

**TENTATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY**

Texoma Housing Partners

Annual Financial Report

Year Ended March 31, 2019

Texoma Housing Partners
March 31, 2019

Table of Contents

| | |
|---|--------------------|
| <i>Independent Auditors' Report</i> | 1 - 2 |
| <u><i>Required Supplementary Information</i></u> | |
| Management's Discussion and Analysis..... | 3 - 6 |
| Basic Financial Statements | |
| <u><i>Government -Wide Financial Statements</i></u> | |
| Statement of Net Position..... | 7 |
| Statement of Revenues, Expenses and Changes in Net Position | 8 |
| Statement of Cash Flows | 9 |
| <i>Notes to Financial Statements</i> | 10 - 14 |
| Supplemental Information Required by HUD | |
| Supplemental Schedule - Financial Data Schedules..... | 15 - 22 |
| Report Required by <u>Government Auditing Standards</u> | |
| Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u> | 23 - 24 |
| Reports Required by Uniform Guidance | |
| Independent Auditors' Report on Compliance for Each Major Federal Program and on Internal Control over Compliance by the Uniform Guidance..... | 25 - 26 27 - 28 |
| Schedule of Expenditures of Federal Awards..... | 29 |
| Schedule of Findings and Questioned Costs | 30 |
| Summary Schedule of Prior Audit Findings..... | |

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Independent Auditors' Report

Board of Directors
Texoma Housing Partners
Bonham, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Texoma Housing Partners, as of and for the year ended March 31, 2019, and the related notes to the financial statements, which collectively comprise Texoma Housing Partners' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Texoma Housing Partners as of March 31, 2019, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Board of Directors
Texoma Housing Partners
Bonham, Texas

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Texoma Housing Partners' basic financial statements. The financial data schedules listed in the table of contents are presented for purposes of additional analysis as required by the U.S. Department of Housing and Urban Development and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

The financial data schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data schedules and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2019 on our consideration of Texoma Housing Partners' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Texoma Housing Partners' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Texoma Housing Partners' internal control over financial reporting and compliance.

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McClanahan and Holmes, LLP

Certified Public Accountants

Bonham, Texas
September 16, 2019

**TENTATIVE DRAFT - FOR
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**Texoma Housing Partners
Management's Discussion and Analysis
Year Ended March 31, 2019**

Management's discussion and analysis (MD&A) of Texoma Housing Partners' (THP) financial performance offers the readers a narrative overview and analysis of THP's financial activities and performance for the fiscal year ended March 31, 2019. The information contained in this MD&A should be considered in conjunction with the Authority's basic financial statements which begin on page 7.

Financial Highlights

- For the fiscal year ended March 31, 2019, current assets decreased \$73,482, or 3%.
- Capital assets net of accumulated depreciation increased by \$132,416 after depreciation of \$745,421.
- Total liabilities increased by \$481,685 or 159%.
- Net position decreased by \$256,129, or 3%.

Overview of the Financial Statements

This report includes this Management's Discussion and Analysis, the Basic Financial Statements, and the Notes to the Financial Statements. In addition, the report also contains supplemental information required by the U.S. Department of Housing and Urban Development (HUD), as well as auditor reports and schedules required by *Government Auditing Standards* and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

THP is classified as a special purpose government engaged in business-type activities. Accordingly, these financial statements are presented as fund level financial statements for a proprietary fund.

The basic financial statements include the *Statement of Net Position*, *Statement of Revenues and Expenses and Changes in Net Position*, and *Statement of Cash Flows*. These statements are presented in a manner consistent with Governmental Accounting Standards Board (GASB) Statement 34, as amended by GASB Statement 63. THP presents its financial data as a single program business-type activity, which is similar to enterprise fund accounting historically used by governmental entities. Consistent with GASB 34, assets, liabilities, revenues, expenses, gains, and losses are reported using the economic resources measurement focus and accrual basis of accounting; accordingly, revenues are recorded as earned and expenses are recorded when the liability is incurred.

The *Statement of Net Position* presents a snapshot of THP's financial position as of March 31, 2019. Assets and liabilities are regarded as either current or non-current, and the remainder interests are recorded as Net Position. Net Position is divided into amounts Invested in Capital (e.g., buildings and equipment), Restricted, or Unrestricted.

The *Statement of Revenues, Expenses, and Changes in Net Position* is a cumulative summary of THP's financial activities for the twelve-month period ended March 31, 2019.

**Texoma Housing Partners
Management's Discussion and Analysis (continued)
Year Ended March 31, 2019**

The *Statement of Cash Flows* provides an analysis of THP's cash position for the year. The statement reports cash used or provided by (1) operating activities; (2) non-capital financing activities; (3) capital and related financing activities; and (4) investing activities.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The section Supplemental Financial Information Required by HUD contains the Financial Data Schedules (FDS). HUD has established Uniform Financial Reporting Standards that require THP to submit financial information for its member PHAs electronically to HUD using the FDS format. This financial information has been electronically transmitted to the Real Estate Assessment Center (REAC) for the year ended March 31, 2019.

Financial Analysis

THP's overall financial position for the past two years is summarized below based on the information included in the current and prior financial statements.

| | <u>2019</u> | <u>2018</u> | <u>Variance</u> | <u>%</u> |
|--|---------------------|---------------------|------------------|----------|
| Current Assets | \$ 2,767,311 | \$ 2,840,793 | \$ (73,482) | -3% |
| Non-Current Assets | | | | |
| Capital Assets, Net of | | | | |
| Accumulated Depreciation | <u>6,798,478</u> | <u>6,666,062</u> | <u>132,416</u> | 2% |
| Total Assets | <u>\$ 9,565,789</u> | <u>\$ 9,506,855</u> | <u>\$ 58,934</u> | 1% |
| Current Liabilities | \$ 784,901 | \$ 303,216 | \$ 481,685 | 159% |
| Long-Term Liabilities | <u>-</u> | <u>-</u> | <u>-</u> | 0% |
| Total Liabilities | <u>784,901</u> | <u>303,216</u> | <u>481,685</u> | 159% |
| Deferred Inflows | <u>-</u> | <u>166,622</u> | <u>(166,622)</u> | |
| Net Position | | | | |
| Invested in Capital Assets | 6,796,681 | 6,646,303 | 150,378 | 2% |
| Unrestricted | <u>1,984,207</u> | <u>2,390,714</u> | <u>(406,507)</u> | -17% |
| Total Net Position | <u>8,780,888</u> | <u>9,037,017</u> | <u>(256,129)</u> | -3% |
| Total Liabilities Inflows and Net Position | <u>\$ 9,565,789</u> | <u>\$ 9,506,855</u> | <u>\$ 58,934</u> | 1% |

Total assets were largely unchanged. Total current assets decreased by \$73,482, or 3%. This decrease is primarily due to a decrease in total cash of \$82,403. THP invested \$877,837 in capital asset additions and improvements. This investment was offset by current year depreciation of \$745,421 for a net increase of Non-Current assets of \$132,416. Further discussion of these changes can be found in the Capital Assets section of this report.

Current liabilities increased by \$481,685. This increase was the direct result of a planned window replacement project at properties in twelve of the nineteen member cities. This project was substantially complete at March 31, 2018, for a total cost of \$485,000.

**Texoma Housing Partners
Management's Discussion and Analysis (continued)
Year Ended March 31, 2019**

Unrestricted net position can be a measure of the liquidity of an organization. THP's unrestricted net position at March 31, 2019, represents 6.76 months of expenses maintained in reserves, a decrease of 2.12 months from the prior fiscal year end.

THP's change in net position resulting from its activities for the year ended March 31, 2019, with comparative numbers to the prior year, are summarized below from the current and prior year reports.

**Schedule of Increases and Decreases in Net Position
For the Fiscal Years Ended March 31,**

| | <u>2019</u> | <u>2018</u> | <u>Variance</u> | |
|--|---------------------|--------------------|---------------------|------|
| Revenues and Other Increases | | | | |
| Tenant Revenues | \$ 1,319,921 | \$ 1,364,509 | \$ (44,588) | -3% |
| Operating Subsidies and Grants | 2,318,848 | 2,026,407 | 292,441 | 14% |
| Other Revenues and Increases | 368,300 | 99,833 | 268,467 | 269% |
| Interest and Investment Income | 2,077 | 2,661 | (584) | -22% |
| Contributed Capital | - | 467,036 | (467,036) | |
| Total Revenues and Other Increases | <u>4,009,146</u> | <u>3,960,446</u> | <u>48,700</u> | 1% |
| Operating Expenses | | | | |
| Administrative | 959,697 | 1,142,807 | (183,110) | -16% |
| Tenant Services | 82,517 | 47,350 | 35,167 | 74% |
| Utilities | 402,516 | 380,558 | 21,958 | 6% |
| Maintenance | 1,805,402 | 1,384,552 | 420,850 | 30% |
| Protective Services | 3,100 | 5,400 | (2,300) | -43% |
| Insurance and General | 213,463 | 207,530 | 5,933 | 3% |
| Interest Expense | 353 | 1,261 | (908) | -72% |
| Casualty Loss | 52,807 | 62,305 | (9,498) | -15% |
| Depreciation Expense | 745,421 | 810,720 | (65,299) | -8% |
| Total Operating Expenses | <u>4,265,276</u> | <u>4,042,483</u> | <u>222,793</u> | 6% |
| Increase (Decrease) in Net Position | <u>\$ (256,130)</u> | <u>\$ (82,037)</u> | <u>\$ (174,093)</u> | 212% |

Tenant revenues are prone to fluctuation and saw a modest decrease in the current year. HUD operating subsidies and capital fund grants both were higher during the current year due to increased funding at the federal level. Other revenues include insurance proceeds for a tri-plex unit destroyed by fire in February, 2018. Contributed capital in the prior fiscal year was from the Housing Authority of the City of Leonard which joined the consortium April 1, 2017.

Overall expenses increased by \$222,793, an increase of 6%. Administrative costs decreased significantly due to the termination of the management relationship with Texoma Council of Governments on August 31, 2017. The increase in tenant services is misleading as these costs had previously been included in administrative expenses. The increase in maintenance costs included planned exterior painting projects at several of the member cities. Casualty losses in the current and prior year were the result of weather related roof damage. Depreciation decreased as some of the older buildings became fully depreciated.

**Texoma Housing Partners
Management's Discussion and Analysis (continued)
Year Ended March 31, 2019**

Capital Assets

At March 31, 2019, THP had \$6,796,681 invested in capital assets, net of related debt, which is an increase of \$150,378 over the previous year. During the current fiscal year, THP invested \$794,510 in capital improvements which included \$518,905 in the window replacement project mentioned previously. The remaining \$275,605 was spent on the construction of a tri-plex in Honey Grove to replace the units destroyed by fire in the prior year. THP also invested \$83,327 in a new maintenance truck and a team van. The current year additions were offset by \$745,421 in depreciation expense.

Long-Term Debt

THP's only note payable was paid off on April 5, 2019. At this time, THP does not foresee the need for any capital borrowings in the immediate future. Additional information on THP's indebtedness can be found in Note 5 which begins on page 14 of this report.

Economic Factors

THP currently receives program funding from HUD and is affected more by the federal budget than by local economic conditions. The funding of programs could be significantly affected by the 2019-2020 federal budget.

In recent years, HUD has initiated measures to privatize all the small public housing programs across the nation. Toward this end, HUD has reached out to THP to once again take the lead by becoming the first consortium in the nation to transition to the new funding model. If successful, THP would no longer receive operating subsidies or capital fund grants. Instead, funding would be in the form of housing assistance payments which would subsidize the rent paid by tenants. This would result in THP receiving market rate rents for its subsidized units and would eliminate HUD control over its operating reserves.

Contacting THP

This financial report represents a general overview of THP's financial position and accounting for funds received. It is available to the public for review and comment. To request additional financial information, contact:

Ms. Allison Reider, Executive Director,
Texoma Housing Partners
810 W 16th Street
Bonham, Texas 75418

TENTATIVE DRAFT - FOR
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Texoma Housing Partners
Statement of Net Position
March 31, 2019

| Assets | |
|---|---------------------|
| Current Assets | |
| Cash on Hand and in Banks | \$ 2,576,605 |
| Short-Term Investments | 96,008 |
| Accounts Receivable - Tenants | 17,772 |
| Accounts Receivable - Others | 467 |
| Prepaid Expenses | 76,459 |
| Total Current Assets | <u>2,767,311</u> |
| Noncurrent Assets | |
| Capital Assets | |
| Land | 168,493 |
| Site Improvements | 7,406,971 |
| Buildings | 23,377,578 |
| Equipment | 717,149 |
| Accumulated Depreciation | <u>(24,871,713)</u> |
| Net Capital Assets | <u>6,798,478</u> |
| Deferred Outflows of Resources | <u>-</u> |
| Total Assets and Deferred Outflows | <u>\$ 9,565,789</u> |
| Liabilities and Net Position | |
| Current Liabilities | |
| Accounts Payable | \$ 547,361 |
| Payroll Taxes Payable | 12,100 |
| Prepaid Tenant Rents | 13,464 |
| Tenants' Security Deposits | 49,282 |
| Payments in Lieu of Taxes | 84,583 |
| Accrued Compensated Absences | 51,873 |
| Accrued Payroll | 24,441 |
| Current Portion of Note Payable | <u>1,797</u> |
| Total Current Liabilities | <u>784,901</u> |
| Total Long-Term Liabilities | <u>-</u> |
| Total Liabilities | <u>784,901</u> |
| Deferred Inflows of Resources | <u>-</u> |
| Net Position | |
| Net Investment in Capital Assets | 6,796,681 |
| Restricted | - |
| Unrestricted | <u>1,984,207</u> |
| Total Net Position | <u>8,780,888</u> |
| Total Liabilities, Inflows, and Net Position | <u>\$ 9,565,789</u> |

The accompanying notes are an integral part of these financial statements.

**TENTATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY**

**Texoma Housing Partners
Statement of Revenues, Expenses and Changes in Net Position
Year Ended March 31, 2019**

| | |
|---|---------------------|
| Operating Revenues | |
| Dwelling Rental | \$ 1,319,921 |
| HUD Operating Grants | 2,318,848 |
| Other Income | <u>368,300</u> |
| Total Operating Income | <u>4,007,069</u> |
| Operating Expenses | |
| Administrative | 959,697 |
| Tenant Services | 82,517 |
| Utilities | 402,516 |
| Maintenance | 1,805,486 |
| Protective Services | 3,100 |
| Insurance and General | 213,463 |
| Interest Expense | 353 |
| Casualty Loss | 52,807 |
| Depreciation Expense | <u>745,421</u> |
| Total Operating Expenses | <u>4,265,360</u> |
| Operating Income (Loss) | <u>(258,291)</u> |
| Non-Operating Revenues (Expenses) | |
| Interest and Investment Income | <u>2,161</u> |
| Net Non-Operating Revenues (Expenses) | <u>2,161</u> |
| Income (Loss) Before Contributions and Other Additions | <u>(256,130)</u> |
| Increase (Decrease) in Net Position | (256,130) |
| Net Position - Beginning of Year | <u>9,037,018</u> |
| Net Position - End of Year | <u>\$ 8,780,888</u> |

The accompanying notes are an integral part of these financial statements.

**Texoma Housing Partners
Statement of Cash Flows
Year Ended March 31, 2019**

**TENTATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY**

| | |
|---|---------------------|
| Cash Flows from Operating Activities | |
| Receipts from Operating Grants and Subsidies - HUD | \$ 2,318,848 |
| Receipts from Tenants | 1,319,486 |
| Other Operating Receipts | 201,618 |
| Payments to or on Behalf of Employees | (1,470,666) |
| Payments to Suppliers for Goods and Services | (1,558,051) |
| Net Cash Flows from Operating Activities | <u>811,235</u> |
| Cash Flows from Noncapital Financing Activities | <u>-</u> |
| Cash Flows from Capital and Related Financing Activities | |
| Fixed Asset Acquisitions | (877,837) |
| Principal Reduction of Mortgage Note | (17,962) |
| Net Cash Flows from Capital and Related Financing Activities | <u>(895,799)</u> |
| Cash Flows from Investing Activities | |
| Cash Payments for Interest | <u>2,161</u> |
| Net Increase (Decrease) in Cash | (82,403) |
| Cash at Beginning of Year | <u>2,659,008</u> |
| Cash at End of Year | <u>\$ 2,576,605</u> |
| Reconciliation of Operating Income to Net Cash | |
| Provided by Operating Activities | |
| Net Income (Loss) from Operations | \$ (258,291) |
| Noncash Changes to Income: | |
| Depreciation | 745,421 |
| Cash from net (Increase) Decrease in: | |
| Accounts Receivable - Tenants | (3,100) |
| Accounts Receivable - Others | (60) |
| Prepaid Expenses | (5,761) |
| Cash from net Increase (Decrease) in: | |
| Accounts Payable | 465,388 |
| Payroll Taxes Payable | 12,099 |
| Prepaid Tenant Rents | 1,372 |
| Tenants' Security Deposits | 1,293 |
| Payments in Lieu of Taxes | (14,494) |
| Accrued Compensated Absences | 33,990 |
| Accrued Payroll | - |
| Deferred Inflows of Resources | (166,622) |
| Net Cash Flows from Operating Activities | <u>\$ 811,235</u> |

The accompanying notes are an integral part of these financial statements.

**Texoma Housing Partners
Notes to Financial Statements
March 31, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - Texoma Housing Partners (THP) is a Consortium, as defined by HUD regulations, of nineteen (19) chartered public housing corporations (PHAs) which was created as a vehicle to combine the total resources of its members to meet the public housing needs of their communities beyond each member's individual capabilities. THP is governed by a Board of Directors with each member PHA appointing one director. The Housing Authority of the City of Bonham (Bonham) serves as the lead Agency, as defined by HUD regulations, for THP. Since all of the PHAs are local government entities, THP is also defined as a local government entity which is exempt from federal and state income taxes. Any member PHA can withdraw from THP at the end of a fiscal year by providing written notice at least 90 days in advance to the Board of Directors.

