



CITY COUNCIL REGULAR MEETING

Monday, April 08, 2024 at 6:30 PM
City Council Chambers | 202 N. Virginia Street, Port Lavaca TX 77979

PUBLIC NOTICE OF MEETING

The following item will be addressed at this or any other meeting of the city council upon the request of the mayor, any member(s) of council and/or the city attorney:

Announcement by the mayor that council will retire into closed session for consultation with city attorney on matters in which the duty of the attorney to the city council under the Texas disciplinary rules of professional conduct of the state bar of Texas clearly conflicts with the open meetings act (title 5, chapter 551, section 551.071(2) of the Texas government code).

(All matters listed under the consent agenda item are routine by the city council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately.)

AGENDA

Council will consider/discuss the following items and take any action deemed necessary.

MEETING PROCEDURE

Public notice is hereby given that the City Council of the City of Port Lavaca, Texas, will hold a regular meeting Monday, April 08, 2024 beginning at 6:30 p.m., at the regular meeting place in Council Chambers at City Hall, 202 North Virginia Street, Port Lavaca, Texas to consider the following items of business.

[After publication, any information in a council packet is subject to change during the meeting]

The meeting will also be available via the video conferencing application "Zoom",

Join Zoom Meeting:

<https://us02web.zoom.us/j/81192583057?pwd=U2JMSUk4emVlTGlpYzZlTWU1GZzc0Zz09>

Meeting ID: 811 9258 3057

Passcode:375447

One Tap Mobile

*+13462487799,,81793583407#,,, *995664# US (Houston)*

Dial by your location

+1346 248 7799 US (Houston)

I. ROLL CALL

II. CALL TO ORDER

III. INVOCATION

IV. PLEDGE OF ALLEGIANCE

V. PRESENTATION(S)

- o 20 Years Service to Cyndi Heysquierdo – Public Works Department

VI. COMMENTS FROM THE PUBLIC

(Limited to 3 minutes per individual unless permission to speak longer is received in advance. You may make public comments as you would at a meeting by logging on with your computer and using "Join Zoom Meeting" information on first page of this agenda).

VII. CONSENT AGENDA - Council will consider/discuss the following items and take any action deemed necessary

- [A.](#) Minutes of March 11, 2024 Regular Meeting
- [B.](#) Minutes of March 25, 2024 Special Meeting and Workshop Session
- [C.](#) Review of Credit Card Statement
- [D.](#) Receive Monthly Financial Highlight Report
- [E.](#) Receive Victoria Economic Development Corporation (VEDC) Monthly Report
- [F.](#) Receive Investment Report for Quarter ending March 31, 2024
- [G.](#) Ratify Engagement Letter from Pattillo, Brown & Hill, L.L.P. for Auditing Services of the City’s Financials for Fiscal Year ending September 30, 2023

VIII. ACTION ITEMS - Council will consider/discuss the following items and take any action deemed necessary

- [1.](#) Conduct Public Hearing in accordance with the City of Port Lavaca Code of Ordinances, Chapter 12 Buildings and Building Regulations, Article IV- Substandard Buildings, Section 12-291 - Notice (a) and (b), for the following properties listed:
 - (a) 617 S. Ann St.
 - (b) 126 Haviland
 - (c) 506 S. Virginia
 - (d) 306 W. Martin Luther King
 - (e) 227 Tommy Dr.
- [2.](#) Consider finding that the following properties listed, located in the City of Port Lavaca, Texas, are in violation of the City of Port Lavaca Code of Ordinances, Chapter 12 Buildings and Building Regulations, Article IV - Substandard Buildings, following a Public Hearing held on December 11, 2023. Presenter is Derrick Smith
 - (a) 617 S. Ann St.
 - (b) 126 Haviland
 - (c) 506 S. Virginia
 - (d) 306 W. Martin Luther King
 - (e) 227 Tommy Dr.

3. Consider approval of the Annual Comprehensive Financial Report (ACFR) for the Fiscal Year ending September 30, 2023, prepared by the Audit Firm of Pattillo, Brown & Hill, L.L.P. Presenter is Jody Weaver
4. Consider request from the Port Lavaca Events Committee for a variance to the Code of Ordinance CH 32 Parks and Recreation, Article IV Park Regulations, Sec. 32-72 Park Rules Established (7) Parking or Loitering in public parks after 11:00 p.m. is prohibited; (regarding operating hours of Bayfront Peninsula Park on June 14, 15, and 16, 2024). Presenter is Tania French
5. Consider request from the Port Lavaca Events Committee for a parade procession from George Adams Park to Bayfront Peninsula Park to celebrate Juneteenth, on Sunday, June 16, 2024, waiver of permit fees and assistance with traffic control. Presenter is Tania French
6. Consider First reading of an Ordinance (G-2-24) of the City of Port Lavaca amending the basic Traffic Control Devices Ordinance G-6-86, Section 3, by adding new street locations in Burkeshire, Marshall Meadow and Seagull Subdivisions; Repeal Clause and effective date. Presenter is Jody Weaver
7. Consider First reading of an Ordinance (G-3-24) of the City of Port Lavaca amending the Code of Ordinances, Appendix A - Fees, Rates and Changes; Chapter 50 Water basic rates; and providing an effective date. Presenter is Jody Weaver
8. Consider Resolution No. R-040824-1 of the City of Port Lavaca for the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funding (SLFRF) Financial Management Policies & Procedures. Presenter is Jody Weaver
9. Consider Resolution No. R-040824-2 of the City of Port Lavaca for the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funding (SLFRF) Standards of Conduct and Conflict-of-Interest (COI) Policy. Presenter is Jody Weaver
10. Consider Resolution No. R-040824-3 to adopt the Budgetary and Financial Management Policies for FY 2024-2025. Presenter is Jody Weaver
11. Consider Resolution No. R-040824-4 to approve the annual review of the City's Investment Policy and Strategy ending March 31, 2024. Presenter is Jody Weaver
12. Consider request of the Police Department to declare three (3) fleet vehicles as surplus and authorize the disposal of said vehicles by releasing to Enterprise Fleet Management to auction off. Presenter is Colin Rangnow
13. Consider approval of Change Order #4 of Community Development Block Grant – Disaster Relief (CDBG-DR) Phase 2 Streets and Drainage Improvement project in the amount of \$17,586.21. Presenter is Jody Weaver
14. Announcement by Mayor that City Council will retire into closed session:
 - For consultation with City Attorney on matters in which the duty of the Attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Open Meetings Act (Title 5, Chapter 551, Section 551.071(2) of the Texas Government Code). Presenter is Mayor Whitlow

- [15.](#) Return to Open Session and take any action deemed necessary with regard to matters in closed session. Presenter is Mayor Whitlow

IX. ADJOURNMENT

CERTIFICATION OF POSTING NOTICE

This is to certify that the above notice of a regular meeting of The City Council of The City of Port Lavaca, scheduled for **Monday, April 08, 2024**, beginning at 6:30 p.m., was posted at city hall, easily accessible to the public, as of **5:00 p.m. Wednesday, April 03, 2024**.

Mandy Grant, *City Secretary*

ADA NOTICE

The Port Lavaca City Hall and Council Chambers are wheelchair accessible. Access to the building is available at the primary north entrance facing Mahan Street. Special parking spaces are located in the Mahan Street parking area. In compliance with the Americans with Disabilities Act, the City of Port Lavaca will provide for reasonable accommodations for persons attending meetings. To better serve you, requests should be received 24 hours prior to the meetings. Please contact City Secretary Mandy Grant at (361) 552-9793 Ext. 230 for assistance.

COMMUNICATION

SUBJECT: Minutes of March 11, 2024 Regular Meeting

INFORMATION:



CITY COUNCIL REGULAR MEETING

Monday, March 11, 2024 at 6:30 PM

City Council Chambers | 202 N. Virginia Street, Port Lavaca TX 77979

MINUTES

STATE OF TEXAS §
COUNTY OF CALHOUN §
CITY OF PORT LAVACA §

On this the 11th day of March, 2024, the City Council of the City of Port Lavaca, Texas, convened in a regular session at 6:30 p.m. at the regular meeting place in Council Chambers at City Hall, 202 North Virginia Street, Port Lavaca, Texas, with the following members in attendance:

I. ROLL CALL

Jack Whitlow	Mayor
Daniel Aguirre	Councilman, District 1
Allen Tippit	Councilman, District 3
Jim Ward	Councilman, District 5
Ken Barr	Councilman, District 6

And with the following absent:

Tim Dent	Councilman, District 2
Rosie G. Padron	Councilwoman, District 4, Mayor Pro Tem

Constituting a quorum for the transaction of business, at which time the following business was transacted:

II. CALL TO ORDER

- Mayor Whitlow called the meeting to order at 6:30 p.m. and presided.

III. INVOCATION

- Councilman Ward gave the invocation.

IV. PLEDGE OF ALLEGIANCE

- Mayor Whitlow – Pledge of Allegiance.

V. PRESENTATION(S) BY THE MAYOR

- Proclamations by the Mayor
 - “Child Abuse Prevention Month” is April

VI. **COMMENTS FROM THE PUBLIC** - Limited to 3 minutes per individual unless permission to speak longer is received in advance. You may make public comments as you would at a meeting on Zoom by logging on with your computer and/or smart phone as described in the zoom invitation below or on Facebook Live through the comment section, which will be monitored and answered. As appropriate.

- Mayor asked for comments from the public and there were none.

VII. **CONSENT AGENDA** - Council will consider/discuss the following items and take any action deemed necessary.

- A. **Minutes of February 12, 2024 Regular Meeting**
- B. **Minutes of February 26, 2024 Special Meeting and Workshop Session**
- C. **Review of Credit Card Statement**
- D. **Receive Monthly Financial Highlight Report**
- E. **Receive Victoria Economic Development Corporation (VEDC) Monthly Report**
- F. **Ratify Prestige Oysters, Inc. Lease at City Harbor Tract 10**

Motion made by Councilman District 6 Barr

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

THAT, in accordance with recommendation of staff, Council hereby approves all consent agenda items as listed.

Seconded by Councilman District 5 Ward

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

VIII. **ACTION ITEMS** - (Council will consider/discuss the following items and take any action deemed necessary)

- 1. **Consider First and Final reading of an Ordinance No. S-1-24 authorizing the issuance of “City of Port Lavaca, Texas Combination Tax and Revenue Certificates of Obligation, Series 2024”; authorizing the Sale Thereof; and Enacting Provisions Incident and Related to the issuance of said Certificates. Presenter is Jody Weaver**

The following Financial and Legal representatives were in attendance:

- Gregory miller, Partner at Law with Bickerstaff Heath Delgado Acosta, LLP; and
- R. Dustin Traylor, Director Fixed Income Banking with RBC Capital Markets, LLC.

Motion made by Councilman District 5 Ward

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

THAT, in accordance with recommendation of staff, Council hereby approves an Ordinance (No. S-1-24) authorizing the issuance of “City of Port Lavaca, Texas Combination Tax and Revenue Certificates of Obligation, Series 2024”; authorizing the Sale Thereof; and Enacting Provisions Incident and Related to the issuance of said Certificates, on this its first and final reading, as presented.

Seconded by Councilman District 3 Tippit

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

2. **Consider request of the Texas Funeral Associates for use of the Bayfront Peninsula Park including the Large Pavilion for an Easter Egg Hunt event on Saturday, March 30, 2024 from 1:00 p.m. to 4:00 p.m. and also request waiver of regular fees associated with event. Presenter is Tania French**

Tania French, Events Coordinator advised Council that the Texas Funeral Associates has requested use of a portion of the grassy area of Bayfront Peninsula Park Saturday, March 30, 2024 from 1:00 p.m. to 4:00 p.m. for an Easter Egg Hunt. This event is open to the community and free of charge. This event will not interfere with normal operation of the park and does not conflict with the YMCA egg hunt earlier in the day. The group also requests use of the large Pavilion for a Hot-dog give-away and requests waiver of fees associated with this request.

Motion made by Councilman District 5 Ward

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

THAT, Council hereby approves request of the Texas Funeral Associates for use of the Bayfront Peninsula Park including the Large Pavilion for an Easter Egg Hunt event on Saturday, March 30, 2024 from 1:00 p.m. to 4:00 p.m. and also request waiver of regular fees associated with event.

Seconded by Councilman District 3 Tippit

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

3. **Consider amendment to City Council approved agenda item #3 at regular scheduled meeting on February 12, 2024 regarding closure of Main Street between Virginia and Commerce streets for the Iguana Fest event, revising the beginning time of 6:00 a.m. Saturday, April 06, 2024 to beginning at 12:01 a.m. Presenter is Tania French**

Tania French, Events Coordinator advised Council that at the February 12, 2024 regular council meeting, approval was given for the closure of Main Street between Virginia and Commerce Streets for the Iguana

Fest event. In the agenda item that was approved, we requested closure of the road beginning at 6 a.m. Since the approval, we encountered a logistical issue with the stage arrival. The staging company has several stages in use and for Eclipse events across the state. In order to deliver and set up our stage in time, the Upstage will need to begin set-up approximately six-hours earlier. We request that the road closure time be adjusted to 12:01 a.m. on April 6, 2024.

Motion made by Councilman District 3 Tippit

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

THAT, Council hereby approves amendment to City Council approved agenda item #3 at regular scheduled meeting on February 12, 2024 regarding closure of Main Street between Virginia and Commerce streets for the Iguana Fest event, revising the beginning time of 6:00 a.m. Saturday, April 06, 2024 to beginning at 12:01 a.m.

Seconded by Councilman District 5 Ward

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

4. **Consider recommendation of the Port Lavaca Events Committee to discontinue the annual Flip-Flop event and reallocate budgeted funds. Presenter is Tania French**

Tania French, Events Coordinator advised Council that the Port Lavaca Events Committee met February 01, 2024 and unanimously agreed to recommend to council that the City of Port Lavaca discontinue the annual Flip Flop Festival and budget those Hotel/Motel Tax dollars currently allocated for Flip Flop to other events.

Members of the committee present were:

- Tania French
- Jasmine Padierna
- Christine Pena
- Desiree Spears
- Schelly Bartels

It is our belief that the funds allocated to Flip Flop would be better utilized by earmarking them to the Special Events Other fund.

Upon reviewing past years, it is evident that the event has consistently faced challenges in terms of low turnout. One of the contributing factors appears to be the unpredictable weather conditions surrounding the event dates coupled with the lack of available hotel rooms. This has not only affected the overall success of our participation but has also raised concerns about the efficient use of our resources. After careful deliberation, we propose redirecting the funds allocated for this event to initiatives with more predictable outcomes and greater impact that better aligns with our commitment to responsible resource management. There was conversation of possibly establishing a Birding Festival event.

Motion made by Councilman District 5 Ward

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

THAT, Council hereby approves recommendation of the Port Lavaca Events Committee to discontinue the annual Flip-Flop event and reallocate budgeted funds.

Seconded by Councilman District 6 Barr

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

- 5. **Receive certification of City Secretary that the candidates for the Council Member At-Large Mayor Position and the Single District #2 position, in the May 04, 2024 General Officers Election, are unopposed. Presenter is Mandy Grant**

The following was presented by City Secretary Grant (English and Spanish):

I, Mandy Grant, certify that I am the City Secretary of the City of Port Lavaca, Texas and the authority responsible for preparing the ballot for the May 04, 2024 general city election.
(Yo, Mandy Grant, certifica que soy la secretaria de la ciudad de Port Lavaca, Texas y la autoridad responsable de preparar la balota para la elección general de la ciudad del 4 de Mayo de 2024).

I further certify that no proposition is to appear on the ballot for the May 04, 2024 election, no person has made a declaration of write-in candidacy, and the following candidates are unopposed:
(Certifico más lejos que no hay asunto aparecer en la balota para la elección del 4 de Mayo de 2024, ninguna persona he hecho un declaración de candidatura inscrita, y los candidatos siguientes son sin oposición):

OFFICE (CARGO)	CANDIDATE (CANDIDATO)
Council Member, Mayor <i>(Miembro de Consejo, Alcalde)</i>	Jack Whitlow
Council Member, District #2 <i>(Miembro de Consejo, Distrito #2)</i>	Tim Dent

No action necessary and none taken.

- 6. **Consider adopting an order canceling part of the May 04, 2024 General Officers Election, specifically the Council Member At-Large Mayor Position and the Single District #2 position; and declaring unopposed candidates, Jack Whitlow and Tim Dent, duly elected as Council Members. Presenter is Mandy Grant**

The following was presented by City Secretary Grant (English and Spanish):

The City Council of the City of Port Lavaca, Texas hereby cancels the election scheduled to be held on May 04, 2024 in accordance with Section 2.053(a) of the Texas Election Code. The following candidates have been certified as unopposed and are hereby declared elected:

(El Concejo Municipal de la Ciudad de Port Lavaca, Texas, cancela la elección programada para el 04 de mayo de 2024 de acuerdo con la Sección 2.053 (a) del Código Electoral de Texas. Los siguientes candidatos han sido certificados como no oponibles y por la presente se declaran electos):

CANDIDATE (CANDIDATO)	OFFICE (OFICINA)	TERM (TÉRMINO)
Jack Whitlow	Council Member, Mayor <i>(Miembro de consejo, Alcalde)</i>	2 years <i>2 años</i>
Tim Dent	Council Member, District #2 <i>(Miembro de consejo, distrito #2)</i>	3 years <i>3 años</i>

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

(Una copia de esta orden será fijada el día de elección en cada lugar de la interrogación que habría sido utilizado en la elección).

Motion made by Councilman District 5 Ward

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

THAT, in accordance with recommendation of staff, Council hereby approves an order canceling part of the May 04, 2024 General Officers Election, specifically the Council Member At-Large Mayor Position and the Single District #2 position; and declaring unopposed candidates, Jack Whitlow and Tim Dent, duly elected as Council Members.

Seconded by Councilman District 3 Tippit

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

- 7. **Consider Resolution No. R-031124-1E of the City of Port Lavaca to appoint Election Judges for the City’s General Officers Election held on the uniform date of May 04, 2024. Presenter is Mandy Grant**

Motion made by Councilman District 5 Ward

WHEREAS, in accordance with the City Charter of the City of Port Lavaca, the Texas Election Code and other applicable state and federal laws, the City Council of the City of Port Lavaca, Texas hereby has the authority to appoint the Election Officers for city elections.

WHEREAS, in addition, that the general officers' election has been ordered for Saturday, May 04, 2024 by Resolution #R-010824-1E adopted on January 08, 2024.

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

SECTION 1. THAT, in accordance with the Texas Election Code, a presiding judge and an alternate presiding judge must be appointed for each election precinct [EC §32.001(a)]. The role of the alternate judge is to serve as presiding judge for an election if the presiding judge cannot serve [EC §32.001(b)]. In an election conducted by the presiding judge, the alternate judge serves as one of the election clerks [EC §32.032].

SECTION 2. THAT, such election shall be conducted by the City of Port Lavaca, with Early Voting Days, Extended Hours for Early Voting day on a Saturday and the main Election Day voting to be at the following polling places designated for each City election district and the following citizens, registered to vote in the city, are hereby appointed Election Officers to conduct said election:

- All Polling Places: City of Port Lavaca
City Hall - Main Lobby
202 N. Virginia Street
Port Lavaca, Texas 77979
- Augustin Rojas Presiding Judge
- Janie Delgado Alternate Judge
- Michael Moehler Presiding Judge for the Early Voting Ballot Board
and the Central Counting Station
- Mary Lou Tharling Alternate Judge for the Early Voting Ballot Board
and the Central Counting Station

SECTION 3 THAT, the Office of the City Secretary of the City of Port Lavaca shall consist of the City Secretary and/or the Assistant City Secretary and shall perform all duties necessary to conduct the general officers' election.

SECTION 4. THAT, the Office of the City Secretary is hereby authorized and directed to provide a copy of the RESOLUTION to the judges as written notice of their appointment as required the Texas Election Code [EC §32.009].

If either the Presiding Judge or the Alternate Presiding Judge is unable to perform his/her assigned duties, the Office of the City Secretary is authorized to select an Acting Presiding or Acting Alternate Presiding Judge from the qualified Election Clerks, as needed.

SECTION 5. THAT, the Presiding Judge shall have the authority to appoint two (2) clerks to assist in the holding of such election. Said election officers shall also serve as the Early Voting Ballot Board (EVBB) for such election. The Central Counting Station will be in the City Hall Conference Room.

SECTION 6. THAT, the Election Judge(s) shall be compensated at an hourly rate of \$12.00; early voting clerks and election clerks shall be compensated at an hourly rate of \$11.00 as provided by the State Election Code [EC §32.091(a)].

SECTION 7. THAT, the City Secretary is hereby appointed the Elections Clerk for early voting; and the Assistant City Secretary is hereby appointed the Deputy Election Clerk for early voting in accordance with Section 83.001 *et seq.* of the Texas Election Code. The place for early voting days and election day is hereby designated as the City of Port Lavaca, City Hall - Main Lobby, 202 N. Virginia Street, Port Lavaca, Texas.

SECTION 8. THAT, the Mayor is authorized to sign Writ of Election to the Presiding Judge.

SECTION 9. THAT, this resolution shall be effective immediately upon adoption.

Seconded by Councilman District 6 Barr

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

8. **Consider Resolution No. R-031124-2 of the City of Port Lavaca declaring April as 2024 Fair Housing Month. Presenter is Jody Weaver**

Motion made by Councilman District 3 Tippit

WHEREAS Title VIII of the Civil Rights Act of 1968, as amended, prohibits discrimination in housing and declares it a national policy to provide, within constitutional limits, for fair housing in the United States; and

WHEREAS The principle of Fair Housing is not only national law and national policy, but a fundamental human concept and entitlement for all Americans; and

WHEREAS The National Fair Housing Law, during the month of April, provides an opportunity for all Americans to recognize that complete success in the goal of equal housing opportunity can only be accomplished with the help and cooperation of all Americans.

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

THAT, WE, do proclaim April as 2024 Fair Housing Month in the City and do hereby urge all the citizens of this locality to become aware of and support the Fair Housing law.

Seconded by Councilman District 5 Ward

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

9. **Consider Resolution No. R-031124-3 of the City of Port Lavaca appointing a Chief Appraiser to Calculate Taxes for the 2024 tax year. Presenter is Jody Weaver**

Motion made by Councilman District 3 Tippit

WHEREAS, the City of Port Lavaca has a tax assessor-collector who assesses and collects taxes for the City of Port Lavaca through an agreement dated November 9, 2015;

WHEREAS, according to Section 26.04(c) of the Texas Property Tax Code, it is required to have a certified tax assessor-collector to calculate the tax rates for the City of Port Lavaca;

WHEREAS, it is time to have such no-new-revenue tax rate and voter-approval tax rate calculated;

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

TO, Appoint the Chief Appraiser of the Calhoun County Appraisal District or his/her designee, being duly registered and qualified to perform such calculations for the City of Port Lavaca for the 2024 tax roll.

Seconded by Councilman District 5 Ward

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

10. **Consider Resolution No. R-031124-4 of the City of Port Lavaca Suspending the April 4, 2024 effective date of AEP Texas Inc.'s requested rate change to permit the City time to study the request and to establish reasonable rates; Approving cooperation with the cities served by AEP Texas and authorizing intervention in AEP Texas Inc.'s requested rate change proceedings before the Commission; Hiring Lloyd Gosselink Attorneys and Consulting Services to negotiate with the company and direct any necessary litigation and appeals; Requiring reimbursement of Cities' rate case expenses; 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. Presenter is Jody Weaver**

Motion made by Councilman District 5 Ward

WHEREAS, on or about February 29, 2024, AEP Texas Inc. ("AEP Texas" or "Company"), pursuant to Public Utility Regulatory Act ("PURA") §§ 33.001 and 36.001 filed with the City of Port Lavaca ("City") a Statement of Intent to change electric delivery rates in all municipalities exercising original jurisdiction within its service area, effective April 4, 2024; and

WHEREAS, the City is an electric utility customer of AEP Texas and a regulatory authority with an interest in the rates and charges of AEP Texas; and

WHEREAS, the City is a member of the Cities Served by AEP Texas (“Cities”), a membership of similarly situated cities served by AEP that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in AEP Texas’ service area; and

WHEREAS, PURA § 36.108 grants local regulatory authorities the right to suspend the effective date of proposed rate changes for ninety (90) days after the date the rate change would otherwise be effective; and

WHEREAS, the City retains its rights as a city with original jurisdiction including the right to suspend the application; and

WHEREAS, PURA § 33.023 provides that costs incurred by Cities in ratemaking activities are to be reimbursed by the regulated utility; and

WHEREAS, the City’s consultants and attorneys recommend that the City suspend the application for further review.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

SECTION 1. That the April 4, 2024, effective date of the rate request submitted by AEP Texas on or about February 29, 2024, be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.

SECTION 2. That the City joins other Cities Served by AEP Texas in this proceeding and, subject to the right to terminate employment at any time, hereby authorizes the hiring of Thomas Brocato of Lloyd Gosselink Rochelle and Townsend, P.C, and consultants to review the Company’s filing, negotiate with the Company, make recommendations regarding reasonable rates and to direct any necessary administrative proceedings or court litigation associated with an appeal of city action.

SECTION 3. That the City shall work with Cities Served by AEP Texas in the review and evaluation of whether the proposed rates are appropriate, fair, just, and reasonable; and, intervene as a necessary party in the Public Utility Commission of Texas’ consideration of AEP Texas’ rate filing in Docket No. 56165 as it affects the customers in the unincorporated areas of AEP Texas’ service territory.

SECTION 4. That the City’s reasonable rate case expenses shall be reimbursed by AEP Texas.

SECTION 5. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

SECTION 6. A copy of this Resolution shall be sent to AEP Texas, care of Jennifer Frederick, American Electric Power Company, 400 West 15th Street, Suite 1520, Austin, Texas 78701 (aepaustintx@aep.com), and to Thomas Brocato at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701 (tbrocato@lglawfirm.com).

Seconded by Councilman District 3 Tippit

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

11. **Consider Resolution No. R-031124-5 of the City of Port Lavaca to establish a new bank account at First National Bank (FNB) entitled “Park Donations” for the purpose of receiving donations that will be used specifically for Parks Improvements and Recreation. Presenter is Jody Weaver**

Interim City Manager Weaver advised Council Resolution No. R-031124-5 is a Policy regarding establishment of and use of funds in the Parks Donations Fund and is as follows:

The goal for establishing The Parks Donation Fund is to provide local citizens and visitors, who especially enjoy our City Parks and have a desire to see new amenities and other improvements added to the parks, a way to contribute financially to a fund with exclusive use to provide improvements to our City Parks.

A Parks Donation Bank Account shall be established to collect donations using convenient online methods such as Venmo, CashApp, ApplePay and PayPal.

It shall be the policy of the City that 100% of the deposits into the Parks Donation Bank Account will be used to fund a Special Revenue Fund entitled “Parks Donation Fund”.

DEFINITIONS

Designated Public Parks: Those parks as listed in Chapter 32 – Parks and Recreation, Article III – Park Designations, Section 44 of the City of Port Lavaca Code of Ordinances

Maintenance: General and specific repairs of park facilities, cleaning services, mowing, watering and upkeep of landscaping and grounds, upkeep of utilities such as plumbing, electrical, wiring, etc., graffiti removal, ensuring proper bins, collection schedules and general cleanliness, regular inspections, and correction/repairs of safety hazards;

USE OF FUNDS

It will be the general policy of the City that the Parks Donation Fund shall be used for the following eligible expenses:

- Capital Improvement projects within any of the City of Port Lavaca designated Public Parks
- Purchase and installation of the following amenities within any of the City of Port Lavaca designated Public Parks:
 - New trees, Landscaping and irrigation
 - New picnic tables, benches, shade structures, and specialty park amenities
 - Educational and wayfinding signage
 - Seasonal decorations

- Recreational programs to be sponsored by the City of Port Lavaca and held within a designated Public Park
- Special Park Events to be sponsored by the City of Port Lavaca and held within a designated Public Park

It will be the general policy of the City that the Parks Donation Fund shall not be used for any of the following expenses:

- Repairs or Maintenance activities of any kind
- Salaries & Benefits
- Normal Operating expenses
- Utilities
- Advertising or promotion activities

Motion made by Councilman District 6 Barr

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

THAT, in accordance with the recommendation of staff, Council hereby approves Resolution No. R-031124-5 of the City of Port Lavaca to establish a new bank account at First National Bank (FNB) entitled "Park Donations" for the purpose of receiving donations that will be used specifically for Parks Improvements and Recreation.

Seconded by Councilman District 3 Tippit

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

12. **Consider request of The Harbor Children’s Alliance and Victim Center for closure of streets adjacent to 215 W. Railroad Street for the annual hosting of “Celebrate the Child Picnic” on Saturday, April 06, 2024 from 9:00 a.m. to 2:00 p.m. The streets to be closed are N. Benavides from rear of the Library driveway to W. Railroad and W. Railroad from N. Benavides to N. Ann. Presenter is Colin Rangnow**

Police Chief Rangnow advised Council that Maria Watson, of The Harbor Children’s Alliance and Victim Center has made a request for closure of streets adjacent to 215 W. Railroad Street for the annual hosting of “Celebrate the Child Picnic” on Saturday, April 06, 2024 from 10:00 a.m. to 2:00 p.m. The streets to be closed are N. Benavides from rear of the Library driveway to W. Railroad and W. Railroad from N. Benavides to N. Ann.

Motion made by Councilman District 5 Ward

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

THAT, in accordance with recommendation of staff, Council hereby approves request of The Harbor Children's Alliance and Victim Center for closure of streets adjacent to 215 W. Railroad Street for the annual hosting of "Celebrate the Child Picnic" on Saturday, April 01, 2023 from 9:00 a.m. to 2:00 p.m. The streets to be closed are N. Benavides from rear of the Library driveway to W. Railroad and W. Railroad from N. Benavides to N. Ann.

Seconded by Councilman District 3 Tippit

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

13. **Consider a new revised Interlocal Cooperation Contract (ICC) between the City of Port Lavaca Municipal Court and the Texas Department of Public Safety (DPS) for participating in the Failure to Appear (FTA) Program, due to changes occurring in the 88th Legislative Session. Presenter is Mandy Grant**

City Secretary Grant advised Council to consider approval of a new revised Interlocal Cooperation Contract (ICC) between the City of Port Lavaca Municipal Court and the Texas Department of Public Safety (DPS), for participating in the Failure to Appear (FTA) Program, due to changes occurring in the 88th Legislative Session.

Under the Failure to Appear / Failure to Pay Program, DPS may deny the renewal of a driver license if applicant has failed to appear for a citation or failed to satisfy a judgment ordering the payment of a fine. The driver license may be denied renewal until the reported citations or violations are cleared and reported by the Court to DPS. License is valid for six (6) years for persons between the ages of 18 and 84, but at the age of 85, renewal is every two (2) years.

Motion made by Councilman District 5 Ward

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

THAT, in accordance with the recommendation of staff, Council hereby approves a new revised Interlocal Cooperation Contract (ICC) between the City of Port Lavaca Municipal Court and the Texas Department of Public Safety (DPS) for participating in the Failure to Appear (FTA) Program, due to changes occurring in the 88th Legislative Session.

BE IT FURTHER RESOLVED, THAT the Mayor is hereby authorized to execute all instruments necessary to affect such agreement.

