational Services	1,585.43	3,058.52	2,803	3,506	3,463	3,176	3,838	3,704	4,567	3,820
Health Care Social Assistance	49,151.99	75,725.18	77,678	70,730	79,449	81,637	77,685	83,371	79,529	71,754
Arts, Entertainment ,Recreation	211,144.53	211,084.50	194,791	188,684	193,750	186,234	170,099	162,358	157,981	139,611
Accommodation, Food Service	3,546,168.78	3,714,425.78	3,462,505	3,223,943	3,101,476	3,213,328	3,195,109	2,911,178	2,708,992	2,446,771
Other Services	957,078.02	1,012,714.10	1,044,941	968,228	943,391	1,005,837	899,882	784,784	708,350	631,693
	<u>\$ 24,058,199</u>	<u>\$ 24,717,760</u>	<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>

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						
	General Obligation Bonds	Certificates of Obligation		Notes Payable	Capital Leases	Water and Sewer Revenue Bonds	General Obligation Debt	Notes Payable	Capital Leases	Total Primary Government	Percent of Personal Income a	Per Capita a
		Ad Valorem Tax Supported	Sales Tax Supported									
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	54,450,128	1,600,000	12,155,000	1,179,000	-0-	46,591,370	20,110,000	74,312,124	-0-	210,397,622	3.75%	2,099
2019-20	62,125,000	1,295,000	11,970,000	1,072,000	-0-	101,095,000	15,295,000	68,410,000	-0-	260,190,000	4.32%	2,576
2020-21	60,981,987	985,551	12,665,998	965,000	-0-	97,618,178	73,908,980	-0-	-0-	247,125,694	3.77%	2,011
									b			

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.
- b. Refunding of a promissory note with a general obligation refunding bond.

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
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	54,450,128	1,600,000	56,050,128	1.04%	559.30
2019-20	62,125,000	1,295,000	63,420,000	1.11%	627.90
2020-21	60,981,987	985,551	61,967,538	1.13%	504.26

Table 13

CITY OF SAN ANGELO
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2021
(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	\$ 86,884,994	9/30/2020	100.00%	\$ 86,884,994
Tom Green County	\$ 59,485,000	9/30/2020	82.02%	48,789,597
Grape Creek Independent School District	\$ 10,422,171	9/30/2020	0.24%	25,013
Subtotal Overlapping Debt				\$ 135,699,604
City of San Angelo Direct Debt			b	76,462,000
Total Direct & Overlapping Debt				\$ 212,161,604

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	
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
2019-20	58,973,877	38,449,162	20,524,715	1,035,000	1,820,531	7.19
2020-21	59,342,601	26,311,950	33,030,651	1,060,000	1,798,479	11.56

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
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%
2019	101,004	6,016,858,000	59,570	3.5%
2020	122,889	6,550,552,000	53,305	6.9%

Sources: a U.S. Census Bureau.

Sources: b U.S. Department of Commerce, Bureau of Economic Analysis for the San Angelo Metropolitan Statistical Area

c U.S. Bureau of Labor Statistics

Table 16

CITY OF SAN ANGELO
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Employer	Fiscal Year 2020-21			Fiscal Year 2011-12		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
Goodfellow Air Force Base	5,333	1	11.37%	4,998	1	11.77%
Shannon Health System	4,896	2	10.44%	2,615	2	6.16%
San Angelo Independent School Dist.	2,332	3	4.97%	1,971	3	4.64%
Angelo State University	1,323	4	2.82%	1,626	4	3.83%
San Angelo Community Medical Center	1,236	5	2.64%	842	6	1.98%
Walmart	1,079	6	2.30%			0.00%
City of San Angelo	995	7	2.12%	875	5	2.06%
Stripes Convenience Stores	882	8	1.88%			0.00%
San Angelo State Supported Living Center	770	9	1.64%	840	7	1.98%
Ethicon (Johnson & Johnson)	665	10	1.42%	523	10	1.23%
Tom Green County	-		0.00%	733	8	1.73%
SITEL, Inc.	-		0.00%	710	9	1.67%
	19,511		41.60%	15,733		37.05%
Total San Angelo Employment	46,890			42,474		