The members of THP are the Housing Authority of the Cities of Bells, Bonham, Celeste, Ector, Farmersville, Gunter, Honey Grove, Howe, Ladonia, Leonard, Pottsboro, Princeton, Savoy, Tioga, Tom Bean, Trenton, Van Alstyne, Whitewright, and Windom. THP is supported by rents and other fees from tenants, subsidy payments from HUD and capital grants from HUD.

Under the United States Housing Act of 1937, the U S Department of Housing and Urban Development (HUD) has direct responsibility for administering low-rent housing programs in the United States. Accordingly, HUD has entered into various contracts with the member PHAs for the purpose of constructing, owning, and operating public housing facilities. The member PHAs currently own five hundred twenty dwelling units which are operated under the Low Rent Public Housing Program. The financial liability of the member PHAs is supported by operating subsidies received under contracts from the Federal Government. Additionally, the member PHAs receives other grants to enhance tenant services and for capital improvements and non-routine maintenance.

The following significant accounting policies were applied in the preparation of the accompanying financial statements:

Reporting Entity - THP's basic financial statements include all organizations, activities, and functions that comprise Texoma Housing Partners. Component units are legally separate entities for which the THP is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the component unit's governing body and either (1) THP's ability to impose its will over the component unit or (2) the potential that the component unit will provide a financial benefit to, or impose a financial burden on, THP. Using the criteria for a component unit, THP has no component units.

THP receives funding from HUD and must comply with its spending, reporting, and recordkeeping requirements. THP is not a component unit of HUD or any other governmental entity. THP owns and operates the following properties that are not low-income housing subject to HUD policies and regulations:

"The Meadows" are three duplexes constructed on land owned by Bonham, the lead agency. Bonham leases the land to THP for \$1 a year. If at any time Bonham decides to leave the partnership, the duplexes will become the property of Bonham.

"Deer Run" is an apartment complex located in Trenton, Texas that was purchased by THP in August, 2013.

The activities of these properties are included with Bonham in HUD required financial reporting.

Texoma Housing Partners
Notes to Financial Statements (continued)
March 31, 2019

TENTATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting - The financial statements of THP are presented in accordance with accounting principles generally accepted in the United States of America applicable to governmental entities. The accounts of THP are organized on the basis of funds and account groups. In analyzing the activities of THP it was determined that a Proprietary Fund type was most appropriate for on-going activities. Proprietary Funds use the economic resources measurement focus and the accrual basis of accounting to account for activities which are similar to those often found in the private sector. Revenues are recognized when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

THP applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. GASB 63 defines *deferred outflows of resources* as "a consumption of net assets by a government that is applicable to a future reporting period" and is not an asset. It defines *deferred inflows of resources* as an acquisition of net assets by a government that is applicable to a future reporting period" that is not a liability. THP did not identify any deferred outflows or inflows of resources as of March 31, 2019.

Fund Financial Statements - THP is considered a special purpose government and reports all of its activities in a proprietary fund type. The proprietary fund statement of net assets, statement of revenues, expenses, and changes in net assets, and the statement of cash flows are government-wide financial statements. They report information on all of the activities of THP. THP has no fiduciary funds or component units that are fiduciary in nature.

Revenue Classifications - THP distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with THP's principal ongoing operations. The principal operating revenue is rental income and operating subsidy from HUD. Operating revenues include capital fund grants, state grants, and local donations. Program-specific grants and contributions arise from non-exchange transactions with other governments, organizations, or individuals that are restricted for use in a particular program. Revenues in this category include program-specific grants and contracts with federal, state, and other organizations, and investment income restricted to a specific program.

Non-operating revenues include all revenues that are not classified as operating revenue as discussed above. Revenues in this category include investment earnings that are not restricted to a specific program.

Cash and Deposits

For purposes of the statement of cash flows, cash and cash equivalents include cash on hand and demand and time deposit accounts with original maturities of three months or less from the date of acquisition. Certificates of deposit with original maturities greater than three months are classified as short-term investments in these financial statements.

**TENTATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY**

**Texoma Housing Partners
Notes to Financial Statements (continued)
March 31, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable - Accounts receivable are stated without an allowance for doubtful accounts. THP utilizes the direct write-off method of recognizing bad debts, which is not consistent with generally accepted accounting principles. Accounts are written off as collection losses only after the tenant has vacated the unit and THP has taken reasonable actions to collect. Management does not believe that the results of operations would differ materially if the allowance method were used as prescribed by generally accepted accounting principles. Prepaid rental revenues received and related to periods after the end of the fiscal year are recognized as a liability.

Inventories - THP maintains a limited amount of maintenance materials, supplies, and appliances in order to minimize its response time for maintenance emergencies of its tenants. Management has elected to expense the cost of these inventoried items at the time of purchase. Management does not believe that the results of operations would differ materially if the value of the inventory was recorded as an asset of THP.

Accrued Compensated Absences - THP records vacation earned and unpaid at the end of the fiscal year. This amount would be due and payable to the employee upon termination. Sick pay is not accrued as it is only payable when used and does not vest upon termination.

Retirement Plan - The Board of Directors of THP adopted a defined contribution retirement benefit plan in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust. The effective date of the plan was September 1, 2017. The plan provides for eligibility for all fulltime employees upon hiring. Participants are required to contribute 3% of eligible compensation and the employer contributes 7%. Participants become 20% vested in employer contributions and plan earnings upon the completion of 3 years of service and increase by 20% annually until 100% vested after 7 years.

Estimates - The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - BUDGETARY INFORMATION

THP's annual budget is a management tool that assists its users in analyzing financial activity for its fiscal year ending March 31st. The Board approves the financial plan for revenue and expenditures for THP. Although the financial plans are reviewed and approved by the Board, they are not considered legally adopted annual budgets or appropriations. Accordingly, comprehensive budget and actual comparisons are not presented in this report.

NOTE 3 - CASH AND INVESTMENTS

THP has adopted a formal investment policy in compliance with Chapter 2256, Texas Government Code, the "Public Funds Investment Act." The investment policy authorizes THP to invest in 1) interest bearing checking accounts at the designated depository bank; 2) certificates of deposit; 3) Texpool; 4) Treasury bills, and 5) other investments as the governing body may specifically authorize.

Texoma Housing Partners
Notes to Financial Statements (continued)
March 31, 2019

NOTE 3 - CASH AND INVESTMENTS (continued)

Custodial credit risk for deposits is the risk that in the event of a bank failure, THP's deposits may not be returned or THP will not be able to recover collateral securities in the possession of an outside party. THP does not have a policy for custodial credit risk. Demand and time deposit accounts at Chase Bank are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per category, for a total of \$500,000 in FDIC coverage. As of March 31, 2019, and for the fiscal year then ended, cash and certificates of deposits in excess of the FDIC coverage were covered by collateral held by Chase Bank in THP's name.

Total balances subject to custodial credit risk include the following accounts at March 31:

| | <u>2019</u> | <u>2018</u> |
|--|---------------------|---------------------|
| Cash and Cash Equivalents | | |
| THP General Fund | \$ 1,294,286 | \$ 1,383,809 |
| THP Savings | <u>1,309,394</u> | <u>1,307,233</u> |
| | 2,603,680 | 2,691,042 |
| Short-Term Investments | | |
| Certificate of Deposit | <u>96,008</u> | <u>96,008</u> |
| Total Cash Subject to Custodial Credit Risk | <u>\$ 2,699,688</u> | <u>\$ 2,787,050</u> |

NOTE 4 - CAPITAL ASSETS

Capital assets are stated at cost. Donated capital assets are valued at their estimated fair market value on the date received. THP's capitalization policy includes real or personal property with a value equal to or greater than \$5,000 and has an estimated life of greater than three years. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The following lives are used:

| | |
|--|---------------|
| Buildings | 40 years |
| Facilities and Site Improvements | 15 – 25 years |
| Furniture, Vehicles, and Other Equipment | 7 – 10 years |
| Telecommunications and IT Equipment | 7 years |

All land, improvements, and buildings of the Low Rent Housing Program are encumbered by a Declaration of Trust in favor of the United States of America as security for obligations guaranteed by the government and to protect other interests of the government.

| | <u>Balance</u> <u>March 31, 2018</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance</u> <u>March 31, 2019</u> |
|-----------------------------------|---|-------------------|--------------------|---|
| Not Depreciated | | | | |
| Land | \$ 168,493 | \$ - | \$ - | \$ 168,493 |
| Depreciable Capital Assets | | | | |
| Buildings | 22,583,068 | 794,510 | - | 23,377,578 |
| Furnishings and Equipment | 642,641 | 83,327 | (8,819) | 717,149 |
| Site Improvements | <u>7,406,971</u> | <u>-</u> | <u>-</u> | <u>7,406,971</u> |
| Subtotal | <u>30,632,680</u> | <u>877,837</u> | <u>(8,819)</u> | <u>31,501,698</u> |
| Total Capital Assets | 30,801,173 | 877,837 | (8,819) | 31,670,191 |
| Accumulated Depreciation | <u>(24,135,111)</u> | <u>(745,421)</u> | <u>8,819</u> | <u>(24,871,713)</u> |
| Net Capital Assets | <u>\$ 6,666,062</u> | <u>\$ 132,416</u> | <u>\$ -</u> | <u>\$ 6,798,478</u> |

**Texoma Housing Partners
Notes to Financial Statements (continued)
March 31, 2019**

NOTE 5 – LONG-TERM DEBT

At March 31, 2019, THP is indebted to JPMorgan Chase Bank, N.A.(Chase) on a note which originated on July 17, 2002 in the amount of \$250,000 to finance the completion of construction on The Meadows (Chase Bank 5002). The note has been renewed and extended several times. The current note was renewed on April 2, 2014 in the original principal balance of \$84,460. It provides for monthly installments of \$1,526 and bears interest at the rate of 3.17% per annum. The note is secured by the certificate of deposit held at the institution. Although the final payment is scheduled for April 5, 2019, management has elected to report the entire balance as current.

A summary of the changes in short-term and long-term debt is presented below:

| | <u>Balance 3/31/18</u> | <u>Additions</u> | <u>Retirements & Reclassifications</u> | <u>Balance 3/31/19</u> |
|-----------------------------------|------------------------|------------------|--|------------------------|
| Short-Term Debt | | | | |
| Current Portion of Long-Term Debt | \$ 19,759 | \$ - | \$ (17,962) | \$ 1,797 |
| Total Short-Term Debt | <u>\$ 19,759</u> | <u>\$ -</u> | <u>\$ (17,962)</u> | <u>\$ 1,797</u> |
| Total Long-Term Liabilities | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

NOTE 6 - PENDING LITIGATION

As of March 31, 2019, there are no material lawsuits and claims pending or threatened against THP.

NOTE 7 – CONTINGENCIES

Compliance - THP is subject to possible examination made by federal authorities who determine compliance with terms, conditions, laws, and regulations governing grants given to the PHAs in the current and prior fiscal years. These examinations could result in required refunds by THP to federal grantors and/or program beneficiaries.

Risk Management - THP is exposed to various risks of loss relating to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. THP purchases commercial insurance and retains no risk of loss for these coverages. There have been no significant reductions in insurance coverage and no settlements have exceeded insurance coverage in the past three fiscal years.

NOTE 8 – DATE OF MANAGEMENT’S EVALUATION OF SUBSEQUENT EVENTS

Management of THP has evaluated the effects of events that have occurred subsequent to the fiscal year ended March 31, 2019, and through September 16, 2019, which is the date THP’s basic financial statements are available to be issued.

Texoma Housing Partners
Supplemental Schedule - Financial Data Schedules
Entity Wide Sheet Summary

**TENTATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY**

Submission Type: Audited/Single Audit
Fiscal Year End: 03/31/2019

| | TX 038 Bonham | TX 088 Ector | TX 089 Bells | TX 091 Pottsboro | TX 092 Ladonia |
|--|---------------------|-------------------|-------------------|---------------------|-------------------|
| 111 Cash - Unrestricted | \$ 538,243 | \$ 45,710 | \$ 89,903 | \$ 47,140 | \$ 107,244 |
| 114 Cash - Tenant Security Deposits | 8,975 | 925 | 1,550 | 1,300 | 1,175 |
| 125 Accounts Receivables - Miscellaneous | 467 | - | - | - | - |
| 126 Accounts Receivable - Tenants | 4,521 | - | 588 | 881 | 127 |
| 131 Investments - Unrestricted | 96,008 | - | - | - | - |
| 142 Prepaid Expenses and Other Assets | 14,527 | 1,529 | 3,058 | 1,527 | 3,058 |
| 150 Total Current Assets | <u>662,841</u> | <u>48,164</u> | <u>95,099</u> | <u>50,848</u> | <u>111,604</u> |
| 161 Land | 7,860 | 1,000 | 1,000 | 1,000 | 1,000 |
| 162 Buildings | 7,274,289 | 448,606 | 624,230 | 298,820 | 1,079,881 |
| 164 Furniture, Equipment & Machinery | 717,149 | - | - | - | - |
| 165 Leasehold Improvements | 1,330,948 | 111,868 | 251,450 | 342,838 | 305,544 |
| 166 Accumulated Depreciation | (7,297,167) | (465,124) | (698,546) | (555,462) | (1,218,336) |
| 160 Total Capital Assets, Net of Accum Depreciation | 2,033,079 | 96,350 | 178,134 | 87,196 | 168,089 |
| 200 Deferred Outflow of Resources | - | - | - | - | - |
| 290 Total Assets and Deferred Outflows | <u>\$ 2,695,920</u> | <u>\$ 144,514</u> | <u>\$ 273,233</u> | <u>\$ 138,044</u> | <u>\$ 279,693</u> |
| 312 Accounts Payable <= 90 Days | \$ 104,000 | \$ 10,947 | \$ 21,895 | \$ 10,947 | \$ 21,895 |
| 321 Accrued Wage/Payroll Taxes Payable | 36,541 | - | - | - | - |
| 322 Accrued Compensated Absences | 51,873 | - | - | - | - |
| 333 Accounts Payable - Other Government | 13,461 | 1,795 | 2,315 | 2,382 | 509 |
| 341 Tenant Security Deposits | 14,362 | 925 | 1,550 | 1,300 | 1,175 |
| 342 Unearned Revenue | 3,162 | 230 | 1,101 | 264 | 510 |
| 343 Current Portion of Long-Term Debt | 1,797 | - | - | - | - |
| 310 Total Current Liabilities | 225,196 | 13,897 | 26,861 | 14,893 | 24,089 |
| 350 Total Non-Current Liabilities | - | - | - | - | - |
| 300 Total Liabilities | <u>225,196</u> | <u>13,897</u> | <u>26,861</u> | <u>14,893</u> | <u>24,089</u> |
| 400 Deferred Inflow of Resources | - | - | - | - | - |
| 508.4 Net Investment in Capital Assets | 2,031,282 | 96,350 | 178,134 | 87,196 | 168,089 |
| 511.4 Restricted Net Position | - | - | - | - | - |
| 512.4 Unrestricted Net Position | 439,442 | 34,267 | 68,238 | 35,955 | 87,515 |
| 513 Total Equity - Net Assets / Position | <u>2,470,724</u> | <u>130,617</u> | <u>246,372</u> | <u>123,151</u> | <u>255,604</u> |
| 600 Total Liabilities, Deferred Inflows and Equity | <u>\$ 2,695,920</u> | <u>\$ 144,514</u> | <u>\$ 273,233</u> | <u>\$ 138,044</u> | <u>\$ 279,693</u> |

Texoma Housing Partners
Supplemental Schedule - Financial Data Schedules
Entity Wide Sheet Summary

TENTATIVE DRAFT FOR
DISCUSSION PURPOSE ONLY

Submission Type: Audited/Single Audit
Fiscal Year End: 03/31/2019

| | TX 093 Honey Grove | TX 097 Savoy | TX 100 Leonard | TX 107 Whitewright | TX 108 Howe |
|--|--------------------------|--------------------|--------------------|-----------------------|-------------------|
| 111 Cash - Unrestricted | \$ 308,499 | \$ 112,958 | \$ 224,354 | \$ 151,259 | \$ 104,392 |
| 114 Cash - Tenant Security Deposits | 4,941 | 2,203 | 4,337 | 2,475 | 1,925 |
| 125 Accounts Receivables - Miscellaneous | - | - | - | - | - |
| 126 Accounts Receivable - Tenants | 2,800 | 2,010 | 829 | 318 | 377 |
| 131 Investments - Unrestricted | - | - | - | - | - |
| 142 Prepaid Expenses and Other Assets | 9,939 | 3,823 | 6,881 | 4,589 | 3,057 |
| 150 Total Current Assets | <u>328,179</u> | <u>120,994</u> | <u>238,401</u> | <u>158,641</u> | <u>109,751</u> |
| 161 Land | 1,000 | 1,000 | 114,241 | 1,000 | 1,000 |
| 162 Buildings | 2,825,423 | 472,558 | 1,468,039 | 1,424,167 | 522,785 |
| 164 Furniture, Equipment & Machinery | - | - | - | - | - |
| 185 Leasehold Improvements | 812,610 | 725,482 | 188,252 | 439,002 | 514,989 |
| 166 Accumulated Depreciation | <u>(2,784,899)</u> | <u>(1,017,480)</u> | <u>(1,306,099)</u> | <u>(1,535,339)</u> | <u>(867,884)</u> |
| 160 Total Capital Assets, Net of Accum Depreciation | 854,134 | 181,550 | 464,433 | 328,830 | 170,870 |
| 200 Deferred Outflow of Resources | - | - | - | - | - |
| 290 Total Assets and Deferred Outflows | <u>\$1,180,313</u> | <u>\$ 302,544</u> | <u>\$ 700,834</u> | <u>\$ 487,471</u> | <u>\$ 280,621</u> |
| 312 Accounts Payable <= 90 Days | \$ 71,157 | \$ 27,369 | \$ 49,262 | \$ 32,843 | \$ 21,895 |
| 321 Accrued Wage/Payroll Taxes Payable | - | - | - | - | - |
| 322 Accrued Compensated Absences | - | - | - | - | - |
| 333 Accounts Payable - Other Government | 9,361 | 4,753 | 10,770 | 5,741 | 1,396 |
| 341 Tenant Security Deposits | 4,941 | 2,203 | 4,337 | 2,475 | 1,925 |
| 342 Unearned Revenue | 1,120 | 467 | 940 | 417 | 175 |
| 343 Current Portion of Long-Term Debt | - | - | - | - | - |
| 310 Total Current Liabilities | <u>86,579</u> | <u>34,792</u> | <u>65,309</u> | <u>41,476</u> | <u>25,391</u> |
| 350 Total Non-Current Liabilities | - | - | - | - | - |
| 300 Total Liabilities | <u>86,579</u> | <u>34,792</u> | <u>65,309</u> | <u>41,476</u> | <u>25,391</u> |
| 400 Deferred Inflow of Resources | - | - | - | - | - |
| 508.4 Net Investment in Capital Assets | 854,134 | 181,550 | 464,433 | 328,830 | 170,870 |
| 511.4 Restricted Net Position | - | - | - | - | - |
| 512.4 Unrestricted Net Position | 239,600 | 86,202 | 171,092 | 117,165 | 84,360 |
| 513 Total Equity - Net Assets / Position | <u>1,093,734</u> | <u>267,752</u> | <u>635,525</u> | <u>445,995</u> | <u>255,230</u> |
| 600 Total Liabilities, Deferred Inflows and Equity | <u>\$1,180,313</u> | <u>\$ 302,544</u> | <u>\$ 700,834</u> | <u>\$ 487,471</u> | <u>\$ 280,621</u> |