Seconded by Councilman District 3 Tippit

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

14. **Consider request from the Fire Department to declare City property as Surplus (the old Cascade Compressed Air System) and authorize donation of same to Texas A&M Forest Service Helping Hands Program, who in turn will donate it to the Port O'Connor Beach Volunteer Fire Department. Presenter is Joe Reyes**

Fire Chief Reyes advised Council that the City of Port Lavaca Fire Department has had the old Cascade Compressed Air System in service for over twenty (20) years. Recently, the department purchased a new Mako Breathing Air Compressor system. Staff recommends that the old system be declared surplus and donated to the Texas A&M Forest Service Helping Hands Program, which will in turn donate to the Port O'Connor Volunteer Fire Department.

Motion made by Councilman District 5 Ward

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

THAT, in accordance with the recommendation of staff, Council hereby approves request from the Fire Department to declare City property as Surplus (old Cascade Compressed Air System) and authorizes donation of same to Texas A&M Forest Service Helping Hands Program, who in turn will donate to the Port O'Connor Fire Department.

Seconded by Councilman District 6 Barr

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

15. **Consider recommendation of the Planning Board for approval of a request from John and Lori Leal of 108 Evening Point, Lot 357, ID 90097, Redfish Retreat Subdivision, for a variance to City Code of Ordinance Chapter 12 Building and Building Regulation, Article II Building Trade Codes, Section 12-24 Building Setbacks. Presenter is Derrick Smith**

Development Services Director Smith advised Council that John and Lori Leal of 108 Evening Point, Lot 357, in the Redfish Retreat Subdivision are requesting a variance to City Code of Ordinance Chapter 12 Building and Building Regulation, Article II Building Trade Codes, Section 12-24 Building Setbacks. Ordinance states that all lots shall have 50 ft building line set back along the front lot line. The Leals are asking for a 25 ft front setback in order to accommodate their new home. The Planning Board agrees to what the HOA of the subdivision allows with a minimum of a 35 ft setback. There is a lake in that area and it is probable that other property owners will also be asking for a variance. They can be brought to Council for variances as a group at a later date when they are ready for construction.

Motion made by Councilman District 6 Barr

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

THAT, in accordance with the recommendation of staff, Council hereby approves a request from John and Lori Leal of 108 Evening Point, Lot 357, ID 90097, Redfish Retreat Subdivision, for a variance to City Code of Ordinance Chapter 12 Building and Building Regulation, Article II Building Trade Codes, Section 12-24 Building Setbacks, from a 50 ft front setback to 25 ft.

Seconded by Councilman District 3 Tippit

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

16. **Consider recommendation of Planning Board for approval of a tire and automotive shop to be located on the corner of Independence Dr. and Half League Rd. Property ID 65209 located in the Laurel Acres subdivision. Presenter is Derrick Smith**

Development Services Director Smith advised Council that Adrian Rodriguez, owner of Crossroads Tire Service LLC, is proposing a new tire and automotive shop to be located in the Laurel Acres subdivision. The applicant currently owns and operates multiple service centers in the city of Victoria. The applicant has provided the layout and site plan from a Victoria location for concept review. Tires will be confined and a trailer will pick up weekly or bi-weekly as needed. Oil containment will be plastic polyurethane tanks.

Mr. Adrian Rodriguez, the applicant, was in attendance and stated they are purchasing Bruce’s Auto Shop located on the corner on Austin and Seadrift and this property is for future growth of their company in the next two or three years.

Motion made by Councilman District 6 Barr

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

THAT, in accordance with the recommendation of the Planning Board and staff, Council approves a tire and automotive shop to be located on the corner of Independence Dr. and Half League Road, property ID 65209, located in the Laurel Acres subdivision.

Seconded by Councilman District 3 Tippit

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

17. **Announcement by Mayor that City Council will retire into closed session:**

- **For consultation with City Attorney on matters in which the duty of the Attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Open Meetings Act (Title 5, Chapter 551,–Section 551.071(2) of the Texas Government Code). Presenter is Mayor Whitlow**

- **To discuss personnel matters in accordance with Title 5, Section 551.074 of the Texas Government Code (to discuss appointment, employment, evaluation, responsibilities and duties, reassignment, discipline or dismissal of an officer or employee, or to hear a complaint or charge against an officer or employee [Interim City Manager]). Presenter is Mayor Whitlow**

Mayor Whitlow announced that Council would retire into closed session at 7:39 p.m.

18. **Return to Open Session and take any action deemed necessary with regard to matters in closed session. Presenter is Mayor Whitlow**

Mayor Whitlow announced that Council was back in open session at 8:03 p.m.

Motion made by Councilman District 3 Tippit

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

THAT, Council hereby authorizes a five percent (5%) salary increase for Interim City Manager Weaver, beginning next pay period.

Seconded by Councilman District 6 Barr

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

IX. ADJOURNMENT

Mayor asked for motion to adjourn.

Motion made by Councilman District 5 Ward

Seconded by Councilman District 6 Barr

Voting Yea:

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward, Councilman District 6 Barr

Meeting adjourned at 8:05 p.m.

ATTEST:

Jack Whitlow, Mayor

Mandy Grant, City Secretary



CITY COUNCIL SUPPLEMENTAL AGENDA

Monday, March 11, 2024 at 6:30 PM

City Council Chambers | 202 N. Virginia Street, Port Lavaca TX 77979

MINUTES

Council will consider/discuss the following items and take any action deemed necessary.

I. ACTION ITEM(S):

1. **Consider approval of letter of support for Seadrift Coke’s application for a “Bipartisan Infrastructure Law (BIL) Battery Materials Processing and Battery Manufacturing” (DE-FOA-0002936) grant for it’s “Expansion of Fully Operating Petroleum Needle Coke Facility” project and take any action deemed necessary. Presenter is Jody Weaver**

Motion made by Councilman District 3 Tippit

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

THAT, Council hereby approves a letter of support for Seadrift Coke’s application for a “Bipartisan Infrastructure Law (BIL) Battery Materials Processing and Battery Manufacturing” (DE-FOA-0002936) grant for it’s “Expansion of Fully Operating Petroleum Needle Coke Facility” project.

Seconded by Councilman District 6 Barr

Voting Yea

Councilman District 1 Aguirre, Councilman District 3 Tippit, Councilman District 5 Ward and Councilman District 6 Barr

Absent:

Councilman District 2 Dent and Councilwoman District 4 (Mayor Pro Tem) Padron

Jack Whitlow, Mayor

Mandy Grant, City Secretary

COMMUNICATION

SUBJECT: Minutes of March 25, 2024 Special Meeting and Workshop Session

INFORMATION:



CITY COUNCIL WORKSHOP

Monday, March 25, 2024 at 5:30 PM

City Council Chambers | 202 N. Virginia Street, Port Lavaca TX 77979

MINUTES

STATE OF TEXAS §
COUNTY OF CALHOUN §
CITY OF PORT LAVACA §

On this the 25th day of March, 2024, the City Council of the City of Port Lavaca, Texas, convened in a Workshop Session at 5:30 p.m. at the regular meeting place in Council Chambers at City Hall, 202 North Virginia Street, Port Lavaca, Texas, with the following members in attendance:

I. ROLL CALL

- | | |
|-----------------|---|
| Jack Whitlow | Mayor |
| Daniel Aguirre | Councilman, District 1 |
| Tim Dent | Councilman, District 2 |
| Allen Tippit | Councilman, District 3 |
| Rosie G. Padron | Councilwoman, District 4, Mayor Pro Tem |
| Jim Ward | Councilman, District 5 |
| Ken Barr | Councilman, District 6 |

And with the following absent:

None

Constituting a quorum for the transaction of business, at which time the following business was transacted:

WORKSHOP SESSION

II. CALL TO ORDER

- Mayor Whitlow called the meeting to order at 5:33 p.m. and presided.

III. COMMENTS FROM THE PUBLIC

(Limited to 3 minutes per individual unless permission to speak longer is received in advance. You may make public comments as you would at a meeting by logging on with your computer and using "Join Zoom Meeting" information on first page of this agenda).

- Mayor Whitlow asked for comments from the public and the following spoke in connection to the RV Parks Ordinance:
 - Loretta Brown (James Brown) Owners of the following: Lavaca Bay RV Park, Lone Star RV Park, Sand Dollar RV Park and Texas Coastal RV Park
 - (passed out a letter from Brian Schaeffer, Executive Director/CEO of Texas Association of Campground Owners (TACO))
 - Joe Trevino, 2499 Austion, Port Lavaca, TX Owner of Texas Lakeside RV Park
 - Tina Park, 2031 Guadalupe River Dr., Port Lavaca, TX, Owner of Gator RV Park
 - Colt Daniel, 2031 Guadalupe River Dr., Seadrift, TX, Owner of Driftwood RV Park
 - Robert Kenland, Owner of Sweetwater RV Park
 - Lloyd Fraizer, Owner of L&W RV Park
 - Skeeter Woods, Owner of Coastal Bay RV Park in Olivia, TX

IV. ITEMS FOR DISCUSSION - *Council will discuss the following items).*

1. **Discuss regulations regarding Manufactured Home Parks and Recreational Vehicle Parks in the city limits, including required license and fees for operation. (Chapter 26 in the Code of Ordinances). Presenter is Derrick Smith**

Council discussed this agenda item.

No action necessary and none taken.

2. **Discuss history and operation of the Lighthouse Beach Park and the recommendation of the Recreation and Parks Board to reinstate Admission fees. Presenter is Wayne Shaffer**

Council discussed this agenda item.

No action necessary and none taken.

3. **Discuss recommendation of the Recreation and Parks Board to increase the Lighthouse Beach Campground rental rates. Presenter is Wayne Shaffer**

Council discussed this agenda item.

No action necessary and none taken.

V. ADJOURN WORKSHOP

Mayor Whitlow asked for motion to adjourn.

Motion made by Councilman District 6 Barr

Seconded by Councilman District 5 Ward

Voting Yea:

Councilman District 1 Aguirre, Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 (Mayor Pro Tem) Padron, Councilman District 5 Ward, Councilman District 6 Barr

Workshop adjourned at 7:34 p.m.

Jack Whitlow, Mayor

ATTEST:

Mandy Grant, City Secretary

COMMUNICATION

SUBJECT: Review of Credit Card Statement

INFORMATION:



Section VII. Item #C.

CITY OF
Account Number: XXXX XXXX XXXX 0305

Billing Questions:
800-367-7576

Website:
www.cardaccount.net

Send Billing Inquiries To:
Card Service Center, PO Box 569120, Dallas, TX 75356

FIRST NATIONAL BANK IN PORT LAVACA Credit Card Account Statement
February 7, 2024 to March 8, 2024

SUMMARY OF ACCOUNT ACTIVITY

Previous Balance	\$10,335.77
- Payments	\$10,335.77
- Other Credits	\$193.58
+ Purchases	\$12,602.53
+ Cash Advances	\$0.00
+ Fees Charged	\$0.00
+ Interest Charged	\$0.00
= New Balance	\$12,408.95

Account Number XXXX XXXX XXXX 0305
 Credit Limit \$26,500.00
 Available Credit \$14,091.00
 Statement Closing Date March 8, 2024
 Days in Billing Cycle 31

PAYMENT INFORMATION

New Balance: \$12,408.95
 Minimum Payment Due: \$372.27
Payment Due Date: April 2, 2024

MESSAGES

PROTECT YOURSELF FROM SCAMMERS!

We will never call, text, or email and ask you for your personal information. Some scammers will call and pretend to be from the Card Service Center. We will never call or text you and ask for sensitive information such as account or card number information, passwords or user names, or social security numbers. Please **DO NOT** give out that information.

If you feel pressured or concerned about a phone call, please hang up and call us at 800-367-7576 (the phone number located on the back of your credit card). Our Card Service Center team is always glad to check and can verify the information.

TRANSACTIONS

An amount followed by a minus sign (-) is a credit unless otherwise indicated.

Tran Date	Post Date	Reference Number	Transaction Description	Amount
02/26	02/26	8543189E900XV5FS2	PAYMENT - THANK YOU	\$10,335.77-

Transactions continued on next page

FIRST NATIONAL BANK IN PORT LAVACA
1550 N BROWN RD 150
LAWRENCEVILLE GA 30043



Account Number: XXXX XXXX XXXX 0305
 New Balance: \$12,408.95
 Minimum Payment Due: \$372.27
Payment Due Date: April 2, 2024

All payments on the account must be made at the address shown on your monthly billing statement and are considered to have been made on the date received at that address.

Amount Enclosed: \$



Make Check Payable to:

CARD SERVICE CENTER
PO BOX 569100
DALLAS TX 75356-9100

CITY OF PORT LAVACA
202 N VIRGINIA ST
PORT LAVACA TX 77979-3431



TRANSACTIONS (continued) An amount followed by a minus sign (-) is a credit unless otherwise indicated.

Tran Date	Post Date	Reference Number	Transaction Description	Amount
			TOTAL XXXXXXXXXXXXX0305	\$10,335.77-
02/12	02/13	5270487DVW89M0AKX	HOLIDAY INN EXPRESS FRIENDSWOOD TX	\$306.99
			CHECK-IN 02/12/24 FOLIO #15119060	
02/12	02/13	8271116DV000QHFM	HUMANE EDUCATORS OF TX HUTTO TX	\$250.00
			COLIN RANGNOW	
			TOTAL XXXXXXXXXXXXX0727	\$556.99
02/16	02/18	0531461E000Q7WRN1	PINCHERS RESTAURANT EL CAMPO TX	\$34.85
02/26	02/27	8230509E9000HSGWB	MOTION INDUSTRIES INC. IRONDALE AL	\$164.86
			ERIC SALES	
			TOTAL XXXXXXXXXXXXX0776	\$199.71
02/26	02/27	5543286E95SLFFV03	AMZN MKTP US AMZN.COM/BILL WA CREDIT	\$156.20-
02/29	03/01	8535335EQBW33F6PW	PAYPAL *TEXASPOLICE 40293577 CREDIT	\$37.38-
02/06	02/07	5543286DM5YBXFGQK	AMZN MKTP US*RB1C19VN0 AMZN.COM/BILL WA	\$6.99
02/06	02/07	5543286DM5YEE0FG5	AMZN MKTP US*RB8G36530 AMZN.COM/BILL WA	\$339.98
02/06	02/07	5531020DM2DJK4PM6	AMZN MKTP US*RB30L8Z02 SEATTLE WA	\$53.83
02/07	02/08	5543286DN5YM70GP6	AMZN MKTP US*RB1PT1QM0 AMZN.COM/BILL WA	\$112.55
02/08	02/09	5174295DPW0KKK0RB	IDENTOGO - TX FINGE 877-512-6962 MA	\$10.21
02/09	02/11	5543286DR5Z8E8K5J	RMA TOLL 833-762-8655 CA	\$20.56
02/09	02/11	8230509DR000JZBP7	AMAZON RET* 114-082605 SEATTLE WA	\$56.88
02/19	02/20	7536943E23SR26WBR	THE UPS STORE 1957 MANHATTAN KS	\$35.00
02/21	02/21	5543286E462Q27DRH	AMZN MKTP US*RI5EA7891 AMZN.COM/BILL WA	\$107.98
03/07	03/08	5526352ELBLH7PVQN	HARBOR FREIGHT TOOLS34 PORT LAVACA TX	\$151.60
03/07	03/08	5550629ELRDQ4VB1N	FUEL STOP PORT LAVACA TX	\$20.77
			KAREN NEAL	
			TOTAL XXXXXXXXXXXXX0784	\$722.77
02/06	02/07	5543286DN5Y19ER0	TST* EXECUTIVE SURF CL CORPUS CHRIST TX	\$14.11
02/08	02/09	5543286DR5Z48JVRH	WHATABURGER 313 Q26 CORPUS CHRIST TX	\$18.15
02/09	02/11	5270487DRP5SASH8R	LANDRYS CORPUS CHRISTI CORPUS CHRIST TX	\$52.58
02/16	02/18	8518412E0S66E8ZJJ	TEXAS FIRE CHIEFS ASSO 512-9397277 TX	\$445.00
02/18	02/18	5270487E1619NEAEM	NATIONAL EMERGENCY TRA FAIRFAX VA	\$358.23
02/19	02/20	5548872E3BLYGK8MM	TEXAS COMM FIRE PROT AUSTIN TX	\$56.49
02/19	02/20	5548872E3BLYGK8P7	TEXAS COMM FIRE PROT AUSTIN TX	\$56.49
02/19	02/21	8230606E3S66GAG6G	VICTORIA COLLEGE VICTORIA TX	\$25.00
02/19	02/21	8230606E3S66GAG68	VICTORIA COLLEGE VICTORIA TX	\$25.00
02/20	02/21	5548872E4BLYHHT73	TEXAS COMM FIRE PROT AUSTIN TX	\$56.49
02/20	02/22	8230606E4S66GDHVZ	VICTORIA COLLEGE VICTORIA TX	\$25.00
02/21	02/22	5548872E5BLYJGA9J	TEXAS COMM FIRE PROT AUSTIN TX	\$56.49
02/21	02/23	0543684E58PLNNVB1	OPC*DEL MAR COLLEGE CORPUS CHRIST TX	\$23.50
02/27	02/28	5548872EBBLYEN8GF	TEXAS COMM FIRE PROT AUSTIN TX	\$56.49
03/02	03/03	0543684EFEHSRHSKB	HUBCAP GRILL HOUSTON TX	\$9.46
03/04	03/04	5543286EG5WK278MN	TEEX ECOMMERCE 979-458-6898 TX	\$350.00
			JUAN LUNA	
			TOTAL XXXXXXXXXXXXX0941	\$1,628.48
02/12	02/13	5541741DW2M6DY429	VICKS FAMOUS HAMBURGER CORPUS CHRIST TX	\$10.55
03/06	03/06	5543286EJ5X59QFGN	WPY*STRAC 855-999-3729 TX	\$150.00
			WAYNE SHAFFER	
			TOTAL XXXXXXXXXXXXX1212	\$160.55
02/06	02/07	5543286DM5YQKD6MF	AMZN MKTP US*R26YX2SN1 AMZN.COM/BILL WA	\$75.96
02/14	02/14	1230202DX00XSHJ2B	MICROSOFT*MICROSOFT 36 REDMOND WA	\$108.24
02/23	02/23	5543286E662XNBL2X	AMZN MKTP US*RI4D65IL1 AMZN.COM/BILL WA	\$25.99
02/23	02/25	8518412E7S66FXQTR	TEXAS MUNICIPAL CLERKS 940-5653488 TX	\$139.00

Transactions continued on next page



TRANSACTIONS (continued) An amount followed by a minus sign (-) is a credit unless otherwise indicated.

Tran Date	Post Date	Reference Number	Transaction Description	Amount
MANDY GRANT				
TOTAL XXXXXXXXXXXX1238				\$349.19
02/16	02/16	5543286DZ60ZAKZKS	TEXAS MUNICIPAL LEAGUE 512-231-7400 TX	\$1,100.00
02/15	02/18	7512071DZS66MAG4N	KALAHARI RESORT - TX - ROUND ROCK TX	\$215.00
		CHECK-IN 02/15/24	FOLIO #BEWWNWS	
02/15	02/18	7512071DZS66MAG6F	KALAHARI RESORT - TX - ROUND ROCK TX	\$215.00
		CHECK-IN 02/15/24	FOLIO #ZTG5LDCF	
02/19	02/21	5520739E3EV054SMT	YEARLI.COM GRAND RAPIDS MI	\$745.13
02/22	02/23	5543286E562SMYTRF	AMZN MKTP US*RW34121K2 AMZN.COM/BILL WA	\$52.54
02/23	02/25	5543286E6634FFEZ8	AMZN MKTP US*RZ1EU8ZX0 AMZN.COM/BILL WA	\$64.18
02/27	02/28	0514048EALYRKR607	MCDONALD'S F10491 PORT LAVACA TX	\$53.18
03/04	03/05	5531020EG2E1232N0	AMZN MKTP US*RN21N3660 SEATTLE WA	\$16.89
03/04	03/06	5520739EHEV0AQX0H	YEARLI.COM GRAND RAPIDS MI	\$912.50
03/06	03/08	5520739EKEV0AZBS4	YEARLI.COM GRAND RAPIDS MI	\$1.56
SUSAN LANG				
TOTAL XXXXXXXXXXXX1345				\$3,375.98
02/11	02/11	5543286DS5ZMYQBA7	APPLE.COM/BILL 866-712-7753 CA	\$2.99
02/20	02/21	8230606E3S66LQ2RZ	PROJECT ENERGY SAVERS 718-5966113 NY	\$105.00
02/27	02/27	5548077EA8AZ1AQFT	RECONYX HOLMEN WI	\$40.00
03/02	03/03	5531020EE2E03ADV1	AMZN MKTP US*RN1E62EX0 SEATTLE WA	\$49.96
03/05	03/05	5543286EH5WW7WA2A	TEEX ECOMMERCE 979-458-6898 TX	\$550.00
DERRICK SMITH				
TOTAL XXXXXXXXXXXX3836				\$747.95
02/07	02/08	5543286DN5YMQHA5Z	AMZN MKTP US*R29A61UW1 AMZN.COM/BILL WA	\$124.39
02/08	02/09	5531020DP2E08TW81	AMZN MKTP US*RB7WF4XY2 SEATTLE WA	\$248.78
02/12	02/14	0543684DW2X70FJSH	WALMART.COM 8009666546 BENTONVILLE AR	\$139.06
02/22	02/23	0514048E5MHDX2SL5	H-E-B GAS #434 PORT LAVACA TX	\$50.04
03/05	03/06	5531020EH2DKTBS0D	AMZN MKTP US*RN5VG37X0 SEATTLE WA	\$5.99
03/07	03/08	5543286EK5XLRYY7J	AMZN MKTP US*RZ8HB5WJ1 AMZN.COM/BILL WA	\$22.19
JAMES RUDELLAT				
TOTAL XXXXXXXXXXXX8611				\$590.45
02/08	02/09	5543286DR5Z48S3J2	WHATABURGER 91 Q26 PORTLAND TX	\$15.63
02/09	02/11	5543687DT7JGSAPAV	OMNI CORPUS CHRISTI CORP CHRISTI TX	\$916.89
		CHECK-IN 02/05/24	FOLIO #12067439	
02/09	02/11	5543687DT7JGSAPB3	OMNI CORPUS CHRISTI CORP CHRISTI TX	\$619.12
		CHECK-IN 02/05/24	FOLIO #11994143	
02/10	02/11	0230537DT2X97WXXG	TST* SOUTH TEXAS DQ - TIVOLI TX	\$17.27
02/15	02/16	5265384DY1YD7FJS3	PAYPAL *SMILINGCACT 4029357733 TX	\$32.94
JOE REYES JR				
TOTAL XXXXXXXXXXXX0215				\$1,601.85
02/07	02/08	5543286DN5YKVAL2V	SQ *THE DONUT PALACE PORT LAVACA TX	\$114.42
02/13	02/13	1230202DW010SK6GB	MICROSOFT*MICROSOFT 36 REDMOND WA	\$108.24
02/15	02/16	5543286DY60Y7P6MW	CCSI EFAX CORPORATE 323-817-1155 CA	\$189.82
03/04	03/05	5543286EG5WVQ8V8X	UPS*BILLING CENTER 800-811-1648 GA	\$153.82
JOANNA WEAVER				
TOTAL XXXXXXXXXXXX0249				\$566.30
02/07	02/08	5543286DN5YNF6G54	AMAZON.COM*R20CW0IG1 AMZN.COM/BILL WA	\$24.39
02/08	02/09	0230537DR00HMD0JD	USPS PO 4872200979 PORT LAVACA TX	\$9.68
02/15	02/16	5543286DY60WTPFLY	AMZN MKTP US*RB6PR6RO1 AMZN.COM/BILL WA	\$45.92
02/18	02/18	1527021E1008YQ4ZQ	MSFT * E0700R5K72 MSBILL.INFO WA	\$214.34
02/20	02/21	5543687E3857YKJAS	ZORO TOOLS INC BUFFALO GROVE IL	\$147.20

Transactions continued on next page



TRANSACTIONS (continued) An amount followed by a minus sign (-) is a credit unless otherwise indicated.

Tran Date	Post Date	Reference Number	Transaction Description	Amount
02/28	02/29	6518742EQ00019PKY	CALHOUN CO TAX ASSESSO PORT LAVACA TX	\$7.73
03/01	03/03	5531020ED2DYSR4HD	AMZN MKTP US*RN52343E0 SEATTLE WA	\$484.47
03/05	03/06	5543286EH5X1L68A5	SQ *RAGO TRAINING PALACIOS TX	\$975.00
CYNTHIA HEYSQUIERDO				
TOTAL XXXXXXXXXXXX0264				\$1,908.73

INTEREST CHARGE CALCULATION

Your Annual Percentage Rate (APR) is the annual interest rate on your account

Type of Balance	Annual Percentage Rate (APR)	Balance Subject to Interest Rate	Days in Billing Cycle	Interest Charge
Purchases	19.49% (v)	\$0.00	31	\$0.00
Cash Advances	19.49% (v)	\$0.00	31	\$0.00

(v) - variable

To avoid additional interest charges, pay your New Balance in full on or before the Payment Due Date.

Exciting news! Go online today and check out the all-new enhancements to the Card Service Center website. E-statements, additional payment options, links to Preferred Points website, and other helpful sites. Visit us today at www.cardaccount.net to enroll your credit card account(s) on the newly enhanced website.

Thank you for the opportunity to serve your credit card needs. Should your future plans include travel, please contact us at 1-800-367-7576.

CREDITING OF PAYMENTS

All payments received by 5:00 PM during the Card issuer's normal business day at the address indicated on the reverse side of this statement will be credited to your account as of the date of receipt of the payment. If payment is made at any location other than that address, credit of the payment may be delayed up to 5 days.

BILLING RIGHTS SUMMARY

What to do if You Think You Find a Mistake on Your Statement

If you think there is an error on your statement, write to us at BBCS, Attn: Dispute Department, 1550 North Brown Road, Suite 150, Lawrenceville, GA 30043 as soon as possible. In your letter, give us the following information: your name and account number; the dollar amount of the suspected error; and if you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us within 60 days after the error appeared on your statement. You must notify us of any potential errors in writing. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

While we investigate whether or not there has been an error, the following are true:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount. But, if we determine that we made a mistake, you will not have to pay the amount in question or any interest or other fees related to that amount.
- While we do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

Your Rights if You are Dissatisfied with Your Credit Card Purchases

If you are dissatisfied with the goods or services that you have purchased with your credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase. To use this right, all of the following must be true:

- The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these are necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)
- You must have used your credit card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your credit card account do not qualify.
- You must not yet have fully paid for the purchase. If all of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing at: BBCS, Attn: Dispute Department, 1550 North Brown Road, Suite 150, Lawrenceville, GA 30043.

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay we may report you as delinquent.

EXPLANATION OF INTEREST CHARGES

The Interest Charge shown on the front is the sum of the Interest Charges computed by applying the Periodic Rate(s) to the Average Daily Balance and adding any applicable transaction charge authorized in the Cardholder Agreement. The method for computing the balance subject to Interest Charge is an average daily balance (including new purchases) method.

We figure the interest charge on your account by applying the periodic rate(s) to the "average daily balance" of your account (including in some instances current transactions). To get the "average daily balance", we take the beginning balance of your account each day, add any new cash advances and subtract any payments or credits and any unpaid interest charges. If you paid in full the Previous Balance shown on this statement by the payment due date shown on the previous statement, we subtract from each day's beginning balance the amount of such Previous Balance included in that beginning balance and also do not add in any new purchases. Otherwise the amount of the Previous Balance is not subtracted and we add in any new purchases. This gives us the daily balance. Then we add all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "average daily balance."

HOW TO AVOID INTEREST CHARGES: You have until the payment due date shown on your periodic statement to repay your balance before an interest charge on purchases will be imposed.

ANNUAL FEE DISCLOSURES

If an annual fee is shown on the front of the statement, see the front for information about the following matters: the annual percentage rate for purchases, certain information regarding any variable rate feature, the amount of the annual fee, any minimum interest charge, and any transaction charges for purchases. The method for computing the balance subject to interest charge on your account is an Average Daily Balance (including new purchases) method and is explained above.

If you terminate your account within 30 days from the Closing Date shown on the front of this statement, you will not owe the annual fee (and have the right to have it credited to your account) and may use your card(s) during that 30 day period without becoming obligated for the annual fee. To terminate your account you should give us written notice sent to the address for billing inquiries as shown on the front of this statement. All cards should be cut in half and returned with your termination notice.

CREDIT BALANCES

Any credit balance on your account (indicated by a "-" on the front of this statement) is money we owe you. You can make charges against this amount or request and receive a full refund of this amount by writing us at: Card Service Center, PO Box 569120, Dallas, TX 75356-9120. Any amount not charged against or refunded upon request that is over \$1.00 (equal to or in excess of \$1.00 if you live in MA or any amount in NY) will be refunded automatically within six months after the credit balance was created (four billing cycles in MD).

O1AB5762 – 3 – 05/25/17

(PLEASE SHOW YOUR CORRECT NAME AND ADDRESS)

Name (if incorrect on reverse side)

Street address

City State Zip Code

Effective Date: Month, Day, Year Signature

Home Phone Work Phone

COMMUNICATION

SUBJECT: Receive Monthly Financial Highlight Report

INFORMATION:



CITY OF
PORT LAVACA

202 N. Virginia, Port Lavaca, Texas 77979-0105 www.portlavaca.org
Main Number: 361-552-9793 Main Facsimile: 361-552-6062

To: Mayor and Members of the City Council
From: Brittney Hogan, Senior Accountant *BH*
Subject: FY 23-24 Financial Highlights through **March 31, 2024**
Date: April 2, 2024

Below are the following reports for the period ending **March 31, 2024**, or **50%** of the year:

The major highlights of the Report are as follows:

Property Tax collections as reported by CCAD - are **\$5,184,733** for the year as of February Collections in FY 23-24 are 90.38% of total adjusted tax levy. Total current year Property Taxes Outstanding as of February is **\$982,720**.

In the General Fund, revenues through **03/31/24** are **67%** of budget. In addition:

1. *Current Property Tax* collections - are **\$4,690,279** for the year as of March. Collections in FY 23-24 are 104% of budget.
2. *Sales Tax* collections through March were **\$1,818,479** or 49% of budget. Collections through March in FY 22-23 were **\$1,789,418**.
3. *Licenses & Permits* collections are **\$50,247** for the year, or 19% of budget. Collections through March in FY 22-23 were **\$66,885**.
4. *Bauer Center Rentals* through March are **\$32,825** or 33% of budget. Collections through March in FY 22-23 were **\$36,100**.
5. *Court Fines* are **\$28,036** for the year, or 23% of budget. Collections through March in FY 22-23 were **\$38,409**.

Expenditures in the General Fund for the year are **44%** of budget.

Target: 50%

In the Utility Fund, revenues as of **03/31/24** are **46%** of budget. In addition:

1. *Metered Water* sales through March are **\$1,366,488** or **52%** of budget.
2. *Residential Sewer* sales through March are **\$719,672** or **46%** of budget.
3. *Garbage Billings* through March are **\$464,557** or **50%** of budget.

Expenditures in the Utility Fund for the year are **63%** of budget.