Sources: San Angelo Chamber of Commerce
U.S. Bureau of Labor Statistics

CITY OF SAN ANGELO
FULL-TIME EQUIVALENT CITY EMPLOYEES by DEPARTMENT
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
<u>Full-time-Equivalent Employees</u>										
General Government										
City Manager	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0	4.0
Legal, City Clerk	7.0	7.0	7.0	7.0	7.0	7.0	7.0	9.0	9.0	8.0
Real Estate	2.0	2.0	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	4.0	4.0	3.0	3.0	2.0	2.0
Human Resources	6.0	6.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0
Building Maintenance	6.0	6.0	6.0	6.0	6.0	6.0	7.0	7.0	6.0	6.0
Construction Management	1.0	1.0	1.0	1.0	1.0	2.0	1.0	1.0	1.0	1.0
Emergency Management	1.0	1.0	2.5	2.0	3.0	2.0	2.0	2.0	2.0	2.0
City Health Insurance	1.0	1.0	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0
Risk Management	5.0	5.0	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	12.0	12.0	13.0	13.0
Information Services	6.0	6.0	6.0	6.0	7.0	5.0	5.0	5.0	6.0	6.0
Communications	1.0	1.0	1.0	1.0	1.0	3.0	3.0	3.0	3.0	3.0
Purchasing	3.0	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0	3.0
Municipal Court	31.0	31.0	32.5	32.0	32.0	33.0	34.0	33.0	33.0	34.0
Water Billing and Receipts	9.0	9.0	9.0	9.0	9.0	9.0	8.0	8.0	8.0	8.0
Vehicle Maintenance	17.0	17.0	17.0	17.0	17.0	17.0	18.0	17.0	17.0	19.0
Public Safety										
Police	212.0	207.0	208.0	207.0	203.0	199.0	199.0	199.0	197.0	199.0
Public Safety Communications	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Fire / Ambulance	184.0	184.0	176.0	176.0	176.0	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	16.0	16.0	13.0	13.0	13.0	13.0	11.0	13.0	12.0	12.0
Engineering	17.0	15.0	15.0	15.0	15.0	15.0	7.0	8.0	8.0	8.0
Permits and Inspection	13.0	13.0	13.5	12.0	14.0	13.0	13.0	12.0	12.0	12.0
Code Compliance	6.0	6.0	6.0	6.0	6.0	6.0	7.0	9.0	7.0	7.0
911 Addressing	-	-	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	4.0	4.0	5.0	6.0	6.0
Keep San Angelo Beautiful	1.0	-	-	-	-	-	-	-	-	-
Public Works										
Operations	5.0	5.0	7.0	7.0	7.0	5.0	3.0	3.0	3.0	3.0
Traffic / Signal	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	12.0	12.0
Street and Bridge	37.0	37.0	37.0	37.0	37.0	33.0	27.0	27.0	27.0	27.0
Airport	13.0	13.0	13.0	13.0	13.0	13.0	13.0	14.0	14.0	14.5
Water	107.0	107.0	107.0	107.0	108.0	109.0	113.0	112.0	113.0	114.0
Sewer	41.0	41.0	39.0	39.0	39.0	38.0	38.0	38.0	38.0	38.0
Storm Water	21.0	23.0	23.0	23.0	23.0	21.0	22.0	21.0	24.0	24.0
Health and Social Services										
Administration	1.0	1.0	1.0	1.0	1.0	2.0	1.0	1.0	1.0	1.0
Animal Control	13.0	13.0	14.0	12.0	13.0	13.0	12.0	12.0	12.0	12.0
Nursing/Immunization	2.0	2.0	2.0	3.0	2.0	2.0	3.0	3.0	4.0	5.0
Environmental Health	3.0	4.0	2.5	2.0	3.0	3.0	3.0	3.0	3.0	3.0
Bioterrorism	-	-	-	-	-	-	-	-	-	1.0
WIC	14.0	14.0	14.0	14.0	14.0	15.0	15.0	17.0	14.0	18.0
Parks and Recreation										
Parks	49.0	49.0	49.0	49.0	49.0	49.0	46.0	46.0	47.0	47.0
Texas Bank Sports Complex	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	10.0	9.0
Recreation	7.0	7.0	7.0	8.0	7.0	7.0	7.0	7.0	7.0	10.0
Nutrition	1.0	1.0	3.0	1.0	5.0	5.0	5.0	5.0	4.0	4.7
Civic Events	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Fort Concho	12.0	12.0	14.0	12.0	14.0	14.0	14.0	14.0	13.0	13.0
Fairmount Cemetery	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
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	971.0	966.0	961.5	953.5	959.5	942.5	926.5	930.5	928.5	943.7

Source: City of San Angelo Operating Budget

*Real Estate was previously reported under the Legal, City Clerk

CITY OF SAN ANGELO
OPERATING INDICATORS by FUNCTION / PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

FUNCTION / PROGRAM	Fiscal Year									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
<u>General Government</u>										
Building Permits Issued	8,339	8,317	8,081	7,761	7,337	6,797	7,256	8,219	8,036	8,129
<u>Health and Human Services</u>										
Animals Registered	1,004	387	775	1,948	1,942	2146 **	9,552	9,581 *	1,352	600
<u>Police</u>										
Number of Arrests	3,811	3,586	3,903	4,410	4,159	4,273	5,755	6,458	6,367	6,213
Calls for Service	103,727	100,434	91,325	106,417	92,977	95,966	97,233	102,966	98,076	89,198
<u>Fire / Ambulance</u>										
Fire responses	18,252	7,132	8,137	7,926	7,901	6,997	7,454	8,694	6,766	6,280
Ambulance Responses	15,271	15,376	14,294	13,812	13,663	12,761	12,224	12,543	12,070	11,658
Fire Marshall Inspections	756	710	812	1,803	2,088	2,418	2,759	3,110	2,807	3,750
<u>Municipal Court</u>										
Parking Violations	592	897	980	777	1,240	1,183	1,630	1,782	1,859	1,800
Traffic Cases	17,154	18,986	20,882	26,200	20,379	19,860	20,078	23,688	20,731	22,872
Criminal Cases	3,795	3,791	3,932	4,340	5,240	4,613	4,803	6,124	7,485	7,961
<u>Water</u>										
Number of Customers	34,667	35,680	35,268	34,868	34,829	35,320	36,269	35,373	34,175	32,845
Average Daily Consumption (millions of gallons)	12.73	12.82	11.95	12.10	11.90	10.04	8.81	9.15	9.84	11.28
<u>Sewer</u>										
Average Daily Treatment (millions of gallons)	7.83	7.79	8.93	7.87	7.67	8.42	8.55	8.20	7.94	8.46
Number of connections	38,848	38,468	38,025	37,617	42,465	37,247	33,656	31,113	30,880	30,342
<u>Parks, Recreation and Nutrition</u>										
Number of Acres Maintained	515	515	590	590	590	555	695	695	695	695
Number of Meals Served	27,572	31,289	29,336	31,547	35,994	36,013	30,696	33,709	36,945	38,873
<u>Coliseum, Auditorium, Convention Center</u>										
Number of Events-Coliseum	31	26	35	109	39	140	128	141	124	134
Number of Events-Convention Center	123	72	144	361	480	396	602	449	546	448