Texoma Housing Partners
Supplemental Schedule - Financial Data Schedules
Entity Wide Sheet Summary

TENTATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY

Submission Type: Audited/Single Audit
Fiscal Year End: 03/31/2019

| | TX 115 Tom Bean | TX 126 Celeste | TX 127 Trenton | TX 132 Van Alstyne | TX 133 Princeton |
|--|--------------------|-------------------|-------------------|-----------------------|---------------------|
| 111 Cash - Unrestricted | \$ 97,067 | \$ 123,270 | \$ 67,891 | \$ 101,967 | \$ 79,406 |
| 114 Cash - Tenant Security Deposits | 1,625 | 2,325 | 1,450 | 1,713 | 1,375 |
| 125 Accounts Receivables - Miscellaneous | - | - | - | - | - |
| 126 Accounts Receivable - Tenants | 589 | 2,200 | 259 | 292 | 194 |
| 131 Investments - Unrestricted | - | - | - | - | - |
| 142 Prepaid Expenses and Other Assets | 3,058 | 3,823 | 2,294 | 3,057 | 2,294 |
| 150 Total Current Assets | <u>102,339</u> | <u>131,618</u> | <u>71,894</u> | <u>107,029</u> | <u>83,269</u> |
| 161 Land | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| 162 Buildings | 480,185 | 611,423 | 701,153 | 1,634,852 | 809,891 |
| 164 Furniture, Equipment & Machinery | - | - | - | - | - |
| 165 Leasehold Improvements | 696,476 | 272,092 | 251,963 | 194,569 | 173,303 |
| 166 Accumulated Depreciation | <u>(916,584)</u> | <u>(754,375)</u> | <u>(822,322)</u> | <u>(1,104,893)</u> | <u>(827,417)</u> |
| 160 Total Capital Assets, Net of Accum Depreciation | 261,077 | 130,140 | 131,794 | 725,528 | 156,777 |
| 200 Deferred Outflow of Resources | - | - | - | - | - |
| 290 Total Assets and Deferred Outflows | <u>\$ 363,416</u> | <u>\$ 261,758</u> | <u>\$ 203,688</u> | <u>\$ 832,557</u> | <u>\$ 240,046</u> |
| 312 Accounts Payable <= 90 Days | \$ 21,893 | \$ 27,367 | \$ 16,421 | \$ 21,893 | \$ 16,421 |
| 321 Accrued Wage/Payroll Taxes Payable | - | - | - | - | - |
| 322 Accrued Compensated Absences | - | - | - | - | - |
| 333 Accounts Payable - Other Government | 2,188 | 5,099 | 2,813 | 4,155 | 2,700 |
| 341 Tenant Security Deposits | 1,625 | 2,325 | 1,450 | 1,713 | 1,375 |
| 342 Unearned Revenue | 633 | 612 | 68 | 1,663 | 72 |
| 343 Current Portion of Long-Term Debt | - | - | - | - | - |
| 310 Total Current Liabilities | <u>26,339</u> | <u>35,403</u> | <u>20,752</u> | <u>29,424</u> | <u>20,568</u> |
| 350 Total Non-Current Liabilities | - | - | - | - | - |
| 300 Total Liabilities | <u>26,339</u> | <u>35,403</u> | <u>20,752</u> | <u>29,424</u> | <u>20,568</u> |
| 400 Deferred Inflow of Resources | - | - | - | - | - |
| 508.4 Net Investment in Capital Assets | 261,077 | 130,140 | 131,794 | 725,528 | 156,777 |
| 511.4 Restricted Net Position | - | - | - | - | - |
| 512.4 Unrestricted Net Position | <u>76,000</u> | <u>96,215</u> | <u>51,142</u> | <u>77,605</u> | <u>62,701</u> |
| 513 Total Equity - Net Assets / Position | <u>337,077</u> | <u>226,355</u> | <u>182,936</u> | <u>803,133</u> | <u>219,478</u> |
| 600 Total Liabilities, Deferred Inflows and Equity | <u>\$ 363,416</u> | <u>\$ 261,758</u> | <u>\$ 203,688</u> | <u>\$ 832,557</u> | <u>\$ 240,046</u> |

Texoma Housing Partners
Supplemental Schedule - Financial Data Schedules
Entity Wide Sheet Summary

TENTATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY

Submission Type: Audited/Single Audit
Fiscal Year End: 03/31/2019

| | TX 139 Gunter | TX 199 Tloga | TX 220 Windom | TX 221 Farmersville | TOTALS |
|--|-------------------|-------------------|------------------|------------------------|---------------------|
| 111 Cash - Unrestricted | \$ 51,421 | \$ 25,528 | \$ 24,710 | \$ 231,746 | \$ 2,532,708 |
| 114 Cash - Tenant Security Deposits | 1,075 | 525 | 850 | 3,153 | 43,897 |
| 125 Accounts Receivables - Miscellaneous | - | - | - | - | 467 |
| 126 Accounts Receivable - Tenants | - | 171 | - | 1,516 | 17,772 |
| 131 Investments - Unrestricted | - | - | - | - | 98,008 |
| 142 Prepaid Expenses and Other Assets | 1,529 | 765 | 762 | 6,882 | 76,452 |
| 150 Total Current Assets | <u>54,025</u> | <u>26,989</u> | <u>26,322</u> | <u>243,297</u> | <u>2,767,304</u> |
| 161 Land | 1,000 | 30,392 | 1,000 | 1,000 | 168,493 |
| 162 Buildings | 550,895 | 64,640 | 181,142 | 1,904,619 | 23,377,578 |
| 164 Furniture, Equipment & Machinery | - | - | - | - | 717,149 |
| 165 Leasehold Improvements | 147,614 | 89,619 | 88,472 | 469,880 | 7,406,971 |
| 166 Accumulated Depreciation | (580,902) | (91,283) | (220,551) | (1,807,040) | (24,871,713) |
| 160 Total Capital Assets, Net of Accum Depreciation | 118,607 | 93,368 | 50,063 | 568,459 | 6,798,478 |
| 200 Deferred Outflow of Resources | - | - | - | - | - |
| 290 Total Assets and Deferred Outflows | <u>\$ 172,632</u> | <u>\$ 120,357</u> | <u>\$ 76,385</u> | <u>\$ 811,756</u> | <u>\$ 9,565,782</u> |
| 312 Accounts Payable <= 90 Days | \$ 10,947 | \$ 5,474 | \$ 5,474 | \$ 49,261 | \$ 547,361 |
| 321 Accrued Wage/Payroll Taxes Payable | - | - | - | - | 36,541 |
| 322 Accrued Compensated Absences | - | - | - | - | 51,873 |
| 333 Accounts Payable - Other Government | 3,426 | 930 | 543 | 10,245 | 84,582 |
| 341 Tenant Security Deposits | 1,075 | 525 | 850 | 3,153 | 49,284 |
| 342 Unearned Revenue | 263 | 280 | 22 | 1,465 | 13,464 |
| 343 Current Portion of Long-Term Debt | - | - | - | - | 1,797 |
| 310 Total Current Liabilities | <u>15,711</u> | <u>7,209</u> | <u>6,889</u> | <u>64,124</u> | <u>784,902</u> |
| 350 Total Non-Current Liabilities | - | - | - | - | - |
| 300 Total Liabilities | <u>15,711</u> | <u>7,209</u> | <u>6,889</u> | <u>64,124</u> | <u>784,902</u> |
| 400 Deferred Inflow of Resources | - | - | - | - | - |
| 508.4 Net Investment in Capital Assets | 118,607 | 93,368 | 50,063 | 568,459 | 6,796,681 |
| 511.4 Restricted Net Position | - | - | - | - | - |
| 512.4 Unrestricted Net Position | 38,314 | 19,780 | 19,433 | 179,173 | 1,984,199 |
| 513 Total Equity - Net Assets / Position | <u>156,921</u> | <u>113,148</u> | <u>69,496</u> | <u>747,632</u> | <u>8,780,880</u> |
| 600 Total Liabilities, Deferred Inflows and Equity | <u>\$ 172,632</u> | <u>\$ 120,357</u> | <u>\$ 76,385</u> | <u>\$ 811,756</u> | <u>\$ 9,565,782</u> |

Texoma Housing Partners
Supplemental Schedule - Financial Data Schedules (continued)
Entity Wide Revenue and Expense Summary

**TENTATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY**

Submission Type: Audited/Single Audit
Fiscal Year End: 03/31/2019

| | TX 038 Bonham | TX 088 Ector | TX 089 Bells | TX 091 Pottsboro | TX 092 Ladonia |
|--|---------------------|-------------------|--------------------|---------------------|--------------------|
| 70300 Net Tenant Rental Revenue | \$ 363,875 | \$ 18,523 | \$ 24,821 | \$ 28,619 | \$ 33,657 |
| 70400 Tenant Revenue - Other | 34,254 | - | - | - | - |
| 70600 HUD PHA Operating Grants | 478,235 | 44,735 | 76,537 | 50,735 | 95,735 |
| 71100 Investment Income - Unrestricted | 2,161 | - | - | - | - |
| 71500 Other Revenue | 63,865 | 443 | 1,899 | 422 | 929 |
| 70000 Total Revenue | <u>942,390</u> | <u>63,701</u> | <u>103,257</u> | <u>79,776</u> | <u>130,321</u> |
| 91100 Administrative Salaries | 88,681 | 9,334 | 18,671 | 9,334 | 18,671 |
| 91200 Auditing Fees | 3,487 | 367 | 734 | 367 | 734 |
| 91500 Employee Benefits - Administrative | 27,113 | 2,854 | 5,708 | 2,854 | 5,708 |
| 91600 Office Expenses | 6,191 | 652 | 1,380 | 766 | 1,303 |
| 91800 Travel | 4,750 | 500 | 1,000 | 500 | 1,000 |
| 91900 Other | 52,083 | 5,483 | 10,965 | 5,483 | 10,965 |
| 91000 Total Operating - Administrative | <u>182,305</u> | <u>19,190</u> | <u>38,458</u> | <u>19,304</u> | <u>38,381</u> |
| 92100 Tenant Services - Salaries | 10,161 | 1,070 | 2,139 | 1,070 | 2,139 |
| 92300 Employee Benefits - Tenant Services | 3,299 | 347 | 695 | 347 | 695 |
| 92400 Tenant Services - Other | 2,222 | 234 | 468 | 234 | 468 |
| 92500 Total Tenant Services | <u>15,682</u> | <u>1,651</u> | <u>3,302</u> | <u>1,651</u> | <u>3,302</u> |
| 93100 Water | 56,812 | - | 587 | 2,248 | 19,107 |
| 93200 Electricity | 74,575 | 577 | 689 | 751 | 3,193 |
| 93300 Gas | 2,686 | - | - | 99 | 743 |
| 93600 Sewer | 22,819 | - | 338 | 1,703 | 5,521 |
| 93000 Total Utilities | <u>156,892</u> | <u>577</u> | <u>1,614</u> | <u>4,801</u> | <u>28,564</u> |
| 94100 Ordinary Maintenance - Labor | 118,085 | 12,430 | 24,860 | 12,430 | 24,860 |
| 94200 Ordinary Maintenance - Materials and Other | 62,644 | 6,594 | 13,188 | 17,949 | 35,898 |
| 94300 Ordinary Maintenance Contracts | 121,254 | 11,390 | 23,004 | 2,221 | 5,172 |
| 94500 Employee Benefit - Ordinary Maintenance | 40,902 | 4,298 | 8,596 | 4,298 | 8,596 |
| 94000 Total Maintenance | <u>342,885</u> | <u>34,712</u> | <u>69,648</u> | <u>36,898</u> | <u>74,526</u> |
| 95100 Protective Services - Labor | 589 | 62 | 124 | 62 | 124 |
| 96110 Property Insurance | 22,740 | 2,394 | 4,787 | 2,394 | 4,787 |
| 96300 Payments in Lieu of Taxes | 13,461 | 1,795 | 2,315 | 2,382 | 509 |
| 96400 Bad debt - Tenant Rents | 1,748 | 184 | 368 | 184 | 368 |
| 96710 Interest on Mortgage Payable | 351 | - | - | - | - |
| 97200 Casualty Losses - Non-Capitalized | 52,807 | - | - | - | - |
| 97400 Depreciation Expense | 287,147 | 9,294 | 22,317 | 10,228 | 17,714 |
| 90000 Total Expenses | <u>1,076,607</u> | <u>69,859</u> | <u>142,933</u> | <u>77,904</u> | <u>168,275</u> |
| 10000 Excess of Revenue Over (Under) Expenses | <u>\$ (134,217)</u> | <u>\$ (6,158)</u> | <u>\$ (39,676)</u> | <u>\$ 1,872</u> | <u>\$ (37,954)</u> |

Texoma Housing Partners
Supplemental Schedule - Financial Data Schedules (continued)
Entity Wide Revenue and Expense Summary

INITIATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY

Submission Type: Audited/Single Audit
Fiscal Year End: 03/31/2019

| | TX 093 Honey Grove | TX 097 Savoy | TX 100 Leonard | TX 107 Whitewright | TX 108 Howa |
|--|--------------------------|-----------------|-------------------|-----------------------|----------------|
| 70300 Net Tenant Rental Revenue | \$117,165 | \$ 49,521 | \$ 128,413 | \$ 79,468 | \$ 41,833 |
| 70400 Tenant Revenue - Other | - | - | - | - | - |
| 70600 HUD PHA Operating Grants | 315,492 | 96,859 | 137,330 | 146,180 | 110,144 |
| 71100 Investment Income - Unrestricted | - | - | - | - | - |
| 71500 Other Revenue | 253,748 | 1,273 | 1,925 | 1,233 | 672 |
| 70000 Total Revenue | 686,405 | 147,653 | 267,668 | 226,881 | 152,649 |
| 91100 Administrative Salaries | 60,676 | 23,337 | 42,006 | 28,004 | 18,671 |
| 91200 Auditing Fees | 2,386 | 918 | 1,652 | 1,101 | 734 |
| 91500 Employee Benefits - Administrative | 18,551 | 7,135 | 12,843 | 8,562 | 5,708 |
| 91600 Office Expenses | 4,236 | 1,629 | 2,932 | 1,955 | 1,303 |
| 91800 Travel | 3,251 | 1,250 | 2,250 | 1,500 | 1,000 |
| 91900 Other | 35,637 | 13,706 | 24,672 | 16,448 | 10,965 |
| 91000 Total Operating - Administrative | 124,737 | 47,975 | 86,355 | 57,570 | 38,381 |
| 92100 Tenant Services - Salaries | 6,952 | 2,674 | 4,813 | 3,209 | 2,139 |
| 92300 Employee Benefits - Tenant Services | 2,257 | 868 | 1,583 | 1,042 | 695 |
| 92400 Tenant Services - Other | 1,520 | 585 | 1,053 | 702 | 468 |
| 92500 Total Tenant Services | 10,729 | 4,127 | 7,429 | 4,953 | 3,302 |
| 93100 Water | 11,474 | - | 11,584 | 11,358 | 12,862 |
| 93200 Electricity | 3,348 | 1,712 | 3,106 | 1,309 | 1,691 |
| 93300 Gas | 1,499 | 278 | 248 | - | 721 |
| 93600 Sewer | 7,233 | - | 5,775 | 9,320 | 12,602 |
| 93000 Total Utilities | 23,554 | 1,990 | 20,713 | 21,987 | 27,876 |
| 94100 Ordinary Maintenance - Labor | 80,795 | 31,075 | 55,935 | 37,290 | 24,860 |
| 94200 Ordinary Maintenance - Materials and Other | 116,670 | 44,873 | 80,772 | 53,847 | 35,898 |
| 94300 Ordinary Maintenance Contracts | 12,558 | 234 | 9,218 | 4,891 | 3,524 |
| 94500 Employee Benefit - Ordinary Maintenance | 27,938 | 10,745 | 19,341 | 12,894 | 8,596 |
| 94000 Total Maintenance | 237,961 | 86,927 | 165,266 | 108,922 | 72,878 |
| 95100 Protective Services - Labor | 403 | 155 | 279 | 186 | 124 |
| 96110 Property Insurance | 15,558 | 5,984 | 10,771 | 7,181 | 4,787 |
| 96300 Payments in Lieu of Taxes | 9,361 | 4,753 | 10,770 | 5,741 | 1,396 |
| 96400 Bad debt - Tenant Rents | 1,196 | 460 | 828 | 552 | 368 |
| 96710 Interest on Mortgage Payable | - | - | - | - | - |
| 97200 Casualty Losses - Non-Capitalized | - | - | - | - | - |
| 97400 Depreciation Expense | 74,357 | 31,128 | 21,667 | 39,880 | 13,168 |
| 90000 Total Expenses | 497,856 | 183,499 | 324,078 | 246,972 | 162,280 |
| 10000 Excess of Revenue Over (Under) Expenses | \$188,549 | \$ (35,846) | \$ (56,410) | \$ (20,091) | \$ (9,631) |