Summary – FY 2023-2024 through 03/31/24

<u>Fund</u>	<u>Revenues</u>	<u>%</u> <u>Budget</u>	<u>Expense</u>	<u>%</u> <u>Budget</u>	Revenues Less <u>Expense</u>
General	\$7,774,101	67%	\$5,134,254	44%	\$2,639,848
Utility	3,492,850	46%	3,516,072	63%	(23,223)
HOT	154,817	26%	243,632	38%	(88,815)
Beach	82,502	35%	59,936	28.5%	22,567
Port	409,593	21%	283,578	14%	126,015
				Total	2,676,392



**Port Lavaca
PROPERTY TAX COLLECTION REPORT
February 29, 2024**

TAXES DUE AT CERTIFICATION	5,760,674.07
Adjustments to Date	-40,485.28
TOTAL TAX LEVY	5,720,188.79

2022 Tax Collections

	Base	Penalties & Interest	Total	
October	2,358,896.67	0.00	2,358,896.67	
November	583,430.25	0.00	583,430.25	
December	613,928.54	0.00	613,928.54	
January	1,059,143.68	0.00	1,059,143.68	
February	554,729.66	14,603.88	569,333.54	
March			0.00	
April			0.00	
May			0.00	
June			0.00	
July (Delinquent as of July 1, 2022)			0.00	
August			0.00	
September			0.00	
TOTAL	5,170,128.80	14,603.88	5,184,732.68	Last Year % Collected 89.54%
		% Collected	90.38%	

TRANSFERRED TO DELINQUENT ROLL	0.00
July, Aug, and Sept Payments	0.00

2022 TAXES OUTSTANDING	550,056.70
	% Current Outstanding 9.62%

DELINQUENT COLLECTIONS

	Base	Penalties & Interest	Total
October	1,434.78	2,667.91	4,102.69
November	9,308.28	2,187.95	11,496.23
December	95,107.93	19,103.85	114,211.78
January	13,907.48	5,063.20	18,970.68
February	12,837.84	6,253.88	19,091.72
March			0.00
April			0.00
May			0.00
June			0.00
July			0.00
August			0.00
September			0.00
TOTAL	132,596.31	35,276.79	167,873.10

DELINQUENT TAXES OUTSTANDING	432,662.81
TOTAL TAXES OUTSTANDING	982,719.51

**CITY OF PORT LAVACA, TEXAS
SALES TAX REVENUES**

Section VII. Item #D.

Recv'd	Monthly Allocation	Prior Year % Inc (Dec) Month	General Fund	TOTAL		Total YTD		Prior Year Percent		
				Year-to-Date Allocation	General Fund Budget	Percent of Budget	Increase (Decrease)	Month	Y-T-D	
Fiscal Year 2021										
Dec	Oct	345,451	27%	\$345,451	345,451	243,714	243,714	141.74%	26.9%	26.9%
Jan	Nov	281,510	12%	\$281,510	626,961	224,351	468,066	133.95%	12.3%	19.9%
Feb	Dec	279,811	-9%	\$279,811	906,772	274,277	742,342	122.15%	-8.7%	9.4%
Mar	Jan	265,655	-11%	\$265,655	1,172,427	265,771	1,008,114	116.30%	-10.5%	4.1%
Apr	Feb	246,266	7%	\$246,266	1,418,693	206,830	1,214,943	116.77%	6.6%	4.5%
May	Mar	354,052	22%	\$354,052	1,772,745	260,317	1,475,260	120.16%	21.8%	7.6%
Jun	Apr	296,421	25%	\$296,421	2,069,165	211,890	1,687,150	122.64%	25.2%	9.8%
Jul	May	294,843	11%	\$294,843	2,364,008	238,183	1,925,333	122.78%	10.8%	9.9%
Aug	Jun	329,290	-7%	\$329,290	2,693,298	317,553	2,242,886	120.08%	-7.2%	7.5%
Sep	Jul	285,544	19%	\$285,544	2,978,842	214,770	2,457,656	121.21%	19.0%	8.5%
Oct	Aug	276,092	1%	\$276,092	3,254,934	244,797	2,702,453	120.44%	1.0%	7.8%
Nov	Sep	311,985	16%	\$311,985	3,566,919	240,547	2,943,000	121.20%	16.1%	8.5%

Recv'd	Monthly Allocation	Prior Year % Inc (Dec) Month	General Fund	TOTAL		Total YTD		Prior Year Percent		
				Year-to-Date Allocation	General Fund Budget	Percent of Budget	Increase (Decrease)	Month	Y-T-D	
Fiscal Year 2022										
Dec	Oct	246,194	-29%	\$246,194	246,194	318,632	318,632	77.27%	-28.7%	-28.7%
Jan	Nov	264,290	-6%	\$264,290	510,484	259,655	578,287	88.28%	-6.1%	-18.6%
Feb	Dec	330,154	18%	\$330,154	840,638	258,087	836,374	100.51%	18.0%	-7.3%
Mar	Jan	245,570	-8%	\$245,570	1,086,207	245,031	1,081,405	100.44%	-7.6%	-7.4%
Apr	Feb	252,248	2%	\$252,248	1,338,456	227,147	1,308,552	102.29%	2.4%	-5.7%
May	Mar	315,077	-11%	\$315,077	1,653,532	326,565	1,635,117	101.13%	-11.0%	-6.7%
Jun	Apr	266,647	-10%	\$266,647	1,920,179	273,408	1,908,525	100.61%	-10.0%	-7.2%
Jul	May	275,093	-7%	\$275,093	2,195,273	271,952	2,180,478	100.68%	-6.7%	-7.1%
Aug	Jun	315,184	-4%	\$315,184	2,510,457	303,725	2,484,203	101.06%	-4.3%	-6.8%
Sep	Jul	349,708	22%	\$349,708	2,860,165	263,376	2,747,579	104.10%	22.5%	-4.0%
Oct	Aug	304,754	10%	\$304,754	3,164,919	254,657	3,002,236	105.42%	10.4%	-2.8%
Nov	Sep	325,921	4%	\$325,921	3,490,839	287,764	3,290,000	106.10%	4.5%	-2.1%

Recv'd	Monthly Allocation	Prior Year % Inc (Dec) Month	General Fund	TOTAL		Total YTD		Prior Year Percent		
				Year-to-Date Allocation	General Fund Budget	Percent of Budget	Increase (Decrease)	Month	Y-T-D	
Fiscal Year 2023										
Dec	Oct	267,921	9%	\$267,921	267,921	221,082	221,082	121.19%	8.8%	8.8%
Jan	Nov	262,666	-1%	\$262,666	530,587	237,332	458,414	115.74%	-0.6%	3.9%
Feb	Dec	327,969	-1%	\$327,969	858,556	296,478	754,892	113.73%	-0.7%	2.1%
Mar	Jan	293,025	19%	\$293,025	1,151,581	220,522	975,414	118.06%	19.3%	6.0%
Apr	Feb	241,757	-4%	\$241,757	1,393,338	226,519	1,201,932	115.92%	-4.2%	4.1%
May	Mar	288,609	-8%	\$288,609	1,681,948	282,939	1,484,871	113.27%	-8.4%	1.7%
Jun	Apr	267,670	0%	\$267,670	1,949,617	239,449	1,724,320	113.07%	0.4%	1.5%
Jul	May	310,160	13%	\$310,160	2,259,777	247,034	1,971,354	114.63%	12.7%	2.9%
Aug	Jun	333,198	6%	\$333,198	2,592,976	283,035	2,254,389	115.02%	5.7%	3.3%
Sep	Jul	295,975	-15%	\$295,975	2,888,951	314,037	2,568,426	112.48%	-15.4%	1.0%
Oct	Aug	335,595	10%	\$335,595	3,224,546	273,669	2,842,095	113.46%	10.1%	1.9%
Nov	Sep	315,989	-3%	\$315,989	3,540,534	292,677	3,134,772	112.94%	-3.0%	1.4%

Recv'd	Monthly Allocation	Prior Year % Inc (Dec) Month	General Fund	TOTAL		Total YTD		Prior Year Percent		
				Year-to-Date Allocation	General Fund Budget	Percent of Budget	Increase (Decrease)	Month	Y-T-D	
Fiscal Year 2024										
Dec	Oct	281,039	5%	\$281,039	281,039	281,800	281,800	99.73%	4.9%	4.9%
Jan	Nov	279,772	7%	\$279,772	560,811	276,274	558,074	100.49%	6.5%	5.7%
Feb	Dec	333,966	2%	\$333,966	894,777	344,960	903,033	99.09%	1.8%	4.2%
Mar	Jan	264,897	-10%	\$264,897	1,159,674	308,205	1,211,239	95.74%	-9.6%	0.7%
Apr	Feb					254,282	1,465,520			
May	Mar					303,561	1,769,081			
Jun	Apr					281,536	2,050,617			
Jul	May					326,228	2,376,845			
Aug	Jun					350,460	2,727,305			
Sep	Jul					311,308	3,038,613			
Oct	Aug					352,981	3,391,594			
Nov	Sep					332,358	3,723,952			

CITY OF PORT LAVACA
 REVENUE AND EXPENDITURES REPORT (UNAUDITED)
 AS OF: MARCH 31ST, 2024

Section VII. Item #D.

001-GENERAL FUND
 FINANCIAL SUMMARY

	ORIGINAL BUDGET	AMENDED BUDGET	BUDGET ADJUSTMENT	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBRANCE	BUDEGT BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>								
TAXES	8,985,666	8,985,666	0	423,426.86	6,901,407.40	0.00	2,084,258.60	76.80
LICENSES & PERMITS	268,410	268,410	0	8,471.39	50,246.96	0.00	218,163.04	18.72
USER & SERVICE CHARGES	102,500	102,500	0	6,353.25	34,220.25	0.00	68,279.75	33.39
FINES & FORFEITURES	284,000	284,000	0	18,979.03	128,577.29	0.00	155,422.71	45.27
OTHER REVENUE	550,950	550,950	0	31,784.71	250,958.80	0.00	299,991.20	45.55
GRANT AND CONTRIBUTION R	572,033	572,033	0	185,489.82	265,383.62	0.00	306,649.38	46.39
INTERGOVERNMENTAL REVENUE	<u>875,783</u>	<u>875,783</u>	<u>0</u>	<u>0.00</u>	<u>143,307.05</u>	<u>0.00</u>	<u>732,475.95</u>	<u>16.36</u>
TOTAL REVENUES	11,639,342	11,639,342	0	674,505.06	7,774,101.37	0.00	3,865,240.63	66.79
<u>EXPENDITURE SUMMARY</u>								
CITY COUNCIL	30,402	30,402	0	2,379.08	14,401.60	0.00	16,000.40	47.37
CITY MANAGER	394,511	394,511	0	26,025.20	155,114.41	16,000.00	223,396.59	43.37
CITY SECRETARY	224,494	224,494	0	17,654.39	97,298.12	10,000.00	117,195.88	47.80
HUMAN RESOURCE	34,725	34,725	0	867.36	10,080.67	0.00	24,644.33	29.03
MUNICIPAL COURT	163,474	163,474	0	13,048.53	75,162.85	0.00	88,311.15	45.98
TECHNOLOGY SERVICES	462,081	462,081	0	9,175.04	269,352.07	29,773.25	162,955.68	64.73
ECONOMIC DEVELOPMENT	0	0	0	0.00	0.00	0.00	0.00	0.00
FINANCE	440,906	440,906	0	35,523.08	119,435.47	17,533.48	303,937.05	31.07
CITY HALL	207,520	207,520	0	41,931.39	139,117.82	45,985.00	22,417.18	89.20
POLICE	2,919,859	2,919,859	0	210,244.85	1,266,598.44	0.00	1,653,260.56	43.38
FIRE	2,162,555	2,162,555	0	161,971.86	1,022,129.00	46,680.64	1,093,745.36	49.42
ANIMAL CONTROL	246,085	246,085	0	16,263.03	73,090.65	27,001.70	145,992.65	40.67
CODE ENFORCEMENT/INSPECT	511,797	511,797	0	18,066.40	183,516.84	29,016.83	299,263.33	41.53
STREETS	2,897,645	2,897,645	0	91,854.58	942,428.14	122,812.49	1,832,404.37	36.76
PARKS & RECREATION	1,064,950	1,064,950	0	56,449.60	305,420.18	131,816.12	627,713.70	41.06
BAUER CENTER	335,464	335,464	0	42,359.20	192,307.38	25,397.00	117,759.62	64.90
NON-DEPARTMENTAL	<u>680,027</u>	<u>680,027</u>	<u>0</u>	<u>35,837.01</u>	<u>268,800.22</u>	<u>0.00</u>	<u>411,226.78</u>	<u>39.53</u>
TOTAL EXPENDITURES	12,776,495	12,776,495	0	779,650.60	5,134,253.86	502,016.51	7,140,224.63	44.11
REVENUES OVER/(UNDER) EXPENDITURES	(1,137,153)	(1,137,153)	0	(105,145.54)	2,639,847.51	(502,016.51)	(3,274,984.00)	188.00-

Section VII. Item #D.

001-GENERAL FUND
 REVENUES

	ORIGINAL BUDGET	AMENDED BUDGET	BUDGET ADJUSTMENT	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBRANCE	BUDEGT BALANCE	% OF BUDGET
TAXES								
411.01	PROPERTY TAXES-CURRENT	4,511,964	4,511,964	0	115,756.82	4,690,278.91	0.00 (178,314.91)	103.95
411.02	PROPERTY TAXES-DELIQU	100,000	100,000	0	6,652.39	127,166.67	0.00 (27,166.67)	127.17
412.01	SALES TAX REVENUE	3,723,952	3,723,952	0	266,107.51	1,818,479.38	0.00 1,905,472.62	48.83
413.01	NATURAL GAS FRANCHISE	62,000	62,000	0	0.00	14,241.17	0.00 47,758.83	22.97
413.02	ELECTRICAL FRANCHISE T	342,000	342,000	0	21,540.28	120,458.20	0.00 221,541.80	35.22
413.03	TELEPHONE FRANCHISE TA	32,000	32,000	0	144.00	7,116.09	0.00 24,883.91	22.24
413.04	CABLE TV FRANCHISE TAX	50,000	50,000	0	0.00	6,967.92	0.00 43,032.08	13.94
413.05	WASTE COLLECTION FRAN	128,750	128,750	0	11,365.28	49,432.59	0.00 79,317.41	38.39
413.90	OTHER FRANCHISE TAX	0	0	0	0.00	0.00	0.00 0.00	0.00
414.01	ALCOHOLIC BEVERAGE TAX	35,000	35,000	0	1,860.58	8,610.14	0.00 26,389.86	24.60
415.15	INTERGOVERNMENTAL REVE	0	0	0	0.00	58,656.33	0.00 (58,656.33)	0.00
	TOTAL TAXES	8,985,666	8,985,666	0	423,426.86	6,901,407.40	0.00 2,084,258.60	76.80
LICENSES & PERMITS								
421.01	ELECTRICAL LICENSES	0	0	0	0.00	0.00	0.00 0.00	0.00
421.02	BUILDER LICENSES	7,000	7,000	0	301.92	2,451.92	0.00 4,548.08	35.03
422.01	ELECTRICAL PERMITS	25,000	25,000	0	15.00	15.00	0.00 24,985.00	0.06
422.02	BUILDING PERMITS	157,000	157,000	0	5,581.79	37,001.77	0.00 119,998.23	23.57
422.03	PLUMBING PERMITS	22,000	22,000	0	0.00	0.00	0.00 22,000.00	0.00
422.04	MECHANICAL PERMITS	5,600	5,600	0	0.00	0.00	0.00 5,600.00	0.00
422.05	FOUNDATION PERMITS	0	0	0	0.00	0.00	0.00 0.00	0.00
422.06	PEDDLER & SOLICITOR PE	0	0	0	0.00	100.00	0.00 (100.00)	0.00
422.07	ALCOHOL IN THE PARK PE	0	0	0	250.00	450.00	0.00 (450.00)	0.00
423.01	TRAILER PERMITS	0	0	0	0.00	0.00	0.00 0.00	0.00
423.02	FOOD HANDLER'S PERMITS	2,600	2,600	0	10.00	200.00	0.00 2,400.00	7.69
423.03	LIENS	1,500	1,500	0	0.00	0.00	0.00 1,500.00	0.00
423.90	OTHER PERMITS & FEES	30,000	30,000	0	432.68	5,330.68	0.00 24,669.32	17.77
424.01	ALCOHOLIC BEVERAGE PER	7,110	7,110	0	1,680.00	3,585.00	0.00 3,525.00	50.42
424.02	AMUSEMENT PERMIT FEES	300	300	0	0.00	0.00	0.00 300.00	0.00
424.03	SUBDIVISION & PLAT FEE	1,000	1,000	0	0.00	0.00	0.00 1,000.00	0.00
424.04	ENVIRONMENTAL & HEALTH	0	0	0	0.00	0.00	0.00 0.00	0.00
424.05	PLAN REVIEW FEES	9,000	9,000	0	50.00	627.59	0.00 8,372.41	6.97
425.01	ANIMAL LICENSES & FEES	200	200	0	100.00	275.00	0.00 (75.00)	137.50
426.01	ALARM FEES	100	100	0	50.00	210.00	0.00 (110.00)	210.00
	TOTAL LICENSES & PERMITS	268,410	268,410	0	8,471.39	50,246.96	0.00 218,163.04	18.72
USER & SERVICE CHARGES								
435.06	BAUER CENTER RENTALS	100,000	100,000	0	5,990.00	32,825.00	0.00 67,175.00	32.83
435.07	BAYFRONT RENTALS	0	0	0	300.00	450.00	0.00 (450.00)	0.00
439.01	POLICE SERVICES	2,000	2,000	0	63.25	945.25	0.00 1,054.75	47.26
439.05	POLICE TRAINING FEES	500	500	0	0.00	0.00	0.00 500.00	0.00
	TOTAL USER & SERVICE CHARGES	102,500	102,500	0	6,353.25	34,220.25	0.00 68,279.75	33.39

Section VII. Item #D.

001-GENERAL FUND
 REVENUES

	ORIGINAL BUDGET	AMENDED BUDGET	BUDGET ADJUSTMENT	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBRANCE	BUDEGT BALANCE	% OF BUDGET
<u>FINES & FORFEITURES</u>								
441.01	PENALTIES & INTEREST	90,000	90,000	0	11,795.99	55,741.04	0.00	34,258.96 61.93
441.02	TAX ATTORNEY FEES	45,000	45,000	0	2,286.03	35,528.63	0.00	9,471.37 78.95
443.01	COURT FINES	120,000	120,000	0	4,027.38	28,035.54	0.00	91,964.46 23.36
443.02	MUNI COURT- COLLECTION	14,000	14,000	0	358.67	5,141.66	0.00	8,858.34 36.73
443.03	LOCAL TIME PAYMENT FEE	5,000	5,000	0	105.38	745.56	0.00	4,254.44 14.91
449.02	ARREST FEES	10,000	10,000	0	405.58	3,384.86	0.00	6,615.14 33.85
449.03	CASH OVER-MC	0	0	0	0.00	0.00	0.00	0.00 0.00
449.05	RECOVERY ADJUSTMENT FE	0	0	0	0.00	0.00	0.00	0.00 0.00
	TOTAL FINES & FORFEITURES	284,000	284,000	0	18,979.03	128,577.29	0.00	155,422.71 45.27
<u>OTHER REVENUE</u>								
451.01	INTEREST INCOME	500,000	500,000	0	31,772.71	186,282.36	0.00	313,717.64 37.26
455.01	OTHER FINANCING SOURCE	0	0	0	0.00	0.00	0.00	0.00 0.00
459.02	PHOTO COPIES	500	500	0	12.00	61.25	0.00	438.75 12.25
459.05	DONATION- POLICE (JEDL	0	0	0	0.00	0.00	0.00	0.00 0.00
459.07	DONATION- FIRE (JEDLIC	0	0	0	0.00	0.00	0.00	0.00 0.00
459.08.1010	DONATION-PARK-MUSIC PA	0	0	0	0.00	0.00	0.00	0.00 0.00
459.08.1011	DONATION-PARK-LEARNING	0	0	0	0.00	0.00	0.00	0.00 0.00
459.10	DONATIONS	0	0	0	0.00	0.00	0.00	0.00 0.00
459.11	AUCTION/SALE PROCEEDS	32,000	32,000	0	0.00	34,300.00	0.00 (2,300.00)	107.19
459.12	TML REIMBURSEMENTS	0	0	0	0.00	24,252.78	0.00 (24,252.78)	0.00
459.15	HURRICANE	0	0	0	0.00	0.00	0.00	0.00 0.00
459.17	FIRE TRAINING REIMBURS	2,450	2,450	0	0.00	0.00	0.00	2,450.00 0.00
459.20	RESTITUTION PAYMENTS	0	0	0	0.00	11.00	0.00 (11.00)	0.00
459.90	MISCELLANEOUS INCOME	10,000	10,000	0	0.00	51.41	0.00	9,948.59 0.51
459.91	TOWER OF TEX USAGE RIG	6,000	6,000	0	0.00	6,000.00	0.00	0.00 100.00
459.92	EQUITY BALANCE FORWARD	0	0	0	0.00	0.00	0.00	0.00 0.00
	TOTAL OTHER REVENUE	550,950	550,950	0	31,784.71	250,958.80	0.00	299,991.20 45.55
<u>GRANT AND CONTRIBUTION R</u>								
482.00	GRANT REVENUE	258,656	258,656	0	0.00	0.00	0.00	258,656.00 0.00
482.01	STATE GRANT- PARKS	0	0	0	0.00	0.00	0.00	0.00 0.00
484.53	OPERATION STONE GARDEN	0	0	0	0.00	0.00	0.00	0.00 0.00
484.54	CONTRIBUTION LEOSE- PD	1,800	1,800	0	0.00	1,813.75	0.00 (13.75)	100.76
484.59	CALHOUN COUNTY-FIRE	240,577	240,577	0	185,489.82	247,319.87	0.00 (6,742.87)	102.80
484.60	CALHOUN COUNTY-ANIMAL	65,000	65,000	0	0.00	16,250.00	0.00	48,750.00 25.00
484.61	POINT COMFORT-ANIMAL	6,000	6,000	0	0.00	0.00	0.00	6,000.00 0.00
	TOTAL GRANT AND CONTRIBUTION R	572,033	572,033	0	185,489.82	265,383.62	0.00	306,649.38 46.39
<u>INTERGOVERNMENTAL REVENUE</u>								
492.01	XFER IN- 504 PORT COMM	51,181	51,181	0	0.00	21,325.40	0.00	29,855.60 41.67
492.02	XFER IN- 501 UTILITY F	1,135	1,135	0	0.00	472.90	0.00	662.10 41.67
492.04	XFER IN- 503 BEACH FUN	6,157	6,157	0	0.00	2,565.40	0.00	3,591.60 41.67
493.85	XFER IN- FD 134 JUSTIC	0	0	0	0.00	0.00	0.00	0.00 0.00
493.87	XFER IN- FD 161 BAYFRO	0	0	0	0.00	0.00	0.00	0.00 0.00
493.88	XFER IN- 206 FARF FUND	531,846	531,846	0	0.00	0.00	0.00	531,846.00 0.00
493.89	XFER IN- 101 HOTEL/MOT	285,464	285,464	0	0.00	118,943.35	0.00	166,520.65 41.67
493.90	XFER IN- OTHER	0	0	0	0.00	0.00	0.00	0.00 0.00
	TOTAL INTERGOVERNMENTAL REVENUE	875,783	875,783	0	0.00	143,307.05	0.00	732,475.95 16.36

CITY OF PORT LAVACA
REVENUE AND EXPENDITURES REPORT (UNAUDITED)
AS OF: MARCH 31ST, 2024

Section VII. Item #D.

001-GENERAL FUND
REVENUES

	ORIGINAL BUDGET	AMENDED BUDGET	BUDGET ADJUSTMENT	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBRANCE	BUDEGT BALANCE	% OF BUDGET
TOTAL REVENUES	11,639,342	11,639,342	0	674,505.06	7,774,101.37	0.00	3,865,240.63	66.79

CITY OF PORT LAVACA
 REVENUE AND EXPENDITURES REPORT (UNAUDITED)
 AS OF: MARCH 31ST, 2024

Section VII. Item #D.

501-PUBLIC UTILITY FUND
 FINANCIAL SUMMARY

	ORIGINAL BUDGET	AMENDED BUDGET	BUDGET ADJUSTMENT	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBRANCE	BUDEGT BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>								
USER & SERVICE CHARGES	7,182,792	7,182,792	0	551,120.92	3,398,960.54	0.00	3,783,831.46	47.32
FINES & FORFEITURES	240,000	240,000	0	8,884.54	59,040.99	0.00	180,959.01	24.60
OTHER REVENUE	120,000	120,000	0	1,888.83	34,848.42	0.00	85,151.58	29.04
GRANT AND CONTRIBUTION R	0	0	0	0.00	0.00	0.00	0.00	0.00
INTERGOVERNMENTAL REVENUE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL REVENUES	7,542,792	7,542,792	0	561,894.29	3,492,849.95	0.00	4,049,942.05	46.31
<u>EXPENDITURE SUMMARY</u>								
TECHNOLOGY SERVICES	157,108	157,108	0	1,325.69	81,940.77	0.00	75,167.23	52.16
BILLING	416,963	416,963	0	29,384.22	180,740.47	14,668.00	221,554.53	46.86
MAINTENANCE	1,347,812	1,347,812	0	69,341.89	453,261.05	574,523.82	320,027.13	76.26
WASTEWATER TREATMENT	1,007,105	1,007,105	0	86,938.82	614,320.14	372,919.48	19,865.38	98.03
NON-DEPARTMENTAL	<u>4,136,641</u>	<u>4,136,641</u>	<u>0</u>	<u>306,963.07</u>	<u>2,185,810.06</u>	<u>0.00</u>	<u>1,950,830.94</u>	<u>52.84</u>
TOTAL EXPENDITURES	7,065,629	7,065,629	0	493,953.69	3,516,072.49	962,111.30	2,587,445.21	63.38
REVENUES OVER/(UNDER) EXPENDITURES	477,163	477,163	0	67,940.60	(23,222.54)	(962,111.30)	1,462,496.84	206.50-

Section VII. Item #D.

501-PUBLIC UTILITY FUND
 REVENUES

	ORIGINAL BUDGET	AMENDED BUDGET	BUDGET ADJUSTMENT	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBRANCE	BUDEGT BALANCE	% OF BUDGET
<u>USER & SERVICE CHARGES</u>								
431.11 WATER-METERED	2,627,012	2,627,012	0	210,476.19	1,366,487.97	0.00	1,260,524.03	52.02
431.12 WATER-BULK	0	0	0	0.00	0.00	0.00	0.00	0.00
431.13 WATER-METERED COUNTY	95,014	95,014	0	6,171.85	41,489.97	0.00	53,524.03	43.67
431.21 SEWER RESIDENTIAL	1,567,373	1,567,373	0	132,917.23	719,671.54	0.00	847,701.46	45.92
431.22 SEWER COMMERCIAL	1,079,863	1,079,863	0	55,267.90	393,057.67	0.00	686,805.33	36.40
431.23 SEWER COUNTY	67,205	67,205	0	5,499.27	30,716.92	0.00	36,488.08	45.71
431.25 SEWER-LOW PRESSURE (LP)	975	975	0	120.00	720.00	0.00	255.00	73.85
431.31 WASTE-GARBAGE COLLECTI	927,373	927,373	0	78,546.21	464,556.95	0.00	462,816.05	50.09
431.32 SPRING CLEANUP	100,000	100,000	0	2,549.75	9,299.58	0.00	90,700.42	9.30
432.05 GBRA FEES	631,277	631,277	0	52,007.52	312,539.94	0.00	318,737.06	49.51
432.11 WATER TAPS	20,000	20,000	0	395.00	3,465.00	0.00	16,535.00	17.33
432.21 SEWER TAPS	4,000	4,000	0	0.00	1,670.00	0.00	2,330.00	41.75
432.60 DAMAGES REIMBURSEMENT	0	0	0	0.00	0.00	0.00	0.00	0.00
432.61 SERVICE CALL FEES	1,200	1,200	0	1,830.00	10,520.00	0.00	(9,320.00)	876.67
432.62 SERVICE TRANSFER FEES	1,000	1,000	0	0.00	130.00	0.00	870.00	13.00
432.63 SERVICE RECONNECTION F	60,000	60,000	0	5,160.00	44,140.00	0.00	15,860.00	73.57
432.64 SERVICE TEMP WATER	500	500	0	180.00	495.00	0.00	5.00	99.00
432.65 SALES TAX-GARBAGE	0	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL USER & SERVICE CHARGES	7,182,792	7,182,792	0	551,120.92	3,398,960.54	0.00	3,783,831.46	47.32
<u>FINES & FORFEITURES</u>								
442.01 LATE PAYMENT PENALTIES	90,000	90,000	0	8,884.54	59,000.99	0.00	30,999.01	65.56
442.02 CONTRACT REVENUE	150,000	150,000	0	0.00	40.00	0.00	149,960.00	0.03
TOTAL FINES & FORFEITURES	240,000	240,000	0	8,884.54	59,040.99	0.00	180,959.01	24.60
<u>OTHER REVENUE</u>								
451.01 INTEREST INCOME	38,000	38,000	0	2,208.87	15,240.45	0.00	22,759.55	40.11
459.03 RETURNED CHECK FEE	1,000	1,000	0	30.00	720.00	0.00	280.00	72.00
459.04 BAD DEBT ACCOUNT COLLE	35,000	35,000	0	(361.04)	(800.33)	0.00	35,800.33	2.29-
459.08 CCRWSS-GBRA TRANSMISSI	43,000	43,000	0	0.00	19,676.03	0.00	23,323.97	45.76
459.11 AUCTION/SALE PROCEEDS	2,000	2,000	0	0.00	0.00	0.00	2,000.00	0.00
459.12 TML REIMBURSEMENTS	0	0	0	0.00	0.00	0.00	0.00	0.00
459.90 MISCELLANEOUS INCOME	1,000	1,000	0	11.00	12.27	0.00	987.73	1.23
459.92 EQUITY BALANCE FORWARD	0	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER REVENUE	120,000	120,000	0	1,888.83	34,848.42	0.00	85,151.58	29.04
<u>GRANT AND CONTRIBUTION R</u>								
481.00 CAPITAL CONTRIBUTIONS	0	0	0	0.00	0.00	0.00	0.00	0.00
482.00 GRANT REVENUE	0	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL GRANT AND CONTRIBUTION R	0	0	0	0.00	0.00	0.00	0.00	0.00
<u>INTERGOVERNMENTAL REVENUE</u>								
493.01 XFER IN- VARIOUS FUNDS	0	0	0	0.00	0.00	0.00	0.00	0.00
493.02 XFER IN- FUND 136	0	0	0	0.00	0.00	0.00	0.00	0.00
493.88 XFER IN-206-FARF RESTR	0	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL INTERGOVERNMENTAL REVENUE	0	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	7,542,792	7,542,792	0	561,894.29	3,492,849.95	0.00	4,049,942.05	46.31

CITY OF PORT LAVACA
 REVENUE AND EXPENDITURES REPORT (UNAUDITED)
 AS OF: MARCH 31ST, 2024

Section VII. Item #D.

101-HOTEL OCCUPANCY TAX FUND
 FINANCIAL SUMMARY

	ORIGINAL BUDGET	AMENDED BUDGET	BUDGET ADJUSTMENT	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBRANCE	BUDEGT BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>								
TAXES	576,905	576,905	0	0.00	145,821.62	0.00	431,083.38	25.28
OTHER REVENUE	14,500	14,500	0	1,501.74	8,995.41	0.00	5,504.59	62.04
INTERGOVERNMENTAL REVENUE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL REVENUES	591,405	591,405	0	1,501.74	154,817.03	0.00	436,587.97	26.18
<u>EXPENDITURE SUMMARY</u>								
HOTEL OCCUPANCY TAX	<u>638,804</u>	<u>638,804</u>	<u>0</u>	<u>12,006.92</u>	<u>243,631.99</u>	<u>0.00</u>	<u>395,172.01</u>	<u>38.14</u>
TOTAL EXPENDITURES	638,804	638,804	0	12,006.92	243,631.99	0.00	395,172.01	38.14
REVENUES OVER/(UNDER) EXPENDITURES	(47,399)	(47,399)	0	(10,505.18)	(88,814.96)	0.00	41,415.96	187.38

CITY OF PORT LAVACA
 REVENUE AND EXPENDITURES REPORT (UNAUDITED)
 AS OF: MARCH 31ST, 2024

Section VII. Item #D.