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									
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
<u>Number of Fire Stations</u>	8	8	8	8	8	8	8	8	8	8
<u>Public Works</u>										
Miles of Streets	1,182	1,180	1,169	1,183	1,178	1,689	1,160	1,149 *	707	539
Miles of Alleys	114	112	112	175	174	174	173	287	283	205
Number of Street Lights	5,721	5,781	5,646	5,520	5,536	5,536	5,446 **	7,212	7,194	7,214
<u>Water</u>										
Miles of Water Mains	800	808	797	789	757	752	756	754	750	672
Number of Fire Hydrants	3,203	3,192	3,155	3,101	3,090	3,051	3,036	3,030	2,965	2,933
<u>Sewer</u>										
Miles of Storm Sewers	14	17	17	14	14	14	16	13	13	5
Miles of Sanitary Sewers	512	516	502	491	491	489	484	484	481	471
<u>Parks</u>										
Number of Acres	515	515	590	590	590	555	555	555	555	695
Number of Playgrounds	16	16	16	16	17	18	18	18	18	26
Number of Tennis Courts	15	15	16	16	17	18	18	18	18	20
Number of Recreation Centers	5	5	5	5	5	5	5	5	5	5
Number of Sports Complexes	6	6	6	6	7	7	7	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



ARMSTRONG BACKUS & CO., LLP

Certified Public Accountants

CITY OF SAN ANGELO, TEXAS

Single Audit Report

For the Year Ended September 30, 2021



515 West Harris Avenue • Post Office Box 71 • San Angelo, Texas 76902-0071

Phone (325) 653-6854 • Fax (325) 655-5857 • www.armstrongbackus.com

CITY OF SAN ANGELO, TEXAS

Single Audit Report

For the Year Ended September 30, 2021

Table of Contents

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Audit Standards</i>	1-2
Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	3-5
Schedule of Expenditures of Federal Awards	6-7
Notes to the Schedule of Expenditures of Federal Awards	8
Schedule of Findings and Questioned Costs	9-10
Status of Prior Audit Findings	11
Corrective Action Plan	12



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, 2021, 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 March 25, 2022.

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.

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. However, as described in the accompanying Schedule of Findings and Questioned Costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weakness may exist that have not been identified.

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
March 25, 2022





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, 2021. 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.

An independently owned member
RSM US Alliance



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, 2021.

Other Matters

The results of our procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion on each major federal program is not modified with respect to these matters.

City of San Angelo's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. City of San Angelo's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a material weakness.



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, 2021, and have issued our report thereon dated March 25, 2022, 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
March 25, 2022



CITY OF SAN ANGELO, TEXAS

Schedule of Expenditures of Federal Awards

For the Year Ended September 30, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Entity	Grant Number	Assistance Number	Pass-Through Entity Identifying Listing	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)	City of San Angelo	HHS000806000001	10.557	529	\$ 874,564	\$ -0-
Total U.S. Department of Agriculture					<u>\$ 874,564</u>	<u>\$ -0-</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
<i>Direct Programs:</i>						
CDBG - Entitlement Grants Cluster	City of San Angelo	B-19-MC-48-0025	14.218	n/a	\$ 70,099	\$ -0-
CDBG - Entitlement Grants Cluster	City of San Angelo	B-20-MC-48-0025	14.218	n/a	618,029	-0-
CDBG - Entitlement Grants Cluster	City of San Angelo	B-20-MW-48-0025	14.218	n/a	257,914	-0-
					<u>\$ 946,042</u>	<u>\$ -0-</u>
HOME Investment Partnership Program	City of San Angelo	M19-MC-48-0224	14.239	n/a	\$ 132,722	\$ 106,163
HOME Investment Partnership Program	City of San Angelo	M20-MC-48-0224	14.239	n/a	141,874	112,012
					<u>\$ 274,596</u>	<u>\$ 218,175</u>
Rapid Rehousing	City of San Angelo	TX0576L6T071900	14.267	n/a	\$ 75,543	\$ 56,322
<i>Passed-Through the Texas Department of Housing and Community Affairs:</i>						
Continuum of Care Program	City of San Angelo	B-20-DW-48-0001	14.228	332	\$ 197,919	\$ 172,369
Total U.S. Department of Housing and Urban Development					<u>\$ 1,494,100</u>	<u>\$ 446,866</u>
U.S. DEPARTMENT OF TRANSPORTATION						
<i>Direct Programs:</i>						
Airport Improvement Program	City of San Angelo	3-48-0191-038-2018	20.106	n/a	\$ 832	\$ -0-
Airport Improvement Program	City of San Angelo	3-48-0191-039-2019	20.106	n/a	683,239	-0-
Airport Improvement Program	City of San Angelo	3-48-0191-040-2019	20.106	n/a	3,500	-0-
Airport Improvement Program	City of San Angelo	3-48-0191-041-2019	20.106	n/a	676,341	-0-
Airport Improvement Program	City of San Angelo	3-48-0191-042-2021	20.106	n/a	354,549	-0-
Airport Improvement Program	City of San Angelo	3-48-0191-043-2021	20.106	n/a	17,719	-0-
					<u>\$ 1,736,180</u>	<u>\$ -0-</u>
<i>Passed-Through the Texas Department of Transportation:</i>						
Airport Improvement Program	City of San Angelo	M2107MATH	20.106	601	50,000	-0-
					<u>\$ 1,786,180</u>	<u>\$ -0-</u>
<i>Passed-Through the Texas Department of Transportation:</i>						
Highway Planning and Construction Cluster	City of San Angelo	50-21XF0014	20.205	601	\$ 243,881	\$ -0-
Highway Planning and Construction Cluster	City of San Angelo	0907-24-048	20.205	601	1,098,110	-0-
					<u>\$ 1,341,991</u>	<u>\$ -0-</u>
Total U.S. Department of Transportation					<u>\$ 3,128,171</u>	<u>\$ -0-</u>
U.S. DEPARTMENT OF JUSTICE						
<i>Direct Programs:</i>						
COPS Hiring Program	City of San Angelo	2020-UM-WX-0218	16.710	n/a	\$ 226,939	\$ -0-
Coronavirus Emergency Supplemental Funding	City of San Angelo	2020-VD-BX-0208	16.034	n/a	59,173	-0-
					<u>\$ 286,112</u>	<u>\$ -0-</u>
JAG 2020 SAPD Equatruue Maintenance Renewal	City of San Angelo	2020-DJ-BX-0826	16.738	n/a	\$ 22,859	\$ -0-
<i>Passed-Through the Texas Office of the Governor:</i>						
Justice Assistance Grant - Suppression Vehicle	City of San Angelo	3947701	16.738	300	42,046	-0-
					<u>\$ 64,905</u>	<u>\$ -0-</u>
Total U.S. Department of Justice					<u>\$ 351,017</u>	<u>\$ -0-</u>
U.S. DEPARTMENT OF TREASURY						
<i>Passed-Through the Texas Division of Emergency Management:</i>						
Coronavirus Relief Fund (CRF)	City of San Angelo	OIG-CA-20-029	21.019	575	\$ 5,488,670	\$ -0-
Total U.S. Department of Homeland Security					<u>\$ 5,488,670</u>	<u>\$ -0-</u>
U.S. DEPARTMENT OF COMMERCE						
<i>Direct Programs:</i>						
Industrial Park Infrastructure Expansion	Development Corporation	08-01-05227	11.300	n/a	\$ 1,186,271	\$ -0-
Total U.S. Department of Commerce					<u>\$ 1,186,271</u>	<u>\$ -0-</u>
U.S. DEPARTMENT OF THE INTERIOR						
<i>Direct Programs:</i>						
Twin Buttes Reservoir Fishing Dock	City of San Angelo	R20AC00123	15.524	n/a	\$ 47,084	\$ -0-
<i>Passed-Through the Texas Parks and Wildlife:</i>						
Fish and Wildlife Cluster	City of San Angelo	F16AF00481	15.605	802	\$ 499,500	\$ -0-
<i>Passed-Through the Texas Historical Commission:</i>						
Historical District Grant	City of San Angelo	TX-20-10029	15.904	808	\$ 18,369	\$ -0-
Total U.S. Department of the Interior					<u>\$ 564,953</u>	<u>\$ -0-</u>
U.S. DEPARTMENT OF HOMELAND SECURITY						
<i>Direct Programs:</i>						
Staffing for Adequate Fire and Emergency Response (SAFER)	City of San Angelo	EMW-2017-FH-00227	97.083	n/a	\$ 317,290	\$ -0-
Law Enforcement Reimbursement Program	City of San Angelo	70T02020T9NSLR573	97.090	n/a	23,846	-0-
					<u>\$ 341,136</u>	<u>\$ -0-</u>
<i>Passed through the Texas Division of Emergency Management</i>						
Non-Congregate Sheltering	City of San Angelo	4485DRTXP000001	97.036	575	\$ 834,815	\$ -0-