Texoma Housing Partners
Supplemental Schedule - Financial Data Schedules (continued)
Entity Wide Revenue and Expense Summary

**TENTATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY**

Submission Type: Audited/Single Audit
Fiscal Year End: 03/31/2019

| | TX 115 Tom Bean | TX 126 Celeste | TX 127 Trenton | TX 132 Van Alstyne | TX 133 Princeton |
|--|--------------------|-------------------|-------------------|-----------------------|---------------------|
| 70300 Net Tenant Rental Revenue | \$ 35,468 | \$ 66,220 | \$ 28,422 | \$ 56,558 | \$ 47,753 |
| 70400 Tenant Revenue - Other | - | - | - | - | - |
| 70600 HUD PHA Operating Grants | 84,689 | 129,129 | 85,242 | 87,779 | 71,614 |
| 71100 Investment Income - Unrestricted | - | - | - | - | - |
| 71500 Other Revenue | 1,905 | 861 | 706 | 1,083 | 276 |
| 70000 Total Revenue | <u>122,062</u> | <u>196,210</u> | <u>114,370</u> | <u>145,420</u> | <u>119,643</u> |
| 91100 Administrative Salaries | 18,671 | 23,337 | 14,003 | 18,670 | 14,003 |
| 91200 Auditing Fees | 734 | 918 | 551 | 734 | 551 |
| 91500 Employee Benefits - Administrative | 5,708 | 7,135 | 4,281 | 5,708 | 4,281 |
| 91600 Office Expenses | 1,303 | 1,629 | 977 | 1,303 | 977 |
| 91800 Travel | 1,000 | 1,250 | 750 | 1,000 | 750 |
| 91900 Other | 10,965 | 13,706 | 8,224 | 10,965 | 8,224 |
| 91000 Total Operating - Administrative | <u>38,381</u> | <u>47,975</u> | <u>28,786</u> | <u>38,380</u> | <u>28,786</u> |
| 92100 Tenant Services - Salaries | 2,139 | 2,674 | 1,604 | 2,139 | 1,604 |
| 92300 Employee Benefits - Tenant Services | 695 | 868 | 521 | 695 | 521 |
| 92400 Tenant Services - Other | 468 | 585 | 351 | 468 | 351 |
| 92500 Total Tenant Services | <u>3,302</u> | <u>4,127</u> | <u>2,476</u> | <u>3,302</u> | <u>2,476</u> |
| 93100 Water | 6,985 | 9,045 | - | 7,200 | 10,853 |
| 93200 Electricity | 2,097 | 1,149 | 289 | 1,435 | 772 |
| 93300 Gas | 170 | 51 | - | 178 | - |
| 93600 Sewer | 4,333 | 4,989 | - | 6,192 | 8,345 |
| 93000 Total Utilities | <u>13,585</u> | <u>15,234</u> | <u>289</u> | <u>15,005</u> | <u>19,970</u> |
| 94100 Ordinary Maintenance - Labor | 24,860 | 31,075 | 18,645 | 24,860 | 18,645 |
| 94200 Ordinary Maintenance - Materials and Other | 35,898 | 44,873 | 26,924 | 35,898 | 26,924 |
| 94300 Ordinary Maintenance Contracts | 2,241 | 4,335 | 54 | 1,693 | 917 |
| 94500 Employee Benefit - Ordinary Maintenance | 8,596 | 10,745 | 6,447 | 8,596 | 6,447 |
| 94000 Total Maintenance | <u>71,595</u> | <u>91,028</u> | <u>52,070</u> | <u>71,047</u> | <u>52,933</u> |
| 95100 Protective Services - Labor | 124 | 155 | 93 | 124 | 93 |
| 96110 Property Insurance | 4,787 | 5,984 | 3,590 | 4,787 | 3,590 |
| 96300 Payments in Lieu of Taxes | 2,188 | 5,099 | 2,813 | 4,155 | 2,700 |
| 96400 Bad debt - Tenant Rents | 368 | 460 | 276 | 369 | 276 |
| 96710 Interest on Mortgage Payable | - | - | - | - | - |
| 97200 Casualty Losses - Non-Capitalized | - | - | - | - | - |
| 97400 Depreciation Expense | 18,493 | 20,341 | 26,413 | 38,541 | 33,045 |
| 90000 Total Expenses | <u>152,823</u> | <u>190,403</u> | <u>116,806</u> | <u>175,710</u> | <u>143,869</u> |
| 10000 Excess of Revenue Over (Under) Expenses | <u>\$ (30,761)</u> | <u>\$ 5,807</u> | <u>\$ (2,436)</u> | <u>\$ (30,290)</u> | <u>\$ (24,226)</u> |

Texoma Housing Partners
Supplemental Schedule - Financial Data Schedules (continued)
Entity Wide Revenue and Expense Summary

DISCUSSION PURPOSE ONLY

Submission Type: Audited/Single Audit
Fiscal Year End: 03/31/2019

| | TX 139 Gunter | TX 199 Tloga | TX 220 Windom | TX 221 Farmersville | TOTALS |
|--|------------------|-----------------|------------------|------------------------|--------------|
| 70300 Net Tenant Rental Revenue | \$ 37,881 | \$ 13,459 | \$ 9,110 | \$ 139,156 | \$ 1,319,922 |
| 70400 Tenant Revenue - Other | - | - | - | - | 34,254 |
| 70600 HUD PHA Operating Grants | 42,972 | 21,728 | 25,583 | 218,130 | 2,318,848 |
| 71100 Investment Income - Unrestricted | - | - | - | - | 2,161 |
| 71500 Other Revenue | 567 | 181 | 311 | 1,748 | 334,047 |
| 70000 Total Revenue | 81,420 | 35,368 | 35,004 | 359,034 | 4,009,232 |
| 91100 Administrative Salaries | 9,334 | 4,666 | 4,666 | 42,006 | 466,741 |
| 91200 Auditing Fees | 367 | 184 | 184 | 1,652 | 18,355 |
| 91500 Employee Benefits - Administrative | 2,854 | 1,427 | 1,427 | 12,843 | 142,700 |
| 91600 Office Expenses | 652 | 326 | 326 | 2,932 | 32,772 |
| 91800 Travel | 500 | 250 | 250 | 2,250 | 25,001 |
| 91900 Other | 5,483 | 2,741 | 2,741 | 24,672 | 274,128 |
| 91000 Total Operating - Administrative | 19,190 | 9,594 | 9,594 | 86,355 | 959,697 |
| 92100 Tenant Services - Salaries | 1,070 | 535 | 535 | 4,813 | 53,479 |
| 92300 Employee Benefits - Tenant Services | 347 | 174 | 174 | 1,563 | 17,366 |
| 92400 Tenant Services - Other | 234 | 117 | 117 | 1,053 | 11,698 |
| 92500 Total Tenant Services | 1,651 | 826 | 826 | 7,429 | 82,543 |
| 93100 Water | 1,942 | 2,502 | 2,163 | 17,147 | 183,869 |
| 93200 Electricity | 420 | 143 | 114 | 1,743 | 99,113 |
| 93300 Gas | 336 | - | 137 | 340 | 7,486 |
| 93600 Sewer | 980 | 1,513 | 1,265 | 17,480 | 110,408 |
| 93000 Total Utilities | 3,678 | 4,158 | 3,679 | 36,710 | 400,876 |
| 94100 Ordinary Maintenance - Labor | 12,430 | 6,215 | 6,215 | 55,935 | 621,500 |
| 94200 Ordinary Maintenance - Materials and Other | 17,949 | 8,975 | 8,975 | 80,772 | 755,521 |
| 94300 Ordinary Maintenance Contracts | 2,457 | 795 | 1,137 | 8,022 | 215,117 |
| 94500 Employee Benefit - Ordinary Maintenance | 4,298 | 2,149 | 2,149 | 19,341 | 214,972 |
| 94000 Total Maintenance | 37,134 | 18,134 | 18,476 | 164,070 | 1,807,110 |
| 95100 Protective Services - Labor | 62 | 31 | 31 | 279 | 3,100 |
| 96110 Property Insurance | 2,394 | 1,197 | 1,197 | 10,771 | 119,680 |
| 96300 Payments in Lieu of Taxes | 3,426 | 930 | 543 | 10,245 | 84,582 |
| 96400 Bad debt - Tenant Rents | 184 | 92 | 92 | 828 | 9,201 |
| 96710 Interest on Mortgage Payable | - | - | - | - | 351 |
| 97200 Casualty Losses - Non-Capitalized | - | - | - | - | 52,807 |
| 97400 Depreciation Expense | 14,049 | 3,866 | 7,737 | 56,036 | 745,421 |
| 90000 Total Expenses | 81,768 | 38,828 | 42,175 | 372,723 | 4,265,368 |
| 10000 Excess of Revenue Over (Under) Expenses | \$ (348) | \$ (3,460) | \$ (7,171) | \$ (13,689) | \$ (256,136) |

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**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Board of Directors
Texoma Housing Partners
Bonham, Texas

Regional Inspector General for Audit
U.S. Department of Housing and
Urban Development

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Texoma Housing Partners as of and for the year ended March 31, 2019, and the related notes to the financial statements, which collectively comprise Texoma Housing Partners' basic financial statements, and have issued our report thereon dated September 16, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Texoma Housing Partners' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Texoma Housing Partners' internal control. Accordingly, we do not express an opinion on the effectiveness of Texoma Housing Partners' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Texoma Housing Partners' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Board of Directors
Texoma Housing Partners
Bonham, Texas

TENTATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

TENTATIVE DRAFT - FOR
~~DISCUSSION PURPOSE ONLY~~
McClendon and Johnson, LLP
Certified Public Accountants

Bonham, Texas
September 16, 2019

McClanahan and Holmes, LLP
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**Independent Auditors' Report on Compliance for Each Major Program and on
Internal Control over Compliance Required by the Uniform Guidance**

Board of Directors
Texoma Housing Partners
Bonham, Texas

Regional Inspector General for Audit
U.S. Department of Housing and
Urban Development

Report on Compliance for Each Major Federal Program

We have audited Texoma Housing Partners' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Texoma Housing Partners' major federal program for the year ended March 31, 2019. Texoma Housing Partners' major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for Texoma Housing Partners' major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Texoma Housing Partners' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Texoma Housing Partners' compliance.

Opinion on Each Major Federal Program

In our opinion, Texoma Housing Partners complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended March 31, 2019.

Board of Directors
Texoma Housing Partners
Bonham, Texas

TENTATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY

Report on Internal Control over Compliance

Management of Texoma Housing Partners is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Texoma Housing Partners' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Texoma Housing Partners' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

TENTATIVE DRAFT - FOR
~~DISCUSSION PURPOSE ONLY~~
Certified Public Accountants

Bonham, Texas
September 16, 2019

TENTATIVE DRAFT - FOR
DISCUSSION PURPOSE ONLY

**Texoma Housing Partners
Schedule of Expenditures of Federal Awards
Year Ended March 31, 2019**

| <u>Federal Grantor/Program Title</u> | <u>Housing Authority</u> | <u>CFDA Number</u> | <u>Grant I.D.</u> | <u>Program Expenditures</u> |
|---|--------------------------|------------------------|-------------------|---------------------------------|
| U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | |
| Direct Programs | | | | |
| Public and Indian Housing | | | | |
| Operating Subsidy | Bonham | 14.850 | TX038 | \$ 303,681 |
| Operating Subsidy | Ector | 14.850 | TX088 | 25,849 |
| Operating Subsidy | Bells | 14.850 | TX089 | 45,657 |
| Operating Subsidy | Pottsboro | 14.850 | TX091 | 30,835 |
| Operating Subsidy | Ladonia | 14.850 | TX092 | 59,122 |
| Operating Subsidy | Honey Grove | 14.850 | TX093 | 193,321 |
| Operating Subsidy | Savoy | 14.850 | TX097 | 53,884 |
| Operating Subsidy | Leonard | 14.850 | TX100 | 56,598 |
| Operating Subsidy | Whitewright | 14.850 | TX107 | 96,187 |
| Operating Subsidy | Howe | 14.850 | TX108 | 76,862 |
| Operating Subsidy | Tom Bean | 14.850 | TX115 | 54,680 |
| Operating Subsidy | Celeste | 14.850 | TX126 | 91,835 |
| Operating Subsidy | Trenton | 14.850 | TX127 | 54,118 |
| Operating Subsidy | Van Alstyne | 14.850 | TX132 | 52,183 |
| Operating Subsidy | Princeton | 14.850 | TX133 | 47,186 |
| Operating Subsidy | Gunter | 14.850 | TX139 | 22,920 |
| Operating Subsidy | Tioga | 14.850 | TX199 | 12,666 |
| Operating Subsidy | Windom | 14.850 | TX220 | 14,888 |
| Operating Subsidy | Farmersville | 14.850 | TX221 | 144,274 |
| Total Public and Indian Housing | | | | 1,436,746 |
| Public Housing Capital Fund | | | | |
| Capital Fund Program | Bonham | 14.872 | TX21P038 | 174,554 |
| Capital Fund Program | Ector | 14.872 | TX21P088 | 18,886 |
| Capital Fund Program | Bells | 14.872 | TX21P089 | 30,880 |
| Capital Fund Program | Pottsboro | 14.872 | TX21P091 | 19,900 |
| Capital Fund Program | Ladonia | 14.872 | TX21P092 | 36,613 |
| Capital Fund Program | Honey Grove | 14.872 | TX21P093 | 122,171 |
| Capital Fund Program | Savoy | 14.872 | TX21P097 | 42,975 |
| Capital Fund Program | Leonard | 14.872 | TX21P100 | 80,732 |
| Capital Fund Program | Whitewright | 14.872 | TX21P107 | 49,993 |
| Capital Fund Program | Howe | 14.872 | TX21P108 | 33,282 |
| Capital Fund Program | Tom Bean | 14.872 | TX21P115 | 30,009 |
| Capital Fund Program | Celeste | 14.872 | TX21P126 | 37,294 |
| Capital Fund Program | Trenton | 14.872 | TX21P127 | 31,124 |
| Capital Fund Program | Van Alstyne | 14.872 | TX21P132 | 35,596 |
| Capital Fund Program | Princeton | 14.872 | TX21P133 | 24,428 |
| Capital Fund Program | Gunter | 14.872 | TX21P139 | 20,052 |
| Capital Fund Program | Tioga | 14.872 | TX21P199 | 9,062 |
| Capital Fund Program | Windom | 14.872 | TX21P220 | 10,695 |
| Capital Fund Program | Farmersville | 14.872 | TX21P221 | 73,856 |
| Total Public Housing Capital Fund | | | | 882,102 |
| Total U.S. Department of Housing and Urban Development | | | | \$ 2,318,848 |

The accompanying notes are an integral part of this statement.

**Texoma Housing Partners
Schedule of Expenditures of Federal Awards (continued)
Year Ended March 31, 2019**

Note 1: Basis of Presentation – The accompanying schedule of expenditures of federal awards (the Schedule) include the federal award activity of Texoma Housing Partners (THP) under programs of the federal government for the fiscal year ended March 31, 2019. The information in this schedule is presented in accordance with 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)*. Because the Schedule presents only a selected portion of the operations of THP, it is not intended to and does not present the financial positions, changes to net assets, or cash flows of THP.

Note 2: Summary of Significant Accounting Policies – Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are reported following the cost principles in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. There are no pass-through entity grants reported.

Note 3: Indirect Cost/Matching Contributions – THP has elected not to use the 10 percent de minimus indirect cost rate allowed under the Uniform Guidance.

Note 4: Indirect Costs/Matching Contributions – The amounts shown as current year expenditures represent only the portion of the program costs covered by federal awards. Actual program costs are more than the amount shown.

Note 5: Noncash Awards – THP did not receive any non-cash federal awards. There was no form of federal insurance outstanding during the fiscal year or at year end.