503-BEACH OPERATING FUND
 FINANCIAL SUMMARY

	ORIGINAL BUDGET	AMENDED BUDGET	BUDGET ADJUSTMENT	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBRANCE	BUDEGT BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>								
USER & SERVICE CHARGES	230,000	230,000	0	0.00	63,099.93	0.00	166,900.07	27.43
OTHER REVENUE	4,500	4,500	0	3,078.84	19,402.53	0.00	(14,902.53)	431.17
GRANT AND CONTRIBUTION R	0	0	0	0.00	0.00	0.00	0.00	0.00
INTERGOVERNMENTAL REVENUE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL REVENUES	234,500	234,500	0	3,078.84	82,502.46	0.00	151,997.54	35.18
<u>EXPENDITURE SUMMARY</u>								
TECHNOLOGY SERVICES	0	0	0	0.00	0.00	0.00	0.00	0.00
OPERATIONS	0	0	0	0.00	0.00	0.00	0.00	0.00
OPERATIONS	<u>210,294</u>	<u>210,294</u>	<u>0</u>	<u>6,881.25</u>	<u>59,935.64</u>	<u>0.00</u>	<u>150,358.36</u>	<u>28.50</u>
TOTAL EXPENDITURES	210,294	210,294	0	6,881.25	59,935.64	0.00	150,358.36	28.50
REVENUES OVER/ (UNDER) EXPENDITURES	24,206	24,206	0	(3,802.41)	22,566.82	0.00	1,639.18	93.23

CITY OF PORT LAVACA
 REVENUE AND EXPENDITURES REPORT (UNAUDITED)
 AS OF: MARCH 31ST, 2024

Section VII. Item #D.

504-PORT & HARBORS FUND
 FINANCIAL SUMMARY

	ORIGINAL BUDGET	AMENDED BUDGET	BUDGET ADJUSTMENT	CURRENT PERIOD	YEAR TO DATE ACTUAL	TOTAL ENCUMBRANCE	BUDEGT BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>								
USER & SERVICE CHARGES	672,689	672,689	0	68,496.84	392,467.16	0.00	280,221.84	58.34
FINES & FORFEITURES	500	500	0	0.00	0.00	0.00	500.00	0.00
OTHER REVENUE	35,600	35,600	0	5,921.28	17,125.51	0.00	18,474.49	48.11
GRANT AND CONTRIBUTION R	1,200,000	1,200,000	0	0.00	0.00	0.00	1,200,000.00	0.00
INTERGOVERNMENTAL REVENUE	<u>12,215</u>	<u>12,215</u>	<u>0</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>12,215.00</u>	<u>0.00</u>
TOTAL REVENUES	1,921,004	1,921,004	0	74,418.12	409,592.67	0.00	1,511,411.33	21.32
<u>EXPENDITURE SUMMARY</u>								
TECHNOLOGY SERVICES	1,422	1,422	0	118.44	620.20	0.00	801.80	43.61
CITY HARBOR	7,000	7,000	0	0.00	2,583.94	0.00	4,416.06	36.91
HARBOR OF REFUGE	330,000	330,000	0	0.00	14,250.00	19,503.57	296,246.43	10.23
SMITH HARBOR	11,000	11,000	0	0.00	0.00	0.00	11,000.00	0.00
NAUTICAL LANDINGS MARINA	30,000	30,000	0	0.00	0.00	0.00	30,000.00	0.00
OPERATIONS	1,804,066	1,804,066	0	21,915.53	266,063.67	0.00	1,538,002.33	14.75
NON DEPARTMENTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00</u>	<u>59.86</u>	<u>0.00</u>	<u>(59.86)</u>	<u>0.00</u>
TOTAL EXPENDITURES	2,183,488	2,183,488	0	22,033.97	283,577.67	19,503.57	1,880,406.76	13.88
REVENUES OVER/(UNDER) EXPENDITURES	(262,484)	(262,484)	0	52,384.15	126,015.00	(19,503.57)	(368,995.43)	40.58-

COMMUNICATION

SUBJECT: Receive Victoria Economic Development Corporation (VEDC) Monthly Report

INFORMATION:

VEDC Update for Port Lavaca – March 2024 APRIL COUNCIL MEETING

Residential Incentives Draft

- Pending – presented to Council on January 29th. The VEDC is waiting on direction from council.

Marketing

- VEDC has the new demographics to be placed on the website and other marketing literature. (currently reflects numbers from 2016)
- VEDC is working with a third party to update the VEDC website to include a page/tab for Port Lavaca that will include economic development information specific to Port Lavaca (in progress)
- Website now automatically populates with MLS real estate listings
- VEDC staff is creating a one-page marketing sheet for Port Lavaca per request

Business

- VEDC staff drove the city with the CM to discuss certain areas and residential needs.
- VEDC staff walked the downtown area with Chamber staff to get a feel for the community. Very few business owners were open or available to talk.
- VEDC is looking at dates for a community meeting (partnering with the Chamber).
- VEDC will schedule business visits to build relationships and identify issues.

Projects

- WGS is still a very active project (this was the day and a half site visit March 4th and March 5th). This would be at the ALCOA site and would result in 1,500 jobs. We are on the short list.
- Project Lynas is still active
- 3 other large projects are being worked on in the region which will result in many jobs, if sites are selected.

Other

- VEDC staff spoke to a possible buyer/investor and civil engineer, regarding the hotel across from the nautical center. The prospect has already purchased properties (residential) in Port Lavaca.
- VEDC staff has reached out to HUD/ USDA representative regarding a home repair program that may be available. Will update after conversation.

COMMUNICATION

SUBJECT: Receive Investment Report for Quarter ending March 31, 2024

INFORMATION:

City of Port Lavaca
Quarterly Investment Report
 1/1/2024 - 3/31/2024

Purchase Date	Maturity Date/Days	CUSIP	% of Portfolio	Security or Type	Principal	Interest	12/31/2023	3/31/2024	Yield	Bench Mark 6 mo. T-Bill	Par Value	Market Value	Accrued Interest	Date Sold	Paid Interest
			23%	<u>Demand Deposits</u>											
N/A	N/A			Payroll First National Bank			\$ 5,311	\$ 9,513	0.0000%		\$ 9,513	\$ 9,513			\$ -
N/A	N/A			Pooled Cash First National Bank			\$ 5,603,117	\$ 5,371,311	1.5000%		\$ 5,371,311	\$ 5,371,311			\$ 20,705
N/A	N/A			Fireman's Retirement First National Bank			\$ 50	\$ 350	0.0000%		\$ 350	\$ 350			\$ -
N/A	N/A			Checking First National Bank			\$ -	\$ -	0.0000%		\$ -	\$ -			\$ -
N/A	N/A			Flip Flip First National Bank			\$ 1	\$ 1	0.0000%		\$ 1	\$ 1			\$ -
			77%	<u>Local Government Investment Pools</u>											
N/A	44 *			Consolidated Cash Logic			\$ 11,944,058	\$ 12,108,231	5.4733%	5.0500%	\$ 12,108,231	\$ 12,104,671			\$ 164,173
N/A	44 *			Series 2022 Capital Projects Logic			\$ 5,860,399	\$ 5,940,951	5.4733%	5.0500%	\$ 5,940,951	\$ 5,939,204			\$ 80,552
Total Investments							\$ 23,412,936	\$ 23,430,357	3.1512% Average		\$ 23,430,357	\$ 23,425,051	\$ -		\$ 265,430

* Weighted Average Maturity

Total Interest for January 1, 2024 through March 31, 2024

These Investments are in compliance with the City of Port Lavaca's Investment Policy.



Brittny Hogan
Senior Accountant

04/02/2024

Date

COMMUNICATION

SUBJECT: Ratify Engagement Letter from Pattillo, Brown & Hill, L.L.P. for Auditing Services of the City's Financials for Fiscal Year ending September 30, 2023

INFORMATION:



PATTILLO, BROWN & HILL, L.L.P.
401 West State Highway 6
Waco, Texas 76710
254.772.4801 pbhcpa.com

August 29, 2023

City of Port Lavaca
202 N. Virginia
Port Lavaca, Texas 77979

You have requested that we audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Port Lavaca, Texas (the "Entity"), as of September 30, 2023, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Entity's basic financial statements as listed in the table of contents.

In addition, we will audit the entity's compliance over major federal award programs for the period ended September 30, 2023. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal award programs. The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the entity complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and *Government Auditing Standards*, if any, and perform procedures to address those requirements.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque



Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension and other postemployment benefit related information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis.
- Budgetary Schedules.
- Schedule of Changes In Net Pension Liability and Related Ratios.
- Schedule of Pension Contributions.
- Schedule of Changes in Net Other Post Employment Benefit (OPEB) Liability and Related Ratios.
- Schedule of OPEB Contributions.

Supplementary information other than RSI will accompany the Entity's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

- Combining Statements and Schedules.

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the financial statements:

- Introductory Section.
- Statistical Section.

Schedule of Expenditures of Federal Awards

We will subject the schedule of expenditures of federal awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole.

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the earlier of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200 and *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

As part of an audit of financial statements in accordance with GAAS and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entity's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be

detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective, and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of the Entity's basic financial statements. Our report will be addressed to those charged with governance of the Entity. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of the Entity's major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the entity's compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs, and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management's Responsibilities

Our audit will be conducted on the basis that management and those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
3. For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received;
4. For maintaining records that adequately identify the source and application of funds for federally funded activities;
5. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance;
6. For designing, implementing, and maintaining effective internal control over federal awards that provides reasonable assurance that the entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;
7. For identifying and ensuring that the entity complies with federal laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal award programs, and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;
8. For disclosing accurately, currently, and completely the financial results of each federal award in accordance with the requirements of the award;

9. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
10. For taking prompt action when instances of noncompliance are identified;
11. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
12. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
13. For submitting the reporting package and data collection form to the appropriate parties;
14. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
15. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including the disclosures, and relevant to federal award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit;
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence;
 - d. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report, if one is issued. This document would include more than an annual comprehensive financial report (ACFR) or annual financial report (AFR) and;
 - e. If applicable, a final version of the annual report, (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
16. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
17. For acceptance of non-attest services, including identifying the proper party to oversee non-attest work;
18. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
19. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;

- 20. For the accuracy and completeness of all information provided;
- 21. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
- 22. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

With regard to the schedule of expenditures of federal awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance, (b) to provide us with the appropriate written representations regarding the schedule of expenditures of federal awards, (c) to include our report on the schedule of expenditures of federal awards in any document that contains the schedule of expenditures of federal awards and that indicates that we have reported on such schedule, and (d) to present the schedule of expenditures of federal awards with the audited financial statements, or if the schedule will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by you of the schedule and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Non-attest Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the Entity in conformity with U.S. generally accepted accounting principles and the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. These services are limited to preparing the financial statements, schedule of expenditures of federal awards, and related notes of the Entity as previously outlined.

We will not assume management responsibilities on behalf of the Entity. However, we will provide advice and recommendations to assist management of the Entity in performing its responsibilities.

The Entity's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the engagement is limited to our preparation of the financial statements and related note disclosures and the schedule of expenditures of federal awards previously outlined. Our firm in its sole professional judgment, reserves the right to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise with regard to financial reporting, but the Entity must make all decisions with regard to those matters.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

Engagement Administration, Fees and Timing

We will schedule the engagement based in part on deadlines, working condition, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If for whatever reason your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

The timing of our audit will be scheduled for performance and completion as follows:

Document internal control and preliminary tests	September 2023
Mail confirmations	September 2023
Perform year-end audit procedures	February 2024
Issue audit reports	March 2024

Paula Lowe is the engagement partner for the audit services specified in this letter. Her responsibilities include supervising Pattillo, Brown & Hill, LLP's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees for these services will be at our standard hourly rates plus out-of-pocket cost (such as reports reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$52,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the

audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional cost.

Other Matters

During the course of the engagement, we may communicate with you or your personnel via fax or email, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications. In addition to fax and email, our firm also exchanges data over the internet using other methods (such as portals) or store electronic data via software applications hosted remotely through a third-party vendor's secured portal and/or cloud.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

Our firm may transmit confidential information that you provided us to third parties in order to facilitate delivering our services to you. For example, such transmissions might include, but not be limited to investment information to verify valuation. We have obtained confidentiality agreements with all our service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the work provided by any third-party service providers used under this agreement. By your signature below, you consent to having confidential information transmitted to entities outside the firm. Please feel free to inquire if you would like additional information regarding the transmission of confidential information to entities outside the firm.

The audit documentation for this engagement is the property of Pattillo, Brown & Hill, LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to federal or state agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Pattillo, Brown & Hill's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to management and those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity’s significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management’s consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements, compliance over major federal award programs including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

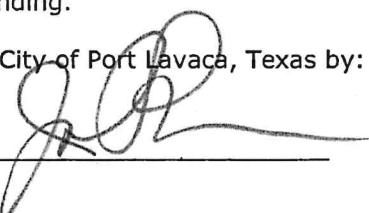
Respectfully,
Pattillo, Brown & Hill, L.L.P.

Paula Lowe

Paula Lowe, CPA
Waco, Texas
RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the City of Port Lavaca, Texas by:

Name: Joanna P. Weaver 

Title: Interim City Manager

Date: 3.25.24



Report on the Firm’s System of Quality Control

December 9, 2022

To the Partners of Pattillo Brown & Hill, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Pattillo Brown & Hill, LLP (the firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm’s Responsibility

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

Peer Reviewer’s Responsibility

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

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including compliance audits under the Single Audit Act; an audit of an employee benefit; and an audit performed under FDICIA.

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Pattillo Brown & Hill, LLP in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Pattillo Brown & Hill, LLP has received a peer review rating of pass.

Ericksen Krentel, LLP

Certified Public Accountants

COMMUNICATION

SUBJECT: Conduct Public Hearing in accordance with the City of Port Lavaca Code of Ordinances, Chapter 12 Buildings and Building Regulations, Article IV- Substandard Buildings, Section 12-291 - Notice (a) and (b), for the following properties listed:

INFORMATION:

(a) 617 S. Ann St.(b) 126 Haviland (c) 506 S. Virginia(d) 306 W. Martin Luther
King(e) 227 Tommy Dr.

COMMUNICATION

SUBJECT: Consider finding that the following properties listed, located in the City of Port Lavaca, Texas, are in violation of the City of Port Lavaca Code of Ordinances, Chapter 12 Buildings and Building Regulations, Article IV - Substandard Buildings, following a Public Hearing held on December 11, 2023. Presenter is Derrick Smith

INFORMATION:

(a) 617 S. Ann St.(b) 126 Haviland (c) 506 S. Virginia(d) 306 W. Martin Luther King(e) 227 Tommy Dr.

617 Ann St.

Inspection: 4-1-24 L. Wright/Derrick Smith

	A	B	C	D	E	F
4	Exterior Checklist					
5		Yes	No	Condition/ Type	Action	
6	Roof properly maintained		X	Poor Condition.		
7	Walls, partitions or other vertical supports split, lean, list or buckle due to defective material, deterioration, or improper construction.	x		Holes, Cracks side of the house.		
8	Fireplaces or chimneys properly maintained			No Fireplace or chimneys.		
9	Unsecure building: vacant and open.	x		Front door open.		
10	Lack of required rails, stairs, steps and/or balconies	x		There is no rails or stairs.		
11	Lack of or improper exterior wall coverings	x		Walls are coming apart.		
12	Hazardous wiring	x		Wiring hanging down the ceiling.		
13	Hazardous plumbing	x		Plumbing not working.		
14	Hazardous mechanical equipment		x			
15	Sanitation:		x	Garbage and trash.		
16	Lack of or improper connection to required sewage disposal	x		No running water.		
17	Lack of improper garbage and rubbish storage	x		Garbage and trash everywhere.		
18	Standing or stagnant water		x			
19	Infestation of insects rodents or vermin	x		Insections.		
	Dead trees, tree limbs,			Dead Trees and tree limbs.		





306 W MLK Dr

Inspection: 4-1-24 L. Wright/Derrick Smith

Exterior Checklist				
	Yes	No	Condition/ Type	Action
Roof properly maintained		X	Poor Condition, and rusty.	
Walls, partitions or other vertical supports split, lean, list or buckle due to defective material, deterioration, or improper construction.	x		Bottom of building is falling apart.	
Fireplaces or chimneys properly maintained			unable to access.	
Unsecure building: vacant and open.	x			
Lack of required rails, stairs, steps and/or balconies	x		There is no rails.	
Lack of or improper exterior wall coverings	x		Walls are coming apart.	
Hazardous wiring	x		Open Wires.	
Hazardous plumbing			unable to access.	
Hazardous mechanical equipment			unable to access.	
Sanitation:		x	Garbage and trash.	
Lack of or improper connection to required sewage disposal		x		
Lack of improper garbage and rubbish storage	x		Garbage and trash around the building	
Standing or stagnant water		x		
Infestation of insects rodents or vermin	x		Insections.	
Dead trees, tree limbs,			Vegetation all around the house.	

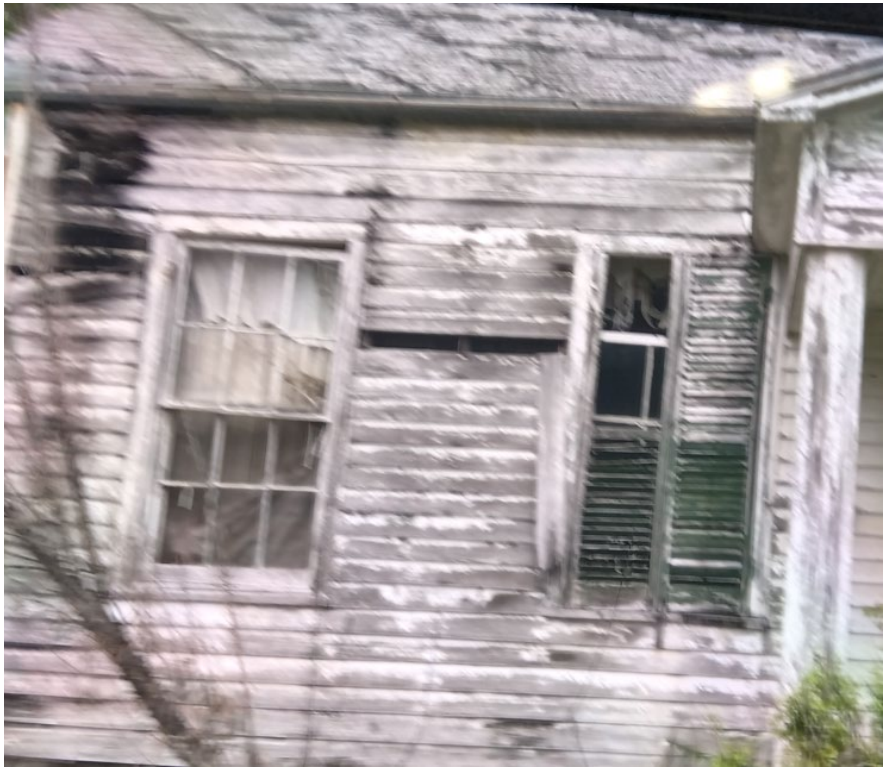




506 S Virginia

Inspection: 4-1-24 L. Wright/Derrick Smith

A	B	C	D	E
Exterior Checklist				
	Yes	No	Condition/ Type	Action
Roof properly maintained		X	Poor Condition.	
Walls, partitions or other vertical supports split, lean, list or buckle due to defective material, deterioration, or improper construction.	x		Missing pieces of the house.	
Fireplaces or chimneys properly maintained			unable to access.	
Unsecure building: vacant and open.	x			
Lack of required rails, stairs, steps and/or balconies	x		There is no rails.	
Lack of or improper exterior wall coverings		x		
Hazardous wiring	x		Wiring exposed.	
Hazardous plumbing			unable to access.	
Hazardous mechanical equipment			Breaker box exposed.	
Sanitation:		x	Garbage and trash.	
Lack of or improper connection to required sewage disposal		x		
Lack of improper garbage and rubbish storage	x		Garbage and trash in backyard.	
Standing or stagnant water		x		
Infestation of insects rodents or vermin	x		Vermin.	
Dead trees, tree limbs,			Dead Trees.	





227 Tommy Dr.

Inspection: 4-1-24 L. Wright/Derrick Smith

A	B	C	D	E
Exterior Checklist				
	Yes	No	Condition/ Type	Action
Roof properly maintained		X	Poor Condition.	
Walls, partitions or other vertical supports split, lean, list or buckle due to defective material, deterioration, or improper construction.	x		Walls are buckling falling apart.	
Fireplaces or chimneys properly maintained			Unable to access	
Unsecure building: vacant and open.		x		
Lack of required rails, stairs, steps and/or balconies	x		There is no rails or stairs.	
Lack of or improper exterior wall coverings	x		Walls are coming apart.	
Hazardous wiring	x		Wiring exposed.	
Hazardous plumbing	x		Unable to access	
Hazardous mechanical equipment		x		
Sanitation:		x	Garbage and trash.	
Lack of or improper connection to required sewage disposal	x		No running water.	
Lack of improper garbage and rubbish storage	x		Garbage and trash everywhere.	
Standing or stagnant water		x		
Infestation of insects rodents or vermin	x		Insects.	
Dead trees, tree limbs,			Tree limbs and vegetation.	





126 Haviland

Inspection: 4-1-24 L. Wright/Derrick Smith

Exterior Checklist				
	Yes	No	Condition/ Type	Action
Roof properly maintained		X	Poor Condition.	
Walls, partitions or other vertical supports split, lean, list or buckle due to defective material, deterioration, or improper construction.	x		Cracking on the sides.	
Fireplaces or chimneys properly maintained			unable to access.	
Unsecure building: vacant and open.		x		
Lack of required rails, stairs, steps and/or balconies	x		There is no rails or stairs.	
Lack of or improper exterior wall coverings	x		Walls are cracking.	
Hazardous wiring	x		Wiring exposed window unit.	
Hazardous plumbing			unable to access.	
Hazardous mechanical equipment		x		
Sanitation:		x	Garbage and trash.	
Lack of or improper connection to required sewage disposal		x		
Lack of improper garbage and rubbish storage	x		Garbage and trash everywhere.	
Standing or stagnant water		x		
Infestation of insects rodents or vermin	x		Insections.	
Dead trees, tree limbs,			Dead Trees and tree limbs.	





COMMUNICATION

SUBJECT: Consider approval of the Annual Comprehensive Financial Report (ACFR) for the Fiscal Year ending September 30, 2023, prepared by the Audit Firm of Pattillo, Brown & Hill, L.L.P. Presenter is Jody Weaver

INFORMATION:

COMMUNICATION

SUBJECT: Consider request from the Port Lavaca Events Committee for a variance to the Code of Ordinance CH 32 Parks and Recreation, Article IV Park Regulations, Sec. 32-72 Park Rules Established (7) Parking or Loitering in public parks after 11:00 p.m.is prohibited; (regarding operating hours of Bayfront Peninsula Park on June 14, 15, and 16, 2024). Presenter is Tania French

INFORMATION:

CITY OF PORT LAVACA

CITY COUNCIL MEETING: APRIL 08, 2024

DATE: 03/25/2024

TO: JODY WEAVER, INTERIM CITY MANAGER
HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: TANIA FRENCH, EVENTS COORDINATOR

SUBJECT: Variance to Code of Ordinance CH 32 Parks and Recreation, Article IV Park Regulations, Sec. 32-72 Park Rules Established (7) Parking or Loitering in public parks after 11:00 p.m.is prohibited

The Port Lavaca Juneteenth Committee has been diligently coordinating efforts for this year's celebration and is excited about the opportunity to commemorate this significant occasion with the community.

In previous years, many attendees of the Juneteenth celebration have enjoyed socializing and engaging in recreational activities, such as playing cards, at George Adams Park overnight. While this has been a cherished tradition for attendees, the committee has come to realize that it is not in compliance with park regulations, particularly at the Bayfront Peninsula Park, where the park closes at 11 p.m. unless individuals are fishing.

To accommodate the tradition of overnight socializing during Juneteenth celebrations, the committee seeks a variance for the weekend of June 14-16, 2024 to allow for overnight fellowship, games, etc. The committee would secure overnight security to ensure safety and compliance with other park regulations.

We believe that granting this variance will enable us to uphold the spirit of Juneteenth and provide an opportunity for our community both past and present, along with visitors, to come together in celebration and unity.

COMMUNICATION

SUBJECT: Consider request from the Port Lavaca Events Committee for a parade procession from George Adams Park to Bayfront Peninsula Park to celebrate Juneteenth, on Sunday, June 16, 2024, waiver of permit fees and assistance with traffic control. Presenter is Tania French

INFORMATION:

CITY OF PORT LAVACA

CITY COUNCIL MEETING: APRIL 08, 2024

DATE: 03/25/2024

TO: JODY WEAVER, INTERIM CITY MANAGER
HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: TANIA FRENCH, EVENTS COORDINATOR

SUBJECT: JUNETEENTH PARADE

This year marks the 50th anniversary of the Port Lavaca Juneteenth event. To honor this occasion and commemorate this significant milestone in our community's history, the Juneteenth committee is striving to align activities with this year's theme: "50 Years Standing Strong: Celebrating Our Past, Present, and Future."

With this goal in mind, the Juneteenth committee proposes integrating George Adams Park, an integral component of our heritage, into this year's celebrations. Our aim is to honor our heritage, acknowledge our progress, and envision a future filled with promise and possibility and the committee suggests beginning Sunday, June 16th festivities at George Adams Park followed by a parade before concluding at Bayfront Peninsula Park.

The proposed parade holds particular significance as it serves as a symbolic representation of honoring history while embracing the future.

The main highlights of the Sunday events include:

- 1) **Commencement at George Adams Park:** The day will begin with a gathering at George Adams Park, where speakers will reflect on the historical significance of Juneteenth and offer prayers for continued unity and progress in our community.
- 2) **Parade Procession:** Following the opening ceremonies at George Adams Park, there will be a parade procession to Bayfront Peninsula Park. Metaphorically, this parade will act as a beacon, illuminating the path forward and laying the foundation for future generations to follow embodying our commitment to progress and continuity. We anticipate it will be a memorable experience.
- 3) **Culmination at Bayfront Peninsula Park:** The celebration will culminate at Bayfront Peninsula Park, where attendees will have the opportunity to partake in the annual fish

fry and attend a church service. These activities will provide a meaningful conclusion to the weekend's festivities, fostering fellowship and camaraderie among all attendees.

In light of these plans, the committee respectfully requests approval from the Port Lavaca City Council for the following:

- Permission to conduct the parade procession from George Adams Park to Bayfront Peninsula Park.
- Assistance with traffic control measures to ensure the safety and smooth flow of the parade route.

By weaving together elements of remembrance, celebration, and anticipation, we'll create a Juneteenth event that honors our past, celebrates our present, and embraces our future, while also promoting inclusivity and community engagement within Port Lavaca.

COMMUNICATION

SUBJECT: Consider First reading of an Ordinance (G-2-24) of the City of Port Lavaca amending the basic Traffic Control Devices Ordinance G-6-86, Section 3, by adding new street locations in Burkeshire, Marshall Meadow and Seagull Subdivisions; Repeal Clause and effective date. Presenter is Jody Weaver

INFORMATION:

ORDINANCE #G-4-24

AN ORDINANCE AMENDING SECTION 3 OF THAT CERTAIN ORDINANCE DESIGNATING THE TYPE AND LOCATION OF TRAFFIC CONTROL DEVICES WITHIN THE CITY OF PORT LAVACA, PASSED AND APPROVED BY CITY COUNCIL THE 8TH DAY OF SEPTEMBER, 1986, AND RECORDED IN CITY COUNCIL MINUTE RECORDS, VOLUME "HH", PAGE 41, BY ADDING NEW STREET LOCATIONS TO SAID ORDINANCE IN SAID SECTION 3; REPEALING CLAUSE AND EFFECTIVE DATE.

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

SECTION I: Section 3 of the Ordinance designating the type and location of traffic control devices within the City of Port Lavaca, passed and approved by City Council on the 8th day of September, 1986, and recorded in City Council Minute Records, Volume "HH", page 41, is hereby amended by adding the following locations for traffic control devices:

BURKESHIRE, MARSHALL MEADOWS AND SEAGULL SUBDIVISIONS

MEADOWVIEW @ BAUER DRIVE
STOP Signs (replaces a former Yield Sign)

SUNCREST DR. @ BAUER DRIVE
STOP Signs (replaces a former Yield Sign)

AVALON AVENUE @ BAUER DRIVE
STOP Signs (replaces a former Yield Sign)

BURKEDALE DR. @ ELIZABETH ST.
STOP Signs (replaces a former Yield Sign)

SPRINGWOOD LANE @ ELIZABETH ST.
STOP Signs
Signage placed on the north side of Springwood Lane

SUNCREST DR. @ AVALON AVENUE
STOP Signs
Signage placed on the north and south side of Suncrest Dr.

SECTION II: All ordinances or parts of ordinances in conflict herewith are hereby expressly repealed.

SECTION III. The effective date of this ordinance shall be when passed and approved by City Council, and traffic control signs, markings and devices are appropriately in place.

FIRST READING this 8th day of April, 2024.

Jack Whitlow, Mayor

SECOND AND FINAL READING this 13th day of May, 2024.

Jack Whitlow, Mayor

APPROVED AND ADOPTED this 13th day of May, 2024.

Jack Whitlow, Mayor

ATTEST:

Mandy Grant, City Secretary

APPROVED AS TO FORM:

Anne Marie Odefey, City Attorney

RECORD OF VOTE

First Reading	Second and Final	Passed and Approved
------------------	---------------------	------------------------

Councilman Aguirre
Councilman Dent
Councilman Tippit
Councilwoman Padron
Councilman Ward
Councilman Barr

Record of approval by City Council: City Council Minute Records, Volume 3-I, Page _____.