CITY OF SAN ANGELO, TEXAS

Schedule of Expenditures of Federal Awards

For the Year Ended September 30, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Entity	Grant Number	Assistance Number	Pass-Through Entity Identifying Listing	Disbursements/Expenditures	Pass-Through Amount to Subrecipients
<i>Passed-Through the Texas Office of the Governor-Criminal Justice Division:</i>						
SWAT Night Vision Grant	City of San Angelo	3949701	97.067	300	\$ 29,242	\$ -0-
<i>Passed-Through the Texas Office of the Governor-Homeland Security Grants Division:</i>						
Fire Rehab Grant	City of San Angelo	3733701	97.067	300	38,750	-0-
					<u>\$ 67,992</u>	<u>\$ -0-</u>
Total U.S. Department of Homeland Security					<u>\$ 1,243,943</u>	<u>\$ -0-</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
<i>Direct Programs:</i>						
Preventative Health and Health Services Block Grant (RLSS)	City of San Angelo	HHS001029000001	93.991	n/a	\$ 7,166	\$ -0-
<i>Passed through the Texas Department of State Health Services:</i>						
Preventative Health and Human Services Block Grant (RLSS)	City of San Angelo	HHS001029000001	93.991	537	102,199	-0-
CPS/COVID-19	City of San Angelo	HHS000771900001	93.991	537	164,572	-0-
					<u>\$ 273,937</u>	<u>\$ -0-</u>
<i>Passed through the Texas Department of State Health Services:</i>						
CPS Hazards / Public Health Emergency Preparedness (PHEP)	City of San Angelo	537-18-0136-00001	93.069	537	98,000	-0-
Public Health Workforce	City of San Angelo	HHS001078800001	93.354	537	6,471	-0-
					<u>\$ 104,471</u>	<u>\$ -0-</u>
Total U.S. Department of Health and Human Services					<u>\$ 378,408</u>	<u>\$ -0-</u>
Total Federal Expenditures					<u>\$ 14,710,097</u>	<u>\$ 446,866</u>

CITY OF SAN ANGELO, TEXAS

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended September 30, 2021

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, 2021. 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 elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

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 \$446,866. 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	\$218,175
Rapid Rehousing	14.267	\$ 56,322
Continuum of Care Program	14.228	\$172,369

NOTE D: OUTSTANDING LOANS

The City has provided loans through the HOME Investment Partnership Program. The outstanding balance of loans at September 30, 2021 was \$90,233.