**Texoma Housing Partners
Schedule of Findings and Questioned Costs
Year Ended March 31, 2019**

| | <u>Yes</u> | <u>No</u> |
|--|------------|-----------|
| Section I - Summary of Auditor's Results | | |
| <i>Financial Statements</i> | | |
| Type of auditor's report issued: <u>Unmodified</u> | | |
| Internal control over financial reporting: | | |
| Material weakness identified? | | X |
| Significant deficiencies identified that are not considered to be material weaknesses? | | X |
| Noncompliance material to financial statements? | | X |
| <i>Federal Awards</i> | | |
| Internal control over financial reporting: | | |
| Material weakness identified? | | X |
| Significant deficiencies identified that are not considered to be material weaknesses? | | X |
| Type of auditor's report issued on compliance with major programs: <u>Unmodified</u> | | |
| Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)? | | X |
| Identification of major programs: | | |
| CFDA #14.872 Public Housing Capital Fund Program | | |
| Dollar threshold used to distinguish between Type A and B programs: \$750,000 | | |
| Auditee qualified as low-risk auditee? | X | |
| Section II – Findings Related to the Financial Statements Which are Required to be Reported in Accordance with Generally Accepted Government Auditing Standards | | |
| Prior Year | | X |
| Current Year | | X |
| Section III – Findings and Questioned Costs for Awards Including Audit Findings | | |
| Prior Year | | X |
| Current Year | | X |

**Texoma Housing Partners
Summary Schedule of Prior Audit Findings
Year Ended March 31, 2018**

None.

| | |
|------------------------------|--|
| Agenda Section | Informational Items |
| Section Number | V.G |
| Subject | City Manager's Verbal Report |
| To | Mayor and Council Members |
| From | Ben White, City Manager |
| Date | September 24, 2019 |
| Attachment(s) | <ul style="list-style-type: none"> • Camden Park • Reliable Concrete water line • Martin Marietta • Hamilton Street • Collin College • Palladium |
| Related Link(s) | http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php |
| Consideration and Discussion | City Council discussion as required. |
| Action | <ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action |

VI. Public Hearing

| | |
|------------------------------|--|
| Agenda Section | Public Hearing |
| Section Number | VI.A |
| Subject | Public hearing to consider, discuss and act upon a recommendation from the Planning & Zoning Commission and Ordinance #O-2019-0924-001 regarding a Specific Use Permit for a banquet/meeting hall, for the RSVP Farmersville located on Block B, Lot 13a and 13b in the Farmersville Original Donation, which lease space is more commonly known as 101 Candy Street, Suite B. |
| To | Mayor and Council Members |
| From | Ben White, City Manager |
| Date | September 24, 2019 |
| Attachment(s) | <ol style="list-style-type: none"> 1. Ordinance #O-2019-0924-001 2. Application and paperwork 3. Last Year's SUP Ordinance O-2018-0828-002 |
| Related Link(s) | http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php |
| Consideration and Discussion | City Council discussion as required. |
| Action | <ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action |

**CITY OF FARMERSVILLE
ORDINANCE #2019-0924-001**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, AMENDING THE OFFICIAL ZONING DISTRICT MAP OF THE COMPREHENSIVE ZONING ORDINANCE, ORDINANCE #O-2018-0508-001, AS AMENDED, BY EXTENDING AND AMENDING THE ZONING ON A LEASE SPACE LOCATED ON BLOCK B, LOTS 13A AND 13B IN THE FARMERSVILLE ORIGINAL DONATION, AND WHICH LEASE SPACE IS MORE COMMONLY KNOWN AS 101 CANDY STREET, SUITE B, FARMERSVILLE, TEXAS 75442, FROM CA – CENTRAL AREA DISTRICT USES WITH A SPECIFIC USE PERMIT (SUP) FOR THE OPERATION OF A BANQUET/MEETING HALL FOR ONE (1) YEAR TO CA – CENTRAL AREA DISTRICT USES SUBJECT TO A SPECIFIC USE PERMIT (SUP) FOR THE OPERATION OF A BANQUET/MEETING HALL; PROVIDING A PENALTY; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER CLAUSE; PROVIDING FOR PUBLICATION; PROVIDING ENGROSSMENT AND ENROLLMENT; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Farmersville, Texas, (the "City") is a Type A General – Law Municipality located in Collin County having a population of less than 5,000 persons as determined by the most recent federal census, created in accordance with the provisions of Chapter 6 of the Local Government Code, and operating pursuant to the enabling legislation of the State of Texas; and

WHEREAS, after public notice and public hearing as required by law, the Planning and Zoning Commission of the City of Farmersville, Texas, has recommended a change in zoning classification of the property described herein and has recommended amending the official zoning map of the City of Farmersville, Texas, regarding the rezoning of the property hereinafter described; and

WHEREAS, all legal requirements, conditions, and prerequisites have been complied with prior to this case coming before the City Council of the City of Farmersville; and

WHEREAS, the City Council of the City of Farmersville, after public notice and public hearing as required by law, and upon due deliberation and consideration of the recommendation of the Planning and Zoning Commission of the City of Farmersville and of all testimony and information submitted during said public hearings, has determined that in the public's best interest and in support of the health, safety, morals, and general welfare of the citizens of the City, the zoning of the property described herein shall be changed and that the official zoning map of the City of Farmersville, Texas, should be amended to reflect the rezoning of the

property herein described;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS.

SECTION 1: FINDINGS INCORPORATED

All of the above premises are found to be true and correct legislative and factual determinations of the City of Farmersville and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2: PROPERTY REZONED

From and after the effective date of this Ordinance, the property described herein shall be rezoned as set forth in this section, and the Official Zoning Map of the Comprehensive Zoning Ordinance, Ordinance #O-2018-0508-001, as amended, of the City of Farmersville, Texas, is hereby amended and changed in the following particulars to reflect the action taken herein, and all other existing sections, subsections, paragraphs, sentences, definitions, phrases, and words of the City's Zoning Ordinance are not amended but shall remain intact and are hereby ratified, verified, and affirmed, in order to create a change in the zoning classification of the property described herein, as follows:

That lease space located on Block B, Lots 13a and 13b in the Farmersville Original Donation, and which lease space is more commonly known as 101 Candy Street, Suite B, Farmersville, Texas 75442, presently zoned CA – Central Area District uses with a Specific Use Permit (SUP) for the operation of a banquet/meeting hall for one (1) year is hereby extended and amended to CA – Central Area District uses subject to a Specific Use Permit (SUP) for the operation of a banquet/meeting hall in accordance with the specific requirements contained in the City's Master Plan and Zoning Ordinance, and as stated herein and in the exhibits attached hereto.

SECTION 3: Conditions and Requirements Imposed

The grant and extension of the Specific Use Permit granted hereby, as established and described in Section 2 herein, shall be and is hereby made subject to the following conditions and requirements:

1. The Specific Use Permit granted hereby is a personal license that is specific to the banquet/meeting hall identified as RSVP Farmersville located at 101 Candy Street, Suite B, Farmersville, TX 75442, and Jodye Svoboda the owner of said banquet/meeting hall.
2. The Specific Use Permit granted hereby shall not be transferred to any other person or entity or any other location without the prior approval of

the City Council following a properly noticed meeting and public hearing before the Planning and Zoning Commission and the City Council.

3. At such time as RSVP Farmersville is closed or Jodye Svoboda sells her ownership in RSVP Farmersville, the zoning for this property, including the Specific Use Permit described herein, will be automatically placed upon a subsequent Planning and Zoning Commission agenda for consideration as a City-initiated zoning change under normal zoning amendment procedures.

SECTION 4: APPROVED SITE PLAN AND LANDSCAPE PLAN

The change in the zoning classification established and described in Section 2 herein shall be and is hereby made subject to compliance at all times with the following conditions and requirements:

1. The attached Site Plan, labeled Attachment "A," shall be an exhibit to the Specific Use Permit (SUP).

SECTION 5: OFFICIAL ZONING MAP TO BE MODIFIED

It is directed that the official zoning map of the City of Farmersville be changed to reflect the zoning classification established by this Ordinance.

SECTION 6: REPEALER

This Ordinance shall be cumulative of all other Ordinances, resolutions, and/or policies of the City, whether written or otherwise, and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those ordinances are in direct conflict with the provisions of this Ordinance. Any and all Ordinances, resolutions, and/or policies of the City, whether written or otherwise, which are in any manner in conflict with or inconsistent with this Ordinance shall be and are hereby repealed to the extent of such conflict and/or inconsistency.

SECTION 7: SEVERABILITY

It is hereby declared to be the intent of the City Council that the several provisions of this Ordinance are severable. In the event that any court of competent jurisdiction shall judge any provisions of this Ordinance to be illegal, invalid, or unenforceable, such judgment shall not affect any other provisions of this Ordinance which are not specifically designated as being illegal, invalid, or unenforceable.

SECTION 8: PENALTIES FOR VIOLATION

Any person, firm, corporation or business entity violating this Ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined any sum not exceeding Two Thousand Dollars (\$2,000.00). Each continuing day's violation under this Ordinance shall constitute a separate offense. The penal provisions imposed under this Ordinance shall not preclude the City of Farmersville from filing suit to enjoin the violation. The City of Farmersville retains all legal rights and remedies available to it pursuant to local, state and federal law.

SECTION 9: INJUNCTIVE RELIEF

Any violation of this Ordinance can be enjoined by a suit filed in the name of the City of Farmersville in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Farmersville.

SECTION 10: PUBLICATION

The City Secretary is hereby directed to publish in the Official Newspaper of the City of Farmersville the Caption, Penalty, and Effective Date Clause of this Ordinance as required by Section 52.011 of the Local Government Code.

SECTION 11: ENGROSSMENT AND ENROLLMENT

The City Secretary of the City of Farmersville is hereby directed to engross and enroll this Ordinance by copying the exact Caption and the Effective Date Clause in the minutes of the City Council of the City of Farmersville, and by filing this Ordinance in the Ordinance records of the City.

SECTION 12: SAVINGS

All rights and remedies of the City of Farmersville are expressly saved as to any and all violations of the provisions of any Ordinances which have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such Ordinances, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the courts.

SECTION 13: EFFECTIVE DATE

This Ordinance shall take effect immediately from and after its passage and publication as required by law.

[Remainder of page intentionally left blank.]

PASSED on first and final reading on the 24th day of September 2019, at a properly scheduled meeting of the City Council of the City of Farmersville, Texas, there being a quorum present, and approved by the Mayor on the date set out below.

APPROVED THIS 24th DAY OF September, 2019.

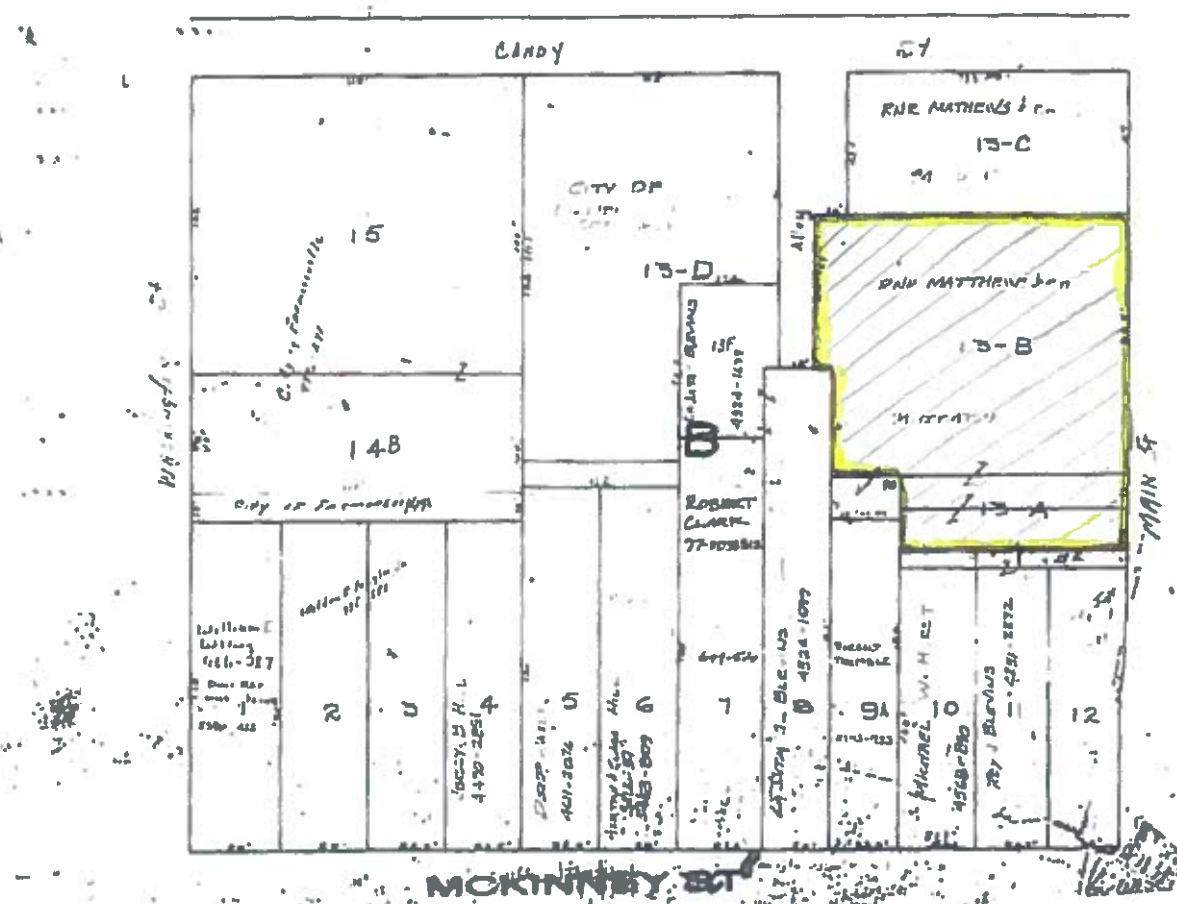
APPROVED:

BY: _____
Jack Randall Rice
Mayor

ATTEST:

Sandra Green
City Secretary

ATTACHMENT "A" **Site Plan**



20191249



Farmersville
BEST OF A TEXAS TOWN

CITY OF FARMERSVILLE
SPECIFIC USE PERMIT APPLICATION

APPLICANT'S NAME: RSVP Farmersville, LLC.

APPLICANT'S ADDRESS: 101B Candy Street

APPLICANT'S CONTACT NUMBERS: 972-672-0452 / 972-532-1234

NAME OF OWNER: JODYE SVOBODA

ADDRESS OF OWNER: 311 E SANTA FE ST., FARMERSVILLE

LOCATION OF PROPERTY: 101B CANDY STREET

LEGAL DESCRIPTION OF PROPERTY:

LOT NO. BA, 13B TRACT ORIGINAL DONATION BLOCK NO. B

PLAT N/A ADDITION: N/A

SURVEY: N/A NUMBER OF ACRES: .16 ACRES

For properties not in a recorded subdivision, submit a copy of a current survey or plat showing the properties proposed to be changed, and a complete legal field note description.

PROPOSED USE: EVENT CENTER / EVENT VENUE

ATTACH A LETTER describing all processes and activities involved with the proposed uses.

ATTACH A SITE PLAN drawn to scale with the information listed on the back of this sheet.

THE EIGHT CONDITIONS listed on the back of this sheet **MUST** be met before City Council can grant a Specific Use Permit.

ATTACH THE APPROPRIATE FEE:

\$1,000 Retainer Fee to be used for all expenditures in conjunction with the Specific Use Permit. Any amount remaining will be refunded to the owner as designated above.



I, being the undersigned applicant, understand that all of the conditions, dimensions, building sizes, landscaping and parking areas depicted on the site plan shall be adhered to as amended and approved by the City Council.

SIGNATURE OF APPLICANT:

[Handwritten Signature]

Date: 8/5/19

SIGNATURE OF OWNER:
(If not applicant)

Date: _____

INCLUDE THE FOLLOWING INFORMATION ON A SITE PLAN. THE PLAN MUST BE DRAWN TO SCALE.

- Boundaries of the area covered by the site plan.
- The location of each existing and proposed building and structure in the area covered by the site plan and the number of stories, height, roof line, gross floor area and location of building entrances and exits.
- The location of existing drainage ways and significant natural features.
- Proposed landscaping and screening buffers.
- The location and dimensions of all curb cuts, public and private streets, parking and loading areas, pedestrian walks, lighting facilities, and outside trash storage facilities.
- The location, height and type of each wall, fence, and all other types of screening.
- The location, height and size of all proposed signs.

THE ZONING ORDINANCE REQUIRES THAT THESE EIGHT CONDITIONS MUST BE MET BEFORE A SPECIFIC USE PERMIT CAN BE ISSUED:

- That the specific use will be compatible with and not injurious to the use and enjoyment of other property, nor significantly diminish or impair property values within the immediate vicinity; and
- That the establishment of the specific use will not impede the normal and orderly development and improvement of surrounding vacant property.
- That adequate utility, access roads, drainage and other necessary supporting facilities have been or will be provided.
- The design, location and arrangement of all driveways and parking spaces provide for the safe and convenient movement of vehicular and pedestrian traffic without adversely affecting the general public or adjacent development.
- That adequate nuisance prevention measures have been or will be taken to prevent or control offensive odor, fumes, dust, noise and vibration.
- That directional lighting will be provided so as not to disturb or adversely affect neighboring properties.
- That there are sufficient landscaping and screening to insure harmony and compatibility with adjacent property
- That the proposed use is in accordance with the Comprehensive Plan.





August 12, 2019

To The City of Farmersville,

RSVP Farmersville is located at 101 Candy Street in Suite B, the interior section of the main building. The warehouse has approximately 3500 sqft of usable space while the attached patio has approximately 1500 sqft.

RSVP Farmersville is an event venue available for rent for gatherings, large and small. The space can be rented by the hour (three hour minimum) seven days a week from 9:00am – 11:00pm. Once rented, customers have access to the warehouse, the patio, a prep kitchen, and tables and chairs for up to 200 guests.

A year has passed since the first Specific Use Permit was issued. As far as I know, there have not been any concerns or problems regarding noise and/or parking.

Thank You,

A handwritten signature in blue ink, appearing to read "Jodye Svoboda", is written over the printed name.

Jodye Svoboda
972-532-1234
rsvpfarmersville@gmail.com



**CITY OF FARMERSVILLE
ORDINANCE #2018-0828-002**

COPY

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, AMENDING THE OFFICIAL ZONING DISTRICT MAP OF THE COMPREHENSIVE ZONING ORDINANCE, ORDINANCE #O-2018-0508-001, AS AMENDED, BY CHANGING THE ZONING ON A LEASE SPACE LOCATED ON BLOCK B, LOTS 13A AND 13B IN THE FARMERSVILLE ORIGINAL DONATION, AND WHICH LEASE SPACE IS MORE COMMONLY KNOWN AS 101 CANDY STREET, SUITE B, FARMERSVILLE, TEXAS 75442, FROM CA – CENTRAL AREA DISTRICT USES TO CA – CENTRAL AREA DISTRICT USES SUBJECT TO A SPECIFIC USE PERMIT (SUP) FOR THE OPERATION OF A BANQUET/MEETING HALL; PROVIDING A PENALTY; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER CLAUSE; PROVIDING FOR PUBLICATION; PROVIDING ENGROSSMENT AND ENROLLMENT; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Farmersville, Texas, (the "City") is a Type A General – Law Municipality located in Collin County having a population of less than 5,000 persons as determined by the most recent federal census, created in accordance with the provisions of Chapter 6 of the Local Government Code, and operating pursuant to the enabling legislation of the State of Texas; and

WHEREAS, after public notice and public hearing as required by law, the Planning and Zoning Commission of the City of Farmersville, Texas, has recommended a change in zoning classification of the property described herein and has recommended amending the official zoning map of the City of Farmersville, Texas, regarding the rezoning of the property hereinafter described; and

WHEREAS, all legal requirements, conditions, and prerequisites have been complied with prior to this case coming before the City Council of the City of Farmersville; and

WHEREAS, the City Council of the City of Farmersville, after public notice and public hearing as required by law, and upon due deliberation and consideration of the recommendation of the Planning and Zoning Commission of the City of Farmersville and of all testimony and information submitted during said public hearings, has determined that in the public's best interest and in support of the health, safety, morals, and general welfare of the citizens of the City, the zoning of the property described herein shall be changed and that the official zoning map of the City of Farmersville, Texas, should be amended to reflect the rezoning of the property herein described;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS.