Amends G-6-86

ORDINANCE #G-4-24
TrafficControl_Stop Signs_Burkeshire, Marshall Meadows, Seagull SDs
MyDocuments\Ordinances\2024 Ordinances
Passed and Adopted 05-13-24
Recorded Vol. 3-I, Page ____



CITY OF
PORT LAVACA
POLICE DEPARTMENT

March 20, 2024

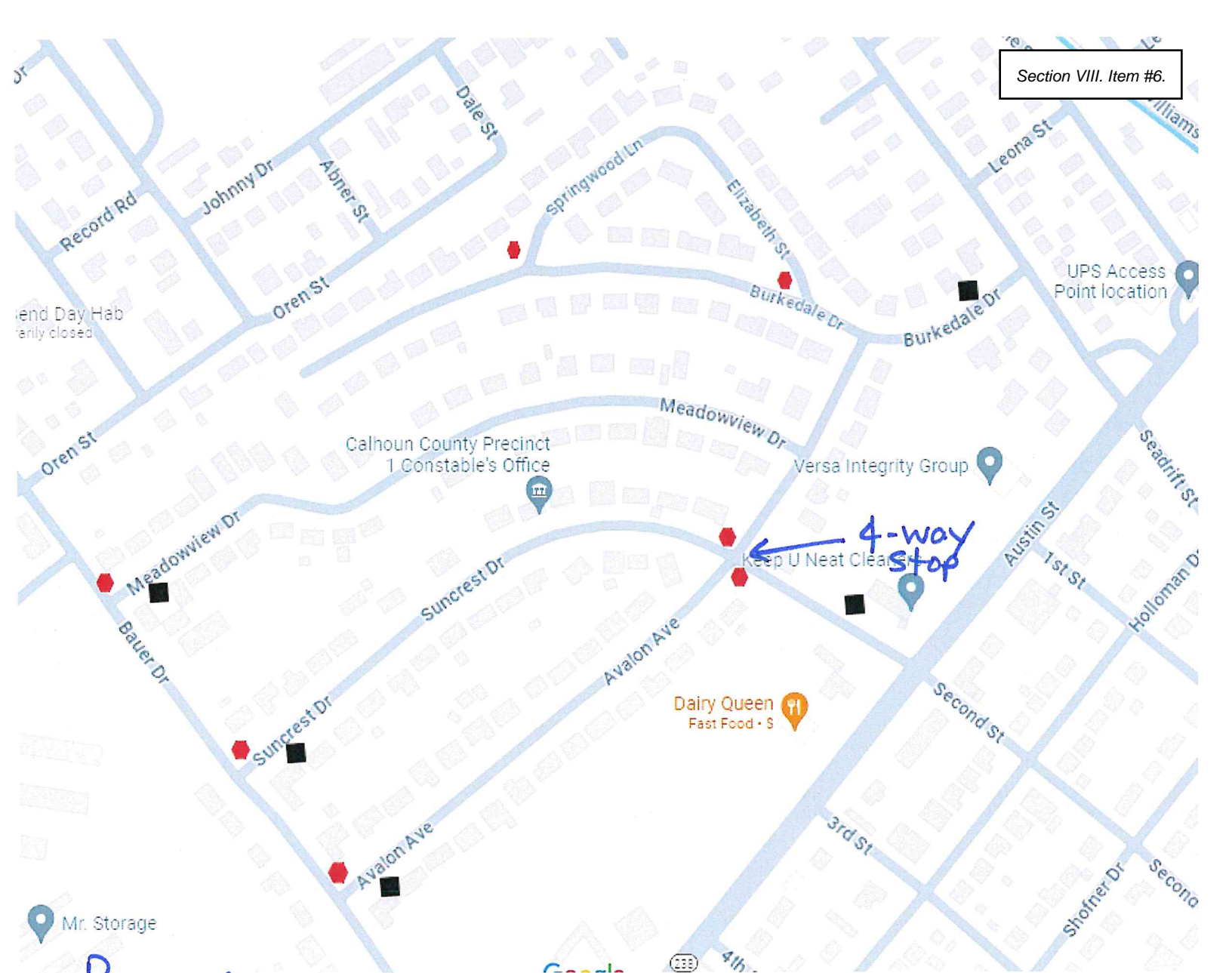
To: City Secretary Mandy Grant
From: Chief Colin Rangnow
Date: March 20, 2024
Subject: Agenda Item: Traffic Control Signage

The Port Lavaca Police Department requests approval from City Council of the City of Port Lavaca to add additional traffic control devices (Stop Signs) in the Burkeshire, Marshall Meadows, and Seagull subdivisions. Several citizens have voiced concern about the lack of traffic control in this area. Citizens have noted vehicular speeds have increased due to lack of traffic control at the various intersections in said subdivisions. I recommend implementing traffic control signage at the following intersections:

- Meadowview Drive @ Bauer Drive (replace current yield sign with stop sign.)
- Suncrest Drive @ Bauer Drive (replace current yield sign with stop sign.)
- Avalon Avenue @ Bauer Drive (replace current yield sign with stop sign.)
- Burkedale Drive @ Elizabeth Street (replace current yield sign with stop sign.)
- Springwood Lane @ Elizabeth Street (place stop sign on northside Springwood Lane)
- Suncrest Drive @ Avalon Avenue (place stop signs on north and south side of Suncrest.)

Chief Colin Rangnow

Port Lavaca Police Department



Proposed
New Stop Signs



4-way stop









COMMUNICATION

SUBJECT: Consider First reading of an Ordinance (G-3-24) of the City of Port Lavaca amending the Code of Ordinances, Appendix A - Fees, Rates and Changes; Chapter 50 Water basic rates; and providing an effective date. Presenter is Jody Weaver

INFORMATION:

CITY OF PORT LAVACA

COUNCIL MEETING: APRIL 8, 2024

DATE: 04.03.2024
TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS
FROM: JODY WEAVER, INTERIM CITY MANAGER
SUBJECT: Increase to Water Base Rates

BACKGROUND:

When we last increased the Water Base Rate in early 2023, the rate had been increased by \$0.38 to account for the then planned 2022 Series Bond funding of \$393,688.79 to supplement ARPA funds to pay for the Water Systems Improvement project (GST and HSPS). As you recall, the bids came in about \$2M over budget and as a result, we have committed a total amount of \$2,436,108.99 of the 2022 Series Bond funds to go towards this project (an increase of \$2,042,420.20).

Therefor to collect adequate revenue from the water customers to pay for the proportional share of the 2022 Series debt service payments, we are proposing to increase the Base Water Rate by \$1.97 as follows:

Table with 6 columns: Water Bond Series 2022 Funding, + 5% interest rate on the Bonds, Divided by 20 years, Divided by 12 mo, Divided by 4545 customers, Less \$0.38 already added in 2023. Values include \$2,436,108.99, \$2,557,914.44, \$127,895.72, \$10,657.98, \$2.34, and \$1.97.

RECOMMENDATIONS:

Approve the first reading of an ordinance to increase the monthly Water Use Base Rate by \$1.97, which amounts to 6.6 cents a day. This will result in a new residential Base Water rate of \$26.65.

ORDINANCE #G-3-24

AN ORDINANCE AMENDING THE ORDINANCE CODIFIED AND DESCRIBED IN THE CITY OF PORT LAVACA CODE OF ORDINANCES AS PART II, APPENDIX A – FEES, RATES AND CHARGES; AND PROVIDING AN EFFECTIVE DATE

ARTICLE I. GENERAL

WHEREAS, the City Council on March 12, 2012 approved and adopted Ordinance Number G-1-12 which is codified and described in the City of Port Lavaca Code of Ordinances as Part II, Appendix A – Fees, Rates and Charges; and

WHEREAS, the City of Port Lavaca staff has evaluated current fees, rates and charges and find the need to make some amendments and changes.

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

ARTICLE II. FEES TO BE AMENDED

The fees, rates and charges to be amended are in the Chapters listed below and described in full in the attached Exhibit “A”. Text that remains unchanged will be in black-colored letters, text that is new will be identified by bold red-colored letters and all text to be deleted, if any, will be identified as blue-colored letters with strikethroughs, and both highlighted in yellow:

- Chapter 50: Utilities
 - Sec. 50-67 Water User Rates – Basic Charge
 - Residential
 - Small Commercial
 - Large Commercial

ARTICLE III.- EFFECTIVE DATE

This ordinance shall become effective upon adoption by City Council.

FIRST READING this 8th day of April, 2024.

Jack Whitlow, Mayor

SECOND AND FINAL READING this 13th day of May, 2024.

Jack Whitlow, Mayor

APPROVED AND ADOPTED this 13th day of May, 2024.

Jack Whitlow, Mayor

ATTEST:

Mandy Grant, City Secretary

APPROVED AS TO FORM:

Anne Marie Odefey, City Attorney

RECORD OF VOTE

	First Reading	Second and Final	Passed and Approved
Councilman Aguirre			
Councilman Dent			
Councilman Tippit			
Councilwoman Padron			
Councilman Ward			
Councilman Barr			

Record of approval by City Council: City Council Minute Records, Volume 3-I, Page ____.

CITY OF PORT LAVACA - PART II - CODE OF ORDINANCES
 APPENDIX A - FEES, RATES AND CHARGES

EXHIBIT A

CHAPTER 50 - UTILITIES

Section No.	Subject:	Fee Amount
Water table		
50-67	<i>Water user rates:</i>	
50-67	<i>Residential:</i>	
	Base charge 0—2,000 gallons	\$24.68 per month \$26.65 per month
50-67	<i>Small Commercial:</i>	
	Base charge 0—2,000 gallons	\$27.18 per month \$29.15 per month
	5/8 - 1½-inch meter	
50-67	<i>Large commercial:</i>	
	Base charge	\$44.68 per month \$46.65 per month
	2 - 6-inch water meter	

(Ord. No. G-3-85, § 6, 7-8-1985; Ord. No. G-4-85, §§ 15, 17, 18, 7-8-1985; Ord. No. G-2-08, §§ I(18, 19), 9-8-2008; Ord. No. G-4-08, § 29, 9-22-2008; Ord. No. G-1-12, art. II, 3-12-2012; Ord. No. G-3-13, art. II, 9-9-2013; Ord. No. G-10-16, art. II, 9-12-2016; Ord. No. G-2-17, art. II, 9-11-2017; Ord. No. G-4-18, art. II, 5-14-2018; Ord. No. G-5-18, art. II, 9-10-2018; Ord. No. G-12-19, 9-9-2019; Ord. No. G-4-20, art. II, 9-14-2020; Ord. No. G-8-20, 12-14-2020; Ord. No. G-4-21, art. II, 9-20-2021; Ord. No. G-7-22, art. II, (exh. A), 9-12-2022; Ord. No. G-12-22, art. II, (exh. A), 1-9-2023)

End of Exhibit A

COMMUNICATION

SUBJECT: Consider Resolution No. R-040824-1 of the City of Port Lavaca for the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funding (SLFRF) Financial Management Policies & Procedures. Presenter is Jody Weaver

INFORMATION:

RESOLUTION NO. R-040824-1

AMERICAN RESCUE PLAN ACT

STATE & LOCAL FISCAL RECOVERY FUNDING

**FINANCIAL MANAGEMENT
POLICIES & PROCEDURES**

City of Port Lavaca

TABLE OF CONTENTS

SECTION 1 – ARPA-SLFRF KEY RESOURCES 3

SECTION 2 – OVERVIEW & PURPOSE OF ARPA FUNDING 3

SECTION 3 – PERIOD OF PERFORMANCE & OBLIGATIONS 4

SECTION 4 – INELIGIBLE USES & RECOUPMENT 4

SECTION 5 – ACCOUNTING SYSTEMS & INTERNAL CONTROLS 5

SECTION 6 – PROPERTY MANAGEMENT & DISPOSITION 9

SECTION 7 – AUDITS 10

SECTION 8 – STANDARD OF CONDUCT & CONFLICT OF INTEREST POLICY 11

SECTION 9 – FINANCIAL RECORDS MANAGEMENT & RETENTION 11

SECTION 10 – MONITORING & REPORTING 12

SECTION 11 – PROCUREMENT 15

SECTION 12 – COST PRINCIPLES 16

SECTION 13 – CASH MANAGEMENT & DISBURSEMENTS 21

SECTION 14 – PROGRAM INCOME 22

SECTION 15 – MATCH, BRAIDED FUNDS & LOANS 23

SECTION 16 – CLOSEOUT 25

SECTION 1 – ARPA-SLFRF KEY RESOURCES

- The ARPA-SLFRF Award Terms & Conditions
- 31 CFR 35.6 – Eligible uses
- Uniform Guidance: 2 CFR 200, Parts A-F
- Final Rule Jan 2022 & Final Rule Overview
- 2022 Final Rule FAQs
- Compliance & Reporting Guidance
- Project & Expenditure Report User Guide
- 2023 Interim Final Rule
- Compliance Supplement
- Alternative Examination Engagement (ACEE) Guide

SECTION 2 – OVERVIEW & PURPOSE OF ARPA FUNDING

This Financial Management Policy and Procedures guidance provides an overview of the requirements applicable to the financial management of the American Rescue Plan Act – State and Local Fiscal Recovery Funding (ARPA – SLFRF) and related City procedures. This document covers critical aspects of internal controls, reporting and monitoring, audits, procurement and cost principles, and the City’s related policies and procedures, specifically as it relates to ARPA-SLFRF (often referred to as “ARPA” hereafter in this document).

All local governments that have received ARPA State and Local Fiscal Recovery Funds (ARPA-SLFRF) are responsible for ensuring that they establish and maintain effective internal controls that provide reasonable assurance that funds are being managed in compliance with all applicable federal statutes, regulations, and the terms and conditions of the federal award. The City will comply with the ARPA Award Terms and Conditions and the Uniform Guidance requirements, particularly as outlined in [2 CFR 200.302](#).

ARPA funds must be spent on allowable activities and expenses, with consideration of equity and negative economic impacts which include:

- Supporting public health expenditures
- Addressing negative economic impacts caused by the public health emergency
- Replacing lost public sector revenue (government services)
- Providing premium pay for essential workers
- Investing in water, sewer, and broadband infrastructure
- Expanded surface transportation, Emergency disaster relief, and Title I projects
- SLFRF allowable projects (both enumerated and non-enumerated) and related expenditure categories are outlined in greater detail in the Treasury’s Final Rule, Project & Expenditure Guide, 31 CFR 35.6 -- Eligible uses, and other resources.

SLFRF is considered “other financial assistance” per 2 CFR section 200.1 and is administered as direct payments for specified use. ARPA-SLFRF may be used for direct and indirect administrative expenses involved in administering the program. Cost-sharing/matching is not a requirement of ARPA-SLFRF.

SLFRF allocations made to ARPA Recipients are not subject to the requirements of the Cash Management Improvement Act and Treasury’s implementing regulations at 31 CFR part 205 or 2 CFR 200.305(b)(8)(9).

As such, recipients can place funds in interest-bearing accounts, do not need to remit in Treasury, and are not limited to using that interest for eligible uses under the SLFRF award.

The Assistance Listing for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) was published May 28, 2021, on SAM.GOV under Assistance Listing Number (“ALN”), formerly known as CFDA Number, 21.027.

The Assistance Listing includes helpful information including program purpose, statutory authority, eligibility requirements, and compliance requirements for recipients. The ALN is the unique 5-digit number assigned to identify a federal assistance listing and can be used to search for federal assistance program information, including funding opportunities, spending on USASpending.gov, or audit results through the Federal Audit Clearinghouse.

The City will adhere to generally accepted accounting principles (GAAP) and adequately trace all obligated/ budgeted funds, expenditure categories, disbursements, and balance data back to the source. In addition to tying all procurements, agreements and subawards to SLFRF, the City will add source or identification codes as part of its chart of accounts and reporting records for ease of tracking cost details.

SECTION 3 – PERIOD OF PERFORMANCE & OBLIGATIONS

In accordance with Treasury requirements, ARPA-SLFRF funds must be used to cover “costs incurred/obligated” between March 3, 2021, and December 31, 2024, and funds must be expended by December 31, 2026.

As outlined in the Interim Final Rule (August 2023), SLFRF costs incurred for expanded surface transportation and Title I projects must also be obligated by December 21, 2024, but must be expended by September 30, 2026.

As indicated in the *Reporting & Compliance Guidance*, any funds not obligated or expended for eligible uses by the timelines above must be returned to the Treasury, including any unobligated (Dec 2024) or unexpended (Dec 2026) funds that have been provided to subrecipients and contractors as part of the award closeout process pursuant to 2 CFR 200.344(d).

For the purposes of determining expenditure eligibility, the Treasury’s final rule provides that “incurred” means the recipient has incurred an obligation, which has the same meaning given to “financial obligation” in 2 CFR 200.1:

Financial obligations, when referencing a recipient’s or subrecipient’s use of funds under a federal award, means orders placed for property and services, contracts and subawards made, and similar transactions that require payment.

SECTION 4 – INELIGIBLE USES & RECOUPMENT

The following uses of SLFRF funds are NOT allowable:

- Deposits into any pension funds,
- Offsetting a reduction in net tax revenue,
- Non-federal match for other federal programs whose statute or regulations bar the use of federal funds to meet matching requirements,

- Contributions to rainy day funds, financial reserves, or similar funds as such payment savings for future spending needs of the City,
- Payment of interest or principal on outstanding debt instruments, including, for example, short-term revenue or tax anticipation notes, or other debt service costs. Fees or issuance costs associated with the issuance of new debt would also not be covered using payments from the Fiscal Recovery Funds because such costs would not themselves have been incurred to address the needs of the pandemic response or its negative economic impacts,
- Satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring plan in a judicial, administrative, or regulatory proceeding, except to the extent the judgment or settlement requires the provision of services that would respond to the COVID-19 public health emergency.

Any project that conflicts with or contravenes the purpose of the American Rescue Plan Act, (e.g., uses of funds that undermine COVID-19 mitigation practices in line with CDC Guidance and recommendations) or violation of the Award Terms and Conditions or conflict of interest requirements under the Uniform Guidance, and other federal, state, and local laws and regulations is not allowed.

Pre-award costs, as defined in 2 CFR § 200.458, may not be paid with funding from this award.

Funds used in violation of the final rule are subject to remediation and recoupment. As outlined in the Final Rule, Treasury may identify funds used in violation through reporting or other sources. While not anticipated, the City understands, that if any amount of the ARPA-SLFRF allocation is considered at risk, the City will be provided with an initial written notice of recoupment with an opportunity to submit a request for reconsideration before the Treasury provides a final notice of recoupment. If the City does not submit a request for reconsideration, the initial notice will be deemed the final notice. Treasury may also pursue other forms of remediation and monitoring in conjunction with or as an alternative to, recoupment.

In addition to Treasury-specified guidelines, a more comprehensive list of unallowable or restricted costs can be referenced under 2 CFR 200 Subpart E. This list is also summarized in *Section 12 – Cost Principles* of this document in greater detail.

ARPA-SLFRF funding classified under Revenue Loss expenditures have reduced requirements as outlined within Treasury Guidance (re: Final Rule updates and, specifically, FAQ 13.15).

SECTION 5 – ACCOUNTING SYSTEMS & INTERNAL CONTROLS

ACCOUNTING SYSTEMS

The City is responsible for ensuring all expenditures are equitable, eligible, proportionate, and authorized in an approved, documented budget.

Pursuant to 2 CFR § 200.302(a), the City’s financial management system (Project Management Software System), including records documenting compliance with federal statutes, regulations, and the terms and conditions of the federal award, must be sufficient to permit the preparation of reports required to demonstrate compliance with general and program-specific terms and conditions; and the tracing of funds to a level adequate to establish that such funds have been used according to the federal statutes, regulations, and the ARPA-SLFRF terms and conditions.

The City’s financial management system includes the following:

1. Accurate, current, and complete disclosure of financial results,

2. Records that identify adequately the source and application of grant funds,
3. Comparison of actual outlays with amounts budgeted under ARPA-SLFRF,
4. Procedures to minimize the time elapsed between approval and disbursement of funds throughout the performance period,
5. Procedures for determining reasonableness and allowable costs,
6. Accounting records that are supported by appropriate source documentation, and
7. A systematic method to assure timely and appropriate resolution of audit findings and recommendations.

INTERNAL CONTROLS – 2 CFR§200.303

An internal control is a process, carried out by an entity’s oversight body, management, and other personnel that provides reasonable assurance regarding the achievement of objectives in effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations.

Internal controls are the combination of policies, procedures, job responsibilities, personnel, and records that together create accountability of the financial system and safeguard its cash, property, and other assets.

Through its system of internal controls, the City can ensure that:

- Resources are used for authorized purposes and consistent with applicable laws, regulations, and policies.
- Resources are protected against waste, mismanagement, or loss.
- Evaluation and monitoring of compliance is integrated into processes.
- If applicable, prompt action is taken on audit concerns or findings.
- Information on the source, amount, and use of funds is reliable, secure, up-to-date, and disclosed in the appropriate reports and records.

In accordance with [2 CFR § 200.303](#), the City ensures internal controls through a number of local procedures, including ensuring to the extent practicable that the duties of the staff are divided so that no one person handles all aspects of a transaction from beginning to end. Some effective techniques and best practices that the City follows include:

- An **organizational chart** and/or written definitions setting forth the actual lines of responsibility of personnel involved in financial transactions and that clarifies all key roles and an adequate segregation of duties.
- Maintaining City **accounting policy and procedures** that includes specific approval authority for financial transactions and guidelines for controlling expenditures, as typically followed for local funds. (This guide will include written procedures for recording transactions; maintaining a chart of accounts, a general ledger and other typical internal controls established by the City that will also be applied to ARPA-SLFRF.)
- **Bank Depository:** The City maintains funds in a bank, designated as its depository for banking services. The City Council reviews the selection in accordance with the City’s charter or financial procedures, or otherwise every five (5) years unless circumstances deem otherwise. The Mayor and City Council follows the internal financial procedures for all expenditures unless an individual funding agency/source prescribes specific (and more stringent) requirements.
- **Accounts Payable:** Three (3) individuals are authorized to sign checks written on the bank depository account: Mayor, City Secretary, and Finance Director. All checks require two (2) authorized signatures- one Elected Official signature and one Authorized Employee signature. No exceptions.
- **Accounting:** The City Finance Director is responsible for establishing the structure for the City Chart of Accounts and for assuring that procedures are in place to properly record financial transactions and report to the City Council. The Finance Director shall provide financial reports to the Mayor, City Council, and City Manager monthly. The Finance Director meets with the City’s Committee on a quarterly basis to review financial statements, investment reports and the status of current audit activities and/or results.
- **Audit of Accounts:** An independent audit of City accounts is performed annually. The Auditor is retained by and is accountable directly to the Mayor and the City Council. The City Council

reviews the selection every five (5) years unless circumstances deem otherwise. follow the audit requirements as outlined in the audit section of this document.

- **Internal Controls:** Whenever possible, written procedures will be established, maintained, and assessed per 2 CFR 200.303 by the City Manager and Finance Director for all functions involving cash handling and/or accounting throughout the City. These procedures will embrace the general concepts of fiscal responsibility set forth in this policy statement.

Other internal controls the City follows include the following:

- A chart of accounts will include account names and the numbers assigned to each and provides the following categories: assets, liabilities, net assets/fund balance, revenues, and expenses.
- Maintaining journal entries that are properly approved and supported by adequate source documentation and note the effective period of the agreement, list disbursement amounts paid out (or properly accrued); expended on eligible items; and approved by the appropriate official(s) within the organization.
 - Adequate documentation is not limited to but includes signed purchase orders with invoices to support authorizations, timecards to support labor, detailed receipts to support spending, periodic monitoring reports with support of review, and approval by management.
- Maintaining hiring policies (City of Port Lavaca HR and Workplace Policies. October 8th, 2018) that ensure financial staff qualifications are equal to job responsibilities and that individuals hired are competent to do the job.
- Adequately controlling access to accounting records, assets, blank forms, and confidential records, such that only authorized persons may access them.
- Conducting periodic comparisons of financial records to actual assets and liabilities (i.e., reconciliation).
 - Monthly reconciliation and verifications of cash balances with bank statements shall be made by employees who do not handle or record cash, or sign checks.
- Maintaining accounting records indicating the amounts budgeted for eligible activities and establishing Budget Controls (i.e. procedures to compare and control expenditures against approved budgets throughout the period of performance).
- Comparing actual obligations and expenditures to date against planned obligations and expenditures, and against projected accomplishments.
- Reporting deviations from budget and program plans and requesting approval for budget and program plan/scope revisions.
- Monitoring updated ARPA-SLFRF related regulations and guidance to continue integration into local implementation and/or financial management procedures.
- Reviewing, investigating, and/or reporting all claims of fraud, waste, or abuse related to ARPA-SLFRF addressing identified control risks and remediating plans while targeting continuous process improvements.

PROCEDURES FOR INVOICE REVIEWS & PAYMENTS

- An invoice is received and, if necessary, a request for payment is prepared by a grant consultant and proper signatures obtained from Mayor, City Manager, Finance as authorized in the most updated grant signatory form.
- The Finance Department reviews the invoice and compares it to the grant budget.

- Invoices must be approved by The Mayor, City Manager, or Finance Director. acknowledged by initialing the original invoice or through City Council action
- All checks require two (2) signatures- one Elected Official signature and one Authorized Employee. Authorized signatures are the Mayor, City Secretary, and Finance Director. The two (2) signatures appear on the approved checks. Checks are then distributed to the appropriate vendors. The Finance Director is responsible for ensuring that checks are signed and distributed within five (5) calendar days.
- Copies of the request for payment, invoice, canceled check copy, and bank statement showing receipt of grant money are retained in the grant file in the Finance Department.
- The Finance Department is responsible for reconciling the monthly bank statements.

SECTION 6 – PROPERTY MANAGEMENT & DISPOSITION

The City provides safeguards for all property, whether cash or other assets. Personnel duties will be segregated to the extent practicable for the City such that the individual or personnel responsible for the physical custody of an asset will be distinct from the designated personnel keeping the records related to assets.

The City will continue to monitor, track, and assess that all assets are being used solely for authorized purposes. The City will provide proper reporting and resolve discrepancies according to Treasury and applicable Uniform Administrative requirements.

As outlined in the ARPA Final Rule FAQ, *except* for property, supplies, or equipment acquired using *revenue loss funds (EC 6.1)*, the City must follow the applicable provisions of the Uniform Guidance regarding property standards (2 CFR 200.310-316), subject to the requirements set out in the Final Rule FAQ (13.16). During the period of performance, a recipient may use property, supplies, or equipment purchased or improved with ARPA funds for a purpose other than the purpose for which it was purchased or improved if such other purpose is also consistent with the eligible use requirements.

If the City changes the use of an asset to an ineligible use or sells the asset prior to the end of the period of performance, then the City will follow the disposition procedures in the Uniform Guidance. See 2 CFR 200.311, 200.313, 200.314, and 200.315.

After the period of performance, the property, supplies, or equipment must be used consistent with the purpose for which it was purchased or improved or for any other eligible purpose in the same category as the purpose reported to Treasury as of the final reporting period, as set forth in the table below:

Category	Use Requirements
Public Health and Assistance to Households and Individuals	Property, supplies, or equipment last reported as being used to respond to the public health impacts of the public health emergency, as outlined in 31 CFR 35.6(b)(3)(i) or being used for the provision of services to households provided in 31 CFR 35.6(b)(3)(ii)(A), are authorized to fulfill any eligible use of funds provided in these subparagraphs of the Final Rule.

Category	Use Requirements
Assistance to Small Businesses, Nonprofits, and Impacted Industries	Property, supplies, or equipment last reported as being used for the provision of services to small businesses, nonprofits, and impacted industries outlined in 31 CFR 35.6(b)(3)(ii)(B)-(D) are authorized to fulfill any eligible use of funds outlined in the public health and negative economic impacts eligible use category.
Water, Sewer, or Broadband Infrastructure	Property, supplies, or equipment last reported as being used to make investments in water, sewer, or broadband infrastructure pursuant to 31 CFR 35.6(e) are authorized to fulfill any eligible use of funds outlined in the water, sewer, and broadband infrastructure eligible use category.
Government Services/Revenue Loss	Property, supplies, or equipment acquired with revenue loss funds are exempt from the use and disposition requirements of the Uniform Guidance, regardless of award size.
Premium Pay	N/A

If an asset’s use shifts within the parameters of the eligible purpose according to the above table after the period of performance, no repayment would be required. For example, converting a hospital to a behavioral health facility would qualify as being used for the eligible purpose because both expenditures respond to the public health impacts of the public health emergency, as outlined in 31 CFR 35.6(b)(3)(i), so reimbursement to Treasury would be unnecessary.

If an asset’s use shifts outside the parameters of the eligible purpose according to this table after the period of performance, then the City will follow the disposition procedures in the Uniform Guidance. See 2 CFR 200.311, 200.313, 200.314, and 200.315.

SECTION 7 – AUDITS

The City follows all prescribed federal, state, and local audit requirements. Specifically, for all federal funds, the *Uniform Guidance, Subpart F* provides additional standards for non-federal entities that expend \$750,000 or more in federal awards during each fiscal year, including the requirement to have a single audit or program-specific audit.

- Single audits (or alternative audits, if applicable) are to be performed by independent public accounting firms engaged by the City.
- Costs for single audits are borne by the City and are allowable expenditures under ARPA-SLFRF.
- A program-specific audit may be conducted in lieu of a single audit only when ARPA funds are the only federal expenditures represented in a given fiscal year.

More specifically to ARPA-SLFRF and in lieu of a single audit, an “Alternative Compliance Examination Engagement” (ACEE) may also be applicable to the City for each fiscal year during the period of performance, if other (non-ARPA) federal expenditures *did not* exceed \$750,000 beyond the ARPA expenditures.

If the City (and any of its subrecipients) expends less than \$750,000 in a fiscal year in federal funds, a single audit or program-specific audit will NOT be required for that year.

As agreed upon in the ARPA-SLFRF Award Terms and Conditions, all City records pertaining to the financial and programmatic aspects of the ARPA-SLFRF allocation will be fully accessible. The City (and its selected auditors) will consult the most up-to-date *Compliance Supplement* which provides information on the existing, important compliance requirements that the federal government expects to be considered for either the single audit or the alternative audit.

If single audits or program-specific audits are required, the City will submit the requisite audit reports to the Federal Audit Clearinghouse (FAC) thirty (30) to sixty (60) days after receipt of the auditor’s report(s), or nine (9) months after the end of the fiscal year-end date, whichever comes first.

Alternative audits have the same completion timelines as single audits, but the audit report will be required to be uploaded to the Treasury’s portal (as outlined in the Treasury’s *Alternative Compliance Examination Engagement Report User Guide*) rather than to the FAC.

At the completion of the audit, the City will prepare, in a document separate from the auditor’s findings as described in the Audit Findings section, a corrective action plan to address each audit concern or finding included in the current year auditor’s reports. The corrective action plan must provide the name(s) of the contact person(s) responsible for the corrective action, the corrective action planned, and the anticipated completion date. If the auditee does not agree with the audit findings or believes corrective action is not required, then the corrective action plan must include an explanation and specific reasons.

Corrective action means action taken by the City that:

- a. Corrects identified deficiencies.
- b. Produces recommended improvements; or
- c. Demonstrates that audit findings are either invalid or do not warrant auditee action.

The City considers continuous process improvement as critical to operations and will respond to all audit concerns in a timely manner.

Best Practice: To demonstrate a commitment to financial accountability and transparency, the City may also decide to obtain an annual independent financial statement audit, when practical. The City also produces internal financial statements at least quarterly, at minimum, income statements and statements of financial position (balance sheet), which are monitored by leadership and the board.

SECTION 8 – STANDARD OF CONDUCT & CONFLICT OF INTEREST POLICY

The City will maintain a conflict-of-interest policy consistent with 2 CFR § 200.318(c) and that such conflict-of-interest policy will be applicable to each activity funded under this award.

City officials, employees, and affiliates may not have a direct or indirect interest, including financial and other interests, engage in a business transaction or professional activity, or incur an obligation of any nature that is in substantial conflict with the proper discharge of the officer or employee’s duties in the public interest. By statute, officers and employees must comply with certain ethical responsibilities and disclosure obligations. The consequences for noncompliance may include a void contract, personal liability for ultra vires acts, or a criminal penalty. For specific information regarding the professional standards applicable to a particular business transaction, City employees or officers will consult with the City’s legal counsel or other designated representative.

SECTION 9 – FINANCIAL RECORDS MANAGEMENT & RETENTION

The City will adhere to the following record-keeping policies, as agreed upon in the CLFRF Award Terms and Conditions and as outlined in 2 CFR 200.334-337.