CITY OF SAN ANGELO, TEXAS

Schedule of Findings and Questioned Costs

For the Year Ended September 30, 2021

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? No

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)? Yes

Identification of major programs:

CFDA # 11.300 – Economic Development Cluster

CFDA # 20.205 – Highway Planning and Construction Cluster

CFDA # 21.019 – Coronavirus Relief Fund

CFDA # 97.036 – Disaster Grants – Public Assistance

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

None

CITY OF SAN ANGELO, TEXAS

Schedule of Findings and Questioned Costs

For the Year Ended September 30, 2021

III. Findings and Questioned Costs for Federal Awards

2021-001: Major Program Not Captured on Schedule of Findings and Questioned Costs

Type of Finding: Internal Control over Compliance (Material Weakness)

Criteria: 2 CFR Section 200 requires that the Schedule of Expenditures of Federal Awards report all expenditures of the government expended in the year under audit.

Condition: A major program was not included in the Schedule of Expenditures of Federal Awards and was identified as a Federal program.

Cause: The Federal program was administered by the City's discretely presented component unit and its applicability to the Schedule of Expenditures of Federal Awards was not identified until the audit was nearing completion.

Effect: The original Schedule of Expenditures of Federal Awards did not originally include a major program and was not included in the original major program determination.

Context: Because this program was major and has not been audited in the prior two years, it was mandatory that this program be tested as a major program.

Recommendation: The City should centralize all Federal programs to ensure completeness and compliance throughout the year and when the Schedule of Expenditures of Federal Awards is populated.

View of Responsible Officials: See Corrective Action Plan.



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, 2021

Findings Relating to the Financial Statements

2020-001 Investment Allocation

Recommendation: The City should reconcile, at least annually, the investment accounts reported on the investment statements to the general ledger to ensure investment balances are properly stated.

Corrective Action: Assistant Director of Finance, Ryan Gaddy: City staff will annually reconcile investment statements to the general ledger to ensure one-time investment transfers will be properly recorded on a fund level.

Status: Corrected. Investment statements were reconciled to the general ledger on a monthly basis and fair market value adjustments were recorded at the end of the fiscal year.

2020-002 Combined Cash Reconciliation

Recommendation: The City should reconcile, on a timely basis, the combined cash accounts reported on the combined funds bank statement to the general ledger to ensure cash balances are properly stated.

Corrective Action: Assistant Director of Finance, Ryan Gaddy: City staff will allocate and train additional staff resources to reconcile the combined funds bank statement to the general ledger on a more timely basis.

Status: Partially corrected. The Accounting department experienced turnover that required staffing and training for the replacement of the individual who had been assisting in the reconciliation. The corrective action continues to be implemented.



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, 2021

Findings Relating to Compliance

2021-001 Major Program Not Captured on Schedule of Findings and Questioned Costs

Corrective Action: Assistant Director of Finance, Ryan Gaddy: City staff has hired a Grant Accountant who is involved with grant activity on a daily basis. At the beginning of the audit, the Grant Accountant will retrieve a listing of grants from the general ledger revenues and expenditures accounts to ensure all grants are identified, including those for the Development Corporation.



REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



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

Meeting Date: May 3, 2022

Item type: Regular Item

Caption:

San Angelo Chamber of Commerce Economic Development - 2021 Report (Presentation made by Chamber Vice President of Economic Development Michael Looney)

Staff Recommendation:

Summary/History:

Annual update on the Chamber's Economic Development activities.

Funding Source(s):

Financial Impact:

N/A

Other Information/Recommendation:

N/A

Attachments:

Presentation:

Michael Looney

Approvals/Reviews:

Julia Antilley

Theresa James

Julia Antilley

Created/Initiated

Approved

Final Approval

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



Requestor: Bryan Kendrick, Director of Human Resources/Risk Management, Human Resources/Risk Management, 325-657-4221

Meeting Date: May 3, 2022

Item type: Regular Item

Caption:

Discussion and consideration of the following items related to the Property Casualty Fund:

1. Discussion on the impact of the Recent Claims History and the related increase in the premium contribution to the Texas Municipal League Intergovernmental Risk Pool
2. First public hearing and introduction of an ordinance amending the budget for fiscal year October 1, 2021 and ending September 30, 2022 for a one-time transfer of \$480,000 from the Worker's Compensation Fund to the Property Casualty Fund (Presentation made by Risk Manager Charles Hagen)

Staff Recommendation:

Direction from Council

Summary/History:

Within the Property Casualty Fund (Fund 320) this year, there has been a confluence of events that have depleted the fund balance and staff is recommending a transfer from the Worker's Compensation Fund. Below is a brief list of items that have impacted the fund:

- The re-rating of the premium contribution to the Texas Municipal League Intergovernmental Risk Pool (TMLIRP) resulted in an annual increase of \$137,403. This is primarily due to the catastrophic weather events over the last several years that have impacted much of the vehicle fleet as well as many of the buildings that are self-insured. Though everything but the deductible on these catastrophic events is covered by TMLIRP, just like with any insurance premium, high activity eventually brings an increase to the premiums.
- Automobile Accidents both internally with City Staff and externally with City Infrastructure (e.g. Traffic Lights) along with other covered property damage. Though we try to recover actual costs (particularly on traffic signals), the liability limits on policies often keep our recovery at less than the costs to the city. Excess costs for Traffic Signal Costs in the last year alone were \$137,543.
- Law Enforcement Liability Lawsuits estimated at over \$300k in current liability (e.g. Miller, Strack, and Chaparro)

NOTE: The Budget Amendment is not intended to fund all of these items, but it will allow the fund to remain solvent through the end of the fiscal year.

During the budget season, staff will be bringing a different approach to Fund 320 by reworking the transfers from departments based on a methodology that employs charges based on activity as well as covered buildings/equipment. In the past, all charges were based on buildings only.

Funding Source(s):

Fund:	Account:	Project Number:	Amount Budgeted:
320 Property Casualty			\$480,000
330 Worker's Compensation			-\$480,000

Financial Impact:

The related Budget Amendment is to transfer \$480,000 from the Worker's Compensation Fund to the Property Casualty Fund.

Other Information/Recommendation:

Staff Recommends approving the related Budget Amendment to transfer funding.

Attachments:

- | | |
|----------------------------|-------------------------------|
| 1. Budget Amendment - Memo | Property Casualty BA Memo.pdf |
| 2. 2022 05.03 Ordinance | 2022 05.03 Ordinance.docx |

Presentation:

Charles Hagen

Approvals/Reviews:

Bryan Kendrick	Created/Initiated
Theresa James	Approved
Kimberly Holle	Approved
Jeffrey Tomlinson	Approved
Tina Dierschke	Approved
Julia Antilley	Final Approval

Memo

To: Tina Dierschke, Finance Director
From: Charles Hagen, Risk Manager
Date: 05/03/2022
Re: Budget Amendment Request

Purpose of Budget Amendment Request:

The Property Casualty fund has been impacted by contribution increases, traffic light replacements, law enforcement liability lawsuits, etc.

Source of Funding:

A one time transfer from the Workers Compensation Fund to the Property Casualty Fund

Funding previously approved? If so, by City Manager or City Council and when?

Discussions have been ongoing with the City Manager though no formal approval

Project/Budget to be amended	Revenue	Expense
Works Compensation Fund		480,000
Property Casualty Fund	480,000	480,000

Additional Comments:

Within the Property Casualty Fund this year, there has been a confluence of events that have depleted the fund balance and staff is recommending a transfer from the Worker's Compensation Fund.

AN ORDINANCE OF THE CITY OF SAN ANGELO AMENDING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021, AND ENDING SEPTEMBER 30, 2022, FOR UNPLANNED EXPENDITURES.

WHEREAS, the City of San Angelo has determined that certain budgeted amounts should be amended due to purchases, and

WHEREAS, the resources necessary for these changes are available.

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

The City's budget for fiscal year 2021-2022 be amended by the amounts contained in **Exhibit "A"**.

INTRODUCED with public hearing on the 5th day of May 2022, and finally PASSED on this 15th day of May 2022.

ATTEST:

THE 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

Exhibit A

**City of San Angelo
Proposed Budget Amendment**

Fund	Total Revenue Amendment	Total Expense Amendment	Net Benefit/(Cost)
Property Casualty Fund		960,000	(960,000)
Workers Compensation Fund	480,000		480,000
	\$480,000	\$960,000	\$(480,000)

City of San Angelo
Proposed Budget Amendment
Additional Information

Project/Need	Source of Funding	Revenue	Expense	Net Benefit/(Cost)
Impacts to the Property Casualty Fund	Workers Compensation Fund	480,000	960,000	(480,000)
		\$480,000	\$960,000	\$(480,000)

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



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

Meeting Date: May 3, 2022

Item type: Regular Item

Caption:

First reading and public hearing of an ordinance readopting Chapter 8 "Offenses and Nuisances," Article 8.07 "Minors," Division 2 "Curfew" of the Code of Ordinances of the City of San Angelo (Presentation made by Assistant Police Chief Tracy Fincher)

Staff Recommendation:

Adopt

Summary/History:

The City of San Angelo initially adopted a curfew for minors in 1996. As provided for in the ordinance, every third year, the ordinance shall be reviewed for re-adoption, abolishment, and/or modification.

A current review of relevant statistics maintained by the police department indicates that the curfew for minors is a relevant and useful ordinance to assist the police department in fulfilling its duties and responsibilities to uphold public peace and order.

Staff recommends re-adoption of the curfew ordinance with no modification or change.

Funding Source(s):

Financial Impact:

None

Other Information/Recommendation:

Attachments:

- | | |
|--|--------------------------------|
| 1. Ordinance - 2022 Readoption of Curfew | 2022 Readoption of curfew.docx |
|--|--------------------------------|

Presentation:

Tracy Fincher

Approvals/Reviews:

David Howard
Frank Carter

Created/Initiated
Approved

Theresa James
Julia Antilley

Approved
Final Approval

AN ORDINANCE READOPTING CHAPTER 8, "OFFENSES AND NUISANCES," ARTICLE 8.07, "MINORS", DIVISION 2 "CURFEW" OF THE CITY OF SAN ANGELO; DEFINING TERMS; CREATING OFFENSES FOR MINORS, PARENTS AND GUARDIANS OF MINORS AND BUSINESS ESTABLISHMENTS VIOLATING CURFEW REGULATIONS; PROVIDING DEFENSES; PROVIDING FOR ENFORCEMENT BY THE POLICE DEPARTMENT; PROVIDING FOR REVIEW OF THIS ORDINANCE WITHIN THREE (3) YEARS AFTER THE DATE OF ADOPTION; PROVIDING A PENALTY; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of San Angelo has conducted public hearings and heard a presentation by the San Angelo Police Department confirming the effectiveness of the juvenile nighttime curfew; and

WHEREAS, based on this information, the City Council has determined to readopt said curfew ordinance;

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

1) THAT, Chapter 8, Article 8.07, Division 2 of the Code of Ordinances of the City of San Angelo, Texas is hereby continued to read as follows:

"DIVISION 2. CURFEW

Sec. 8.07.031 Definitions

The following words, terms and phrases when used in this article shall have the meanings ascribed to them in this section, unless the context of their usage clearly indicates another meaning:

Emergency. An unforeseen combination of circumstances or the resulting state that calls for immediate action. The term includes, but is not limited to, a fire, a natural disaster, or automobile accident, or any situation requiring immediate action to prevent serious bodily injury or loss of life.

Establishment. Any privately owned place of business operated for a profit to which the public is invited, including but not limited to any place of amusement or entertainment.

Guardian.

- (1) A person who, under court order, is the guardian of the person of a minor; or
- (2) A public or private agency with whom a minor has been placed by a court.

Minor. Any person under 17 years of age.

Operator. Any individual, firm, association, partnership, or corporation, operating, managing, or conducting any establishment. The term includes the members or partners of an association or partnership and the officers of a corporation.

Parent. A person who is:

- (1) A natural parent, adoptive parent, or stepparent of another person; or
- (2) At least 18 years of age and authorized by a parent or guardian to have the care and custody of a minor.

Public place. Any place to which the public or a substantial group of the public has access and includes, but is not limited to, streets, highways, and the common areas of schools, hospitals, apartment houses, office buildings, transport facilities, and shops.

Remain. To:

- (1) Linger or stay; or
- (2) Fail to leave premises when requested to do so by a peace officer or the owners, operator, or other person in control of the premises.

Serious bodily injury. Bodily injury that creates a substantial risk of death or that causes death, serious permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ.

Sec. 8.07.032 Offenses

- (a) It shall be unlawful for any minor to knowingly remain, walk, run, stand, drive or ride about, in or upon any public place in the city between the hours of:
 - (1) 11:00 p.m. Sunday evening and 6:00 a.m. Monday morning;
 - (2) 11:00 p.m. Monday evening and 6:00 a.m. Tuesday morning;
 - (3) 11:00 p.m. Tuesday evening and 6:00 a.m. Wednesday morning;
 - (4) 11:00 p.m. Wednesday evening and 6:00 a.m. Thursday morning;
 - (5) 11:00 p.m. Thursday evening and 6:00 a.m. Friday morning;
 - (6) 12:01 a.m. Saturday morning and 6:00 a.m. Saturday morning; and
 - (7) 12:01 a.m. Sunday morning and 6:00 a.m. Sunday morning.
- (b) A parent or guardian of a minor commits an offense if he knowingly permits, or by insufficient control allows, the minor to remain in any public place or on the premises of any establishment within the city during curfew hours.
- (c) The owner, operator, or any employee of an establishment commits an offense if he knowingly allows a minor to remain upon the premises of the establishment during curfew hours.

Sec. 8.07.033 Defenses

- (a) It is a defense to prosecution under section 8.07.032 that the minor was:
 - (1) Accompanied by the minor's parent or guardian;
 - (2) On an errand at the direction of the minor's parent or guardian, without any detour or stop;
 - (3) In a motor vehicle involved in interstate travel;
 - (4) Engaged in an employment activity, or going to or returning home from an employment activity, without any detour or stop;

- (5) Involved in an emergency;
 - (6) On the sidewalk abutting the minor's residence or abutting the residence of a next-door neighbor if the neighbor did not complain to the police department about the minor's presence;
 - (7) Attending an official school, religious, or other recreational activity supervised by adults and sponsored by the city, a civic organization, or another similar entity that takes responsibility for the minor, or going to or returning home from, without any detour or stop, an official school, religious, or other recreational activity supervised by adults and sponsored by the city, a civic organization, or another similar entity that takes responsibility for the minor;
 - (8) Exercising First Amendment rights protected by the United States Constitution, such as the free exercise of religion, freedom of speech, and the right of assembly;
 - (9) Married or had been married or had disabilities of minority removed in accordance with chapter 31 of the Texas Family Code; or
- (b) It is a defense to prosecution under section 8.07.032(c) that the owner, operator, or employee of an establishment promptly notified the police department or a peace officer, that a minor was present on the premises of the establishment during curfew hours and refused to leave.

Sec. 8.07.034 Enforcement

Before taking any enforcement action under this article, a peace officer shall ask the apparent offender's age and reason for being in the public place. The officer shall not issue a citation or make an arrest under this article unless the officer reasonably believes that an offense has occurred and that, based on any response and other circumstances, no defense in section 8.07.033 is present

Sec. 8.07.035 Children taken into custody for violation of juvenile curfew

As provided by state law:

- (1) A peace officer taking a minor into custody for violation of this article shall, without unnecessary delay:
 - (A) Release the minor to the minor's parent, guardian, or custodian;
 - (B) Take the minor before a municipal or justice court to answer the charge; or
 - (C) Take the minor to a place designated as a juvenile curfew processing office by the chief of police.
- (2) The juvenile curfew processing office shall observe the following procedures:
 - (A) The office shall be an unlocked, multipurpose area that is not designated, set aside, or used as a secure detention area or part of a secure detention area;
 - (B) The minor will not be secured physically to a cuffing rail, chair, desk or stationary object;

- (C) The minor will not be held longer than necessary to accomplish the purposes of identification, investigation, processing, release to parents, guardians, or custodians, and arrangement of transportation to school or court;
- (D) A juvenile curfew processing office will not be designated or intended for residential purposes;
- (E) The minor shall be under continuous visual supervision by a peace officer or other person during the time the minor is in the juvenile curfew processing office; and
- (F) A minor will not be held in a juvenile curfew processing office for more than six hours.

Sec. 8.07.036 Penalty

A person who violates a provision of this division is guilty of a separate offense for each day or part of a day during which the violation is committed, continued, or permitted. Each offense, upon conviction, is punishable by a fine in accordance with the general penalty provision found in section 1.01.009.

Sec. 8.07.037 Review

Within three years of the date of adoption of this division, and every third year thereafter, the city council shall:

- (1) Review the division's effects on the community and on problems which the division was intended to remedy;
- (2) Conduct public hearings on the need to continue the division; and
- (3) Abolish, continue or modify the division."

2) THAT, the following severability clause is adopted with this ordinance:

SEVERABILITY:

That 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.

3) THAT, this Ordinance shall be effective on, from and after the date of its adoption.

INTRODUCED with public hearing on the 3rd day of May, 2022 and finally
PASSED, APPROVED and ADOPTED on this the 17th day of May, 2022.

CITY OF SAN ANGELO

Brenda Gunter, Mayor

Julia Antilley, City Clerk

APPROVED AS TO FORM:

Theresa James, City Attorney

REPORT TO MAYOR & MEMBERS OF CITY COUNCIL



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

Meeting Date: May 3, 2022

Item type: Regular Item

Caption:

First reading and public hearing of an ordinance amending Chapter 2 "Administration and Personnel," Article 2.07 "Boards, Committees, and Commissions," regarding:

1. Section 2.07.001 "Organization and Procedure" clarifying the Conflict of Interest provision
2. Section 2.07.061 "Creation; members" clarifying the recent change to dividing the River Corridor into three areas (Presentation made by City Clerk Julia Antilley)

Staff Recommendation:

Approve

Summary/History:

1. In 2020 the City Council modified the General provisions for boards to include a Conflict of Interest provision that disallows members of organizations that receive city funding from serving on COSADC. There are multiple entities that currently accept funding from the Development Corporation/City of San Angelo while members of their staff/board serve on the Economic Development Board. Updating this provision will only disallow organizations from accepting city funds if there is a "board member" conflict, not just a "member" of an organization.
2. Several years ago the River Corridor was split into the River Corridor, Downtown District, and Cultural District areas. The board provisions assigning the makeup of the board was never updated to reflect these three areas that were once the River Corridor. This change will allow the code to reflect the three areas that were once the River Corridor.

Funding Source(s):

Financial Impact:

N/A

Other Information/Recommendation:

N/A

Attachments:

1. 2022-05-03 (6e) Ordinance #2022-0xx Chapter 2 Board Provisions 2022-05-03 (6e) Ordinance #2022-0xx Chapter 2 Board Provisions.docx

Presentation:

Julia Antilley

Approvals/Reviews:

Julia Antilley
Theresa James
Julia Antilley

Created/Initiated
Approved
Final Approval

AN ORDINANCE AMENDING THE CODE OF ORDINANCES FOR THE CITY OF SAN ANGELO, TEXAS BY AMENDING CHAPTER 2 “ADMINISTRATION AND PERSONNEL”, ARTICLE 2.07 “BOARDS, COMMITTEES, AND COMMISSIONS” DIVISION 1 “GENERALLY”, SECTION 2.07.001“ORGANIZATION AND PROCEDURE”, SUBSECTION 5 “CONFLICT OF INTEREST”; DIVISION 5 “DESIGN AND HISTORIC REVIEW COMMISSION”, SECTION 2.07.061 “CREATION; MEMBERS”; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE

BE IT ORDAINED BY THE CITY OF SAN ANGELO:

- 1) **THAT**, Chapter 2, Article 2.07, Division 1, Section 2.07.001(5) “Conflict of interest” is hereby amended to read as follows:

“(5) Conflict of interest.

- (A) No member of the board shall participate in any case in which he or she has financial or personal interest in the property concerned, or will be directly affected by the decision, or has any other conflict of interest as defined by applicable law. The determination of "substantial" interest in a business entity, as well as rules affecting participation of board members in cases affected thereby, are described in chapter 171 of the Texas Local Government Code, as amended.
- (B) No member of the city council, or person related to a councilmember within the second degree by consanguinity or affinity, shall be eligible for a grant or assistance from any board during his/her tenure or for six months thereafter.
- (C) None of the following persons or entities shall be eligible for a grant or assistance from any board during his/her tenure or for six months thereafter, nor shall they have received a grant or assistance in the six months prior to their tenure.
 - 1) The member of the board;
 - 2) A person related to a board member within the second degree by consanguinity or affinity;
 - 3) A legal entity owned by or under the control of the board member or for which the board member serves as an **officer or director**;
 - 4) A legal entity owned by or under the control of a person related to the board member within the second degree by consanguinity or affinity or for which such person serves as an **officer or director**.
- (D) For a period equal to a term on the board, after accepting funds for an approved project, the following persons are ineligible to serve on any board/commission:
 - 1) A person that has accepted funds for an approved project;
 - 2) A person related within the second degree by consanguinity or affinity to a person that has accepted funds for an approved project;
 - 3) A person who is an **officer or director** or in control of a legal entity that has accepted funds for an approved project;
 - 4) A person who is related within the second degree by consanguinity or affinity to an **officer, director, or party** in control of a legal entity that has accepted funds for an approved project.

- (E) No employee of the department associated with the board, or person related to an employee or supervisor of this department within the second degree by consanguinity or affinity, shall be eligible for assistance from the board during his/her employment or for six months thereafter
- (F) A member may disqualify himself/herself from voting whenever any requestor, or his/her agent, has sought to influence the vote of the member in any setting, other than in the public meeting."

2) THAT, Chapter 2, Article 2.07, Division 5, Section 2.07.061 "Creation; members" subdivision (c)(3) is hereby amended to read as follows:

"(3) At least one member shall be an owner of real property within the river corridor, downtown district, or cultural district;"

3) THAT, all remaining provisions not amended by this ordinance remain in full force and effect.

4) THAT, the following severability clause is hereby adopted with this amendment:

SEVERABILITY:

That 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.

5) THAT, this Ordinance shall be effective on, from, and after the date of its passage and publication as required by law.

INTRODUCED on the 3rd day of May, 2022, and finally **PASSED, APPROVED** and **ADOPTED** on this the 17th day of May, 2022.

CITY OF SAN ANGELO

ATTEST:

Brenda Gunter, Mayor

Julia Antilley, City Clerk

Approved as to Form:

Theresa James, City Attorney