SECTION 1: FINDINGS INCORPORATED

All of the above premises are found to be true and correct legislative and factual determinations of the City of Farmersville and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2: PROPERTY REZONED

From and after the effective date of this Ordinance, the property described herein shall be rezoned as set forth in this section, and the Official Zoning Map of the Comprehensive Zoning Ordinance, Ordinance #O-2018-0508-001, as amended, of the City of Farmersville, Texas, is hereby amended and changed in the following particulars to reflect the action taken herein, and all other existing sections, subsections, paragraphs, sentences, definitions, phrases, and words of the City's Zoning Ordinance are not amended but shall remain intact and are hereby ratified, verified, and affirmed, in order to create a change in the zoning classification of the property described herein, as follows:

That lease space located on Block B, Lots 13a and 13b in the Farmersville Original Donation, and which lease space is more commonly known as 101 Candy Street, Suite B, Farmersville, Texas 75442, presently zoned CA – Central Area District uses is hereby changed to CA – Central Area District uses subject to a Specific Use Permit (SUP) for the operation of a banquet/meeting hall in accordance with the specific requirements contained in the City's Master Plan and Zoning Ordinance, and as stated herein and in the exhibits attached hereto.

SECTION 3: Conditions and Requirements Imposed

The grant and extension of the Specific Use Permit granted hereby, as established and described in Section 2 herein, shall be and is hereby made subject to the following conditions and requirements:

1. The Specific Use Permit granted hereby is a personal license that is specific to the banquet/meeting hall identified as RSVP Farmersville located at 101 Candy Street, Suite B, Farmersville, TX 75442, and Jodye Svoboda the owner of said banquet/meeting hall.
2. The Specific Use Permit granted hereby shall not be transferable to any other named banquet/meeting hall or location or owner.
3. The Specific Use Permit granted hereby shall be in full force and effect for a period of one-year from the effective date of this Ordinance.

4. The owner of the banquet/meeting hall may seek an additional extension or further renewal of this Specific Use Permit prior to its expiration with the length of any such renewal being of such duration as is determined appropriate in the sole discretion of the Planning and Zoning Commission and City Council.

SECTION 4: APPROVED SITE PLAN AND LANDSCAPE PLAN

The change in the zoning classification established and described in Section 2 herein shall be and is hereby made subject to compliance at all times with the following conditions and requirements:

1. The attached Site Plan, labeled Attachment "A," shall be an exhibit to the Specific Use Permit (SUP).

SECTION 5: OFFICIAL ZONING MAP TO BE MODIFIED

It is directed that the official zoning map of the City of Farmersville be changed to reflect the zoning classification established by this Ordinance.

SECTION 6: REPEALER

This Ordinance shall be cumulative of all other Ordinances, resolutions, and/or policies of the City, whether written or otherwise, and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those ordinances are in direct conflict with the provisions of this Ordinance. Any and all Ordinances, resolutions, and/or policies of the City, whether written or otherwise, which are in any manner in conflict with or inconsistent with this Ordinance shall be and are hereby repealed to the extent of such conflict and/or inconsistency.

SECTION 7: SEVERABILITY

It is hereby declared to be the intent of the City Council that the several provisions of this Ordinance are severable. In the event that any court of competent jurisdiction shall judge any provisions of this Ordinance to be illegal, invalid, or unenforceable, such judgment shall not affect any other provisions of this Ordinance which are not specifically designated as being illegal, invalid, or unenforceable.

SECTION 8: PENALTIES FOR VIOLATION

Any person, firm, corporation or business entity violating this Ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined any sum not exceeding Two Thousand Dollars (\$2,000.00). Each continuing day's violation under this Ordinance shall constitute a separate offense. The penal provisions imposed under this Ordinance shall not preclude the City of

Farmersville from filing suit to enjoin the violation. The City of Farmersville retains all legal rights and remedies available to it pursuant to local, state and federal law.

SECTION 9: INJUNCTIVE RELIEF

Any violation of this Ordinance can be enjoined by a suit filed in the name of the City of Farmersville in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Farmersville.

SECTION 10: PUBLICATION

The City Secretary is hereby directed to publish in the Official Newspaper of the City of Farmersville the Caption, Penalty, and Effective Date Clause of this Ordinance as required by Section 52.011 of the Local Government Code.

SECTION 11: ENGROSSMENT AND ENROLLMENT

The City Secretary of the City of Farmersville is hereby directed to engross and enroll this Ordinance by copying the exact Caption and the Effective Date Clause in the minutes of the City Council of the City of Farmersville, and by filing this Ordinance in the Ordinance records of the City.

SECTION 12: SAVINGS

All rights and remedies of the City of Farmersville are expressly saved as to any and all violations of the provisions of any Ordinances which have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such Ordinances, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the courts.

SECTION 13: EFFECTIVE DATE

This Ordinance shall take effect immediately from and after its passage and publication as required by law.

[Remainder of page intentionally left blank.]

PASSED on first and final reading on the 28th day of August 2018, at a properly scheduled meeting of the City Council of the City of Farmersville, Texas, there being a quorum present, and approved by the Mayor on the date set out below.

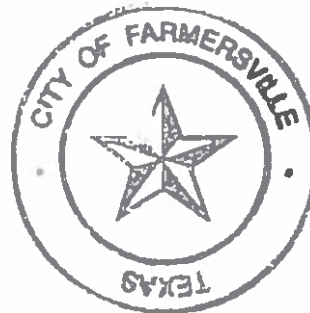
APPROVED THIS 28th DAY OF August, 2018.

APPROVED:

BY: Jack Randall Rice
Jack Randall Rice
Mayor

ATTEST:

Sandra Green
Sandra Green
City Secretary



Site Plan



VII. Regular Agenda

| | |
|------------------------------|--|
| Agenda Section | Regular Agenda |
| Section Number | VII.A |
| Subject | Consider, discuss and act upon an interlocal agreement with Collin County regarding dispatch services. |
| To | Mayor and Council Members |
| From | Ben White, City Manager |
| Date | September 24, 2019 |
| Attachment(s) | 1. Interlocal Agreement 2. 2018 Interlocal Agreeemnt (for reference) |
| Related Link(s) | http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php |
| Consideration and Discussion | City Council discussion as required. |
| Action | <ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action |

INTERLOCAL DISPATCH SERVICES AGREEMENT

This agreement is entered into on the _____ day of _____, 2019, by and between the City of Farmersville (the "City") and Collin County, a political subdivision of the State of Texas (the "County").

RECITALS

1. The County, through the Sheriff's Office, owns and operates communication facilities used in dispatching its law enforcement and emergency service personnel.
2. The City desires to obtain certain dispatch services from the County. Therefore, under the authority of Texas Government Code, Title 7, Interlocal Cooperation Act, Section 791 et seq., the parties agree as follows:

SECTION 1. DEFINITIONS

DISPATCH SERVICES. The term "Dispatch Services" means all services necessary for the Collin County Sheriff's Office to receive calls for law enforcement service within the City's jurisdiction and to dispatch the City's law enforcement personnel in response to such calls.

HOSTING SERVICES. The term "Hosting Services" means the County will store the City's data as it relates to dispatch services.

SECTION 2. TERM

2.01 TERM. The term of this agreement shall commence on October 1, 2019 and shall continue in full force and effect through September 30, 2020. This agreement may be renewed for an additional one (1) year period at the rates established and agreed upon by both parties.

2.02 TERMINATION. Either party may terminate this agreement by giving ninety (90) days written notice to the other party.

SECTION 3. SERVICES

3.01 The County agrees to provide dispatch services through the Sheriff's Office to the City in the same manner and under the same work schedule as such services are provided in the operation of the County's law enforcement personnel.

3.02 Hosting Services. The County agrees to provide Hosting Services to the City and that it will provide 95% uptime availability of the service as covered herein.

3.03 Scheduled Maintenance: The City hereby acknowledges that the County may, from time to time, perform maintenance service on the County network, with or without notice to the City, which may result in the unavailability of the County network. Emergency maintenance and maintenance for which the County has not given the City notice in accordance with this Agreement shall not be deemed scheduled maintenance for purposes of this Agreement. The County will make every effort to notify the City prior to scheduled maintenance. Notice may be given in various forms including but not limited to email notice and/or phone call.

3.04 Hosted Data Ownership. The City shall have sole ownership of the City's hosted data and the County shall make no claim to ownership of City's hosted data.

3.05 Hosted Data Back Up. The County will back up the City's hosted data on a daily basis. All data backups will meet Criminal Justice Information Systems (CJIS) requirements. Every effort is made to ensure the reliability of the backed up data in the event that it would be necessary to restore a database. The County, however, makes no guaranties that the backed up database will be error free. Upon request, the County will provide to the City a current database backup that can be restored to an alternate location to verify the contents and confirm the quality of the backup. All services required to provide the City's data and/or verify data will be provided in accordance with the County's current rates.

3.06 Remote Access Agreement. For each user the City is required to complete and return **Attachment (A)**, Connection Policy and Agreement Form for remote access and return to County to the address in 9.02 item (C). No access will be given to user unless County has received a Remote Access Agreement.

SECTION 4. NONEXCLUSIVITY OF SERVICE PROVISION

The parties agree that the County may contract to perform services similar or identical to those specified in this agreement for such additional governmental or public entities as the County, in its sole discretion, sees fit.

SECTION 5. COMPENSATION

5.01 The dispatch service charges for FY2020 in the amount of \$63,246.41 shall be paid by the City in three quarterly installments of \$15,811.60 and one quarterly installment of \$15,811.61 during the term hereof. The fees will be based on the fee schedule formulas adopted by Commissioners' Court on August 6, 2018 (Court Order No. 2018-628-08-06). In addition to the fee schedule, each radio registered on the system will be assessed an annual connection fee by Plano, Allen, Wylie, Murphy (PAWM) operators for access to their system. In FY2020, the fee will be \$108 per radio and may be updated annually by PAWM.

5.02 PAYMENT UPON EARLY TERMINATION. If this agreement is terminated prior to the conclusion of a three-month period for which a payment has been made pursuant to Section 5.01 of this agreement, the entire amount paid shall belong to the County without prorating, as liquidated damages to cover the County's anticipated costs for staffing and equipment to provide services hereunder.

5.03 SOURCE OF PAYMENT. The City agrees that payments that it is required to make under this agreement shall be made out of the City's current revenues.

SECTION 6. CIVIL LIABILITY

6.01 Any civil liability relating to the furnishing of services under this agreement shall be the responsibility of the City. The parties agree that the County shall be acting as agent for the City in performing the services contemplated by this agreement.

6.02 The City shall hold the County free and harmless from any obligation, costs, claims, judgments, attorney's fees, attachments, and other such liabilities arising from or growing out of the services rendered to the City pursuant to the terms of this agreement or in any way connected with the rendering of said services, except when the same shall arise because of the willful misconduct or culpable negligence of the County, and the County is adjudged to be guilty of willful misconduct or culpable negligence by a court of competent jurisdiction.

SECTION 7. AMENDMENT

This agreement shall not be amended or modified other than in a written agreement signed by the parties.

SECTION 8. CONTROLLING LAW

This agreement shall be deemed to be made under, governed by, and construed in accordance with the laws of the State of Texas.

SECTION 9. NOTICES

9.01 **FORM OF NOTICE.** Unless otherwise specified, all communications provided for in this agreement shall be in writing and shall be deemed delivered, whether actually received or not, forty-eight (48) hours after deposit in the United States mail, first class, registered or certified, return receipt requested, with proper postage prepaid or immediately when delivered in person.

9.02 **ADDRESSES.** All communications provided for in this agreement shall be addressed as follows:

- (A) Collin County, to:
Purchasing Department
2300 Bloomdale #3160
McKinney, Texas 75071
- (B) Collin County Administrator, to:
Bill Bilyeu
2300 Bloomdale #4192
McKinney, Texas 75071
- (C) If to the City, to:

City of Farmersville
Benjamin L. White
205 S. Main Street
Farmersville, Texas 75442
- (D) Collin County, Remote Access to:
Information Technology Department
2300 Bloomdale #3198
McKinney, Texas 75071

Or to such person at such address as may from time to time be specified in a notice given as provided in this Section 9. In addition, notice of termination of this agreement by the City shall be provided by the City to the County Judge of Collin County as follows:

The Honorable Chris Hill
Collin County Judge
Collin County Administration Building
2300 Bloomdale Rd. Suite 4192
McKinney, Texas 75071

SECTION 10. CAPTIONS

The headings to the various sections of this agreement have been inserted for the convenient reference only and shall not modify, define, limit or expand the express

provision of this agreement.

SECTION 11. COUNTERPARTS

This agreement may be executed in counterparts, each of which, when taken separately, shall be deemed an original.

SECTION 12. OBLIGATIONS OF CONDITION

All obligations of each party under this agreement are conditions to further performance of the other party's continued performance of its obligation under the agreement.

SECTION 13. EXCLUSIVE RIGHT TO ENFORCE THIS AGREEMENT

The County and the City have the exclusive right to bring suit to enforce this Agreement, and no party may bring suit, as a third-party beneficiary or otherwise, to enforce this agreement.

SECTION 14. PRIOR AGREEMENTS SUPERSEDED

This agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understanding or written oral agreements between the parties respecting the services to be provided under this agreement.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS
AGREEMENT AS OF THE DAY AND YEAR FIRST ABOVE WRITTEN.

“COUNTY”

COLLIN COUNTY, TEXAS

BY: _____

TITLE: _____

DATE: _____

“CITY”

BY: _____

TITLE: _____

DATE: _____

ATTACHMENT A

Collin County External Law Enforcement and Fire Department Remote Connectivity Policy and Agreement Form

Remote Access Agreement

1.0 Purpose

The purpose of this document is to provide the framework for granting REMOTE ACCESS to Collin County services/equipment through REMOTE ACCESS so that an Authorized Party of a law enforcement agency or a fire department external to Collin County government may access its justice data hosted on Collin County's network.

2.0 Scope

This policy applies to all Law Enforcement and Fire Department personnel external to Collin County government utilizing REMOTE ACCESS to access the Collin County network for justice data (such persons referred to herein as "Authorized Parties").

3.0 Policy

Authorized parties may utilize the benefits of REMOTE ACCESS, which are a "user managed" service. This means that the Authorized party is responsible for selecting an Internet Service Provider (ISP), coordinating installation, installing any required software, and paying associated fees as may be required to access the REMOTE ACCESS.

Additionally,

1. It is the responsibility of the Authorized Party to ensure that unauthorized users are not allowed access to Collin County internal networks. User accounts and passwords are NOT to be shared with anyone.
2. Authorized Parties and the Collin County employees sponsoring the request for REMOTE ACCESS are responsible for defining what services/equipment/software the Authorized Parties need access to. Access will be restricted to only those defined objects. Attempting to connect or access any service/device not defined will be considered a violation of the Collin County REMOTE ACCESS policy and will be reported to the Authorized Party's agency.
3. The Authorized Parties and the Collin County employees sponsoring the REMOTE ACCESS request are also responsible for defining the time scope that the REMOTE ACCESS account will be active. All accounts are setup with an expiration date not to exceed 6 months, unless otherwise authorized to be a longer timeframe or permanent by the County.
4. REMOTE ACCESS use is to be controlled using public/private key system with a strong pass phrase and a second factor such as a token device or a dynamically generated passcode.
5. REMOTE ACCESS gateways will be established and managed by Collin County Information Technology Department.
6. All computers connected to Collin County internal networks via REMOTE ACCESS or any other technology must use the most up-to-date anti-virus software from a reputable IT agency; this includes personal computers.
7. All Authorized Parties connecting to the Collin County internal networks via REMOTE ACCESS or any other technology must keep their systems up to date with the latest security patches for their operating system and applications installed on their connecting systems. All systems using REMOTE ACCESS connections to Collin County must comply with Microsoft's Product Lifecycle chart and use only currently supporting and fully patched operating systems.
8. Authorized Parties may be automatically disconnected from Collin County's network after sixty minutes of inactivity. The user must then logon again to reconnect to the network.
9. Only approved REMOTE ACCESS clients may be used.
10. Upon termination of a contract from Collin County, or at the request of the Collin County staff, the Authorized Party must uninstall the REMOTE ACCESS connection from the Authorized Party's computer.
11. Agency expressly agrees to notify the County of staffing changes involving an Authorized Party with access to

ATTACHMENT A

the County's network within 24 hours or next business day.

12. After six months of expired inactivity, Active Directory and REMOTE ACCESS accounts of an Authorized Party will be permanently deleted, unless otherwise approved by the County.
13. Accounts will be locked out after a certain number of failed attempts.
14. Authorized Parties who have lost their password will have to contact their sponsoring agency to request a password reset. The sponsoring agency will then contact Collin County IT to reset the password for the REMOTE ACCESS user. The sponsoring agency is the Sheriff's Office.
15. It is the responsibility of the Authorized Party to install, configure, setup and support any issues with their systems to connect to Collin County based on the information provided to them.
16. Authorized Parties connect at their own risk and Collin County is not responsible for any damages that they may incur from connecting through the REMOTE ACCESS to Collin County
17. If the County migrates to a new network connection technology it is the responsibility of the Agency to budget and obtain any required technology upgrade in order to maintain their network connection to the County. The Agency will be provided advance notification for this change.
18. The Authorized Party must notify Collin County IT immediately upon learning of any compromise occurring through an anti-virus, malware, or other form of unauthorized access. Collin County will also inform the Authorized Parties of any breach or suspected breach occurring on the county network. REMOTE ACCESS may be restricted during such an event while corrective actions are undertaken.
19. The Authorized Party must notify Collin County IT immediately upon learning of any unauthorized access of county resources through the REMOTE ACCESS connection.