- a. The City will maintain records and financial documents sufficient to evidence compliance with section 603(c) of the Act and all Treasury’s regulations and guidance related to implementing that section.
- b. The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, will have the right of access to records (electronic and otherwise) of the City to conduct audits or other investigations.
- c. Records will be maintained by the City for a period of five (5) years after all funds have been expended or returned to Treasury, whichever is later.

Accounting records will be maintained to adequately identify the source and application of funds provided for ARPA-funded activities. Accounting records should also be fully supported by source documentation.

Source documentation should explain the basis of the costs incurred and the actual dates of the expenditure. For example, source documentation on payments to contractors would include a request for payment, proof of inspection to verify work and materials, and canceled checks.

Financial records include, but are not limited to the following:

- Transaction registry documenting:
 - All invoices associated with each Request for Payment; and
 - Source of funds for each invoice (disbursed funds by activity, matching funds, and/or other funds)
- Although not limited to the list below, source documentation will typically include the following:
 - Executed contract/purchase agreements, with terms and conditions
 - Purchase orders, invoices, and contractor requests for payments
 - Purchase vouchers/receipts
 - Payrolls
 - Time and attendance records
 - Addendum record of direct deposit payments
 - Verification of deposits
 - Monthly bank statements with canceled checks
 - Check register/transaction ledger
 - Employee time sheets; if applicable
 - Equipment time record sheets
 - Property inventory
 - Performance/milestone reports or other status reports
 - Electronic Transfer Form (ETF), etc.

Additional documentation examples related to financial management include a chart of accounts, financial statements, audit reports and corrective action plans, procurement records (micro-small through formal competitive procurements), etc.

SECTION 10 – MONITORING & REPORTING

The City will comply with all Treasury reporting requirements and submit all expenditure data in the same manner. Financial statements and reporting will be complete, current, and reviewed periodically to provide complete disclosure of the financial results of all federally sponsored projects or programs.

All recipients of federal funds must complete financial, performance, and compliance reporting. Expenditures may be reported on a cash or accrual basis, as long as the methodology is disclosed and consistently applied.

Reporting must be consistent with the definition of expenditures pursuant to 2 CFR 200.1. The City will appropriately maintain accounting records for compiling and reporting accurate, compliant financial data, in accordance with appropriate accounting standards and principles.

Financial reporting will include Treasury-required data and will be aligned in accordance with [2 CFR 200.302], to include budgeted project amounts, advances/reimbursements received to date, actual expenditures/ disbursements, current encumbrances/obligations, program income (if applicable), and other miscellaneous receipts, and any unpaid requests for payments.

The City will report **obligations** and **expenditures** by project according to the corresponding Expenditure Category (EC). As noted in the Treasury’s Compliance & Reporting Guidance, there are a wide range of eligible uses of the SLFRF funds, and the Treasury must be able to track how funds are used by recipients for oversight and transparency purposes.

ARPA reporting will follow the schedule and guidance outlined by the Treasury (shown below) and be accurate and specific in describing the project activity within the ARPA-SLFRF approved period of performance.

For the SLFRF program, reporting requirements vary by recipient type, as shown in the table that follows. Detailed instructions for the completion and submission of each report are covered in Part 2 of the *Compliance & Reporting Guidance*.

The reporting phase is anticipated to end once the ARPA funds are fully expended with a 0 balance, or April 30, 2027 (whichever is sooner).

Reporting Requirements by Recipient Type

Tier	Recipient	Interim Report	Project and Expenditure Report	Recovery Plan Performance Report
1	States, U.S. territories, metropolitan cities and counties with a population that exceeds 250,000 residents	By August 31, 2021 or 60 days after receiving funding if funding was received by October 15, with expenditures by	By January 31, 2022, and then the last day of the month after the end of each quarter thereafter. <i>Note: NEUs were not</i>	By August 31, 2021 or 60 days after receiving funding, and annually thereafter by July 31.

2	Metropolitan cities and counties with a population below 250,000 residents that are allocated more than \$10 million in SLFRF funding, and NEUs that are allocated more than \$10 million in SLFRF funding	category. <i>Note: NEUs were not required to submit an Interim Report.</i>	<i>required to submit a Project and Expenditure Report on January 31, 2022. The first reporting date for NEUs was April 30, 2022.</i>	
3	Tribal Governments that are allocated more than \$30 million in SLFRF funding.		By April 30, 2022, and then annually thereafter.	
4	Tribal Governments that are allocated less than \$30 million in SLFRF funding.			
5	Metropolitan cities and counties with a population below 250,000 residents that are allocated less than \$10 million in SLFRF funding, and NEUs that are allocated less than \$10 million in SLFRF funding.			

Note: Based on the period of performance, reports will be collected through April 30, 2027.

Monitoring Subrecipient Activities and Compliance

The City understands the requirements to manage and monitor their subrecipients to ensure compliance with requirements of the SLFRF award pursuant to 2 CFR 200.332 regarding requirements for pass-through entities.

Projects funded under the 6.1 Revenue Loss category are not subject to subrecipient designations or monitoring.

Except for projects classified under the revenue loss expenditure category, the City will clearly identify to the subrecipient: (1) that the award is a subaward of SLFRF funds; (2) any and all compliance requirements for use of SLFRF funds; and (3) any and all reporting requirements for expenditures of SLFRF funds.

The City will also evaluate each subrecipient’s risk of noncompliance based on a set of common factors. These risk assessments will include factors such as prior experience in managing federal funds, previous audits, personnel, and policies or procedures for award execution and oversight. Ongoing monitoring of any given subrecipient should reflect its assessed risk and include monitoring, identification of deficiencies, and follow-up to ensure appropriate remediation.

The City will develop and adhere to written policies and procedures for subrecipient monitoring and risk

assessment and maintain records of all award agreements identifying or otherwise subrecipients’ compliance obligations (City of Port Lavaca Procurement policies and Procedures for Federal Grants).

SECTION 11 – PROCUREMENT

The City as an ARPA Recipient will comply with the applicable requirements of the Uniform Guidance regarding procurement, contracting, and conflicts of interest and follow the applicable laws and regulations of our jurisdiction. When policies are overlapping or duplicated, the most stringent version will be followed.

Projects funded under the 6.1 Revenue Loss category are not subject to the procurement requirements outlined under 2 CFR 318-326 but are still required to follow the state and local requirements that the City typically adheres to for all local purchases.

Except for projects classified under the revenue loss expenditure category, the City will follow the ARPA required procurement requirements as prescribed, specifically in the uniform guidance 2 CFR 318-2 CFR 326.

To the extent practicable, the City will adapt established and standardized procurement materials and will ensure the ARPA-SLFRF provisions are included, as applicable. Authorized procurement specialists, legal, or other authorized City representatives will review all procurement and related contract content for quality prior to publication and execution.

Additionally, the City has written guidance outlining all procurement-related roles (Purchasing Policy and Procedures The City of Port Lavaca, July 2022, 1.06, p 9-10) including levels of authorization and approvals necessary for all purchasing and contracting transactions.

Important procurement and contracting regulations from 2 CFR Part 200 that the City will follow include:

- Maintaining records to sufficiently detail the history of the procurement. These records include but are not necessarily limited to, the rationale for the method of procurement, selection of contract type, contractor selection or rejection, basis for the contract price, the contract document, and any contract modifications with signatures of all parties.
- Setting up procurements in a manner providing full and open competition, outside of justifiable emergency purchases and/or sole source scenarios.
- Performing a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold, including contract modifications. The method and degree of analysis is dependent on the facts surrounding the procurement situation, but as a starting point, non-federal entities must make independent estimates before receiving bids or proposals.
- Ensuring “Cost Plus a Percentage of Cost and Percentage of Construction Costs” are avoided as these methods of contracting are not allowed under the Uniform Guidance (2 CFR § 200.324).
- Using time-and-materials-type contracts only after determining that no other contract is suitable and including a ceiling price that the contractor exceeds at its own risk.
- Maintaining oversight to ensure contractors perform according to the terms, conditions, and specifications of their contracts or purchase orders.

SECTION 12 – COST PRINCIPLES

The Uniform Guidance (2 CFR 200 Subpart E) requires recipients of federal assistance to have written procedures for determining the reasonableness, allocability, and allowability of costs in accordance with the provisions of the federal cost principles and the terms and conditions of the award.

The 2 CFR Part 200, Subpart E is applicable to expenditures under SLFRF unless stated otherwise. Given the purpose and very broad scope of eligible uses of the *revenue replacement funds* (≥\$10M allocation), only a subset of the requirements in 2 CFR Part 200, Subpart E applies to the use of such funds, as follows:

- 2 CFR 200.400(a) - (c), and (e) Policy Guide
- 200.403(a), (c), (d), (g), and (h) Factors affecting allowability of costs; and
- 200.404(e) Reasonable costs.

Allowable: As outlined in 2 CFR § 200.403, a cost is allowable when it is compliant with the terms and conditions of the federal award and implementing agency regulations, and the Uniform Guidance (UG).

Allocable: As outlined in 2 CFR § 200.405, a cost is allocable if either (1) it is incurred solely to benefit an ARPA-SLFRF-eligible project, or (2) it benefits both an ARPA-SLFRF-eligible project and another ARPA-SLFRF-eligible project or other work of the local government, in proportions that can be approximated using reasonable methods. A local government must use a consistent method for allocating costs. Some costs will be charged directly to the grant award and other costs may be included in an indirect cost pool.

Reasonable: As described in 2 CFR § 200.404 cost is reasonable when, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. In determining the reasonableness of a given cost, consideration must be given to:

- Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the non-federal entity or the proper and efficient performance of the federal award.
- The restraints or requirements imposed by such factors as sound business practices; arm’s-length bargaining; federal, state, local, and other laws and regulations; and terms and conditions of the federal award;
- Market prices for comparable goods or services for the geographic area.

Consistently applied: A cost is consistently applied when it is applied uniformly to both federally funded and other activities of the local government.

Properly documented: A local government must document its allocation method and its system of internal controls that provide reasonable assurance that amounts charged are accurate, allowable, and properly allocated.

Below is a list of allowable costs, allowable costs with restrictions, and unallowable costs that will be considered prior to project selection, obligations, and subsequent disbursement approvals.

Unallowable Activities & Costs

In addition to the Treasury’s specifically stated ineligible costs, listed in **Section 4 – Ineligible Costs and Recoupment**, other unallowable costs include unnecessary costs that are not needed or required to achieve the objectives of the ARPA Terms and Conditions, 31 CFR Part 35 – the Final Rule, and the Project & Expenditure Guidance.

Fiscal Recovery Funds are also subject to the provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200 – the Uniform Guidance), including the cost principles and restrictions on general provisions for selected items of cost. These cost principles include restrictions that would apply to all federal awards unless otherwise stated.

The following are example cost types that are not allowed (or unallowed with some exceptions) according to 2 CFR 200.400, Subpart E:

Selected Items of Cost	Uniform Guidance General Reference	Allowability
Alcoholic Beverages	2 CFR §200.423	Unallowable
Bad Debts	2 CFR §200.426	Any losses arising from uncollected accounts and other claims, and related costs are unallowable
Contingency Provisions	2 CFR § 200.433	Unallowable with exceptions
Contributions and Donations	2 CFR §200.434	Costs of contributions and donations, including cash, property, and services from the recipient to other entities is unallowable
Certain Depreciation or Use Allowances	2 CFR §200.436	Unallowable on any portion of the buildings and equipment purchased with Federal funds or contributed to meet statutory matching requirements
Funds to Benefit Political Campaigns	NA	Unallowable
Entertainment	2 CFR §200.438	Although minor exceptions may apply, costs for amusement, social activities, ceremonials, hospitality, and activities relating thereto, such as meals, lodging, rentals, transportation, and gratuities are unallowable
Fines and Penalties	2 CFR §200.441	Resulting from violations of, or failure to comply with Federal, State, and local laws and regulations are unallowable. Some exceptions apply
Fundraising	2 CFR § 200.442	Includes costs of organized fundraising, endowment drives, solicitation of gifts and bequests, and similar expenses incurred solely to raise capital or obtain contributions are unallowable. Some exceptions apply
*General Costs of Government	2 CFR § 200.444	Exceptions apply, most particularly under <i>EC 6.1 Revenue Loss cost allocations under ARPA – SLFRF</i> , but otherwise unallowable

Selected Items of Cost	Uniform Guidance General Reference	Allowability
Goods and Services for Personal Use	2 CFR § 200.445	Goods and services for personal use are unallowable although some exceptions may apply for housing
Idle Facilities and Idle Capacity	2 CFR § 200.446	Idle facilities – unallowable with exceptions; Idle capacity – allowable with restrictions
Lobbying Costs – includes direct legislative lobbying and grassroots lobbying	2 CFR §200.450	Unallowable
Losses on Other Awards or Contracts	2 CFR § 200.451	Unallowable
Organization Costs	2 CFR § 200.455	Unallowable unless federal prior approval
Participant Support Costs	2 CFR § 200.456	Only allowable with prior approval of the federal awarding agency
Selling and Marketing Costs	2 CFR § 200.467	Unallowable with exceptions
Student Activity Costs	2 CFR § 200.469	Unallowable unless specifically provided for in the federal award

Allowable Costs

In addition to the enumerated expenditure categories and other generally allowable activities/costs outlined in 31 CFR Part 35 – the Final Rule, the Project & Expenditure Report User Guide, the FAQs, and other Treasury source guides, the following summarized costs are typically allowable federal costs (although most of the following cost categories have *restrictions*) according to 2 CFR 200.400, Subpart E:

Selected Items of Cost	Uniform Guidance General Reference	Allowability
<i>* All expenditures using Revenue Loss funds (EC 6.1) should follow local policies for prudent spending and may have a broader coverage of allowable costs.</i>		
Advertising and Public Relations	2 CFR § 200.421	Allowable with restrictions
Advisory Councils	2 CFR § 200.422	Allowable with restrictions
Bonding Costs	2 CFR § 200.427	Allowable with restrictions
Collection of Improper Payments	2 CFR § 200.428	Allowable
Compensation – Personal Services	2 CFR § 200.430	Special conditions apply [e.g., § 200.430(i)(5)]
Compensation – Fringe Benefits	2 CFR § 200.431	Allowable with restrictions
Conferences	2 CFR § 200.432	Allowable with restrictions
Defense and prosecution of criminal and civil proceedings, claims, appeals, and patent infringements	2 CFR § 200.435	Allowable with restrictions
Depreciation	2 CFR § 200.436	Allowable with qualifications
Employee Health and Welfare Costs	2 CFR § 200.437	Allowable with restrictions
Exchange Rates	2 CFR § 200.440	Allowable with restrictions
Insurance and Indemnification	2 CFR § 200.447	Allowable with restrictions

Selected Items of Cost	Uniform Guidance General Reference	Allowability
<i>* All expenditures using Revenue Loss funds (EC 6.1) should follow local policies for prudent spending and may have a broader coverage of allowable costs.</i>		
Intellectual Property	2 CFR § 200.448	Allowable with restrictions
Interest	2 CFR § 200.449	Allowable with restrictions
Maintenance and Repair Costs	2 CFR § 200.452	Allowable with restrictions
Materials and Supplies Costs, including costs of computing devices	2 CFR § 200.453	Allowable with restrictions
Memberships, Subscriptions, and Professional Activity Costs	2 CFR § 200.454	Restrictions apply and unallowable for lobbying organizations
Plant and Security Costs	2 CFR § 200.457	Allowable; capital expenditures are subject to 2 CFR § 200.439
Professional Services Costs	2 CFR § 200.459	Allowable with restrictions
Proposal Costs	2 CFR § 200.460	Allowable with restrictions
Publication and Printing Costs	2 CFR § 200.461	Allowable with restrictions
Rearrangement and Reconversion Costs	2 CFR § 200.462	Allowable (ordinary and normal)
Recruiting Costs	2 CFR § 200.463	Allowable with restrictions
Relocation Costs of Employees	2 CFR § 200.464	Allowable with restrictions
Rental Costs of Real Property and Equipment	2 CFR § 200.465	Allowable with restrictions
Specialized Service Facilities	2 CFR § 200.468	Allowable with restrictions
Taxes (including Value Added Tax)	2 CFR § 200.470	Allowable with restrictions
Termination Costs	2 CFR § 200.472	Allowable with restrictions
Training and Education Costs	2 CFR § 200.473	Allowable with restrictions, for employee development
Transportation Costs	2 CFR § 200.474	Allowable with restrictions
Travel Costs	2 CFR § 200.475	Allowable with restrictions

The City understands funds may be used for administering the SLFRF program, including costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements. Costs must be reasonable and allocable as outlined in 2 CFR 200.404 and 2 CFR 200.405. Pursuant to the SLFRF Award Terms and Conditions, direct and indirect costs may be charged to their ARPA award as administrative costs as long as they are accorded consistent treatment per 2 CFR 200.403.

Direct costs are those that are identified specifically as costs of implementing the ARPA program objectives, such as contract support, materials, and supplies for a project.

Also review **Section 15 – Match, Braided Funds & Loans** for more specific details on allowable and unallowable cost scenarios.

Below are the City’s procedures for determining reasonableness, allocability, and allowability

- A. **Review and understand the Treasury’s Award Terms and Conditions** as well as the federal cost principles that govern the project funding.
- B. **Determine allowability, allocability, and cost reasonableness of all activities funded by ARPA-SLFRF and associated costs.** The initial assessment will be conducted at the project identification or selection stage to ensure eligibility, and then ongoing reviews and evaluations will continue throughout the course of the project prior to each invoice approval or disbursement.
 - a. Measures to assess (City of Port Lavaca Procurement Policies and Procedures for Federal Grants 2019 June, 10th) reasonableness will vary based on the items and context of the purchase. Micro and Small purchase types will be informal whereas formal purchases may require more analysis. The City will use approaches such as individual itemized cost analysis or total price comparisons when multiple vendors bid on items. Independent cost estimates and market research will often be conducted to assess and compare prices. Historical price data and pricing based on prior competitions for similar purchase types may also be used as a means to assess cost reasonableness.
- C. **Monitor, track, and report funds** routinely against approved budgets, obligations, and expenditures and identify direct and indirect costs. Keep all records organized and easily accessible for potential audits or reviews.
- D. **Document the process.** The City will maintain thorough documentation to support determinations and all associated costs.
- E. **Seek Guidance.** The City will seek guidance when there is uncertainty or complexity in the determination process by consulting with appropriate personnel such as financial officers, legal advisers, internal auditors, or grant administrators. Also, the City will seek clarification from the funding agency as needed to ensure that costs meet the necessary standards.
- F. **Implement Corrective Actions.** If any costs are later found to be unreasonable, unallocable, or unallowable, the City will assess for most appropriate actions and ensure process improvements are documented and implemented into ongoing operations. This may involve reallocating costs, adjusting budgets, or seeking approval for cost transfers or other remedies per the requirements provided by the Treasury and outlined in the Uniform Guidance.

SECTION 13 – CASH MANAGEMENT & DISBURSEMENTS

The City will budget, forecast, and routinely analyze cash flow statements. In addition to the City’s established financial management procedures and related internal controls, efficient cash management ensures that funds are used optimally, and timely disbursements are made for all ARPA-SLFRF-funded activities. This City will ensure that all disbursements align with federal, state, and local policies.

While not stated specifically in the Final Rule, the Treasury does not require or have a preference as to the payment structure for recipients that transfer funds to subrecipients (e.g., advance payments, reimbursement basis, etc.). Ultimately, it is the City’s responsibility to comply with the eligible use requirements and any other applicable laws or requirements and are responsible for the actions of their subrecipients or beneficiaries.

The City may first opt for reimbursement-based payments, when feasible. However, the City will ultimately determine the most effective approach to accomplish the objectives of the project. All disbursements will be for allowable, allocable, and reasonable costs and will be supported by legal agreements and/or other relevant source documentation.

Not limited to the following examples but as part of internal control policies related to cash management and disbursements, the City uses prenumbered checks for all disbursements made by check. Unused check supplies are stored in a secure location with only authorized representatives having access. Blank checks are not to be signed in advance, checks are never made payable to cash, and checks are made only by representatives who are not also authorized to sign them. Authorized check signers must thoroughly review invoices and supporting documents and verify the receipt of all goods and services. Disbursements are only made to authorized vendors and all employees have a secure personnel file that at a minimum includes hiring authorization, salary history, hours authorized to work, federal and state withholding forms, health insurance and retirement deduction information, and authorization for all other payroll deductions.

SECTION 14 – PROGRAM INCOME

Program income policies and procedures under the American Rescue Plan Act’s State and Local Fiscal Recovery Fund (ARPA-SLFRF) help ensure fiscal responsibility and regulatory compliance while maximizing the impact of federal assistance. Program Income, when applicable to the project, will be identified, tracked, reported, and appropriately utilized.

As clarified in the Final Rule FAQ 13.15, program income requirements of 2 CFR 200.307 do not apply under the revenue loss (EC 6.1) eligible use category. As such, recipients may maintain program income, which will not be considered an addition to the federal award.

Per Uniform Guidance definitions in 2 CFR 200.1, Program Income means gross income earned by the non-federal entity (the ARPA Recipient and its subrecipients) that is directly generated by a supported activity or earned as a result of the federal award (ARPA-SLFRF allocation) during the *period of performance* except as provided in § 200.307(f).

The U.S. Department of the Treasury has clarified in its Final Rule FAQs that recipients may add program income to the federal award. Any program income generated from SLFRF funds must be used for the purposes and under the conditions of the federal award.

Program income includes but is not limited to income from fees for services performed, the use or rental of real or personal property acquired under federal awards, the sale of commodities or items fabricated under a federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with federal award funds. For any SLFRF funded loans, the City will follow Treasury’s guidance on tracking and disposing of program income from loans, consistent with the statutory requirements and timing of SLFRF expenditures.

Program income does *not* include:

- Interest earned on advances of federal funds, rebates, credits, discounts, or interest on rebates, credits, or discounts;
- Income earned from the investment of initial proceeds of a grant advance from the U.S. Treasury;
- Proceeds from subrecipient fundraising activities;

- Taxes, special assessments, levies, fines, and other such revenues raised by a non-federal not program income unless the revenues are specifically identified in the federal award or federal awarding agency regulations as program income;
- Proceeds from the sale of real property, equipment, or supplies are not program income; such proceeds will be handled in accordance with the requirements of the Property Standards [§§ 200.311, 200.313](#), and [200.314](#), or as specifically identified in federal statutes, regulations, or the terms and conditions of the federal award.

SECTION 15 – MATCH, BRAIDED FUNDS, & LOANS

LOANS

SLFRF funds may be used to make loans, provided that the loan supports an activity that is an eligible use of funds, the SLFRF funds used to make the loan are obligated by December 31, 2024, and expended by December 31, 2026, and the cost of the loan is tracked and reported in accordance with the Final Rule.

In using SLFRF funds to make loans, recipients must be able to determine the amount of funds used to make a loan and must comply with Treasury guidance, all restrictions on the timing of the use of funds, and restrictions in the Uniform Guidance.

MATCH

SLFRF funds may be, but are not required to be, used along with other funding sources for a given project. As indicated by Treasury, the City understands that ARPA-SLFRF funds available under the “revenue loss” eligible use category generally may be used to meet the non-federal cost-share or matching requirements of other federal programs.

If the City decides to use SLFRF funds to satisfy match or cost-share requirements for a federal grant program, it will first be confirmed with the relevant awarding agency that no waiver has been granted for that program, that no other circumstances enumerated under 2 CFR 200.306(b) would limit the use of ARPA-SLFRF funds to meet the match or cost-share requirement, and that there is no other statutory or regulatory impediment to using the ARPA-SLFRF funds for the match or cost-share requirement.

SLFRF funds beyond those that are available under the revenue loss eligible use category may not be used to meet the non-federal match or cost-share requirements of other federal programs, other than as specifically provided for by statute. As an example, the *Infrastructure Investment and Jobs Act (IIJA)* provides that SLFRF funds may be used to meet the non-federal match requirements of authorized Bureau of Reclamation projects and certain broadband deployment projects. The final rule will be consulted for further details if the City’s seeks to utilize ARPA-SLFRF funds as a match for these projects.

BRAIDED FUNDS

Blending and braiding refers to using multiple sources of funding for complementary purposes and provided that the costs are eligible costs under each source program and compliant with all other related statutory and regulatory requirements and policies, including restrictions on use of funds, is allowable under ARPA-SLFRF.

The use of ARPA-SLFRF funds on all braided projects would be subject to the (December 31, 2024) deadline on obligating funds and no later than (December 21, 2026), for expending funds and the ARPA

portion of the funding must cover an eligible use of funds. The City will report to Treasury on amount of SLFRF funds obligated and expended for any portion of a project covered by ARPA funds.

SECTION 16 – CLOSEOUT

As outlined in § 200.344, the federal awarding agency or pass-through entity will close out the federal award when it determines that all applicable administrative actions and all required work of the federal award have been completed by the City.

The City must submit, no later than one hundred twenty (120) calendar days after the end date of the period of performance, all financial, performance, and other reports as required by the terms and conditions of the ARPA-SLFRF award.

A subrecipient must submit to the City, no later than ninety (90) calendar days (or an earlier date as agreed upon by the pass-through entity and subrecipient) after the end date of the period of performance, all financial, performance, and other reports as required by the terms and conditions of the federal award.

The City must promptly refund any balances of unobligated and/or unexpended funds. See OMB Circular A-129 and see [§ 200.346](#), for requirements regarding unreturned amounts that become delinquent debts.

If the City does not submit all reports in accordance with uniform guidance requirements and the terms and conditions of the federal award, the City is aware the federal awarding agency will proceed to close out with the information available within one (1) year of the period of performance end date.

If the City does not submit all reports in accordance with this section within one (1) year of the period of performance end date, the federal awarding agency must report the non-federal entity’s material failure to comply with the terms and conditions of the award with the OMB-designated integrity and performance system (currently FAPIIS). Federal awarding agencies may also pursue other enforcement actions per [§ 200.339](#).

PASSED AND APPROVED by the City Council of the City of Port Lavaca, Texas, this 8th day of April, 2024.

Mayor Jack Whitlow

ATTEST:

City Secretary Mandy Grant

COMMUNICATION

SUBJECT: Consider Resolution No. R-040824-2 of the City of Port Lavaca for the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funding (SLFRF) Standards of Conduct and Conflict-of-Interest (COI) Policy. Presenter is Jody Weaver

INFORMATION:

RESOLUTION NO. R-040824-2

AMERICAN RESCUE PLAN ACT

STATE & LOCAL FISCAL RECOVERY FUNDING

STANDARDS OF CONDUCT
AND
CONFLICT OF INTEREST POLICY

CITY OF PORT LAVACA

TABLE OF CONTENTS

Section 1 – Principles & Values 3

Section 2 – Resource References 3

Section 3 – Definitions 5

Section 4 – Conflict of Interest Requirements in Texas 8

4.1 Conflict of Interest Standards Overview 8

4.2 COI Disclosure Responsibilities 8

4.3 Federal, State, and/or Agency-Level Disclosures 9

4.3.10 Conflict of Interest Questionnaire (CIQ) 9

4.3.11 Certification of Interested Parties Form 1295 9

4.3.12 Conflict of Interest Disclosures by Government Officer (CIS) 10

Section 5 – Gift Standards 11

Section 6 – Violations of Policy 11

Section 7 – Conflict of Interest Point of Contact 12

SECTION 1 – PRINCIPLES & VALUES

The City’s management of the ARPA-SLFRF efforts are governed by an unyielding commitment to our Standards of Conduct and Conflict of Interest Policies (the Standards). Decisions and actions are made with the highest degree of integrity. The Standards are based on honesty, objectivity, fairness, and respect.

These City of Port Lavaca’s core principles and values guide relationships within our community, and all of those impacted by the use of ARPA-SLFRF funds including beneficiaries, subrecipients, consultants/contractors, vendors, awardees, local officials, staff, and all individuals who are directly affiliated with ARPA-SLFRF recovery efforts:

- **Integrity.** We will act in a lawful and ethical manner, never knowingly violating any law or our principles and standards of ethical conduct in the selection, award, and administration of all ARPA–SLFRF transactions.
- **Stewardship, Trust, & Service.** We will serve the people of our community to ensure an equitable recovery effort while following the prescribed rules of managing taxpayer resources.
- **Equity.** We will strive for a community that is fair for everyone and will ensure ARPA-SLFRF funded activities are selected and managed with equity fully in mind.
- **Transparency.** We will disclose any conflicts of interest we may have (or be made aware of) related to our responsibilities to the applicable parties including the State of Texas Ethics Commission, our internal Conflict of Interest Point of Contact, and the U.S. Treasury, and remove conflicts when necessary.
- **Honesty & Communication.** We will work to ensure an environment where employees (and all engaged stakeholders) are encouraged to seek advice, report misconduct, or question a business practice in good faith and without retaliation.
- **Partnership and Respect.** We will work with others who share our objectives and values and respect our stakeholders and fellow staff members, treating others with fairness and courtesy.

SECTION 2 – RESOURCE REFERENCES

Multiple federal, state, and local conduct and conflict of interest related laws govern the ARPA-SLFRF funded activities. ARPA funds are primarily governed by the ARPA regulations, the jurisdiction’s signed agreement to the [ARPA-SLFRF Terms and Conditions](#), and specific requirements of 2 CFR § 200.318(c). The conflict of interest policy applies to each activity funded under the ARPA-SLFRF award. Recipients (and subrecipients) must disclose in writing to the U.S. Treasury or the pass-through entity, as appropriate, any conflict and/or potential conflict of interest affecting the awarded funds in accordance with 2 CFR § 200.

This policy also aligns with and adheres to existing local and State of Texas requirements. While the following is not a fully exhausted list, the standards outlined in this policy conform with the following applicable federal and state regulations. Existing municipal, county and state-level adopted policies will also apply and may be referenced throughout this document as well, and where overlapping policies are

identified, the most stringent application should apply.

Uniform Guidance 2 CFR 200:

- [2 CFR 200.318\(c\)](#)
- [§ 200.112 Conflict of interest](#). The Federal awarding agency must establish a conflict of interest policy for Federal awards. The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity by applicable Federal awarding agency policy.

State of Texas: The following includes references to additional relevant State of Texas conflict of interest and disclosure laws applicable to city officials, employees, and vendors. A home rule charter, local policy, or ordinance may provide for more stringent requirements in some circumstances.

- <https://www.ethics.state.tx.us/resources/laws-regulations/>
- [Local Government Code Chapter 171: Real Property and Business Interests](#)
- [Local Government Code Chapter 176: Income and Gifts from and Family Relationships with Vendors](#)
- [Government Code Chapter 552: Public Information](#)
- [Government Code Chapter 572 Open Govt; Ethics. Personal Financial Disclosure, Standards of Conduct, and Conflict of Interest](#)
- [Local Government Code Chapter 145: Financial Disclosure in Cities with a population of 100,000 or more](#)
- [Government Code Section 2252.908 Vendor Disclosure of Interested Parties \(Form 1295\)](#)
 - <https://www.ethics.state.tx.us/>
 - https://www.ethics.state.tx.us/resources/FAQs/FAQ_Form1295.php
 - <https://www.ethics.state.tx.us/filinginfo/videos/Form1295/CreateCertificate/CreateCertificate.html>
 - <https://www.ethics.state.tx.us/data/filinginfo/1295Changes.pdf>
- https://www.ethics.state.tx.us/statutes/ch36_39.php
- [Texas Penal Code Title 8 Chapter 36 Bribery and Corrupt Influence](#)
- [Texas Penal Code Title 8, Chapter 39 Abuse of Office](#)
- [Chapter 305, Registration of Lobbyists and Chapter 34, Commission Rules: Regulations of Lobbyists \(https://www.ethics.state.tx.us/resources/lobby/](#)
- [Texas Ethics Commission – Lobbying in Texas – A Guide to the TX Law](#)

External Resource Reference Guides:

- [TX Ethics Commission A Guide to Ethics Laws for State Officers and Employees](#)
- [TX Municipal League COI Disclosure Laws for City Officials, Employees and Vendors](#)

In the event of any discrepancy between the provisions of Federal and local regulations, the most stringent provision will prevail. This Policy does not supersede the authority and duty to comply with the laws and regulations cited above.