4.0 Granting Access

To obtain access via REMOTE ACCESS, the Agency and Authorized Party must be sponsored by a party currently employed at Collin County and IT must agree this access is needed for the Collin County information systems. The Agency and Authorized Party must sign this form agreeing to protect the security of the Collin County network. For external Authorized Parties, the Request for REMOTE ACCESS must be signed and approved by the Manager who is responsible for the external Authorized Party's use. REMOTE ACCESS expiration will be based on the contract length unless further time is requested by Collin County Management. The initial setup and testing will be performed during normal operating hours, Monday – Friday, 8 am – 5 pm, and requires a minimal of two weeks' notice to schedule.

5.0 Enforcement

Collin County Information Technology Department may actively monitor the REMOTE ACCESS concentrator for any suspicious and inappropriate activity. Any Authorized Party found to have violated any part of this policy may have their REMOTE ACCESS terminated immediately.

6.0 Liability

Agency expressly agrees that they shall be liable for any and all damages, including but not limited to actual, consequential, or incidental damages, for disruptions caused by their negligence or intentional misconduct, including that caused by their Authorized Parties, to the County's services/equipment resulting from or related to Agency's connection to the County's networks.

Unauthorized access or use is prohibited and will be prosecuted to the fullest extent. Anyone using this system expressly consents to monitoring and is advised that if such monitoring reveals possible evidence of criminal activity system personnel may provide the evidence of such monitoring to law enforcement officials. Anyone using the system connects at their own risk and assumes all responsibilities for any possible damage to their own equipment.

ATTACHMENT A

7.0 Definitions

| Term | Definition |
|----------------------------|---|
| REMOTE ACCESS | An extension of Collin County's internal private network. |
| REMOTE ACCESS Concentrator | Physical device that manages REMOTE ACCESS connections. |
| REMOTE ACCESS Client | Remote computer with REMOTE ACCESS software utilizing REMOTE ACCESS services. |
| Agency Management | Person in Agency company that can take responsibility for the liability clause of this document. |
| User | Employee, Agency, contractor, consultant, temporaries, customers, government agencies, etc. |
| Sponsoring Party | Collin County employee requesting access for a non-employee user to have access to Collin County services/equipment through the REMOTE ACCESS. The employee may be someone in IT. |

Agency Management's Signature (if applicable)

Printed Name: _____ Signature: _____

E-Mail Address: _____ Phone: _____ Date: _____

Remote Access Users Signature

Printed Name: _____ Signature: _____

E-Mail Address: _____ Phone: _____ Date: _____

Sponsoring Party's Signature

Printed Name: _____ Signature: _____

E-Mail Address: _____ Phone: _____ Date: _____

Return form to:

Caren Skipworth
2300 Bloomdale #3198
McKinney, Texas 75071

ATTACHMENT B

MOTOROLA ASTRO 25 P25 RADIO SYSTEM

TERMS OF USE

- 1) All radios that use Collin County Radio System as their primary radio system are required to be equipped with and operate P25 Phase II Technology.
- 2) Telephone Interconnect and Private Call features are not enabled on the Collin County Radio System.
- 3) The participating department will notify Commander Palmisano of any radio (Mobile or Portable) that is misplaced, stolen, or lost. Those radios will de-active the ID immediately.
- 4) All subscriber radios that roam between Collin County's simulcast cell and the Joint Radio System's simulcast system (PAWM) will be required to use long antennas on their portable radios.
- 5) The Collin County Radio System coverage is based on portable radios with long antennas. Use of short antennas is highly discouraged on the Collin County Radio System as it will affect coverage inside buildings and on the street in some locations. Digital radio systems DO NOT offer coverage if the signal falls below an acceptable level.
- 6) Radio programming is only authorized by specific radio programmers. Unauthorized programming on the Collin County Radio System will result in immediate removal of said radio(s) and in some cases criminal charges. Cloning of radios and ID's are not allowed.

AUTHORIZED PROGRAMMERS *(This list may be modified at any time during this agreement)*

- 1) Plano Radio Shop (City of Plano)
 - 2) Frisco Radio Shop (City of Frisco)
 - 3) McKinney Radio Shop (City of McKinney)
 - 4) Crosspoint Communications
 - 5) Fort Worth Radio Shop (City of Fort Worth)
 - 6) Dallas Radio Shop (City of Dallas)
 - 7) Harris Corp (Irving Shop only)
 - 8) Garland Radio Shop (City of Garland)
-
- 7) Each department is required to keep an accurate inventory of their radios. Alias for each radio need to be provided to Commander Palmisano anytime a radio's assignment changes, or it is issued to another Officer. This information will be updated ASAP in the Dispatch Radio Consoles. Notifications will also include radio that is no longer used; these radio ID's will be shut off.
 - 8) It is the department's responsibility to remove all programming from a radio that is sold or given to anyone outside of their department. Command Palmisano must be notified before the radio changes ownership.
 - 9) Anytime an emergency button is accidentally activated, it is the responsibility of the officer to let Dispatch know that the activation was a mistake.

THE STATE OF TEXAS

COUNTY OF COLLIN

COPY

Subject: Interlocal Dispatch Services Agreement, City of Farmersville – Sheriff

On **November 19, 2018**, the Commissioners Court of Collin County, Texas, met in **regular session** with the following members present and participating, to wit:

Keith Self
Susan Fletcher
Cheryl Williams **Not Present**
John D. Thomas
Duncan Webb


County Judge, Presiding
Commissioner, Precinct 1
Commissioner, Precinct 2
Commissioner, Precinct 3
Commissioner, Precinct 4

During such session the court considered a request for approval of an Interlocal Dispatch Services Agreement with the City of Farmersville.

Thereupon, a motion was made, seconded and carried with a majority vote of the court for approval of an Interlocal Dispatch Services Agreement with the City of Farmersville effective October 1, 2018 through and including September 30, 2019. Same is hereby approved as per the attached documentation.



ATTEST:


Stacey Kemp, Ex-Officio Clerk
Commissioners Court
Collin County, T E X A S


Keith Self, County Judge


Susan Fletcher, Commissioner, Pct. 1

Not Present
Cheryl Williams, Commissioner, Pct. 2


John D. Thomas, Commissioner, Pct. 3


Duncan Webb, Commissioner, Pct. 4

INTERLOCAL DISPATCH SERVICES AGREEMENT

This agreement is entered into on the 19 day of November, 2018, by and between the City of Farmersville (the "City") and Collin County, a political subdivision of the State of Texas (the "County").

RECITALS

1. The County, through the Sheriff's Office, owns and operates communication facilities used in dispatching its law enforcement and emergency service personnel.
2. The City desires to obtain certain dispatch services from the County. Therefore, under the authority of Texas Government Code, Title 7. Interlocal Cooperation Act. Section 791 et seq., the parties agree as follows:

SECTION 1. DEFINITIONS

DISPATCH SERVICES. The term "Dispatch Services" means all services necessary for the Collin County Sheriff's Office to receive calls for law enforcement service within the City's jurisdiction and to dispatch the City's law enforcement personnel in response to such calls.

HOSTING SERVICES. The term "Hosting Services" means the County will store the City's data as it relates to dispatch services.

SECTION 2. TERM

2.01 TERM. The term of this agreement shall commence on October 1, 2018, and shall continue in full force and effect through September 30, 2019.

2.02 TERMINATION. Either party may terminate this agreement by giving ninety (90) days written notice to the other party.

SECTION 3. SERVICES

3.01 The County agrees to provide dispatch services through the Sheriff's Office to the City in the same manner and under the same work schedule as such services

are provided in the operation of the County's law enforcement personnel.

3.02 Hosting Services. The County agrees to provide Hosting Services to the City and that it will provide 95% uptime availability of the service as covered herein.

3.03 Scheduled Maintenance: The City hereby acknowledges that the County may, from time to time, perform maintenance service on the County network, with or without notice to the City, which may result in the unavailability of the County network. Emergency maintenance and maintenance for which the County has not given the City notice in accordance with this Agreement shall not be deemed scheduled maintenance for purposes of this Agreement. The County will make every effort to notify the City prior to scheduled maintenance. Notice may be given in various forms including but not limited to email notice and/or phone call.

3.04 Hosted Data Ownership. The City shall have sole ownership of the City's hosted data and the County shall make no claim to ownership of City's hosted data.

3.05 Hosted Data Back Up. The County will back up the City's hosted data on a daily basis. All data backups will meet Criminal Justice Information Systems (CJIS) requirements. Every effort is made to ensure the reliability of the backed up data in the event that it would be necessary to restore a database. The County, however, makes no guaranties that the backed up database will be error free. Upon request, the County will provide to the City a current database backup that can be restored to an alternate location to verify the contents and confirm the quality of the backup. All services required to provide the City's data and/or verify data will be provided in accordance with the County's current rates.

3.06 Remote Access Agreement. For each user the City is required to complete and return Attachment (A), Connection Policy and Agreement Form for

remote access and return to County to the address in 9.02 item (C). No access will be given to user unless County has received a Remote Access Agreement.

SECTION 4. NONEXCLUSIVITY OF SERVICE PROVISION

The parties agree that the County may contract to perform services similar or identical to those specified in this agreement for such additional governmental or public entities as the County, in its sole discretion, sees fit.

SECTION 5. COMPENSATION

5.01 The dispatch service charges for FY2019 in the amount of \$67,459.00 shall be paid by the City in quarterly installments of \$16,864.75 during the term hereof. The fees will be based on the fee schedule formulas adopted by Commissioners' Court on August 6, 2018 (Court Order No. 2018-628-08-06). In addition to the fee schedule, each radio registered on the system will be assessed an annual connection fee by Plano, Allen, Wylie, Murphy (PAWM) operators for access to their system. In FY2019, the fee will be \$108 per radio and may be updated annually by PAWM.

5.02 PAYMENT UPON EARLY TERMINATION. If this agreement is terminated prior to the conclusion of a three-month period for which a payment has been made pursuant to Section 5.01 of this agreement, the entire amount paid shall belong to the County without prorating, as liquidated damages to cover the County's anticipated costs for staffing and equipment to provide services hereunder.

5.03 SOURCE OF PAYMENT. The City agrees that payments that it is required to make under this agreement shall be made out of the City's current revenues.

SECTION 6. CIVIL LIABILITY

6.01 Any civil liability relating to the furnishing of services under this agreement shall be the responsibility of the City. The parties agree that the County shall be acting as agent for the City in performing the services contemplated by this agreement.

6.02 The City shall hold the County free and harmless from any obligation, costs, claims, judgments, attorney's fees, attachments, and other such liabilities arising from or growing out of the services rendered to the City pursuant to the terms of this agreement or in any way connected with the rendering of said services, except when the same shall arise because of the willful misconduct or culpable negligence of the County, and the County is adjudged to be guilty of willful misconduct or culpable negligence by a court of competent jurisdiction.

SECTION 7. AMENDMENT

This agreement shall not be amended or modified other than in a written agreement signed by the parties.

SECTION 8. CONTROLLING LAW

This agreement shall be deemed to be made under, governed by, and construed in accordance with the laws of the State of Texas.

SECTION 9. NOTICES

9.01 **FORM OF NOTICE.** Unless otherwise specified, all communications provided for in this agreement shall be in writing and shall be deemed delivered, whether actually received or not, forty-eight (48) hours after deposit in the United States mail, first class, registered or certified, return receipt requested, with proper postage prepaid or immediately when delivered in person.

9.02 **ADDRESSES.** All communications provided for in this agreement shall be addressed as follows:

(A) Collin County, to:
Purchasing Department
2300 Bloomdale #3160
McKinney, Texas 75071

(B) If to the City, to:

Benjamin L. White
City Manager
205 S. Main St.
Farmersville, Tx 75442

(C) Collin County, Remote Access to:
Information Technology Department
2300 Bloomdale #3198
McKinney, Texas 75071

Or to such person at such address as may from time to time be specified in a notice given as provided in this Section 9. In addition, notice of termination of this agreement by the City shall be provided by the City to the County Judge of Collin County as follows:

The Honorable Keith Self
Collin County Judge
Collin County Administration Building
2300 Bloomdale Rd. Suite 4192
McKinney, Texas 75071

SECTION 10. CAPTIONS

The headings to the various sections of this agreement have been inserted for the convenient reference only and shall not modify, define, limit or expand the express provision of this agreement.

SECTION 11. COUNTERPARTS

This agreement may be executed in counterparts, each of which, when taken separately, shall be deemed an original.

SECTION 12. OBLIGATIONS OF CONDITION

All obligations of each party under this agreement are conditions to further performance of the other party's continued performance of its obligation under the agreement.

SECTION 13. EXCLUSIVE RIGHT TO ENFORCE THIS AGREEMENT

The County and the City have the exclusive right to bring suit to enforce this Agreement, and no party may bring suit, as a third-party beneficiary or otherwise, to enforce this agreement.

SECTION 14. PRIOR AGREEMENTS SUPERSEDED

This agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understanding or written oral agreements between the parties respecting the services to be provided under this agreement.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS
AGREEMENT AS OF THE DAY AND YEAR FIRST ABOVE WRITTEN.

"COUNTY"

COLLIN COUNTY, TEXAS

BY: _____

TITLE: _____

DATE: _____

"CITY"

BY: _____

TITLE: _____

DATE: _____

Attachment "A"

Law Enforcement Officers Remote Connectivity Policy and Agreement Form

Remote Access Agreement

1.0 Purpose

The purpose of this document is to provide the framework for granting REMOTE ACCESS to Collin County services/equipment through REMOTE ACCESS so that an Authorized Party of a law enforcement agency (Agency) may access its data hosted on Collin County's network.

2.0 Scope

This policy applies to all Law Enforcement Officers utilizing REMOTE ACCESS to access the Collin County network (such persons referred to herein as "Authorized Parties"). This policy applies to all Collin County REMOTE ACCESS implementations.

3.0 Policy

Authorized parties may utilize the benefits of REMOTE ACCESS, which are a "user managed" service. This means that the Authorized party is responsible for selecting an Internet Service Provider (ISP), coordinating installation, installing any required software, and paying associated fees as may be required to access the REMOTE ACCESS.

Additionally,

1. It is the responsibility of the Authorized Party to ensure that unauthorized users are not allowed access to Collin County internal networks. User accounts and passwords are NOT to be shared with anyone.
2. Authorized Parties and the Collin County employees sponsoring the request for REMOTE ACCESS are responsible for defining what services/equipment/software the Authorized Parties need access to. Access will be restricted to only those defined objects. Attempting to connect or access any service/device not defined will be considered a violation of the Collin County REMOTE ACCESS policy and will be reported to the Authorized Party's agency.
3. The Authorized Parties and the Collin County employees sponsoring the REMOTE ACCESS request are also responsible for defining the time scope that the REMOTE ACCESS account will be active. All accounts are setup with an expiration date not to exceed 6 months, unless otherwise authorized to be a longer timeframe or permanent by the County.
4. REMOTE ACCESS use is to be controlled using either a one-time password authentication such as a token device or a public/private key system with a strong pass phrase.
5. When actively connected to the county network, the REMOTE ACCESS will force all traffic to and from the remote PC over the REMOTE ACCESS tunnel; all other traffic will be dropped.
6. Dual (split) tunneling is NOT permitted; only one network connection is allowed.
7. REMOTE ACCESS gateways will be established and managed by Collin County Information Technology Department.
8. All computers connected to Collin County internal networks via REMOTE ACCESS or any other technology must use the most up-to-date anti-virus software from a reputable IT agency; this includes personal computers.
9. All Authorized Parties connecting to the Collin County internal networks via REMOTE ACCESS or any other technology must keep their systems up to date with the latest security patches for their operating system and applications installed on their connecting systems. All systems using REMOTE ACCESS connections to Collin County must comply with Microsoft's Product Lifecycle chart and use only currently supporting and fully patched operating systems.
10. Authorized Parties may be automatically disconnected from Collin County's network after sixty minutes of inactivity. The user must then logon again to reconnect to the network.
11. Authorized Parties that are not Collin County owned equipment must comply with the Collin County acceptable

use policy when accessing the Internet while connected through the REMOTE ACCESS.

12. Only approved REMOTE ACCESS clients may be used.
13. Upon termination of a contract from Collin County, or at the request of the Collin County staff, the Authorized Party must uninstall the REMOTE ACCESS connection from the Authorized Party's computer.
14. Agency expressly agrees to notify the County of staffing changes involving an Authorized Party with access to the County's network within 24 hours or next business day.
15. After six months of expired inactivity, Active Directory and REMOTE ACCESS accounts of an Authorized Party will be permanently deleted, unless otherwise approved by the County.
16. Accounts will be locked out after a certain number of failed attempts.
17. Authorized Parties who have lost their password will have to contact their sponsoring agency to request a password reset. The sponsoring agency will then contact Collin County IT to reset the password for the REMOTE ACCESS user. The sponsoring agency is the Sheriff's Office.
18. It is the responsibility of the Authorized Party to install, configure, setup and support any issues with their systems to connect to Collin County based on the information provided to them.
19. Authorized Parties connect at their own risk and Collin County is not responsible for any damages that they may incur from connecting through the REMOTE ACCESS to Collin County
20. Prior to acquiring REMOTE ACCESS all Authorized Parties will be required to pass a background check unless otherwise approved by the County.
21. If the County migrates to a new network connection technology it is the responsibility of the Agency to budget and obtain any required technology upgrade in order to maintain their network connection to the County. The Agency will be provided advance notification for this change.
22. The Authorized Party must notify Collin County IT immediately upon learning of any compromise occurring through an anti-virus, malware, or other form of unauthorized access. Collin County will also inform the Authorized Parties of any breach or suspected breach occurring on the county network. REMOTE ACCESS may be restricted during such an event while corrective actions are undertaken.