This Standard of Conduct and Conflict of Interest Policy will be made available to government officers and employees as well as other identified stakeholders so that they are aware of shared responsibilities, individually or jointly, to ensure that the objectives of the Policy are fully met.

Vendors, contractors, and subcontractors must also be made aware of their responsibilities related to the City's Standard of Conduct and Conflict of Interest Policy.

This Policy should align with and adhere to existing local and State of Texas requirements as well as 2 CFR § 200.318(c), as agreed upon within the executed ARPA-SLFRF Terms and Conditions.

SECTION 3 – DEFINITIONS

- **Business Entity** means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, or any other entity recognized by law.
- **Conflict of Interest (COI)** is an actual or potential COI situation described at 2 CFR 200.318(c)(1) or (c)(2). The term also includes situations that create, or may create, an unfair competitive advantage, or the appearance of such.
- **COI Point of Contact** means the individual identified in Section 7 of this Policy designated to receive, review, and coordinate necessary guidance, disclosures, and reporting steps as applicable to federal, state, and local handling requirements of all real or potential conflict of interests.
- **Contract** means, for the purpose of Federal Financial Assistance, a legal instrument by which the Entity purchases property or services needed to carry out a program or project under a Federal award, not limited to but including agreements, memorandums of understanding, and purchase orders properly executed with the recipient (or subrecipient).
- **Contractor** means an entity or individual that receives a Contract.
- **Covered Individual** means a Public Officer, employee, or agent of the City.
- **Covered Nonprofit Organization** means a nonprofit corporation, organization, or association, incorporated or otherwise, that is organized or operating for religious, charitable, scientific, literary, public health and safety, or educational purposes, excluding any board, entity, or other organization created by the State or any political subdivision of the State (including the City).
- **Covered Transaction** is a non-procurement or procurement transaction that is subject to the prohibitions outlined within this Policy.
- **Direct Benefit** means, with respect to a Public Officer or employee of the City or the spouse of any such Public Officer or employee, (i) having a ten percent (10%) ownership interest or other interest in a Contract or Subaward; (ii) deriving any income or commission directly from a Contract or Subaward; or (iii) acquiring property under a Contract or Subaward.
- **Equity** means the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay,

bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

- **Federal Financial Assistance** means Federal financial assistance that the City receives or administers in the form of grants, cooperative agreements, non-cash contributions or donations of property (including donated surplus property), direct appropriations, food commodities, and other Federal financial assistance (except that the term does not include loans, loan guarantees, interest subsidies, or insurance).
- **Gifts** means payment or enrichment without equivalent retribution or of lesser value. Includes, but is not limited to, money, goods, or any other object, favorable economic opportunities, tips, concessions, benefits, discounts, privileges, or special considerations.
- **Governing Board** means the City Council of the City of Port Lavaca.
- **Immediate Family Member** is described at 2 CFR 200.465(c)(4) and means, with respect to any Covered Individual, (i) a spouse, and parents thereof, (ii) a child, and parent thereof, (iii) a parent, and spouse thereof, (iv) a sibling, and spouse thereof, (v) a grandparent and grandchild, and spouses thereof, (vi) domestic partners and parents thereof, including domestic partners of any individual in (ii) through (v) of this definition; and (vii) any individual related by blood or affinity whose close association with the Covered Individual is the equivalent of a family relationship.
- **Involved in Making or Administering** means (i) with respect to a Public Official or employee, (a) overseeing the performance of a Contract or Subaward, or having authority to make decisions regarding a Contract or Subaward or to interpret a Contract or Subaward, or (b) participating in the development of specifications or terms or the preparation or award of a Contract or Subaward, (ii) only with respect to a Public Official, being a member of a board, commission, or other body of which the Public Official is a member, taking action on the Contract or Subaward, whether or not the Public Official participates in that action.
- **Local Government Officer** is defined as a member of the governing body of a local governmental entity; Mayor, Council Members, local government corporation board members, the City Manager, and employees or other agents of a local governmental entity who exercise discretion in the planning, recommending, selecting, or contracting of a vendor. Also see ---“*local public official*” which means a member of the governing body or another officer, whether elected, appointed, paid, or unpaid, of any district (including a school district), county, municipality, precinct, central appraisal district, transit authority or district, or other local governmental entity who exercises responsibilities beyond those that are advisory in nature.
- **Non-Federal Entity** is defined at 2 CFR 200.1.
- **Pass-Through Entity** means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.
- **Public Officer** means an individual who is elected or appointed to serve or represent the City (including, without limitation, any member of the Governing Board), other than an employee or

independent contractor of the City. Other names for the same position may include: “Public Servant” (Texas Penal Code, Ch’s 36 & 37, “Municipal Officer” (Texas Local Govt. Code Ch. 145), “Local Public Official” (Texas LGC Ch. 171), “Local Governmental Officer” (Texas LGC CH. 176), and “Public Official” (Texas Govt. Code Ch. 573).

- **Recipient (“ARPA Recipient”)** means an entity, usually but not limited to a non-Federal entity, that receives a Federal award directly from a Federal awarding agency. The term does not include Subrecipients or individuals that are beneficiaries of the award (2 CFR 200.1).
- **Related Party** means (i) an Immediate Family Member of a Covered Individual, (ii) a partner of a Covered Individual, or (iii) a current or potential employer (other than the City/County) of a Covered Individual, of a partner of a Covered Individual, or an Immediate Family Member of a Covered Individual.
- **Subaward** means an award provided by a Pass-Through Entity to carry out part of a Federal award received by the Pass-Through Entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program.
- **Subcontract** means any agreement entered into by a Subcontractor to furnish supplies or services for the performance of a Contract or a Subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.
- **Subcontractor** means an entity that receives a Subcontract.
- **Subrecipient** means an entity, usually but not limited to a non-Federal entity, that receives a subaward from a Pass-Through Entity to carry out part of a Federal award; but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

SECTION 4 – CONFLICT OF INTEREST REQUIREMENTS IN TEXAS

4.1 CONFLICT OF INTEREST STANDARDS OVERVIEW

These standards of conduct contained herein are applicable to all procurement application selections, and/or ARPA-SLFRF funds disbursement activities. A common source of alleged wrongdoing revolves around conflicts of interest. Whether real or perceived, these allegations often arise out of situations involving personal financial gain, employment, or special treatment for family members or business relations. To protect all ARPA transactions from the undue influence of such conflicts and to bolster an equitable recovery process, the City of Port Lavaca will maintain this Standards of Conduct and Conflict of Interest Policy throughout the ARPA period of performance.

Prohibited Conflicts of Interest in Contracting. No City of Port Lavaca employee, officer, or agent (including Subrecipients) may participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest. Such conflict of interest would arise when the employee, officer, or agent, any member of his or her family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. In the case of any aforementioned relationships, he/she shall not intervene, either directly or indirectly, in any matter related to them.

- Real Conflict of Interest. A real conflict of interest shall exist when the Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Contract or Subaward.
- Apparent Conflict of Interest. An apparent conflict of interest shall exist where a real conflict of interest may not exist under Section 4 (4.2)(A), but where a reasonable person with knowledge of the relevant facts would find that an existing situation or relationship creates the appearance that a Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Contract or Subaward.

4.2 CONFLICT OF INTEREST DISCLOSURE RESPONSIBILITIES

Officers, employees, and agents of the governmental entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts, other than an unsolicited item of nominal value that may be accepted under a written policy adopted by the City/County. This includes, but may not be limited to, gifts, gratuities, favors, benefits, loans, commissions, or other special discounts.

All persons covered by this policy shall fully disclose any real or potential conflicts of interest. Every person must report any act that violates the provisions of this Policy and Standards of Conduct. All persons shall collaborate with any investigation initiated by the City of Port Lavaca, the State of Texas or the Federal Government related to conflicts of interest.

The City/County shall adhere to Local Government Code Chapter 176 for specific requirements related

to governmental officer disclosures in Texas.

In addition to the expectation that all officers understand and follow local, state, and federal law, and review all solicitation/contract documents and provisions closely, the City’s Port Lavaca designated COI Point of Contact (see **Section 5** of this document) will be available to provide guidance on the proper use of a disclosure form and other related code of conduct requirements and details including required federal, state, and local reporting timelines, as applicable.

4.3 FEDERAL, STATE, AND/OR AGENCY-LEVEL DISCLOSURES

4.3.10 CONFLICT OF INTEREST QUESTIONNAIRE (CIQ)

CIQ: A questionnaire defined by Chapter 176, Texas Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

A vendor is required to file a conflict of interest questionnaire if the vendor has a business relationship with the City and has: (1) an employment or other business relationship with an officer or an officer’s family member that results in the officer receiving taxable income that is more than \$2,500 in the preceding twelve months; (2) has given an officer or an officer’s family member one or more gifts totaling more than \$100 in the preceding twelve months; or (3) has a family relationship with an officer.

A vendor is required to file a questionnaire not later than the seventh business day after the later of the following: (1) the date that the vendor begins discussions or negotiations to enter into a contract with the City or submits an application or response to a bid proposal; or (2) the date that the vendor becomes aware of a relationship or gives a gift to an officer or officer’s family member, or becomes aware of a family relationship with an officer.

4.3.11 CERTIFICATION OF INTERESTED PARTIES FORM 1295

In 2015, the Texas Legislature adopted House Bill 1295, which added [Section 2252.908](#) of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million, or (3) is for services that would require a person to register as a lobbyist under Chapter 305 of the Government Code. The disclosure requirement applies to a contract entered into on or after January 1, 2016.

The Texas Ethics Commission was required to adopt rules necessary to implement that law, prescribe the disclosure of interested parties form, and post a copy of the form on the Commission's website. The Commission adopted the Certificate of Interested Parties form (Form 1295) on October 5, 2015.

The Commission also adopted new rules (Chapter 46) on November 30, 2015, to implement the law. The Commission does not have any additional authority to enforce or interpret House Bill 1295.

[The Conflict of Interest Questionnaire \(Form CIQ\) can be reviewed here.](#) *Note, this form copy is only for reference and cannot be filled out by hand. A vendor must use the filing application to generate the form and print it from there. Instructions for filing the form can be accessed [here](#).*

Also refer to <https://www.ethics.state.tx.us/> and **Section 2 – Resource References** of this document for additional links to access Form 1295 Frequently Asked Questions and related laws and regulations.

What Contracts Apply to Form 1295?

The law applies only to a contract between a governmental entity or state agency and a business entity at the time it is voted on by the governing body or at the time it binds the governmental entity or state agency, or whichever is earlier, including an amended, extended, or renewed contract, of a governmental entity or state agency that either:

- requires an action or vote by the governing body of the entity or agency before the contract may be signed; or
- has a value of at least \$1 million or is for services that would require a person to register as a lobbyist under Chapter 305 of the Government Code. Gov't Code § 2252.908; 1 T.A.C. §§ 46.1(b), 46.3(a). The disclosure requirement applies to a contract entered into on or after January 1, 2016.

A contract does not require an action or vote by the governing body of a governmental entity or state agency if:

- the governing body has legal authority to delegate to its staff the authority to execute the contract;
- the governing body has delegated to its staff the authority to execute the contract; and
- the governing body does not participate in the selection of the business entity with which the contract is entered into.

4.3.12 CONFLICT OF INTEREST DISCLOSURES BY GOVERNMENT OFFICER (CIS)

The notice to the appropriate local governmental entity when a local government officer has become aware of facts that require the officer to file this statement in accordance with [Chapter 176, Local Government Code](#). It provides the nature and extent of business and/or family relationships between officer and vendor and other disclosures, in accordance with Section 176.003 of the Local Government Code. This form is required to be filed with the records administrator of the local governmental entity not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of this statement.

1. An officer must file a statement if the officer or officer's family member has an employment or other business relationship with a vendor that results in the officer or officer's family member receiving taxable income of more than \$2,500 in the preceding twelve (12) months. An officer who only receives investment income, regardless of the amount, is not required to file a

disclosure statement. Investment income includes dividends, capital gains, or interest income gained from a personal or business checking or savings account or another similar account, a personal or business investment, or a personal or business loan.

2. An officer is required to file a statement if the officer or officer’s family member accepts one or more gifts (including lodging, transportation, and entertainment accepted as a guest) from a vendor that has an aggregate value of more than \$100 in the preceding twelve months. An officer is not required to file a statement in relation to a gift, regardless of amount, if the gift: (1) is a political contribution; (2) is food accepted as a guest; or (3) is offered on account of kinship or a personal, professional, or business relationship independent of the official status of the recipient.
3. An officer is required to file a statement if the officer has a family relationship with the vendor.

SECTION 5 – GIFT STANDARDS

[Chapter 36 of the Penal Code](#) prohibits public servants from accepting certain gifts or benefits. Violations of the laws in this chapter carry criminal penalties, and complaints alleging such violations are handled by local prosecutors, not by the Texas Ethics Commission.

Subject to the few exceptions set forth below and further described in the *Penal Code Section 36.08*, a Covered Individual may not solicit or accept gratuities, favors, or anything of monetary value from a Vendor/Contractor, or a Subcontractor or other direct recipients of ARPA-SLFRF related benefits.

Exception. A Covered Individual may accept an unsolicited gift from a Contractor or Subcontractor of one or more types specified below if the gift has an aggregate market value of \$20 or less per source per occasion, provided that the aggregate market value of all gifts received by the Covered Individual pursuant to this does not exceed \$50 in a calendar year:

- Honorariums for participating in meetings;
- Advertising items or souvenirs of nominal value; or
- Meals furnished at banquets.

Even if the acceptance of a gift is legally permissible, a governmental Officer or employee as well as vendors/contractors should always consider whether the gift raises the appearance of impropriety before giving or accepting.

Internal Reporting. A Covered Individual shall report any gift accepted to the COI Point of Contact. If required by regulation of a Federal awarding agency, the COI Point of Contact shall report such gifts to the Federal awarding agency.

- A subrecipient shall also report all potential instances of known or potential conflicts of interest to the City (also referred to as the ARPA Recipient or the Pass-Through Entity) and all instances of gifts, excluding those that fall within the exceptions outlined in 5.1(a).

SECTION 6 – VIOLATIONS OF POLICY

Any alleged violations of the standards set forth in this Policy shall be immediately referred to the City’s COI Point of Contact. The offending employee, officer, or agent will be subject to disciplinary actions that could result in their termination of employment.

Disciplinary Actions for Covered Individuals. Any Covered Individual that fails to disclose a real, apparent, or potential real or apparent conflict of interest arising concerning the Covered Individual or Related Party may be subject to disciplinary action, including, but not limited to, an employee’s termination or suspension of employment with or without pay, the consideration or adoption of a resolution of censure of a Public Official by the Governing Board, or termination of an agent’s contract.

Disciplinary Actions for Contractors and Subcontractors. The City shall terminate any Contract with a Contractor or Subcontractor that violates any provision of this Policy.

Knowingly violating the terms of an agency’s ethics and conflict of interest policy may also be penalized as a criminal offense. Any such occurrence will be reviewed on a case-by-case basis to determine steps beyond above stated disciplinary actions.

- As outlined in Chapter 176 of the Texas Government Code, “an officer or vendor who knowingly fails to file a statement or a disclosure when required to do so commits a Class A, B, or C misdemeanor, depending on the amount of the contract. It is an exception to prosecution that an officer/vendor files a statement/questionnaire not later than the seventh day after the date the person receives notice from the city of the alleged violation.”

Protections for Whistleblowers. In accordance with [41 U.S.C. § 4712](#), the City shall not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant: (i) a member of Congress or a representative of a committee of Congress; (ii) an Inspector General; (iii) the Government Accountability Office; (iv) a Treasury or other federal agency employee responsible for grant oversight or management; (v) an authorized official of the Department of Justice or other law enforcement agency; (vi) a court or grand jury; of (vii) a management official or other employee of the City, a Contractor, or Subcontractor who has the responsibility to investigate, discover, or address misconduct.

SECTION 7 – CONFLICT OF INTEREST POINT OF CONTACT

While all stakeholders have a responsibility to understand what represents a potential, perceived, or real conflict of interest and to follow state and local disclosure mandates, the City of Port Lavaca has taken an additional step by identifying a centralized point of contact to oversee the collection, reporting,

communications, and guidance related to real or potential conflicts of interest on all ARPA-SLFRF funded activities. The designated POC will ensure required state and local forms are completed, shared, and retained in a compliant manner. The designated POC will be available to provide information throughout the entire project life cycle for all SLFRF covered transactions.

The designated COI Point of Contact may be updated as needed, but at the time of publication of these Standards, the following information is accurate:

TITLE	FIRST & LAST NAME	EMAIL ADDRESS	PHONE NUMBER
COI Point of Contact (“Actual Title”)	JoAnna P. Weaver, Interim City Manager	jweaver@portlavaca.org	(361) 827 3601

If the City/County has a website and/or phone number for reporting potential conflicts and other unethical activities, add here as a reference for stakeholder awareness.

City Ethics Hotline is (361) 552 9793 ext:222

Website: <https://portlavaca.org/>

1. PRIOR TO AWARD OF CONTRACT OR SUBAWARD.

- a. Prior to the award of a Contract or Subaward, the COI Point of Contact shall advise Covered Individuals expected to be involved in the selection, award, or administration of the Contract or Subaward of such duty.
- b. Prior to the award of a Contract or Subaward, appropriate ethics and conflict of interest related provisions should be included in solicitations and contractual template language.
- c. Identified potential conflicts will be reviewed and evaluated. Removal from project involvement at any stage or removal from award consideration with a written record and other measures may be identified.

2. MANAGEMENT PRIOR TO AWARD OF CONTRACT OR SUBAWARD

If, after completing the Texas Ethics Commission COI related Forms, the COI Point of Contact identifies a potential real or apparent conflict of interest relating to a proposed Contract or Subaward, the COI Point of Contact shall disclose such finding in writing to JoAnna P. Weaver and to each member of the Governing Board. If the Governing Board desires to enter into the proposed Contract or Subaward despite the identification by the COI Point of Contact of a potential real or apparent conflict of interest, it may either:

- a. Accept the finding of the COI Point of Contact and direct the COI Point of Contact to obtain authorization to enter into the Contract or Subaward from either:
 - 1) the Federal awarding agency (US Treasury) with appropriate mitigation measures, or
 - 2) the Pass-Through Entity (the ARPA Recipient) if a subrecipient.
- b. Reject the finding of the COI Point of Contact and enter into the Contract or Subaward. In rejecting any finding of the COI Point of Contact, the Governing Board shall, in writing, document a justification supporting such rejection. If the COI Point of Contact does not identify a potential real or apparent conflict of interest relating to a proposed Contract or Subaward, the City may enter into the Contract or Subaward in accordance with the purchasing or subaward policy.

3. POST AWARD OF CONTRACT OR SUBAWARD

All contractors, subrecipients, awardees, beneficiaries and other identified stakeholder agents have an ongoing responsibility to provide notification immediately after the identification of any potential conflict of interest.

In accordance with Chapter 176, Local Government Code, if the conflict involves a government officer of the City, the Conflicts Disclosure Statement (Form CIS) will be provided to the COI Coordinator serving as the “Records Administrator” no later than seven (7) business days from date of initial identification.

Confidentiality & Public Information Act

- Potential conflicts of interest reports by a third party will remain anonymous and will be reviewed with legal representatives as appropriate.
- Reports of potential conflict of interest by the affiliated parties will be reviewed with a determination of the next steps.
- All filed COI disclosures in Texas will be subject to the Public Information Act of Texas.

4. GENERAL ADMINISTRATION

The Texas statements and disclosures must be filed with the records administrator of the city. A records administrator includes a city secretary, a person responsible for maintaining city records, or a person who is designated by the city to maintain the statements and disclosures filed under Chapter 176.

A city that maintains a website is required to post on that site statements and disclosures that are required to be filed under Chapter 176. However, a city that does not have a website is not required to create or maintain one.

The following conflict of interest documents, as deemed necessary by legal counsel and as applicable to any ARPA-SLFRF transactions will be retained on record:

- All types of disclosures including conflict of interest notifications via Conflict of Interest Disclosure (Form CID) or any other format;
- Certification of Interested Parties (Form 1295) as applicable;
- Conflict of Interest Questionnaire (Form CIQ);
- Cases of failure to disclose;
- Reviews or investigation of alleged conflicts; or
- Action(s) taken, or resolution(s).

The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of Recipient in order to conduct audits or other investigations. Records shall be maintained by Recipient for a period of five (5) years after all funds have been expended or returned to Treasury, whichever is later.

These ARPA/SLFRF Standards of Conduct and Conflict of Interest Policies and Procedures have been reviewed and adopted as applicable by legal or otherwise authorized representatives of the [ARPA RECIPIENT NAME].

PASSED AND APPROVED by the City Council of the City of Port Lavaca, Texas, this 8th day of April, 2024.

Mayor Jack Whitlow

ATTEST:

City Secretary Mandy Grant

COMMUNICATION

SUBJECT: Consider Resolution No. R-040824-3 to adopt the Budgetary and Financial Management Policies for FY 2024-2025. Presenter is Jody Weaver

INFORMATION:



**Resolution of the City of Port Lavaca, Texas
No. R- 040824-3**

Budgetary & Financial Management Policies

The goal of formally adopting financial management and budgetary policies is to provide sound guidelines in planning the City's financial future. The adoption and adherence to these policies will help ensure long-term financial stability and a healthy financial position for the City of Port Lavaca.

General Budgetary Policies

Budget Preparation

The City Budget shall be prepared in accordance with all applicable Charter requirements and State laws. The goal each year shall be to present the Proposed Budget to Council no later than six weeks prior to the end of the fiscal year and for the final approval of the Budget to be ready for Council action no later than two weeks before the end of the fiscal year. The Budget shall be comprehensive in nature and address all major funds of the City.

Government Finance Officer Association Distinguished Budget Program

The goal each year will be for the City's Budget to conform to the requirements of the Distinguished Budget Program of the G.F.O.A. and be submitted thereto for peer review.

Balanced Budget

It shall be a requirement each year for the budget of each fund to be balanced. This means that total resources available, including prior year ending resources plus projected revenues, shall be equal to or greater than the projected expenditures for the coming year. In a case where a deficit fund balance does occur, the goal shall be to limit deficits to only those amounts representing one-time capital expenditures and/or to adjust revenues and/or expenses so that the deficit is eliminated in no more than two budget years.

Public Hearings, Availability of Budget to Public

Upon completion of the City Manager's Proposed Budget to Council, the City holds public hearings in accordance with the Local Government Code. A copy of the Proposed Budget is made available in the City Secretary's Office or on the City's website. These hearings provide the Citizens of Port Lavaca a chance to ask questions as well as an opportunity for Council to hear any recommendations before final approval of the budget.

Cost Center Accounting and Budgeting

It shall be the policy of the City to allocate cost, and budget accordingly, to the various funds to the extent practical. This includes such items as utility costs, fuel costs, vehicle lease charges, overhead manpower and insurance fees.

Bond Ratings

It shall be the City's long-term goal to improve its bond ratings for general obligation bonds and revenue bonds. The City's policy shall be to manage its budget and financial affairs in such a way to promote enhancement of its bond ratings. This financial management includes the following:

- *Develop and maintain a multi- year operating budget*
- *Develop and maintain a multi-year capital improvements plan*
- *Implement financial procedures to quickly identify financial problems & limit budget shortfalls*
- *Review projected revenue methodologies annually*
- *Review method of determining appropriate cash reserve levels annually*

Administrative Overhead Fee to Enterprise Funds

It shall be the budgetary policy of each enterprise fund to pay to the General Fund an amount as set by the Budget each year. This charge shall be set as a percent of fund expenditures associated with each function and shall be construed as a payment for general administrative overhead, including management, accounting, legal, public safety, and personnel services. From an accounting perspective, such fee shall be treated as a fund operating transfer.

Budget Projections for Revenues and Expenditures

Most individual budget projections are a collaborative effort between the Division Heads, the Director of Finance, and the City Manager. The Director of Finance will note the methodology for estimating each major revenue or expense item budgeted, taking into consideration the insight of the respective Division Head. Revenue and expense estimates are always to be conservative to reduce any potential for budget shortfalls.

Maintenance of Plant and Equipment

The operating budget will provide for the adequate maintenance and replacement of the capital plant, building, infrastructure, and equipment. Deferral of such costs on a long-term continued basis will not be an acceptable policy to use in balancing the budget.

Financial Management Policies

Fund Balance Policy

Purpose

The purpose of this policy is to establish a key element of the financial stability of the City of Port Lavaca by setting guidelines for fund balance in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54. Unassigned fund balance is an important measure of economic stability, and it is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and other similar circumstances. This policy will ensure the City maintains adequate fund balances in the operating fund with the capacity to:

1. Provide sufficient cash flow for daily financial needs,
2. Secure and maintain investment grade bond ratings,
3. Offset significant economic downturns or revenue shortfalls, and
4. Provide funds for unforeseen expenditures related to emergencies.

Definitions

Fund Equity – A fund’s equity is generally the difference between its assets and its liabilities.

Fund Balance – The fund equity of a governmental fund for which an accounting distinction is made between the portions that are spendable and non-spendable.

Fund Balance reporting in governmental funds: Fund balance will be reported in governmental funds under the following categories using the *definitions* provided by GASB Statement No. 54:

- 1) **Non-spendable fund balance** – includes the portion of net resources that cannot be spent because of their form (i.e. inventory, long-term loans, or prepaids) or because they must remain in-tact such as the principal of an endowment.
- 2) **Restricted fund balance** – includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors, or by laws or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers or as allowed by law through constitutional provisions or enabling legislation. Examples include impact fees and bond proceeds.
- 3) **Committed fund balance** – includes the portion of net resources upon which the Council has imposed limitations on use. Amounts that can be used only for the specific purposes determined by a *formal action* of the council. Commitments may be changed or lifted only by the Council taking the same *formal action* that originally imposed the constraint. The formal action must be approved before the end of the fiscal year in which the commitment will be reflected on the financial statements.

- 4) **Assigned fund balance** – includes the portion of net resources for which an *intended* use has been established by the City Council or the City Official authorized to do so by the City Council. Assignments of fund balance are much less formal than commitments and do not require formal action for their imposition or removal. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed which indicates that resources are, at a minimum, intended to be used for the purpose of that fund.

Authority to Assign - The City Council delegates the responsibility to assign funds not to exceed \$25,000 to the City Manager or their designee to be used for specific purposes. City Council shall have the authority to assign any amount of funds to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund. The assignments may occur subsequent to fiscal year-end.

- 5) **Unassigned fund balance** – includes the amounts in the general fund in excess of what can properly be classified in one of the other four categories of fund balance. It is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. Negative residual amounts for all other governmental funds are reported in this classification.

Minimum Unassigned Fund Balance

General Fund - Being a City on the Gulf Coast, it shall be the goal of the City to maintain a fund balance in the General Fund equal to 180 days of the operating expenditures and a policy to maintain an **unassigned** fund balance of no less than 120 days of operating expenditures as to provide operating liquidity and contingency funding for non-specific unscheduled expenditures such as natural disasters or major unexpected expenditures. In the event that the unassigned fund balance is calculated to be less than the policy stipulates, the City shall plan to adjust budget resources in subsequent fiscal years to restore the balance.

Hotel/Motel Tax Fund – Since the City’s Convention Center (Bauer Center) qualifies for use of Hotel/Tax, it shall be the goal of the City to maintain a fund balance in the Hotel/Motel Fund to support the annual cost for improvements and maintenance of the Bauer Center. The proper level of this unassigned fund balance will be based on the most recent three-year average cost of maintenance and operations of the Bauer Center or \$250,000 whichever is greater.

Committed Fund Balances

- *Fixed or Capital Asset Replacement*- The City Council commits an additional portion of the General Fund Reserve for fixed asset replacement related to machinery and equipment. On an annual basis, the City strives to commit dollars equal to one year’s depreciation expense of machinery and equipment for assets on record as of the previous fiscal year end. The balance at year end in this account will be the committed fund balance.

Replenishment of Minimum Fund Balance Reserves

If unassigned fund balance unintentionally falls below 120 days or if it is anticipated that at the completion of any fiscal year the projected unassigned fund balance will be less than the minimum requirement, the City Manager shall prepare and submit a plan to restore the minimum required level as soon as economic conditions allow. The plan shall detail the steps necessary for the replenishment of fund balance as well as an estimated timeline for achieving such.

These steps may include, but are not limited to, identifying new, nonrecurring, or alternative sources of revenue; increasing existing revenues, charges and/or fees; use of year end surpluses; and/or enacting cost saving measures such as holding capital purchases, reducing departmental operating budgets, freezing vacant positions, and/or reducing the workforce. The replenishment of fund balance to the minimum level shall be accomplished within a three-year period. If restoration of the reserve cannot be accomplished within such a period without severe hardship to the City of Port Lavaca, then the Council shall establish an extended timeline for attaining the minimum balance.

Order of Expenditure of Funds

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the Council, and unassigned fund balance), the Council will first spend the most restricted funds before moving down to the next most restrictive category with available funds.

Appropriation of Unassigned Fund Balance

Appropriation from the minimum unassigned fund balance shall require the approval of the City Council and shall be utilized only for one-time expenditures, such as capital purchases, and not for ongoing operating expenditures unless a viable revenue plan designed to sustain the expenditure is simultaneously adopted.

The Council may appropriate unassigned fund balances for emergency purposes, as deemed necessary, even if such use decreases the fund balance below the established minimum.

Monitoring and Reporting

The Director of Finance shall be responsible for monitoring and reporting the City's reserve balances. The City Manager is directed to make recommendations to the Council on the use of reserve funds both as an element of the annual operating budget submission and from time to time throughout the fiscal year as needs may arise.

Compliance with the provisions of the policy shall be reviewed as a part of the annual operating budget adoption process and subsequent review will be included in the annual audit and financial statement preparation procedures.

Revenue Management Policy

The City strives for the following optimum characteristics in its revenue system:

- ***Simplicity and Certainty.*** The City shall strive to keep the revenue classification system simple to promote understanding of the revenue sources. The City shall describe its revenue sources and enact consistent collection policies to provide assurances that the revenue is collected according to budgets and plans.
- ***Equity.*** The City shall make every effort to maintain equity in its revenue system structure. The City shall minimize all forms of subsidization between entities, funds, services, utilities, and customers.
- ***Realistic and Conservative Estimates.*** Revenues are to be estimated realistically. Revenues of volatile nature shall be budgeted conservatively.
- ***Centralized Reporting.*** Receipts will be submitted daily to the Finance Department for deposit and investment. Daily transaction reports and supporting documentation will be prepared.
- ***Review of Fees and Charges.*** The City shall review all fees and charges annually in order to match fees and charges with the cost of providing that service.
- ***Aggressive Collection Policy.*** The City shall follow an aggressive policy of collecting revenues. Utility services will be discontinued (i.e. turned off) for non-payment in accordance with established policies and ordinances. The Calhoun County Appraisal District is responsible for delinquent tax collection, through the central collection agency, shall be encouraged to collect delinquent property taxes using an established tax suit policy and sale of real and personal property to satisfy non-payment of property taxes. A warrant officer in the Police Division will aggressively pursue outstanding warrants, and the Court will use a collection agency to pursue delinquent fines.