4.0 Granting Access

To obtain access via REMOTE ACCESS, the Agency and Authorized Party must be sponsored by a party currently employed at Collin County and IT must agree this access is needed for the Collin County information systems. The Agency and Authorized Party must sign this form agreeing to protect the security of the Collin County network. For external Authorized Parties, the Request for REMOTE ACCESS must be signed and approved by the Manager who is responsible for the external Authorized Party's use. REMOTE ACCESS expiration will be based on the contract length unless further time is requested by Collin County Management. The initial setup and testing will be performed during normal operating hours, Monday - Friday, 8 am - 5 pm, and requires a minimal of two weeks' notice to schedule.

5.0 Enforcement

Collin County Information Technology Department may actively monitor the REMOTE ACCESS concentrator for any suspicious and inappropriate activity. Any Authorized Party found to have violated any part of this policy may have their REMOTE ACCESS terminated immediately.

6.0 Liability

Agency expressly agrees that they shall be liable for any and all damages, including but not limited to actual, consequential, or incidental damages, for disruptions caused by their negligence or intentional misconduct, including that caused by their Authorized Parties, to the County's services/equipment resulting from or related to Agency's connection to the County's networks.

Unauthorized access or use is prohibited and will be prosecuted to the fullest extent. Anyone using this system expressly consents to monitoring and is advised that if such monitoring reveals possible evidence of criminal activity system personnel may provide the evidence of such monitoring to law enforcement officials. Anyone using the system connects at their own risk and assumes all responsibilities for any possible damage to their own equipment.

7.0 Definitions

| Term | Definition |
|-----------------------------------|---|
| REMOTE ACCESS | An extension of Collin County's internal private network. |
| REMOTE ACCESS Concentrator | Physical device that manages REMOTE ACCESS connections. |
| REMOTE ACCESS Client | Remote computer with REMOTE ACCESS software utilizing REMOTE ACCESS services. |
| Agency Management | Person in Agency company that can take responsibility for the liability clause of this document. |
| Dual (split) tunneling | When utilizing REMOTE ACCESS, a connection (tunnel) is created to Collin County's network utilizing the Internet. Dual split tunneling allows for this connection as well as a secondary connection to another source. This technology is NOT supported when utilizing Collin County's REMOTE ACCESS. |
| User | Employee, Agency, contractor, consultant, temporaries, customers, government agencies, etc. |
| Sponsoring Party | Collin County employee requesting access for a non-employee user to have access to Collin County services/equipment through the REMOTE ACCESS. The employee may be someone in IT. |

Agency Management's Signature (if applicable)

Printed Name: _____ Signature: _____

E-Mail Address: _____ Phone: _____ Date: _____

Remote Access Users Signature

Printed Name: _____ Signature: _____

E-Mail Address: _____ Phone: _____ Date: _____

Sponsoring Party's Signature

Printed Name: _____ Signature: _____

E-Mail Address: _____ Phone: _____ Date: _____

Return form to:

**Caren Skipworth
2300 Bloomdale #3198
McKinney, Texas 75071**

| | |
|------------------------------|--|
| Agenda Section | Regular Agenda |
| Section Number | VII.B |
| Subject | Consider, discuss and act upon an interlocal agreement with Collin County regarding fire inspection and plan review services. |
| To | Mayor and Council Members |
| From | Ben White, City Manager |
| Date | September 24, 2019 |
| Attachment(s) | <ol style="list-style-type: none"> 1. Amendment 2. 2018 Interlocal Agreement (for reference) |
| Related Link(s) | http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php |
| Consideration and Discussion | City Council discussion as required. |
| Action | <ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action |



Contract Amendment One (1)

Office of the Purchasing Agent
Collin County Administration Building
2300 Bloomdale Rd, Ste 3160
McKinney, TX 75071
972-548-4165

Vendor: City of Farmersville Effective Date 10/1/2019
City Manager Contract No. 2018-286
205 S. Main St.
Farmersville, TX 75442 Contract Interlocal Agreement: Fire Inspection and Fire Plan Review

Awarded by Court Order No.: 2018-563-07-16
Amendment No.: 1 Court Order No.: _____

YOU ARE DIRECTED TO MAKE THE FOLLOWING AMENDMENT TO THIS CONTRACT

Amend Section 4 Term to read as follows:

4 This Agreement shall be effective from and after the passage of enabling resolutions or order by the governing bodies of the parties hereto and the execution hereof by each of the authorized representatives of the political subdivision who are parties hereto and shall remain in effect in full force and effect through September 30, 2020. At the County's option, and with approval by the Municipality, the Agreement may be renewed for three (3) additional one (1) year periods.

Except as provided herein, all terms and conditions of the contract remain in full force and effect and may only be modified in writing signed by both parties.

ACCEPTED BY:

ACCEPTED AND AUTHORIZED BY
AUTHORITY OF COLLIN COUNTY
COMMISSIONERS' COURT

(Print Name)

City of Farmersville
Mayor
205 S. Main St.
Farmersville, TX 75443

Collin County Administration Building
2300 Bloomdale Rd, Ste 3160
McKinney, Texas 75071

SIGNATURE

TITLE: Mayor

DATE: _____

Michalyn Rains, CPPO, CPPB

Purchasing Agent

DATE: _____

**INTERLOCAL COOPERATION AGREEMENT
FOR
FIRE INSPECTION AND FIRE PLAN REVIEW SERVICES
FOR COMMERCIAL BUILDINGS**

WHEREAS, the Interlocal Cooperation Act, Title 7, Chapter 791, of the Texas Government Code (the "Act"), and the Constitution of the State of Texas, Article III, Section 64(b) (the "Constitution") specifically authorize counties and other political subdivisions comprised or located within the county, to contract with one another for the performance of governmental functions and/or services required or authorized by the Constitution, or the laws of this State, under the terms and conditions prescribed in the Act; and

WHEREAS, the functions and/or services contemplated to be performed by Collin County, Texas, as set out herein, are governmental functions and/or services contemplated by the terms of the Act and are functions and/or services which each of the parties hereto have independent authority to pursue, notwithstanding this Agreement; and

WHEREAS, both the County and the political subdivision named herein as the City of Farmersville, Texas, are desirous of entering into this Interlocal Cooperation Agreement, as is evidenced by the resolutions or orders of their respective governing bodies approving this Agreement which are attached hereto and made a part hereof.

NOW, THEREFOR, THIS AGREEMENT is hereby made and entered into by and between Collin County, Texas, and the City of Farmersville, Texas, a political subdivision of the State of Texas, which is wholly or partially located within Collin County, Texas. Consideration for this Agreement consists of the mutual covenants contained herein, as well as any monetary consideration, which may be stated herein. This agreement is as follows, to wit:

1. **SERVICES:** As requested by the political subdivision named herein, Collin County, Texas, acting by and through its duly authorized agents and employees, agrees to provide political subdivision with the following described governmental functions and/or services:

FIRE INSPECTIONS AND FIRE PLAN REVIEW IN ACCORDANCE WITH 2009 INTERNATIONAL FIRE CODE and the laws and regulations of the City of Farmersville pertaining to fire prevention and fire protection, including all amendments approved by the City Council of the City of Farmersville, Texas.

2. **NONEXCLUSIVITY OF SERVICE PROVISIONS:** The parties agree that the County may contract to perform services similar or identical to those specified on this Agreement for such additional governmental or public entities as the County, in its sole discretion sees fit.

3. **COMPENSATION:** As consideration for the above-described governmental functions and/or services, the City of Farmersville agrees to make payment to Collin County, Texas in the amount of Five Thousand Seven Hundred Fifty Dollars (\$5,750.00) per year for each year of the

term of this Agreement including renewal terms. See Exhibit "A" for cost itemization. The City's payment shall be made in quarterly installments to the County in advance, due and payable on the first day of each quarter during the term of this Agreement, including any renewal terms, with the first payment due and payable within ten (10) days from the Effective Date of this Agreement. Such quarters begin on October 1, January 1, April 1, and July 1 of each year hereunder. The City will make all billing and collections from inspection recipients for services provided by Collin County.

4. **TERM:** This Agreement shall be effective from and after the passage of enabling resolutions or orders by the governing bodies of the parties hereto and the execution hereof by each of the authorized representatives of the political subdivision who are parties hereto and shall remain in effect in full force and effect through September 30, 2019. At the County's option, and with approval by the Municipality, the Agreement may be renewed for four (4) additional one (1) year periods.

5. **TERMINATION:** Either party may terminate this Agreement by giving ninety (90) days written notice to the other party.

6. **AMENDMENT:** This Agreement shall not be amended or modified other than in written agreement signed by the parties.

7. **CONTROLLING LAW:** This Agreement shall be deemed to be made under, governed by, and construed in accordance with the laws of the State of Texas. Venue shall be in Collin County, Texas.

8. **NOTICES:** Unless otherwise specified, all communications provided for in this Agreement shall be in writing and shall be deemed delivered, whether actually received or not, seventy-two (72) hours after deposit in the United States mail or immediately when delivered in person.

All communication provided for in this Agreement shall be addressed as followed:

COLLIN COUNTY:
Collin County Fire Marshal
825 N. McDonald, Suite 140
McKinney, Texas 75069

CITY:
City of Farmersville
City Manager
205 S. Main Street
Farmersville, TX 75442

Notwithstanding the foregoing, it is understood that each party paying for the performance of governmental functions or services must make those payments from current revenues available to the paying party. In the event of a non-appropriation by the paying party, the performing party

shall be relieved of its responsibilities hereunder as of the first day of the fiscal year of such non-appropriation. All payments must be in an amount that fairly compensates the performing party for the services or functions performed under this agreement.

Approved and effective this 26th day of June, 2018.

COURT ORDER:

CITY OF FARMERSVILLE

COLLIN COUNTY, TEXAS

By: Jack R. Rice

Title: Mayor

Date: 6-26, 2018

By: Keith Self

Title: County Judge

Date: _____, 2018

Exhibit "A"

| | |
|--|------------|
| Annual Fire Inspection per location = \$25.00 each (180 locations are currently existing) | \$4,500.00 |
| Certificate of Occupancy= \$95.00 each (10 Certificate of Occupancies are expected) | \$ 950.00 |
| Plan Review= \$100.00 each (3 Plan Reviews are expected) | \$ 300.00 |
| | ===== |
| ESTIMATED COST FOR COUNTY FIRE MARSHAL SERVICE | \$5,750.00 |

| | |
|------------------------------|--|
| Agenda Section | Regular Agenda |
| Section Number | VII.C |
| Subject | Update on street Capital Improvements Plan. |
| To | Mayor and Council Members |
| From | Ben White, City Manager |
| Date | September 24, 2019 |
| Attachment(s) | Street Capital Improvement Plan |
| Related Link(s) | http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php |
| Consideration and Discussion | <ul style="list-style-type: none"> • City Council discussion as required |
| Action | <ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action |

| Project Number | Department | Project Name | Type | CIP | Develop Concept | Contract | Acquire Const |
|----------------|------------|---|-----------|-----|-----------------|----------|---------------|
| PJ105 | PW Streets | Street Reconstruction, Rike, Beech to Railroad | Construct | | | | |
| PJ114 | PW Streets | Street Reconstruction, Hamilton, AMP to McKinney | Construct | | | | |
| PJ116 | PW Streets | Street Reconstruction, Collin/Farmerville Pkwy, CC | Construct | | | | |
| PJ119 | PW Streets | Street Reconstruction, North Washington, North of Sycamore | Construct | | | | |
| PJ120 | PW Streets | Street Reconstruction, Concrete, Beene | Construct | | | | |
| PJ121 | PW Streets | Street Reconstruction, Concrete, Raymond, Audie Murphy to 600 Feet North | Construct | | | | |
| PJ122 | PW Streets | Street Construction, Concrete, Welch Drive, Panel Replacement | Construct | | | | |
| PJ123 | PW Streets | Street Construction, Concrete, Orange, Audie Murphy to Beech | Construct | | | | |
| PJ124 | PW Streets | Street Construction, Concrete, Hamilton, Audie Murphy to Haislip | Construct | | | | |
| PJ125 | PW Streets | Street Construction, Concrete, South Rike, Audie Murphy to Beech | Construct | | | | |
| PJ126 | PW Streets | Street Construction, Concrete, Audie Murphy to Mimosa | Construct | | | | |
| PJ127 | PW Streets | Street Construction, Concrete, Orange, Audie Murphy to 100 Feet South | Construct | | | | |
| PJ128 | PW Streets | Street Construction, Concrete, South Rike, Audie Murphy to 190 Feet South | Construct | | | | |
| PJ129 | PW Streets | Street Reconstruction, Concrete, North Rike, Houston to Murchison | Construct | | | | |
| PJ130 | PW Streets | Panel Replacement, Concrete, Maple | Construct | | | | |
| PJ131 | PW Streets | Street Reconstruction, Gaddy, King to Windom | Construct | | | | |
| PJ132 | PW Streets | Street Reconstruction, Concrete, Farmersville Pkwy at Washington | Construct | | | | |
| PJ133 | PW Streets | Street Reconstruction, Hale | Construct | | | | |
| PJ134 | PW Streets | Street Reconstruction, Concrete, Old Josephine | Construct | | | | |
| PJ135 | PW Streets | Street Reconstruction, Lee | Construct | | | | |
| PJ136 | PW Streets | Street Reconstruction, North Lincoln | Construct | | | | |
| PJ137 | PW Streets | Street Reconstruction, Merit, Houston to Murchison | Construct | | | | |
| PJ187 | PW Streets | Street Reconstruction, Concrete, Gaddy, SH 78 to Wilcoxson | Construct | | | | |
| PJ188 | PW Streets | Street Construction, Wilcoxson, Stadium to Farmersville Pkwy | Construct | | | | |

| Project Number | Department | Project Name | Type | CIP | Develop Concept | Contract | Acquire Const |
|----------------|------------|---|-----------|-----|-----------------|----------|---------------|
| PJ189 | PW Streets | Street Construction, Maple, SH 78 to Wilcoxson | Construct | | | | |
| PJ190 | PW Streets | Street Construction, North Washington, Maple to Hale | Construct | | | | |
| PJ191 | PW Streets | Street Construction, Orange, Summit to Hill | Construct | | | | |
| PJ192 | PW Streets | Street Construction, Concrete, Murchison, Austin to County Line | Construct | | | | |
| PJ193 | PW Streets | Street Construction, Hill, Railroad to Bois D Arc | Construct | | | | |
| PJ194 | PW Streets | Street Construction, Johnson, McKinney to Maple | Construct | | | | |
| PJ195 | PW Streets | Street Construction, Jouette, Pendleton to Gaddy | Construct | | | | |
| PJ196 | PW Streets | Street Construction, Concrete, Pendleton, Jouette to SH 78 | Construct | | | | |
| PJ197 | PW Streets | Street Reconstruction, Prospect | Construct | | | | |
| PJ198 | PW Streets | Street Construction, Water, Raymond to SH 78 | Construct | | | | |
| PJ199 | PW Streets | Street Construction, Woodard | Construct | | | | |
| PJ200 | PW Streets | Street Construction, Bois D Arc | Construct | | | | |
| PJ201 | PW Streets | Street Construction, Live Oak | Construct | | | | |
| PJ202 | PW Streets | Street Construction, East Santa Fe, Rike to Buckskin | Construct | | | | |
| PJ203 | PW Streets | Street Construction, Walnut | Construct | | | | |
| PJ204 | PW Streets | Street Construction, Abby | Construct | | | | |
| PJ205 | PW Streets | Street Construction, Concrete, Johnson, Neathery to Farmersville Pkwy | Construct | | | | |
| PJ206 | PW Streets | Street Construction, Yucca, Hamilton to SH 78 | Construct | | | | |
| PJ207 | PW Streets | Street Construction, Sherry, Yucca to Gaddy | Construct | | | | |
| PJ208 | PW Streets | Street Construction, Mulberry | Construct | | | | |

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|------------------------------|--|
| Agenda Section | Regular Agenda |
| Section Number | VII.D |
| Subject | Update on eventual city limit negotiations. |
| To | Mayor and Council Members |
| From | Ben White, City Manager |
| Date | September 24, 2019 |
| Attachment(s) | None |
| Related Link(s) | http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php |
| Consideration and Discussion | City Council discussion as required |
| Action | <ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action |

| | |
|------------------------------|--|
| Agenda Section | Regular Agenda |
| Section Number | VII.E |
| Subject | Consider, discuss and act upon Resolution #R-2019-0924-001 regarding the sale of surplus Police Department item. |
| To | Mayor and Council Members |
| From | Ben White, City Manager |
| Date | September 24, 2019 |
| Attachment(s) | R-2019-0924-001 |
| Related Link(s) | http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php |
| Consideration and Discussion | City Council discussion as required |
| Action | <ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action |

**CITY OF FARMERSVILLE
RESOLUTION # R-2019-0924-001**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS,
DECLARING SPECIFIED PERSONAL PROPERTY AS SURPLUS AND
AUTHORIZING THE SALE OF SAID SURPLUS PERSONAL PROPERTY.**

WHEREAS, the Farmersville Police Department of the City of Farmersville has the following item of personal property that is surplus and not required for the City's foreseeable needs:

| Quantity | Make | Model | Serial Number | Description | Condition |
|----------|-----------------------|-------------|---------------|--------------|---|
| 1 | Bombardier Sea-Doo | PWC/Jet Ski | ZZN511831899 | 1999 Jet Ski | Working when removed from service |

WHEREAS, the staff recommends the described item above be declared surplus property and sold at auction with the net proceeds from the sale of these items being placed in the Police Department's Fund;

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

Section 1. FINDINGS INCORPORATED.

All of the above premises are found to be true and correct factual and legislative determinations of the City of Farmersville and are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Section 2. PROPERTY DECLARED SURPLUS AND ORDERED SOLD

The above described personal property is hereby found to be surplus property and City staff is hereby authorized to sell said personal property at auction and to cause the proceeds from such sale less any and all costs associated with the sale of said personal property to be deposited in the Police Department's Fund.

Section 3: EFFECTIVE DATE

This Resolution shall take effect immediately upon its passage.

[Remainder of page intentionally left blank.]

DULY PASSED AND APPROVED this the 24th day of September, 2019.

APPROVED:

Jack Randall Rice, Mayor

ATTEST:

Sandra Green, City Secretary

VIII. Requests to be Placed on Future Agendas

IX. Adjournment