Use of Fund Balance and Non-Recurring Revenues

The City will use non-recurring revenues and excess fund balance for capital expenditures or for non-recurring expenditures. These non-recurring revenues will not be used to fund recurring type maintenance and operating costs.

Property Tax Revenue

All real and business personal property located within the City shall be valued at 100% of the fair market value based on the appraisal supplied by the Calhoun County Appraisal District. Reappraisal and reassessment are as provided by the Appraisal District. A ninety-six percent (96%) collection rate based upon historical trends and current economic conditions shall serve each year as a goal for tax collections and the budgeted revenue projection shall be based on the average collection rate calculated by the Calhoun County Appraisal District. Property tax rates shall be maintained at a rate adequate to fund an acceptable service level. Based upon taxable values, rates will be adjusted to fund this service level. Collection services shall be contracted out with a central collection agency, currently the Calhoun County Appraisal District.

Interest Income

Interest earned from investment of available monies, whether pooled or not, shall be distributed to the funds in accordance with the equity balance of the fund from which monies were invested.

User Based Fees and Service Charges

For services associated with a user fee or charge, the direct and indirect costs of that service shall be offset wholly or partially by a fee where possible. There shall be an annual review of fees and charges to ensure that the fees provide adequate coverage of costs of services.

Water and Wastewater Rates and other fees for Services

Water, wastewater, and garbage fees shall be set to generate revenues required to cover operating expenditures, including depreciation, meet the legal requirements of applicable bond covenants, and provide for an adequate level of working capital. It is the policy of the City that the Public Utility Fund, and other enterprise funds, not be subsidized by property tax revenue.

Intergovernmental Revenues/Grants/Special Revenues

Grant revenues and other special revenues shall be spent for the purpose(s) intended. The City shall review grant match requirements and include in the budget all grant revenues and expenditures.

Collection of Charges

The City will follow a policy of collecting, on a timely basis, all fees, charges, taxes and other revenues properly due to the City. The City will follow an aggressive policy of collecting all delinquencies due to the City.

Revenue Monitoring

Revenues actually received are to be regularly compared to budgeted revenues (at least monthly) with a formal report to City Council at least quarterly. If revenue estimates fall below budget expectations, the City Manager shall recommend to Council a corrective action to minimize the impact on the budget at the next available Council Meeting.

Expenditure Control Policy**Appropriations**

The responsibility for budgetary control lies with the Department Head. Department Heads may not approve expenditures that exceed monies available at the departmental budget level excluding personnel and capital expenditures. Capital expenditures are approved by the City Council on a per project basis normally during the annual budget process. Personnel allocations may not be changed without the approval of City Manager.

Amendments to the Budget

In accordance with the City Charter, under Article 8.03 (Transfer of Appropriations) provides, with approval of the City Council, the City Manager may transfer any unencumbered appropriated balance within any office, department, or agency at any time. At the request of the City Manager, and within the last three months of the fiscal year, the Council may by resolution transfer any unencumbered appropriation balance or portion thereof from an office, department or agency, to another.

Central Control

Unspent funds in salary and capital allocation object codes may not be spent for any purpose other than their specifically intended purpose without prior authorization of City Manager.

City's Manager Authority to Amend the Budget

The City Manager is authorized to transfer budgeted amounts within and among departments; however, any revisions that alter the total expenditures/expenses must be approved by the City Council.

Purchasing

All purchases shall be made in accordance with the Purchasing Policies approved by the City Council.

Prompt Payment

All invoices approved for payment by the proper City authorities shall be paid by the Finance Department within thirty (30) calendar days of receipt, in accordance with the provisions of state law. Proper procedures shall be established that enables the City to take advantage of all purchase discounts, except in the instance where payments can be reasonably and legally delayed in order to maximize the City's investable cash.

Long-Term Debt Policy

Revenue Bond Sinking Account

It shall be the policy of the City to always be in strict compliance with the requirements of the ordinance that created the Revenue Bond Sinking Account. Monthly payments are to be made to this account each year in accordance with the bond ordinance. The balance in the account must be adequate to cover semi-annual payments as they become due.

General Obligation Bond Debt Service Account

It shall be the policy of the City to always be in strict compliance with the requirements of the ordinance that created the General Obligation Bond Interest and Sinking Fund Account. Taxes, as applicable shall be distributed to this account monthly as received. Utility Revenues transferred to the Interest and Sinking fund Account shall occur, as needed prior to the semi-annual payment dates. The balance in the account must be adequate to cover semi-annual payments as they become due.

Capital Improvement Plan (CIP)

The City will develop a multi-year plan to present to Council each year for approval. The City will provide a list of proposed capital improvements, funding recommendations, and prospective timing of projects. CIP projects shall be for infrastructure over \$100,000 and facilities over \$50,000. Any maintenance and operational cost shall be disclosed that could impact future operating budgets.

Debt Policy Guidelines

- The City will limit long-term debt to only those capital projects that cannot be financed from current revenues. Assets that last a long time will benefit citizens and taxpayers far into

the future. It is fair for these future taxpayers and citizens to help pay the cost of the asset by paying some of the debt.

- The City will not use long-term debt to finance recurring maintenance and operating costs.
- The City will not issue long-term debt for a period longer than the estimated useful life of the capital project.
- Decisions will be made based on long term goals rather than a short- term fix.
- Debt Service Funds will be managed and invested according to all federal, state, and local laws.
- Coverage Ratios of Revenue Bonds will always be in compliance with the minimum coverage ratio required by the revenue bond ordinances. It shall be the goal of the City to achieve a budgeted coverage ratio of 1.60.

Other Fund Use Information

Governmental Funds

Most government functions are financed through governmental funds. The acquisition, use, and balances of the City's expendable resources and related current liabilities are accounted for through governmental funds. Long-term liabilities and fixed assets are not accounted for through governmental funds.

Federal and State Grant Funds

The City will have the necessary controls in place and follow all applicable federal and state financial grant requirements, including 2 CFR 200.302(b)(6) on advanced payments, 2 CFR 200.303 on internal controls for all grant funding, § 200.323 on contract cost and price, CFR 200 Part E on cost Principles and advance payment requirements, specifically § 200.403 Factors affecting allowability of costs and § 200.404 Reasonable costs as both allowable and reasonable, and § 200.305 on federal payment.

For payments received from Federal grant sources, the City will track interest earned on those payments in accordance with § 200.305 Federal payment. The City will maintain advance payments of Federal awards in interest-bearing accounts and monitor that account would not be expected to earn in excess of \$500 per year on Federal cash balances or any additional interest earned on Federal advance payments deposited in interest bearing accounts must be remitted annually to the Department of Health and Human Services Payment Management System (PMS).

Proprietary Funds

These funds listed below are used to account for the ongoing activities of the City that are similar to those found in the private sector. These funds are financed through user charges to recover costs of services provided. Proprietary funds use accrual accounting, which means revenues are recognized when they are earned by the City and expenses are recognized when they are incurred. Enterprise funds are considered proprietary funds and are used to account for operations for the City's Public Utility Fund, Light House Beach, and Port Revenue Fund.

Working Capital Position - the goal shall be to maintain a working capital position equal to 120 days of the operating budget and a policy to maintain a working capital position no less than 90 days of the operating budget. The City shall designate a portion of the reserve for fixed asset replacement equal to one year’s depreciation of all assets.

Public Utility Fund

It shall be the general policy of the City to commit a portion of the reserve to fixed asset replacement as it budgets for revenue to cover depreciation.

The City shall establish a project fund that will be funded by unanticipated revenues or revenue surpluses. This fund shall be used to fund unanticipated projects or to retire debt early.

Beach Operating Fund

It will be the general policy of the City that the fees collected will be spent on maintenance and capital improvements of the Beach Fund facilities, grounds, and other structures. The general fund tax dollars will not be used for these purposes, except as a loan from the General Fund to the Beach Fund, approved by Council.

Ports and Harbors Fund

It will be the general policy of the City that the fees collected will be spent on maintenance and capital improvements of the Ports and Harbors Fund facilities, grounds and other structures. Annually, an amount equal to the sum of all property taxes collected from Port Commission leased properties shall be transferred from the General Fund to the Ports and Harbors Fund for which sum will be spent on maintenance and capital improvements of the Port facilities, grounds and other structures. No other general fund tax dollars will be used for this purpose, except as a loan from the General Fund to the Ports and Harbors Fund, approved by Council.

WITNESS MY HAND AND SEAL OF OFFICE THIS 8th DAY OF APRI, 2024.

PASSED AND APPROVED THIS 8th DAY OF APRI, 2024.

Jack Whitlow, Mayor

ATTEST:

Mandy Grant, City Secretary

CITY OF PORT LAVACA

CITY COUNCIL MEETING: APRIL 8, 2024

DATE: 4.02.2024

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: JODY WEAVER, INTERIM CITY MANAGER

SUBJECT: ANNUAL REVIEW AND APPROVAL OF THE BUDGETARY & FINANCIAL MANAGEMENT POLICIES

Background: As a pre-cursor to the annual budget process, the Budgetary & Financial Management Policies of the City were reviewed by the Finance Committee on February 6, with no changes being recommended by the committee. At the Council Workshop on March 25, one clarification of the Beach and Port Revenue Operating Fund was suggested as follows:

Beach and Port Revenue Ports and Harbors Operating Fund

It will be the general policy of the City that the fees collected will be spent on maintenance and capital improvements of the facilities, grounds, and other structures of the respective funds. The general fund tax dollars will not be used for this these purposes, except as a loan from the General Fund to the Beach or Port & Harbors Fund, approved by Council.

Port Commission Recommendation:

Today, at a Special Port Commission Meeting, the Port Commission made the following recommendation with a 5 to 1 vote:

The Port Commission recommends to the City Council to transfer all Property Taxes that are collected from Port Commission leased properties to the Ports and Harbors Fund to be allocated to the Port Commission for expenditure.

An alternate edit to the Budgetary & Financial Management Policies to reflect this recommendation, should Council decide to approve, is as follows:

Beach Operating Fund

It will be the general policy of the City that the fees collected will be spent on maintenance and capital improvements of the Beach Fund facilities, grounds, and other structures. The general fund tax dollars will not be used for this these purposes, except as a loan from the General Fund to the Beach Fund, approved by Council..

Ports and Harbors Fund

It will be the general policy of the City that the fees collected will be spent on maintenance and capital improvements of the Ports and Harbors Fund facilities, grounds and other structures. Annually, an amount equal to the sum of all property taxes collected from Port Commission leased properties shall be transferred from the General Fund to the Ports and Harbors Fund for which sum will be spent on maintenance and capital improvements of the Port facilities, grounds and other structures. No other general fund tax dollars will be used for this purpose, except as a loan from the General Fund to the Ports and Harbors Fund, approved by Council.

COMMUNICATION

SUBJECT: Consider Resolution No. R-040824-4 to approve the annual review of the City's Investment Policy and Strategy ending March 31, 2024. Presenter is Jody Weaver

INFORMATION:

CITY OF PORT LAVACA

CITY COUNCIL MEETING: APRIL 8, 2024 _

DATE: 4.02.2024

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: JODY WEAVER, INTERIM CITY MANAGER

SUBJECT: CONSIDER AND APPROVE ANNUAL REVIEW OF INVESTMENT POLICY & STRATEGY

Background: As a requirement of the Texas Public Funds Investment Act and as per the City's Investment Policy and Strategy, the City shall perform an annual review of the investment policy. On February 6, the City's Finance & Investment Committee convened to review the current investment policy and found it to be adequate for the City's needs without any changes.

Recommendation:

Approve the annual review of the City's Investment Policy and Strategy.

Attachments:

Investment Policy and Strategy



Resolution of the City of Port Lavaca, Texas
No. R-040824-4

Investment Policy and Strategy

I. POLICY STATEMENT

It is the policy of the City that the administration of its funds and the investment of those funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of the City and conforming to all applicable state statutes governing the investment of public funds.

II. SCOPE

This investment policy applies to all the financial assets and funds of the City. The City commingles its funds into one pooled investment fund for investment purposes to provide efficiency and maximum investment opportunity. These funds are defined in the City's Annual Comprehensive Financial Report (ACFR).

Any new funds created by the City shall be included unless specifically exempted by the City Council and this policy.

III. OBJECTIVES

It is the policy of the City that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety, liquidity, diversification and yield.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability/flow.

Safety

The primary objective of the City's investment activity is the preservation of capital. Each investment transaction shall be conducted in a manner to avoid capital losses, whether from security defaults, safekeeping, or erosion of market value.

Liquidity

The City's investment portfolio shall be structured to meet all cash flow obligations in a timely manner. This shall be achieved by matching investment maturities with forecasted cash flow liabilities and maintain additional liquidity for unexpected liabilities.

Cash Flow Forecasting

Cash flow forecasting is designed to protect and sustain cash flow requirements of the City. Supplemental to the financial and budgetary systems, the Investment Officer will develop and use a cash flow forecasting process as needed to monitor and forecast cash positions for investment purposes.

Diversification

The City's portfolio shall be diversified by market sector and maturity in order to avoid market risk.

Yield

The benchmark of the City's portfolio shall be the 3-month or 6-month U.S. Treasury, designated for its comparability to the City's expected average cash flow pattern. The benchmark will serve as a risk measurement of the portfolio.

IV. STRATEGY

The City maintains one commingled portfolio for investment purposes which incorporates the specific investment strategy considerations and the unique characteristics of the fund groups represented in this portfolio. The investment strategy has as its primary objective assurance that anticipated liabilities are matched and adequate investment liquidity provided. The City shall pursue a conservative portfolio management strategy. This may be accomplished by creating a ladder maturity structure with some extension for yield advancement. **The maximum weighted average maturity (WAM) of the portfolio shall not exceed one (1) year.**

V. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY

Direct specific investment parameters for the investment of public funds in Texas are found in the Public Funds Investment Act, Chapter 2256, Texas Government Code, (the "Act"). The Public Funds Collateral Act, Chapter 2257, Texas Government Code, specifies collateral requirements for all public funds deposits. All investments will be made in accordance with these statutes.

VI. INVESTMENT COMMITTEE

An Investment Committee, consisting of the City Manager, Finance Director, and at least one Council Member shall meet at least quarterly to determine operational strategies and to monitor results. The Investment Committee shall discuss things such as economic outlook, portfolio diversification, maturity structure, and any potential risk of the City's funds. In addition, this committee shall review investment purchases that occurred since the last investment committee meeting and approve new brokers.

VII. DELEGATION OF INVESTMENT AUTHORITY

The Finance Director, acting on behalf of the City, is designated as the Investment Officer of the City and is responsible for investment management decisions and activities. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and staff. The Investment Officer shall attend at least one training session relating to the Officer's responsibility under this act within 12 months after assuming duties and thereafter, a training session should be attended not less than once every two years with at least 8 hours of instruction from an independent source. The Investment Officer shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officer is not available. No officer or designee may engage in an investment transaction except as provided under the terms of this Policy and the procedures established.

Limitation of Personal Liability

The investment Officer and those delegated investment authority under this Policy, when acting in accordance with the written procedures and this Policy and in accord with the Prudent Person Rule, shall be relieved of personal responsibility and liability in the management of the portfolio provided that deviations from expectations for a specific security's credit risk or market price change or portfolio shifts are reported in a timely manner and that appropriate action is taken to control adverse market effects.

VIII. PRUDENCE

The standard of prudence to be used in the investment function shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. This standard states:

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived."

IX. INTERNAL CONTROLS

The Investment Officer shall establish and maintain an internal control structure which will be reviewed annually with the independent auditor of the City. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees of the City. The internal controls shall address the following points at a minimum:

- Control of collusion,
- Separation of transaction authority from accounting and record keeping,
- Custodial safekeeping,
- Clear delegation of authority,
- Documentation of all transactions,

Monitoring Credit Ratings

The Investment Officer will monitor, on at least a monthly basis, the credit rating on all authorized investments in the portfolio that require a credit rating based upon independent information from a nationally recognized credit agency. If any security falls below the minimum rating required by this Policy; the Investment Officer will immediately advise the Investment Committee of the loss of rating and the possible loss of principal. The Investment Committee and Investment Officer will decide on the prudent liquidation of the security.

X. AUTHORIZED INVESTMENTS

Acceptable investments under this policy shall be limited to the instruments listed below and as further defined and described by the Public Funds Investment Act. If changes are made to the Act, they are not authorized until this Policy is modified and adopted by City Council.

- A. Obligations of the United States Government, its agencies and instrumentalities, and government sponsoring enterprises, not to exceed five years to stated maturity, including collateralized mortgage obligations (CMOs); CMO's cannot be either an Interest-Only or Principal-Only CMO nor can it be an inverse floater.
- B. Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas, with a maximum maturity of 18 months, collateralized with 102% coverage with:
 - In accordance with 2256.010 of the Act, certificates of deposit may be purchased from a Texas depository institution through a nationally coordinated program in which (a) the depository arranges for deposits in one or more federally insured depositories allowing for full FDIC coverage and (b) the depository receives comparable deposits from other linked depositories.
 - Collateral agreements must be in writing and require a bank resolution of approval.
- C. FDIC insured *brokered certificates of deposit securities* from a bank in any US State, delivery versus payment to the safekeeping agent, not to exceed two years to maturity. Before purchase, the Investment Officer must verify FDIC status of the bank on www.fdic.gov to assure that the bank is FDIC insured.
- D. Commercial paper rated A-1/P-1 or the equivalent by at least two nationally recognized rating agencies not to exceed 90 days to stated maturity.
- E. AAA-rated money market mutual funds as defined by the Public Funds Investment Act.
- F. Obligations of the States, agencies thereof, Counties, Cities, and other political subdivisions of any state, with a maximum maturity not to exceed five years, and having been rated as investment quality by a nationally recognized investment rating firm of not less than "A" or its equivalent.
- G. AAA-rated, constant dollar Texas Local Government Investment Pools as defined by the Public Funds Investment Act - must be approved by City Council.

No additional security will be eligible for investment by the City until this policy has been amended and the amended version approved by the City Council. *Exceptions* to investment maturities may be approved by council in order to meet debt service requirements.

Competitive Bidding Requirement

Generally, the City will seek competitive offerings for all securities, including certificates of deposit before it invests to verify that the City is receiving fair market value/price for the investment with the *exception* of new issues that are still in syndicate.

The City recognizes that a competitive offering process is not always necessary or is not always in the best interest of the City. On these occasions, the Investment Officer is authorized to purchase a security without seeking competitive offerings. Examples of these occasions are:

- A. Market conditions are changing rapidly.
- B. The security is a “new issue” that is still in the primary market.
- C. A specific type of security, maturity date, or rate of return is sought that may not be immediately available.

Delivery versus Payment

All security transactions, including collateral for repurchase agreements, entered into by the City, shall be conducted on a delivery versus payment (DVP) basis. Funds shall not be released until receipt of the security by the City’s approved custodian.

Diversification

The City recognizes that investment risks can result from issuer defaults, and market price changes. Risk is controlled through portfolio diversification. The maximum limits for diversification will be:

Security Type	Max % of Portfolio
US Obligations	not to exceed 80%
US Agencies/Instrumentalities	not to exceed 80%
-MB Securities	not to exceed 50%
Certificates of Deposits*	not to exceed 40%
Brokered CD*	not to exceed 20%
Commercial Paper	not to exceed 25%
Demand Deposits*	not to exceed 60%
Money Market Funds*	100%
Local Government Investment Pools	100%

*Limit per bank up to \$250,000 without collateralization agreement.

XI. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

Depository

The City will designate one banking institution through a competitive process as its central banking services provider at least every five years in accordance with the Texas Government Code 105. Other banking institutions from which the City may purchase certificates of deposit will also be designated after they provide their latest audited financial statements to the City. All depositories will execute a depository agreement and have the Bank’s Board or Bank Loan Committee pass a resolution approving the agreement if collateral is required.

Security Broker/Dealers

The Investment Committee will review the list of authorized broker/dealers annually. The Investment Officer will obtain and maintain information on each broker/dealer. Securities broker/dealers not affiliated with a bank, who desire to transact business with the City must supply the following documents to be maintained by the Finance Department:

- audited financial statement for the most recent period,
- proof of certification by the National Association of Securities Dealers (NASD),
- proof of current registration with the State Securities Commission

Every broker/dealer and bank with whom the City transacts business will be provided a copy of this Investment Policy to assure that they are familiar with the goals and objectives of the City's investment program. A representative of the firm will be required to return a signed certification stating the Policy has been received and reviewed and that controls are in place to assure that only authorized securities are sold to the City.

XII. SAFEKEEPING AND COLLATERALIZATION

The laws of the State and prudent treasury management require that all purchased securities be bought on a delivery versus payment (DVP) basis and be held in safekeeping by either the City, an independent third-party financial institution, or the City's designated depository.

All safekeeping arrangements shall be designated by the Investment Officer and an agreement of the terms executed in writing. The third-party custodian shall be required to issue safekeeping receipts to the City listing each specific security, rate, description, maturity, cusip number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is held for the City or pledged to the City.

All securities pledged to the City for time or demand deposits shall be held by an independent third-party bank doing business in Texas. The safekeeping bank may not be within the same holding company as the bank where the securities are pledged. The bank is responsible for monitoring collateral.

Collateralization

Collateralization shall be required on certificates of deposits over the FDIC insurance coverage of \$250,000. In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level required will be 105% of the market value of the principal and accrued interest. Collateral will be held by an independent third-party safekeeping agent.

XIII. PERFORMANCE EVALUATION AND REPORTING

The Investment Officer shall submit quarterly reports to the City Council containing sufficient information to permit an informed outside reader to evaluate the performance of the investment program and consistent with statutory requirements. The Investment officer will report to the Investment Committee a report that will include the following at a minimum:

- A full description of all securities held at the end of the reporting period,
- Overall change in market value for each security and the change during the period as a measure of volatility (obtained by an independent source),

- Weighted average maturity (WAM) of the portfolio,
- Total earnings for the period,
- Compare market value of pledged securities to the ending balance of the City's portfolio,
- Analysis of the total portfolio by maturity, by book value, and
- Statement of the compliance of the investment portfolio with the Act and the Investment Policy and Strategy of the City.

XIV. INVESTMENT POLICY AMENDMENTS

The Director of Finance and the Investment Committee shall review the Investment Policy and Strategy on an annual basis. Future recommended changes will be approved by the City Council amending the current Investment Policy and Strategy resolution on record.

WITNESS MY HAND AND SEAL OF OFFICE THIS 8th DAY OF APRIL, 2024.

PASSED AND APPROVED THIS 8th DAY OF APRIL, 2024.

Jack Whitlow, Mayor

ATTEST:

Mandy Grant, City Secretary

CITY OF PORT LAVACA
INVESTMENT POLICY AND STRATEGY

LISTING OF APPROVED BROKER/DEALERS

Attached to and made a part of the City of Port Lavaca Investment Policy

Hilltop Securities, Inc.
Gilbert Ramon, Vice President – Institutional Sales
700 Milam St, Suite 1200
Houston, TX 77002
Direct: 713/654-8606, Mobile: 832-415-3701
Gilbert.Ramon@hilltopsecurities.com

FHN Financial Capital Markets
Buddy Saragusa
920 Memorial City Way, 11th Floor
Houston, TX 77024
Direct: 713/435-4475
Budy.Saragusa@FHNFinancial.com

RBC Capital Markets
Scott Obenshain
200 Crescent Court, Suite 1500
Dallas, TX 75201
Telephone: 214/989-1600
Scott.obenshain@rbc.com

CITY OF PORT LAVACA

BROKER/DEALER CERTIFICATION

Attached to and made a part of the City of Port Lavaca Investment Policy

I hereby certify that I personally read and understand the investment policy and strategy of the City of Port Lavaca, Texas, and have implemented reasonable procedures and controls designed to fulfill said policy's objectives and conditions. Transactions between this firm and the City of Port Lavaca will at all times reflect due concern for the preclusion of imprudent investment activities.

All sales personnel of this firm dealing with the City of Port Lavaca accounts have been informed of the City's investment horizons, limitations, strategies, and risk constraints. Sales personnel will be updated on these guidelines whenever material changes to the City's policy are communicated to or by the City of Port Lavaca investment officer.

This firm will notify the City of Port Lavaca immediately by phone and in writing in the event of a material adverse change in our financial condition. This firm pledges to exercise due diligence in informing the City of Port Lavaca of all foreseeable risks associated with financial transactions conducted with our firm.

Firm: _____

Registered Principal: _____

Dealer Registration Number: _____

Title: _____

Signature: _____ Date: _____



I, Susan Lang, have provided a copy of the City of Port Lavaca's Investment Policy to:

_____ (name) of

_____ (firm) and will maintain this certification

on file.

Susan Lang
Finance Director

Date

COMMUNICATION

SUBJECT: Consider request of the Police Department to declare three (3) fleet vehicles as surplus and authorize the disposal of said vehicles by releasing to Enterprise Fleet Management to auction off. Presenter is Colin Rangnow

INFORMATION:



CITY OF
PORT LAVACA
POLICE DEPARTMENT

To: City Secretary Mandy Grant
From: Chief Colin Rangnow
Date: March 20, 2024
Subject: Agenda Item: Surplus PD Patrol Units

The Port Lavaca Police Department requests approval from the City of Port Lavaca City Council to declare the following vehicles as surplus and release said vehicles to Enterprise Fleet Management to auction off. Said vehicles were the last patrol units the City purchased.

Patrol Unit:

2020 Ford Explorer 1FM5K8ABXLGC14578 Unit 3785 TX LP 1437581 Mileage: 16,040
2019 Ford Explorer 1FM5K8ARXKGA63366 Unit 3632 TX LP 1388609 Mileage: 76,173
2019 Ford Explorer 1FM5K8ARXKGA63365 Unit 3631 TX LP 1388608 Mileage: 92,576
Above mentioned are decommissioned and no longer used in day-to-day operations.

Chief Colin Rangnow
Port Lavaca Police Department

COMMUNICATION

SUBJECT: Consider approval of Change Order #4 of Community Development Block Grant – Disaster Relief (CDBG-DR) Phase 2 Streets and Drainage Improvement project in the amount of \$17,586.21. Presenter is Jody Weaver

INFORMATION:

CITY OF PORT LAVACA

CITY COUNCIL MEETING: APRIL 8, 2024

DATE: 4.03.2024

TO: INTERIM CITY MANAGER

CC: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: WAYNE SHAFFER PUBLIC WORKS DIRECTOR

SUBJECT: CONSIDER APPROVAL OF CHANGE ORDER NO. 4 FOR CDBG-DR PHASE 2 STREETS AND DRAINAGE PROJECT

Attached is Change Order No. 4 for the CDBG-DR Phase 2 project. This change order increases the current contract amount by \$17,586.21. As described below, the final contract amount is \$12,012.31 above the original contract price (0.26% increased).

Background:

Change Order No. 1: *included a 90-day extension*

*Resolved quantity additions and subtractions due to items encountered/not encountered in the field or deemed not necessary like sodding or mailbox and sign removal/relocation; added \$44K for Nueces St sanitary sewer replacement that had to be done to resolve an unknown sewer conflict (discovered there were two parallel sewer mains in same road) with proposed storm sewer installation, added Mar-Mac couplings and collars that were required due to pipe material change under the TxDOT maintained road (Virginia St) to go from RCP to HDPE (occurred at both MLK and Chestnut crossing of Virginia and was part of TxDOT Utility Permit Requirements). **Net decrease in project cost of -\$3,880.50***

Change Order No. 2:

*took out the Onyx surface treatment and some RC-250 prime and pavement repair and added in cement treating/prime (MC-30) the roads that were not to be fully reconstructed but only receive seal coat and Onyx. **Net decrease in project cost of -\$1,693.40***

Change Order No. 3: *included a 30 day time extension only*

Change Order No. 4: 12-day time extension,

Added a small amount of additional sidewalk due to tie-in locations/slopes to residences, resolved quantity for portions of Alice Wilkins and South Streets for cement treat and priming in Change Order No. 2.

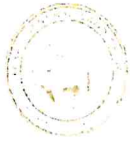
Net increase in project cost of \$17,586.21

All four change orders combined result in **net increase of Phase 2 cost of \$12,012.31 (0.26%)**.

Phase 1 final construction cost decreased from original cost by \$74,941.00 so combined Phase 1 and 2 final construction cost is a decrease of \$62,928.69.

A final inspection walk-thru is scheduled for Thursday, April 4. Councilman Daniel Aguirre has been invited to attend. Approval of the Final Pay Request and Release of Retainage will be presented to Council at the Special Meeting on April 29.

Recommendation: Approve Change Order No. 4



COMMUNITY DEVELOPMENT & REVITALIZATION
The Texas General Land Office
Construction Change Order Request

Contract Price with All Approved Change Orders:	\$4,546,771.46	Contract Time with All Approved Change Orders in Days:	582
Cumulative Percent Change in Contract Price (+/-)	0.26%	Subrecipient Contract End Date:	4/30/2024
Construction Contract Start Date:	8/25/2022	Construction Contract End Date:	3/29/2024

Reimbursements of costs included in this change order are subject to review by GLO-CDR.

*This document may be executed prior to submission for GLO-CDR review, but all parties involved will be held responsible if the change order or amendment warranted as a result of this change order is not in compliance with CDBG or HUD Requirements

Subrecipient Signature	Engineer Signature	Contractor Signature
Subrecipient Name and Title (Printed)	Randy Janak, PE - Vice President	<i>TRAVIS TAGLEMAN - Vice President</i>
Subrecipient Name and Title (Printed)	Engineer Name and Title (Printed)	Contractor Name and Title (Printed)
Subrecipient Signature	Engineer Signature	Contractor Signature

Justification for Change Order

1. Will this change order increase or decrease the number of beneficiaries? Increase Decrease No Change

If there is a change, how many beneficiaries will be affected?

Total LMI

2. Effect of this change on the scope of work: Increase Decrease No Change

3. Effect on operation and maintenance costs: Increase Decrease No Change

4. Are all prices in the change order dependent upon unit prices found in the original bid? Yes No

If "no", explain:

dependent on prices in Change Order No. 2

5. Has the change created new circumstances or environmental conditions which may affect the project's impact, such as concealed or unexpected conditions discovered during actual construction? Yes No

If "yes", is an environmental assessment required?



COMMUNITY DEVELOPMENT & REVITALIZATION
The Texas General Land Office
Construction Change Order Request

- 6. Is the Texas Council on Environmental Quality (TCEQ) clearance still valid (if applicable)? Yes No
- 7. Is the CCN permit still valid? (sewer projects only) Yes No
- 8. Are the disability access requirements/approval still valid (if applicable)? Yes No
- 9. Are other Disaster Recovery contractual special condition clearances still valid? Yes No

If "no", explain:

Disclaimer: The Texas General Land Office has made every effort to ensure the information contained on this form is accurate and in compliance with the most up-to-date CDBG-DR and/or CDBG-MIT federal rules and regulations, as applicable. It should be noted that the Texas General Land Office assumes no liability or responsibility for any error or omission on this form that may result from the interim period between the publication of amended and/or revised federal rules and regulations and the Texas General Land Office's standard review and update schedule.

COMMUNICATION

SUBJECT: Announcement by Mayor that City Council will retire into closed session:

INFORMATION:

- For consultation with City Attorney on matters in which the duty of the Attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Open Meetings Act (Title 5, Chapter 551, Section 551.071(2) of the Texas Government Code). Presenter is Mayor Whitlow

COMMUNICATION

SUBJECT: Return to Open Session and take any action deemed necessary with regard to matters in closed session. Presenter is Mayor Whitlow

INFORMATION:

