



AGENDA

CITY COUNCIL MEETING

FEBRUARY 4, 2020 @ 7:00 P.M.

Notice is hereby given the City Council for the City of Parker will meet in a Regular Meeting on Tuesday, February 4, 2020 at 7:00 P.M. at the Parker City Hall, 5700 E. Parker Road, Parker, Texas, 75002.

CALL TO ORDER – Roll Call and Determination of a Quorum

EXECUTIVE SESSION START TO FINISH – Pursuant to the provisions of Chapter 551, Texas Government Code the City Council may hold a closed meeting.

1. RECESS TO CLOSED EXECUTIVE SESSION IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN:
 - a. Government Code Section 551.074 Personnel—To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.
 - b. Government Code Section 551.071(1)—Consultation with City Attorney concerning Pending or Contemplated Litigation.
 - c. Government Code Section 551.071(2) – Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas Clearly conflicts with this chapter (Open Meetings Act).
2. RECONVENE REGULAR MEETING.
3. ANY APPROPRIATE DELIBERATION AND/OR ACTION ON ANY OF THE EXECUTIVE SESSION SUBJECTS LISTED ABOVE.

PLEDGE OF ALLEGIANCE

AMERICAN PLEDGE: I pledge allegiance to the flag of the United States of America; and to the republic for which it stands, one nation under God, indivisible with liberty and justice for all.

TEXAS PLEDGE: Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

PUBLIC COMMENTS The City Council invites any person with business before the Council to speak to the Council. No formal action may be taken on these items at this meeting. Please keep comments to 3 minutes.

ITEMS OF COMMUNITY INTEREST

- HOME RULE CHARTER COMMISSION (HRCC) –TUESDAY, FEBRUARY 11, 2020, 7:00 PM ([2020 Calendar](#))

- PARKS AND RECREATION COMMISSION (P&R) – WEDNESDAY, FEBRUARY 12, 2020, 6 PM ([2020 Calendar](#))
- **TENTATIVE** – TUESDAY, FEBRUARY 18, 2020 DRAWING FOR A PLACE ON THE BALLOT – TIME TO BE DETERMINED - ([2020 FEBRUARY](#))
- CANCELED - FEBRUARY 18, 2020 CITY COUNCIL MEETING, DUE TO MARCH 3RD PRIMARY EARLY VOTING
- CANCELED - MARCH 3, 2020 CITY COUNCIL MEETING, DUE TO MARCH 3RD PRIMARY ELECTION DAY VOTING
- REMINDER - MARCH 3, 2020 – PRIMARY ELECTION

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Feb 16	Feb 17 <i>President's Day</i>	Feb 18 Early Voting 8am–5pm	Feb 19 Early Voting 8am–5pm	Feb 20 Early Voting 8am–5pm	Feb 21 Early Voting 8am–5pm	Feb 22 Early Voting 7am–7pm
Feb 23 Early Voting 1pm–6pm	Feb 24 Early Voting 7am–7pm	Feb 25 Early Voting 7am–7pm	Feb 26 Early Voting 7am–7pm	Feb 27 Early Voting 7am–7pm	Feb 28 Early Voting 7am–7pm	Feb 29

- THURSDAY, APRIL 2, 2020 - LAST DAY TO REGISTER TO VOTE FOR THE MAY 2, 2020 GENERAL ELECTION ([IMPORTANT 2020 ELECTION DATES](#))
- **TENTATIVE** SATURDAY, APRIL 4, 2020, 9AM - 1PM, SPRING EVENT
- SATURDAY, APRIL 25, 2020, 10AM-2PM, DRUG TAKE BACK
- REMINDER – MAY 2, 2020 – GENERAL ELECTION (EV AND ED INFO)

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Apr 19	Apr 20 Early Voting 8am to 5pm	Apr 21 Early Voting 8am to 5pm	Apr 22 Early Voting 8am to 5pm	Apr 23 Early Voting 8am to 7pm	Apr. 24 Early Voting 8am to 5pm	Apr. 25 Early Voting 8am to 5pm
Apr 26	Apr 27 Early Voting 7am to 7pm	Apr 28 Early Voting 7am to 7pm	Apr 29	Apr 30	May 1	May 2 Election Day 7am to 7pm

- PROJECTED 2020 TAX RATE PLANNING CALENDAR

CONSENT AGENDA Routine Council business. Consent Agenda is approved by a single majority vote. Items may be removed for open discussion by a request from a Councilmember or member of staff.

4. APPROVAL OF MEETING MINUTES FOR JANUARY 21, 2020. [SCOTT GREY]
5. INVESTMENT QUARTERLY REPORT. [SAVAGE]
6. REPUBLIC WASTE QUARTERLY REPORT. [BERNAS]
7. CONSIDERATION AND/OR ANY APPROPRIATE ACTION, ACCEPTING THE 2019 RACIAL PROFILING REPORT. [BROOKS]

INDIVIDUAL CONSIDERATION ITEMS

8. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ANNUAL AUDIT REPORT. [SAVAGE]

9. CONSIDERATION AND/OR ANY APPROPRIATE ACTION FOR A PARKER PARKS AND RECREATION COMMISSION SPRING EVENT ON SATURDAY, APRIL 4, 2020, 9AM - 1PM. [BARRON]
10. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ORDINANCE NO. 789, CALLING AN ELECTION TO BE HELD ON SATURDAY, MAY 2, 2020 TO ELECT A MAYOR AND TWO (2) CITY COUNCILMEMBERS AT-LARGE; AUTHORIZING THE MAYOR TO EXECUTE A GENERAL ELECTION CONTRACT FOR ELECTION SERVICES WITH COLLIN COUNTY; PROVIDING FOR THE ORDER AND NOTICE OF THE ELECTION; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW. [SHELBY]
11. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2020-626, ADOPTING THE EXPRESSVOTE UNIVERSAL VOTING SYSTEM FOR EARLY VOTING IN PERSON, EARLY VOTING BY MAIL, ELECTION DAY VOTING, AND PROVISIONAL VOTING IN ALL FUTURE ELECTIONS HELD IN THE CITY OF PARKER, TEXAS; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW. [SHELBY]

ROUTINE ITEMS

12. FUTURE AGENDA ITEMS

UPDATE(S):

- HOME RULE CHARTER COMMISSION (HRCC) [PETTLE]
- DRAINAGE COMMITTEE [MEYER]
- EMERGENCY COMMUNICATIONS COMMITTEE [ABRAHAM]
- TRANSPORTATION COMMITTEE [STANDRIDGE]
- REPUBLIC SERVICES [OLSON]

13. ADJOURN

In addition to any specifically identified Executive Sessions, Council may convene into Executive Session at any point during the open meeting to discuss any item posted on this Agenda. The Open Meetings Act provides specific exceptions that require that a meeting be open. Should Council elect to convene into Executive Session, those exceptions will be specifically identified and announced. Any subsequent action, as a result of this Executive Session, will be taken and recorded in open session.

I certify that this Notice of Meeting was posted on or before January 31, 2020 by 5:00 p.m. at the Parker City Hall, and as a courtesy, this Agenda is also posted to the City of Parker Website at www.parkertexas.us.

Date Notice Removed

Patti Scott Grey
City Secretary

The Parker City Hall is Wheelchair accessible. Sign interpretations or other special assistance for disabled attendees must be requested 48 hours in advance by contacting the City Secretary's Office at 972 442 6811.



2020

JANUARY

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SEPTEMBER

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HRCC – 2nd Tuesday, 7PM

January 14, 2020

February 11, 2020

March 10, 2020

April 14, 2020

May 12, 2020

June 9, 2020

July 14, 2020

August 11, 2020

September 8, 2020

October 13, 2020

November 10, 2020

December 8, 2020

Home Rule Charter Commission (HRCC)



2020

JANUARY

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P&R – 2nd Wednesday, 6 PM

January 22, 2020 (Rescheduled)

February 12, 2020

March 11, 2020

April 8, 2020

May 13, 2020

June 10, 2020

July 8, 2020

August 12, 2020

September 9, 2020

October 14, 2020

November 11, 2020

December 9, 2020

FEBRUARY

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Parks and Recreation (P&R) Commission

Important Dates

LAST DAY TO FILE CANDIDATE

APPLICATION **2/14/2020 at 5:00 pm** -

- Complete application includes:
- ◇ Application for a Place on the Ballot
(SOS Form 2-21, 1/2017)
- ◇ Appointment of a Campaign Treasurer by a Candidate
(Ethics Commission Form CTA, 12/6/2019)

Note: an appointment of a campaign treasurer must be filed with the City Secretary's office before a candidate may lawfully accept campaign contributions or make campaign expenditures.

- ◇ Code of Fair Campaign Practices
(Ethics Commission Form CFCP, 11/23/2010)[VOLUNTARY]

In accordance with the Texas Election Code, all "Applications for a Place on the Ballot" must be turned in, to the City Secretary's office, **by 5:00 pm on February 14.**

Updated

DRAWING FOR PLACE ON BALLOT AND CANDIDATE MEETING **2/18/20.**

The order in which the candidates' names are listed on the ballot is determined by drawing. If a candidate is not able to attend the drawing they may send a representative to draw for them.

Candidates were notified of the drawing date/time, which is dictated by Collin County contract deadlines. Most years it is also held on the third (3rd) Tuesday so Mayor/Councilmembers/Staff/Candidates do not have to make an additional trip to City Hall. It is held at 6:30 pm prior to the Council meeting.

February 2020

Parker General Election

May 2, 2020

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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Last Day
to File

16 17 18 19 20 21 22

Tentative
Drawing for
Place on Ballot

23 24 25 26 27 28 29

Saturday, May 2, 2020 – Uniform Election Date (Limited)

Authority Conducting Elections	<p>Local Political Subdivisions</p> <p>(County-ordered elections may not be held on this date. County Election Official may, but is not required to, contract to provide election services to political subdivisions holding elections on this date.).</p>
Deadline to post NEW <u>HB 305</u> notice. ¹	<p>September 1, 2019*</p> <p>*NEW LAW: Effective Sunday, September 1, 2019 (HB 305 affects political subdivisions with taxing authority) ¹</p>
Deadline to Post Notice of Candidate Filing Deadline (Local Political Subdivisions Only) ¹	Monday, December 16, 2019 for local political subdivisions that have a first day to file for their candidates ¹
First Day to Apply for Ballot by Mail	<p>Wednesday, January 1, 2020*</p> <p>*First day to file does not move because of New Year's Day holiday. An "Annual ABBM" or FPCA for a January or February 2020 election may be filed earlier, but not earlier than the 60th day before the date of the January or February election.</p>
First Day to File for a Place on the General Election Ballot (Local Political Subdivisions Only) ¹	Wednesday, January 15, 2020
Last Day to Order General Election or Special Election on a Measure	Friday, February 14, 2020
Last Day to File for a Place on the General Election Ballot (Local Political Subdivisions Only) ²	Friday, February 14, 2020 at 5:00 p.m.

	See note below relating to four-year terms ³
Last Day to File a Declaration of Write-in Candidacy (Local Political Subdivisions Only)	Tuesday, February 18, 2020
Last Day to Register to Vote	Thursday, April 2, 2020
First Day of Early Voting by Personal Appearance	Monday, April 20, 2020
Last Day to Apply for Ballot by Mail (Received , not Postmarked)	Monday, April 20, 2020 (deadline falls on San Jacinto Day, moves to preceding business day)
Last Day of Early Voting by Personal Appearance	Tuesday, April 28, 2020
Last day to Receive Ballot by Mail	Saturday, May 2, 2020 (Election Day) at 7:00 p.m. if carrier envelope is not postmarked, OR Monday, May 4, 2020 (next business day after Election Day) at 5:00 p.m. if carrier envelope is postmarked by 7:00 p.m. at the location of the election on Election Day (unless overseas or military voter deadlines apply) ⁴

¹ Under new law, most local entities now have a “first day” to file.

For the few entities who do not have a first day to file: For the May 2, 2020 election, Wednesday, January 15, 2020 is the deadline to post notice of candidate filing deadline for entities that do not have a first day to file for their candidates. **However, pursuant to NEW LAW, for local (taxing) political subdivisions, the deadline is September 1, 2019 (the effective date of HB 305, 2019).** For the November 3, 2020 election, Monday, July 20, 2020 is the deadline to post notice of candidate filing deadline for local political subdivisions that do not have a first day to file for their candidates. (If the 30th day before last day on which candidate may file falls on a Saturday, deadline moves to next business day). **However, pursuant to NEW LAW, for local (taxing) political subdivisions, the deadline is November 3, 2019 (one year before election day).**

Local political subdivisions include: cities, school districts, water districts, hospital districts, and any other local government entity that conducts elections. Many of these elections are

conducted on the May uniform election date. Note: Counties may also be holding local proposition (measure) elections on May 2, 2020.

² Filing deadlines: generally, the filing deadline is the 78th day prior to Election Day. The Code may provide a different special election filing deadline. See Section 201.054 of the Texas Election Code (the “Code”). Write-in deadlines for general and special elections vary; the deadline for most local (city, school, other) special elections is now the same day as the filing deadline for application for a place on the ballot in a May election or November election.

³ If no candidate for a **four-year term** has filed an application for a place on the ballot for a **city office**, the filing deadline for that office is extended to 5 p.m. of the 57th day before the election. For the May 2, 2020 election, this is Friday, March 6, 2020. See Section 143.008 of the Code.

⁴ Please note that pursuant to House Bills 1151 and 929 (2017), different deadlines apply to the last day to receive ballots sent by the following: 1) non-military and military voters who mailed ballots from overseas and submitted a regular state Application for Ballot By Mail (“ABBM”), 2) non-military voters who mailed ballots from overseas and who submitted a Federal Postcard Application (“FPCA”), and (3) military voters who mailed ballots domestically or from overseas and who submitted an FPCA. See Secs. 86.007, 101.001 and 101.057 of the Code. Please contact the Elections Division of the Office of the Texas Secretary of State at 1-800-252-VOTE (8683) for additional information.



Did Some “*Bunny*” say Egg Roll and Hunt?
Come Join Us for a “*Hoppin*” Good Time

At ***SpringFest 2020***

Where: ***City of Parker Lawn***

When: ***Saturday April 4, 2020***

9:00 a.m.: First Ever ***5K Bunny Hop Run/Walk***

10:30 a.m.: ***Food Trucks***

11:00 a.m.: ***Egg Hunt***

(divided into two age groups)

Or bring your own *Bunny* Snack Picnic to enjoy the Preserve!
Face Painter-Petting Zoo-Clown/Balloon Artist
Throughout the morning!

Photo opportunity with a special surprise Bunny Guest!



Come join us for a “*hoppin*” good time ‘cause we wouldn’t want you to
pull your “*hare*” out!’

Or just come join us for some “*egg*”cercise!

Draft

CITY OF PARKER

2020 PLANNING CALENDAR



<u>April - May</u>	Mailing of "Notices of Appraised Value" by Chief Appraiser.
<u>April 30</u>	The Chief Appraiser prepares and certifies to the Tax Assessor for each county, municipality, and school district participating in the appraisal district an estimate of the taxable value.
<u>May 15</u>	Deadline for submitting Appraisal Records to ARB.
<u>July 20</u>	Deadline for ARB to approve Appraisal Records.
<u>July 25</u>	Deadline for Chief Appraiser to certify Appraisal Rolls to each Taxing Unit.
<u>Aug</u>	Certification of anticipated collection rate by collector.
<u>July 25 - Aug.</u>	Calculation of Effective and Rollback Tax Rates.
<u>July 25 - Aug.</u>	Submission of Effective and Rollback Tax Rates to governing body from the Tax Office.
<u>July 31, 2020</u>	72 Hour Notice for Meeting (Open Meetings Notice).
<u>August 4, 2020</u>	Meeting of Governing Body to Discuss Tax Rates. If proposed tax rate will exceed the Rollback Rate or the Effective Tax Rate (whichever is lower), take record vote and schedule two Public Hearings.
<u>August 10, 2020</u>	Publish the " Notice of 2020 Property Tax Rates " by September 1. Notice must be published at least seven (7) days before first Public Hearing. Notice must also be posted on the municipality's website.
<u>August 14, 2020</u>	72 Hour Notice for First Public Hearing (Open Meetings Notice).
<u>August 18, 2020</u>	First Public Hearing At least 7 days after publication of " Notice of 2020 Property Tax Rates. "
<u>August 21, 2020</u>	72 Hour Notice for Second Public Hearing (Open Meetings Notice).
<u>August 25, 2020</u>	Second Public Hearing May not be earlier than 3 days after first Public Hearing. Schedule and announce meeting to adopt tax rate three to fourteen (3 - 14) days from this date.
<u>August 28, 2020</u>	72 Hour Notice for Meeting at which Governing Body will Adopt Tax Rate (Open Meetings Notice).
<u>September 1, 2020</u>	Meeting to Adopt 2020 Tax Rate. Meeting to adopt must be <u>no later than September 16, 2020</u> . Schedule meeting three to fourteen (3 to 14) days <u>after</u> second Public Hearing.
<u>Noon on September 16</u>	Deadline to submit the Tax Rate Ordinance to the Collin County Tax Office.

Tax Code Section 81.06 directs that if a date falls on a weekend, the deadline is extended to the following regular business day.

Advice of taxing unit legal counsel should be sought to determine how to fulfill the requirements of Section 140.010 Local Code (SB 1510).

**Please provide a copy of the Ordinance adopting the 2020 Tax Rate to the Tax Office by
Noon on September 16, 2020.**



Council Agenda Item

Item 4
C'Sec Use Only

Budget Account Code:	Meeting Date: February 4, 2020
Budgeted Amount:	Department/ Requestor: City Secretary
Fund Balance-before expenditure:	Prepared by: City Secretary Scott Grey
Estimated Cost:	Date Prepared: January 29, 2020
Exhibits:	<u>Proposed Minutes</u>

AGENDA SUBJECT

APPROVAL OF MEETING MINUTES FOR JANUARY 21, 2020. [SCOTT GREY]

SUMMARY

Please review the attached minutes. If you have any questions, comments, and/or corrections, please contact the City Secretary at PGrey@parkertexas.us prior to the City Council meeting.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

Inter – Office Use			
Approved by:			
Department Head/ Requestor:	<i>Patti Scott Grey</i>	Date:	01/30/2020
City Attorney:		Date:	
Acting City Administrator:	<i>Luke B. Olson</i>	Date:	01/31/2020

MINUTES
CITY COUNCIL MEETING

JANUARY 21, 2020

CALL TO ORDER – Roll Call and Determination of a Quorum

The Parker City Council met in a regular meeting on the above date at Parker City Hall, 5700 E. Parker Road, Parker, Texas, 75002.

Mayor Lee Pettle called the meeting to order at 7:04 p.m. Councilmembers Diana M. Abraham (departed at 9:02 p.m.), Cindy Meyer, Ed Standridge and Patrick Taylor (arrived at 7:40 p.m.) were present. Councilmember Edwin Smith was absent.

Staff Present: City Administrator Luke Olson, Asst. City Administrator/City Secretary Patti Scott Grey, Finance/H.R. Manager Grant Savage, City Attorney Brandon Shelby (arrived at 7:40 p.m.), Public Works Director Gary Machado, City Engineer Craig M. Kerkhoff, P.E., C.F.M., Fire Chief Mike Sheff, and Police Chief Richard Brooks

PLEDGE OF ALLEGIANCE

AMERICAN PLEDGE: Michael Slaughter led the pledge.

TEXAS PLEDGE: Ling Shurtz led the pledge.

Mayor Pettle moved to “Items of Community Interest” next and reviewed the following items:

ITEMS OF COMMUNITY INTEREST

- PARKS AND RECREATION COMMISSION (P&R) – WEDNESDAY, JANUARY 22, 2020, 6 PM (**Tentative 2020 Calendar**)
- HOME RULE CHARTER COMMISSION (HRCC) –TUESDAY, FEBRUARY 11, 2020, 7:00 PM (**Tentative 2020 Calendar**)
- REMINDER - March 3, 2020 – Primary Election

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Feb 16	Feb 17 <i>President's Day</i>	Feb 18 Early Voting 8am–5pm	Feb 19 Early Voting 8am–5pm	Feb 20 Early Voting 8am–5pm	Feb 21 Early Voting 8am–5pm	Feb 22 Early Voting 7am–7pm
Feb 23 Early Voting 1pm–6pm	Feb 24 Early Voting 7am–7pm	Feb 25 Early Voting 7am–7pm	Feb 26 Early Voting 7am–7pm	Feb 27 Early Voting 7am–7pm	Feb 28 Early Voting 7am–7pm	Feb 29

- REMINDER – May 2, 2020 – General Election (EV and ED Info)

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Apr 19	Apr 20 Early Voting 8am to 5pm	Apr 21 Early Voting 8am to 5pm	Apr 22 Early Voting 8am to 5pm	Apr 23 Early Voting 8am to 7pm	Apr. 24 Early Voting 8am to 5pm	Apr. 25 Early Voting 8am to 5pm
Apr 26	Apr 27 Early Voting 7am to 7pm	Apr 28 Early Voting 7am to 7pm	Apr 29	Apr 30	May 1	May 2 Election Day 7am to 7pm

- PROJECTED 2020 TAX RATE PLANNING CALENDAR

PUBLIC COMMENTS The City Council invites any person with business before the Council to speak. No formal action may be taken on these items at this meeting. Please keep comments to 3 minutes.

Mayor Pettle asked if anyone wanted to make public comments on any other subject than the proposed municipal complex. Hearing none, she asked everyone to hold their public comments until the item on the proposed municipal complex, Item #7 on tonight's agenda.

CONSENT AGENDA Routine Council business. Consent Agenda is approved by a single majority vote. Items may be removed for open discussion by a request from a Councilmember or member of staff.

1. APPROVAL OF MEETING MINUTES FOR DECEMBER 17, 2019. [SCOTT GREY]
2. APPROVAL OF MEETING MINUTES FOR DECEMBER 30, 2019. [SCOTT GREY]
3. APPROVAL OF MEETING MINUTES FOR JANUARY 7, 2020. [SCOTT GREY]
4. DEPARTMENT REPORTS – COURT, POLICE AND WEBSITE

MOTION: Councilmember Standridge moved to approve consent agenda items 1 through 4, as presented. Councilmember Abraham seconded with Councilmembers Abraham, Meyer, and Standridge voting for the motion. Motion carried 3-0.

INDIVIDUAL CONSIDERATION ITEMS

5. DISCUSSION, CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON CANCELING/RESCHEDULING THE FEBRUARY 18, 2020 (DUE TO 3/3 PRIMARY EARLY VOTING) AND MARCH 3, 2020 (DUE TO 3/3 PRIMARY ELECTION DAY VOTING) REGULAR CITY COUNCIL MEETINGS. [PETTLE]

There was discussion on whether Council wanted to cancel, relocate and/or reschedule City Council meetings, February 18, 2020 and/or March 3, 2020, due to March 3, 2020 Early and Election Day voting equipment in the City Council Chambers.

MOTION: Councilmember Abraham moved to cancel both the February 18th and March 3 City Council meetings, due to the March 3, 2020 Primary Early Voting and Election Day voting equipment in Council Chambers. Council further stated if the need arose Council would meet in another location after being duly posted. Councilmember Meyer seconded with Abraham, Meyer, and Standridge voting for the motion. Motion carried 3-0.

6. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON KINGSBRIDGE PHASE II FINAL PLAT. [BIRKHOFF/MACHADO]

Developer Randy McCuistion, P.E., Vice President – Construction of The Cambridge Companies 8750 N. Central Expressway, Ste. 1735, reviewed the project.

City Administrator Olson said City Engineer Craig M. Kerkhoff, P.E., C.F.M. was present for questions and City Engineer John Birkhoff, P.E.'s letter, dated January 10, 2020, indicated all "previous items of work to complete the project have been satisfactory completed" and they "offer no further comments."

Councilmember Meyer inquired about drainage issues.

Public Works Director Machado and Developer McCuistion indicated drainage would be carried east and away. The drainage issues have been addressed and there should be no negative impact on Moss Ridge Subdivision.

On January 16, 2020, the Planning and Zoning Commission recommended approval of the Kingsbridge Phase II Final Plat 5-0.

MOTION: Councilmember Standridge moved to approve Kingsbridge Phase II Final Plat as presented. Councilmember Abraham seconded with Councilmembers Abraham, Meyer, and Standridge voting for the motion. Motion carried 3-0. (See Exhibit 1 – Kingsbridge Phase II Final Plat, dated January 20, 2020.)

7. DISCUSSION AND OR ANY APPROPRIATE ACTION ON PROPOSED MUNICIPAL COMPLEX. [PETTLE]

Ling Shurtz, 4004 Dublin Road, stated she was in support of the proposed municipal complex and had questions regarding bond repayments. Mayor Pettle said Finance/HR Manager Savage would be able to answer questions and/or Bond Counsel would review information in an upcoming council meeting for the bond election.

Billy Barron, 6707 Overbrook Drive, said he is in favor of the proposed municipal complex and thought the complex would be good for the City. Mr. Barron suggested Council review funding needs and consider increasing the city's sales tax to provide funding for the project.

Cleburne Raney, 7000 Audubon Drive, said he supported the project and thanked everyone involved. Mr. Raney said our current Police Department facility does not meet basic safety and security standards and is unattractive, while the current City Hall needs many ongoing repairs and has space/storage and structural issues. A new Municipal Complex is essential. He said while he is not in favor of increasing the tax rate, he believes it is necessary to support a bond to pay for the municipal complex. Finally, Mr. Raney encouraged residents to support the proposed municipal complex.

Terry Lynch, 5809 Middleton Drive, did not support the proposed municipal complex in its current size, stating it does not "focus on the needs and includes a lot of wants." (See Exhibit 2 – Terry Lynch's handout, dated January 21, 2020.)

Mayor Pettle read Andy Redmond's email into the record. Mr. Redmond, 7275 Moss Ridge Road, expressed his concerns, regarding of Item # 7, proposed municipal complex, urging City Council to "vote NO regarding the proposed City of Parker Municipal Complex." (See Exhibit 3 – Andy Redmond's email, dated January 21, 2020.)

Mayor Pettle read Z Marshall's email into the record. Mr. Marshall, 7003 Audubon Drive, expressed his support, regarding Item # 7, proposed municipal complex, stating he is "very much in favor of moving forward with the new proposed Municipal Complex. This will be a ONE time legacy project that will handle all of our current needs and should handle our future needs for our great City." (See Exhibit 4 – Z Marshall's email, dated January 20, 2020.)

Councilmember Meyer said the comments from the Town Hall meeting should be processed and considered before the proposed municipal complex plans are completed. City Council agreed. Ms. Meyer said she is concerned with the width of the hallways; lack of open office space, which, if a more open spaced concept is used, could be less expensive and easier to adjust to future needs; the bump outs in the rear and front of the building, should be incorporated into the overall plan for a more rectangular building shape and cost savings; and too many offices in the Police Department.

Councilmember Abraham inquired whether grouping employees with similar jobs in open spaces would be a cost savings or if this is even possible, as some jobs may have confidentiality requirements.

Councilmember Meyer said she also supports Ms. Lynch's plan of splitting up the project, so Parker residents vote on each portion, the City Hall, the community building, and the pavilion/playground. Mayor Pettie and Mayor Pro Tem Standridge opposed the idea of splitting up the proposed municipal complex on the ballot, as they said the project was presented to everyone as a municipal complex, a campus, and not as separate pieces. Further, it was priced as one (1) complex, making it difficult to split the costs. There is some cost savings in sharing construction, labor and material cost and having three (3) separate bonds would be confusing. Attorney Shelby said it would be difficult to get clear, easily understandable language for the ballot and bond counsel may object.

Architect Kent Spurgin, Spurgin & Associate Architects, 103 W Louisiana St, McKinney, Texas, addressed concerns, stating he did not believe \$700 per square foot is accurate (in response to Andy Redmond's email – Exhibit 3); it was more like \$583 per square foot depending on what is included and \$250 to \$350 per square foot without site development, furnishings, Information Technology (IT), Audio Visual (AV), security systems, but he would have to get a detailed list of inclusions/exclusions to determine accurately. Mr. Spurgin stated the hallways are five (5) feet wide to comply with Americans with Disabilities Act (ADA) regulations as he demonstrated the width it would take for a person in a wheelchair to pass in the hallway, two (2) people shoulder-to-shoulder to pass comfortably, and or a door to swing open for wheelchair or person passing in the hallway. He stated there may be some cost savings using cubicles versus offices with doors, but noted there would need to be enough structure to span the area; interior walls are movable as long as they are not load bearing; and to acquire the type of cubicles needed for proper sound buffer for confidentiality of certain positions and the proper furnishings for those cubicles. Ultimately, these options might provide some savings, but at what cost. Mr. Spurgin said he would work with Council to review options and any revisions accordingly.

Councilmember Meyer inquired as to whether revisions could still be made after tonight's vote to move forward with the project. Attorney Shelby indicated the revisions and changes could be made until the project is completed, the building was built.

City Administrator Olson noted if City Staff moved into the new facility tomorrow, it would be 75% full. There needs to be enough room to have some growth.

Mayor Pettie and City Administrator Olson said the City would seek grants and creative ways to fund the project such as "selling name pavers" among other things. Mr. Olson also indicated he believes, with his experience of building municipal facilities while employed with other cities, the project should be built as one (1) municipal complex, not in pieces/sections, and it would be beneficial to use a Construction Manager at Risk (CMAR). Mr. Olson asked Mr. Spurgin to elaborate. Mr. Spurgin clarified, stating a CMAR would be hired by the City to oversee the bidding processes for labor, materials, contracts, construction, and/or any other items with the project. The CMAR would be authorized to negotiate for, not always the lowest, but best, most efficient costs/solutions for materials, labor and so forth for the

project. The CMAR is charged with cost saving solutions and those cost savings are returned to the City.

MOTION: Councilmember Standridge moved to authorize and direct City Staff to move forward with the bond election for the proposed Municipal Complex. Councilmember Taylor seconded with Councilmembers Abraham, Meyer, Standridge, and Taylor voting for the motion. Motion carried 4-0.

ROUTINE ITEMS

8. FUTURE AGENDA ITEMS

UPDATE(S):

- **HOME RULE CHARTER COMMISSION (HRCC) [PETTLE]**
Mayor Pettle reported the Home Rule Charter Commission (HRCC) has continued its discussion on forms of government and the duties of the mayor and manager, using HRCC Vice Chair Kercho's Excel spreadsheet. The Mayor noted the next HRCC meeting will be held February 11, 2020 at 7:00 p.m. at City Hall and those meetings are open to the public.
- **DRAINAGE COMMITTEE [MEYER]**
Mayor Pettle said the Drainage Committee update will be on the next agenda to give Councilmember Meyer additional time to prepare, due to working on the proposed municipal complex project.
- **EMERGENCY COMMUNICATIONS [ABRAHAM]**
Mayor Pettle said the Emergency Communications update will be on the next agenda to give Councilmember Abraham additional time to prepare, due to working on the proposed municipal complex project.
- **PUMP STATION [OLSON/MACHADO]**
City Administrator Olson said all the paperwork for the second pump station has been submitted to North Texas Municipal Water District (NTMWD) for approval. The City must have final approval before moving forward with the project.
- **ACCEPTANCE OF CITY OF PARKER VOLUNTEER FIRE DEPARTMENT DONATION(S) FOR THE RECORD [PETTLE]**
 - Paul & Nancy Vermeer - Check #6022 - \$500.00
Mayor Pettle and City Council accepted Paul and Nancy Vermeer's donation in the amount of \$500 for the Parker Volunteer Fire Department and thanked them for their generous donation.

Mayor Pettle asked if there were any items to be added to the future agenda. Hearing none, she encouraged everyone to email her any requests. She noted the next regularly scheduled meeting would be Tuesday, February 4, 2020.

EXECUTIVE SESSION - Pursuant to the provisions of Chapter 551, Texas Government Code, Vernon's Texas Codes Annotated the City Council may hold a closed meeting.

9. RECESS TO CLOSED EXECUTIVE SESSION IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN:

- a. Government Code Section 551.074 Personnel—To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

- b. Government Code Section 551.071(1)—Consultation with City Attorney concerning Pending or Contemplated Litigation.
- c. Government Code Section 551.071(2) – Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas Clearly conflicts with this chapter (Open Meetings Act).

Mayor Lee Pettie recessed the regular meeting to Executive Session at 8:31 p.m.

Councilmember Abraham departed at 9:02 p.m.

10. RECONVENE REGULAR MEETING.

Mayor Lee Pettie reconvened the meeting at 9:11 p.m.

11. ANY APPROPRIATE DELIBERATION AND/OR ACTION ON ANY OF THE EXECUTIVE SESSION SUBJECTS LISTED ABOVE.

No action was taken.

12. ADJOURN

Mayor Lee Pettie adjourned the meeting at 9:12 p.m.

APPROVED:

Mayor Lee Pettie

ATTESTED:

Approved on the 4th day
of February, 2020.

Patti Scott Grey, City Secretary

Terry Lynch ~ 5809 Middleton Dr.

Addressing Proposed Municipal Complex

This proposed "municipal complex" doesn't focus on the needs and includes a lot of wants. The result will be more costs than it should to be paid by residents today and in the future.

I would like to address each of the three main areas of the proposed Complex and then offer my suggestions.

The municipal building proposed, while less than previously proposed is still more than three (3) times the size of the existing space (20,812 Proposed vs. 6,688 Existing (4,000 administration + 2,688 police)). This plan dedicates a lot of space to administrative and police personnel that we do not have now and may never have. It also reflects offices for majority of personnel.

The purpose of the 3,397 square foot community center is unclear?

It has been suggested that this building could be used for elections, but couldn't the elections be done in the lobby of the new municipal building?

Additionally, couldn't the 90 guest council chamber be used for things such as promotion ceremonies, town halls and other forums?

If there are other defined purposes, has there been a cost benefit analysis for this?

I love parks but as Parker residents we enjoy large lots. With that we have a place to get fresh air and exercise along with a place to invite friends and neighbors to join us as we wish. Should we force our residents to pay for a park facility that they may not use?

My suggestion is to pare down the proposal to include only NEEDS:

- Eliminate the community center and park expansion from the current proposal.
- Lessen the size of the proposed municipal building - decrease the number of personnel anticipated and utilize open spaces with cubicles - Businesses have used this approach for a long time. It takes up less space and is a more efficient and cost effective way of building for now and the future.

- Direct the city to create an initiative to solicit (No Strings Attached) Grants and Donations to build the envisioned “Park” space. In it, consider selling “naming” rights to fund the facility? The residents will still end up paying for the ongoing maintenance of the expanded park, but if done correctly the additions can be done with low maintenance and low cost in mind.

If the council decides to move forward with the full complex, I suggest the vote be split into the three main aspects so that residents can make the final decision on cost they are willing to endure and what pieces the actual project will include.

From: Andy Redmond [REDACTED]
Sent: Tuesday, January 21, 2020 4:04 PM
To: Patti Grey <[REDACTED]>; [REDACTED]
Subject: Citizen Input, 1 /21/2020 Council Meeting

Hello Ms. Patti:

Could you share this with Mayor Pettle and Council, as I will be unable to attend the meeting tonite.
 >>

Hello Mayor Pettle and Council:

I'm Andy Redmond of 7275 Moss Ridge Rd.

I would urge each of you to vote NO regarding the proposed City of Parker Municipal Complex.

- The revised proposal works out to \$700 per sq. ft. (information sheet: 1/15/2020)
- Contrast the City of Murphy's complex: (per my email with Mr. Mike Castro, City of Murphy—City Manager)

2003 Construction at \$15, 512, 800 (included—City Hall at 17, 115 sq. ft; Fire Dept. @21,200 sq. ft.; Police Department @ 22,800 sq. ft. and Public Works @ 8,225= 69, 340 sq. ft.)

Costs per sq. ft. =\$223.72.

City of Murphy employee count (2019): 123 employees.

- Building costs have escalated in 17 years, but good commercial construction is still available for \$250 to \$275 per sq. ft.
- Perhaps consider an interview of Murphy residents, many I know yet complain about the this 2003 bond/expenditure. Likewise consider previous Parker "town hall meetings" and council meetings; which similarly reflect low citizen/voter support of such a complex or expenditure.
- The difference between Murphy (17,000+ residents at 2010 census) and Parker (perhaps 3,500 in 2010) is stark.

Unless future generations make changes to Parker's zoning, lot size etc. Need for Murphy-like infrastructure will never be necessary, nor is it desired!

I would urge each of you to assess our current facilities and certainly maintain and/or repair them to make it an affordable solution for many years to come.

Thanks for your time and consideration!

Regards,
 Andy Redmond

-----Original Message-----

From: Z Marshall <zmarshall@earthlink.net>

Sent: Monday, January 20, 2020 11:32 AM

To: Patti Grey <PGrey@parkertexas.us>

Cc: [REDACTED]

Subject: New Municipal Complex

Patti

Please include this in the Public Comments for the 1-21-2020 meeting. Also, please email to all Council today.

Thank you.

To Mayor & City Council:

I am very much in favor of moving forward with the new proposed Municipal Complex.

This will be a ONE time legacy project that will handle all of our current needs and should handle our future needs for our great City.

I do not feel we should do this in phases. I think it is important to remember that this is one of the few projects that will benefit All of the Citizens of Parker and not just for one neighborhood area or special needs for a particular project.

No one likes to have their taxes raised, but that is the basis for any taxing entity function. Citizens pay for services provided by those taxing authorities. Even with a 5 cent increase, our tax rate will still be relatively low compared to other cities in Collin County.

With our current growth, our future needs, and very aged and dated facilities, we need new facilities for our staff and excellent Police Department.

Our residents have also wanted a community center and green space options for our families to enjoy.

It is mandatory that we bring our Police Station up to required standards for their facilities. This is similar to what we did 12 years ago with our Fire Department. They had outgrown their facilities with old inefficient space and we did what needed to be done.

We just have to do this for our Police Department.

We are much better as a City, to continue to have our Police Department housed in temporary space, that does not meet required public safety building standards. We did this as a temporary solution for a permanent problem of old facilities that flooded when it rained. It is now time to fix this.

Similarly with our staff currently housed in space that is very inefficient, technology challenged, outdated space, to combined our needs into one structure makes it a win win for all. Again, this complex will benefit All Citizens and staff.

Jane & I have decided to stay in Parker and are in the process of building out our new home.

We love our City and plan to be here for as long as we can. Our son & his family also live here.

We pay the same taxes as everyone else and expect superior services in return.

As your past Mayor & City Council Member for over 10 years, I know how difficult it is to make tough decisions. I have confidence you will make to right decision for all of us.

Thank you for your service to our great City.

Z Marshall

Sent from Z iPhone
214-762-8001



Quarterly Investment Report

Period ending December 31, 2019

Grant Savage
Finance Manager



To: Mayor and City Council

From: Grant Savage, Finance Manager

Re: City Council Meeting – February 4, 2020

Date: January 31, 2020

Agenda Item:

Quarterly Investment Report for period ending December 31, 2019

Description of Agenda Item:

It is the objective of the City of Parker to invest public funds in a manner which will provide maximum security and the best commensurate yield while meeting the daily cash flow demands of the City and conforming to all federal, state and local statutes, rules, and regulations governing the investment of public funds. In November 2018, the City revised an investment policy which serves to satisfy the statutory requirements of defining and adopting a formal investment policy. The investment policy states that not less than quarterly, Investment Officials shall submit to the City Council and Investment Committee a written report of the City's investment transactions within forty-five (45) days of the preceding reporting period. Quarterly reports will generally be presented to the City Council as follows:

End of Reporting Period	Quarterly Report Date
March 31	May
June 30	August
September 30	November
December 31	February

The current depository bank for the City of Parker is American National Bank. The current agreement with American National Bank specifies the city to maintain an amount of liquid funds in American National to offset any and all bank service charges; therefore, the City does not earn any interest on the funds kept at American National Bank. The City invests funds in the public investment pool – TexSTAR, which had an average monthly rate of 1.5643% in December 2019. The City also invests in 3 year BOKF CDARS with interest rates ranging from 1.49% to 2.9% and American National Bank Certificates of Deposit with an interest rate of .35% and 1.00%. The City

does not carry any security instruments (investment type) on its books that are traded on the open market; therefore all investments are listed at 100% of market value. All funds on deposit with American National Bank, TexSTAR and BOKF are fully secured and safeguarded. Total interest earned for the quarter ending December 31, 2019 was \$60,693.31. Total cash and investments for the period ending December 31, 2019 was \$17,135,201.60 compared to \$15,591,218.70 on September 30, 2019, a net increase of \$1,543,982.90.

The attached Quarterly Investment Report for the Period Ending December 31, 2019 includes the following documents:

- Investment Portfolio Summary – Cash & Investments
- General Fund Investment Portfolio
- Proprietary Fund Investment Portfolio
- Bond Fund Investment Portfolio
- Investments by Instrument Type
- Weighted Average Maturity



City of Parker
Quarterly Investment
Report
(period ending December 31, 2019)

Quarterly Investment Report

According to the Public Funds Investment Act and the City of Parker Investment Policy, a quarterly investment report shall be presented to the City Council.

**CITY OF PARKER
INVESTMENT PORTFOLIO SUMMARY
FOR THE QUARTER ENDED DECEMBER 31, 2019**

ACCOUNT	BALANCE AS OF 9/30/2019	DEPOSITS	WITHDRAWALS	INTEREST EARNED	ENDING BALANCE AS OF 12/31/2019
CASH:					
American National Bank					
Operating Account	\$ 852,290.23	\$ 3,438,802.67	\$ 2,313,333.33	\$ -	\$ 1,977,759.57
Operating Account II	\$ 272,037.46	\$ 68,338.83	\$ -	\$ -	\$ 340,376.29
Volunteer Fire Department	\$ 107,946.33	\$ -	\$ -	\$ -	\$ 107,946.33
Capital Improvements	\$ 104,268.25	\$ -	\$ -	\$ -	\$ 104,268.25
Water Capital Improvement	\$ 877,026.47	\$ 10,000.00	\$ -	\$ -	\$ 887,026.47
Water Impact Fees	\$ 961,103.96	\$ 19,694.75	\$ -	\$ -	\$ 980,798.71
I&S Fund	\$ 169,477.47	\$ 267,752.72	\$ 8,869.24	\$ -	\$ 428,360.95
Water I&S Fund	\$ 1,016.39	\$ -	\$ -	\$ -	\$ 1,016.39
Court Security	\$ 36,909.76	\$ 387.07	\$ -	\$ -	\$ 37,296.83
Court Technology	\$ 7,554.18	\$ 516.12	\$ -	\$ -	\$ 8,070.30
Police Seizures	\$ 7,898.22	\$ -	\$ -	\$ -	\$ 7,898.22
Police Awarded	\$ 274.77	\$ -	\$ -	\$ -	\$ 274.77
Police Holding	\$ 2,446.33	\$ -	\$ -	\$ -	\$ 2,446.33
State Training Funds	\$ 4,171.44	\$ -	\$ -	\$ -	\$ 4,171.44
TOTAL CASH ACCOUNTS	\$ 3,404,421.26	\$ 3,805,492.16	\$ 2,322,202.57	\$ -	\$ 4,887,710.85

ACCOUNT	BALANCE AS OF 9/30/2019	DEPOSITS	WITHDRAWALS	INTEREST EARNED	ENDING BALANCE AS OF 12/31/2019
INVESTMENTS:					
TexSTAR	\$ 9,723,601.36	\$ -	\$ -	\$ 41,190.74	\$ 9,764,792.10
BOKF - CDARS	\$ 2,396,215.21	\$ -	\$ -	\$ 19,384.99	\$ 2,415,600.20
American National Bank CD	\$ 66,980.87	\$ -	\$ -	\$ 117.58	\$ 67,098.45
TOTAL INVESTMENT ACCOUNTS	\$ 12,186,797.44	\$ -	\$ -	\$ 60,693.31	\$ 12,247,490.75

TOTAL CASH & INVESTMENTS AS OF DECEMBER 31, 2019	\$ 17,135,201.60
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This report is in compliance with the investment policy and strategies as approved by the Public Funds Investment Act.

Grant Savage, Finance Manager

Ed Standridge, Chief Investment Officer

Lee Pettie, Mayor

**CITY OF PARKER
GENERAL FUND
INVESTMENT PORTFOLIO
FOR THE QUARTER ENDED DECEMBER 31, 2019**

ACCOUNT	BALANCE AS OF 9/30/2019	DEPOSITS	WITHDRAWALS	INTEREST EARNED	ENDING BALANCE AS OF 12/31/2019
INVESTMENTS:					
TexSTAR - Operating	\$ 1,395,374.82	-	-	5,911.03	\$ 1,401,285.85
TexSTAR - Escrow	\$ 26,219.61	-	-	111.04	\$ 26,330.65
BOKF - CDARS (6345)	\$ 1,037,057.88	-	-	7,607.95	\$ 1,044,665.83
BOKF - CDARS (7525)	\$ 1,025,756.26	-	-	11,777.04	\$ 1,037,533.30
BOKF - CDARS (9396)	\$ 333,401.07	-	-	-	\$ 333,401.07
ANB CD - Parker Volunteer FD (8698)	\$ 36,095.24	-	-	90.00	\$ 36,185.24
ANB CD - Parker Volunteer FD (2616)	\$ 30,885.63	-	-	27.58	\$ 30,913.21
TOTAL INVESTMENT ACCOUNTS	\$ 3,884,790.51	\$ -	\$ -	\$ 25,524.64	\$ 3,910,315.15

TOTAL GENERAL FUND INVESTMENT PORTFOLIO AS OF DECEMBER 31, 2019

\$ 3,910,315.15

**CITY OF PARKER
PROPRIETARY FUND
INVESTMENT PORTFOLIO
FOR THE QUARTER ENDED DECEMBER 31, 2019**

ACCOUNT	BALANCE AS OF 9/30/2019	DEPOSITS	WITHDRAWALS	INTEREST EARNED	ENDING BALANCE AS OF 12/31/2019
INVESTMENTS:					
TexSTAR - Operating	\$ 319,887.73	-	-	1,355.10	\$ 321,242.83
TexSTAR - Water Improvement	\$ 506,228.18	-	-	2,144.45	\$ 508,372.63
TOTAL INVESTMENT ACCOUNTS	\$ 826,115.91	\$ -	\$ -	\$ 3,499.55	\$ 829,615.46
 TOTAL GENERAL FUND INVESTMENT PORTFOLIO AS OF DECEMBER 31, 2019					 \$ 829,615.46

**CITY OF PARKER
BOND FUND
INVESTMENT PORTFOLIO
FOR THE QUARTER ENDED DECEMBER 31, 2019**

<u>ACCOUNT</u>	<u>BALANCE AS OF 9/30/2019</u>	<u>DEPOSITS</u>	<u>WITHDRAWALS</u>	<u>INTEREST EARNED</u>	<u>ENDING BALANCE AS OF 12/31/2019</u>
INVESTMENTS:					
TexSTAR - Bond Fund	<u>7,475,891.02</u>	<u>-</u>	<u>-</u>	<u>31,669.12</u>	<u>7,507,560.14</u>
TOTAL INVESTMENT ACCOUNTS	<u>\$ 7,475,891.02</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,669.12</u>	<u>\$ 7,507,560.14</u>
 TOTAL DEBT SERVICE FUND INVESTMENT PORTFOLIO AS OF DECEMBER 31, 2019					 <u><u>\$ 7,507,560.14</u></u>

City of Parker				
Investments by Instrument Type				
For the Period Ending:	12/31/2019			
Instrument Type	Current Balance	Current %	Max % Per Policy	In compliance (Y) (N)
Certificates of Deposits	67,098.45	0.55%	25.00%	YES
Local Government Investment Pools	9,764,792.10	79.73%	90.00%	YES
CDAR's Program	2,415,600.20	19.72%	100.00%	YES
Total Investments	12,247,490.75			
	Current Balance	Pledged Securities Value	%	% Required per policy
American National Bank - Cash Accts	4,887,710.85	5,231,676.05	107.04%	102.00%

City of Parker

Weighted Average Maturity

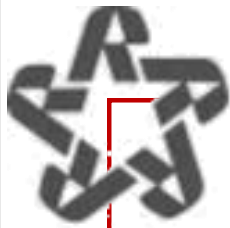
Report Date: 12/31/2019

Using the Current Date and Maturity Date: Weighted Average Maturity (WAM) =

The overall sum of each security's par amount multiplied by its number of days to maturity, divided by the total of all investments.

Security Description	Investment Amount	Current Date	Maturity Date	Mat. in Days (DTM)	WAM
TexStar	9,764,792.10	12/31/19	01/01/20	1	0.80
ANB - VFD CD	36,185.24	12/31/19	03/15/21	435	1.29
ANB - VFD CD	30,913.21	12/31/19	01/11/20	11	0.03
BOKF CDARS - 3 Yr Term	1,044,665.83	12/31/19	10/14/21	644	54.93
BOKF CDARS - 3 Yr Term	1,037,533.30	12/31/19	10/17/22	1,007	85.31
BOKF CDARS - 3 Yr Term	333,401.07	12/31/19	11/12/20	312	8.49
Total	12,247,490.75				150.84

WAM Calculations that are based on Floating Rate and Variable Rate securities use the reset date in the calculations.



REPUBLIC
SERVICES

We'll handle it from here.™

Quarterly Report

City of Parker



Oct 2019 - Dec 2019 4th Quarterly Report

Rick Bernas

REPUBLIC SERVICES OF PLANO



YTD tons 2019



PARKER	1st Qtr 2019	2nd Qtr 2019	3rd Qtr 2019	4th Qtr 2019
Solid Waste	440	455	488	505
Recycle	132	138	152	202
Bulk/Brush	157	201	286	278
TOTALS	729	794	926	985



Drive By's 2019



Homes : 1,332

Drive by's /all servcies

4th - qtr:

16,650-trash

16,650 - recycle

3966 - bulk

37,296- drive by's



2020 - 1st Quarter:
.Finalize costs on possible bulk
schedule change and process



TWO INDUSTRY INNOVATORS ARE NOW ONE ENVIRONMENTAL LEADER.





Council Agenda Item

Item 7
C'Sec Use Only

Budget Account Code:	Meeting Date: February 4, 2020
Budgeted Amount:	Department/ Requestor: Police Chief Brooks
Fund Balance-before expenditure:	Prepared by: City Secretary Scott Grey
Estimated Cost:	Date Prepared: January 20, 2020
Exhibits:	<ul style="list-style-type: none">• Racial Profiling Report 2019

AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION, ACCEPTING THE 2019 RACIAL PROFILING REPORT. [BROOKS]

SUMMARY

Please review the attached 2019 Racial Profiling Report. By reporting this information to City Council and TCOLE (Texas Commission on Law Enforcement) this will fulfill the totality of our obligation as required by the Texas Code of Criminal Procedure and State House Bill 3389. Should City Council have any questions, suggestions, or in need of any clarification, please contact Chief Richard Brooks or Captain Kenneth Price.

POSSIBLE ACTION

Council may direct staff to take appropriate action.

Inter – Office Use			
Approved by:			
Department Head/ Requestor:	<i>Richard D. Brooks</i>	Date:	01/30/2020 via email
City Attorney:		Date:	
City Administrator:	<i>Luke B. Olson</i>	Date:	01/31/2020

DEL CARMEN CONSULTING, LLC
LAW ENFORCEMENT SERVICES

2019

PARKER POLICE DEPARTMENT ANNUAL REPORT

SANDRA BLAND ACT

January 19, 2020

Parker City Council
5700 E. Parker Rd
Parker, Texas 75002

Dear Distinguished Members of the City Council,

In 2001, The Texas Legislature, with the intent of addressing the issue of racial profiling in policing, enacted the Texas Racial Profiling Law. In previous years, the Parker Police Department, in accordance with the law, has collected and reported traffic and motor vehicle-related contact data for the purpose of identifying and addressing (if necessary) areas of concern regarding racial profiling practices. In the 2009 Texas legislative session, the Racial Profiling Law was modified and additional requirements were implemented. Moreover, in 2017, the Sandra Bland Act was passed and signed into law (along with HB 3051 which introduced new racial and ethnic designations). The Sandra Bland Law requires that law enforcement agencies in the state collect additional data and provide a more detailed analysis. All of these requirements have been met by the Parker Police Department and are included in this report.



This particular report contains three sections with information on motor vehicle-related contact data. In addition, when appropriate, documentation is also a component of this report, aiming at demonstrating the manner in which the Parker Police Department has complied with the Texas Racial Profiling Law. In section 1, you will find the table of contents in addition to the Texas Senate Bill (SB1074); which later became the Texas Racial Profiling Law. Further, you will find the Texas HB 3389, which, in 2009, introduced new requirements relevant to racial profiling as well as the Sandra Bland Act. Also, in this section, a list of requirements relevant to the Racial Profiling Law as established by TCOLE (Texas Commission on Law Enforcement) is included. In addition, you will find, in sections 2 and 3 documentation which demonstrates compliance by the Parker Police Department relevant to the requirements as established in the Texas Racial Profiling Law. That is, you will find documents relevant to the implementation of an institutional policy banning racial profiling, the incorporation of a racial profiling complaint process and the training administered to all law enforcement personnel.

The last section of this report includes statistical data relevant to contacts, made during the course of motor vehicle stops and in accordance with the law, between 1/1/19 and 12/31/19. In addition, this section contains the TCOLE Tier 2 form, which is required to be submitted to this particular organization by March 1st of each year. The data in this report has been analyzed and compared to data derived from the U.S. Census Bureau's Fair Roads Standard. The final analysis and recommendations are also included in this report. The findings in this report serve as evidence of the Parker Police Department's commitment to comply with the Texas Racial Profiling Law.

Sincerely,

Alex del Carmen, Ph.D.

DEL CARMEN CONSULTING, LLC
LAW ENFORCEMENT SERVICES

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A close-up, low-angle shot of the rear of a white police vehicle. The word "POLICE" is printed in large, bold, black capital letters on the rear panel. Above the text, a row of blue emergency lights is visible, some of which are flashing. To the right, a red taillight is illuminated. The background is dark and out of focus, suggesting a nighttime setting.

Responding to the Law





Public Education on Filing Compliments and Complaints

Informing the Public on the Process of Filing a Compliment or Complaint with the Parker Police Department

The Texas Racial Profiling Law requires that police agencies provide information to the public regarding the manner in which to file a compliment or racial profiling complaint. In an effort to comply with this particular component, the Parker Police Department launched an educational campaign aimed at informing the public on issues relevant to the racial profiling complaint process.

The police department made available, in the lobby area and on its web site, information relevant to filing a compliment and complaint on a racial profiling violation by a Parker Police officer. In addition, each time an officer issues a citation, ticket or warning, information on how to file a compliment or complaint is given to the individual cited. This information is in the form of a web address (including in the document issued to the citizen), which has instructions and details specifics related to the compliment or complaint processes.

It is believed that through these efforts, the community has been properly informed of the new policies and the complaint processes relevant to racial profiling.



RACIAL PROFILING


Photo Caption

Training

All Parker Police officers have been instructed, as specified in the Texas Racial Profiling Law, to adhere to all Texas Commission on Law Enforcement (TCOLE) training and the Law Enforcement Management Institute of Texas (LEMIT) requirements. To date, all sworn officers of the Parker Police Department have completed the TCOLE basic training on racial profiling. The main outline used to train the officers of Parker has been included in this report.

It is important to recognize that the Chief of the Parker Police Department has also met the training requirements, as specified by the Texas Racial Profiling Law, in the completion of the LEMIT program on racial profiling. The satisfactory completion of the racial profiling training by the sworn personnel of the Parker Police Department fulfills the training requirement as specified in the Education Code (96.641) of the Texas Racial Profiling Law.





Racial Profiling

Course Number 3256

Texas Commission on Law Enforcement

September 2001

Racial Profiling 3256

Instructor's Note:

You may wish to teach this course in conjunction with Asset Forfeiture 3255 because of the related subject matter and applicability of the courses. If this course is taught in conjunction with Asset Forfeiture, you may report it under Combined Profiling and Forfeiture 3257 to reduce data entry.

Abstract

This instructor guide is designed to meet the educational requirement for racial profiling established by legislative mandate: 77R-SB1074.

Target Population: Licensed law enforcement personnel in Texas

Prerequisites: Experience as a law enforcement officer

Length of Course: A suggested instructional time of 4 hours

Material Requirements: Overhead projector, chalkboard and/or flip charts, video tape player, handouts, practical exercises, and demonstrations

Instructor Qualifications: Instructors should be very knowledgeable about traffic stop procedures and law enforcement issues

Evaluation Process and Procedures

An examination should be given. The instructor may decide upon the nature and content of the examination. It must, however, sufficiently demonstrate the mastery of the subject content by the student.

Reference Materials

Reference materials are located at the end of the course. An electronic copy of this instructor guide may be downloaded from our web site at <http://www.tcleose.state.tx.us>.

Racial Profiling 3256

1.0 RACIAL PROFILING AND THE LAW

1.1 UNIT GOAL: The student will be able to identify the legal aspects of racial profiling.

1.1.1 LEARNING OBJECTIVE: The student will be able to identify the legislative requirements placed upon peace officers and law enforcement agencies regarding racial profiling.

Racial Profiling Requirements:

Racial profiling CCP 3.05

Racial profiling prohibited CCP 2.131

Law enforcement policy on racial profiling CCP 2.132

Reports required for traffic and pedestrian stops CCP 2.133

Liability CCP 2.136

Racial profiling education for police chiefs Education Code 96.641

Training program Occupations Code 1701.253

Training required for intermediate certificate Occupations Code 1701.402

Definition of "race or ethnicity" for form Transportation Code 543.202

A. Written departmental policies

1. Definition of what constitutes racial profiling
2. Prohibition of racial profiling
3. Complaint process
4. Public education
5. Corrective action
6. Collection of traffic-stop statistics
7. Annual reports

B. Not prima facie evidence

C. Feasibility of use of video equipment

D. Data does not identify officer

E. Copy of complaint-related video evidence to officer in question

F. Vehicle stop report

1. Physical description of detainees: gender, race or ethnicity
2. Alleged violation
3. Consent to search
4. Contraband
5. Facts supporting probable cause
6. Arrest
7. Warning or citation issued

G. Compilation and analysis of data

H. Exemption from reporting – audio/video equipment


I. Officer non-liability

J. Funding

K. Required training in racial profiling

1. Police chiefs
2. All holders of intermediate certificates and/or two-year-old licenses as of 09/01/2001 (training to be completed no later than 09/01/2003) – see legislation 77R-SB1074





Racial Profiling

Course Number 3256

Texas Commission on Law Enforcement

September 2001

1.1.2 LEARNING OBJECTIVE: The student will become familiar with Supreme Court decisions and other court decisions involving appropriate actions in traffic stops.

A. Whren v. United States, 517 U.S. 806, 116 S.Ct. 1769 (1996)

1. Motor vehicle search exemption
2. Traffic violation acceptable as pretext for further investigation
3. Selective enforcement can be challenged

B. Terry v. Ohio, 392 U.S. 1, 88 S.Ct. 1868 (1968)

1. Stop & Frisk doctrine
2. Stopping and briefly detaining a person
3. Frisk and pat down

C. Other cases

1. Pennsylvania v. Mimms, 434 U.S. 106, 98 S.Ct. 330 (1977)
2. Maryland v. Wilson, 117 S.Ct. 882 (1997)
3. Graham v. State, 119 MdApp 444, 705 A.2d 82 (1998)
4. Pryor v. State, 122 Md.App. 671 (1997) cert. denied 352 Md. 312, 721 A.2d 990 (1998)
5. Ferris v. State, 355 Md. 356, 735 A.2d 491 (1999)
6. New York v. Belton, 453 U.S. 454 (1981)

2.0 RACIAL PROFILING AND THE COMMUNITY

2.1 UNIT GOAL: The student will be able to identify logical and social arguments against racial profiling.

2.1.1 LEARNING OBJECTIVE: The student will be able to identify logical and social arguments against racial profiling.

A. There are appropriate reasons for unusual traffic stops (suspicious behavior, the officer's intuition, MOs, etc.), but police work must stop short of cultural stereotyping and racism.


B. Racial profiling would result in criminal arrests, but only because it would target all members of a race randomly – the minor benefits would be far outweighed by the distrust and anger towards law enforcement by minorities and the public as a whole .

C. Racial profiling is self-fulfilling bad logic: if you believed that minorities committed more crimes, then you might look for more minority criminals, and find them in disproportionate numbers.

D. Inappropriate traffic stops generate suspicion and antagonism towards officers and make future stops more volatile – a racially-based stop today can throw suspicion on tomorrow's legitimate stop.

E. By focusing on race, you would not only be harassing innocent citizens, but overlooking criminals of all races and backgrounds – it is a waste of law enforcement resources.





Racial Profiling

Course Number 3256

Texas Commission on Law Enforcement
September 2001

3.0 RACIAL PROFILING VERSUS REASONABLE SUSPICION

3.1 UNIT GOAL: The student will be able to identify the elements of both inappropriate and appropriate traffic stops.

3.1.1 LEARNING OBJECTIVE: The student will be able to identify elements of a racially motivated traffic stop.

A. Most race-based complaints come from vehicle stops, often since race is used as an inappropriate substitute for drug courier profile elements

B. "DWB" – "Driving While Black" – a nickname for the public perception that a Black person may be stopped solely because of their race (especially with the suspicion that they are a drug courier), often extended to other minority groups or activities as well ("Driving While Brown," "Flying While Black," etc.)

C. A typical traffic stop resulting from racial profiling

1. The vehicle is stopped on the basis of a minor or contrived traffic violation which is used as a pretext for closer inspection of the vehicle, driver, and passengers
2. The driver and passengers are questioned about things that do not relate to the traffic violation
3. The driver and passengers are ordered out of the vehicle
4. The officers visually check all observable parts of the vehicle
5. The officers proceed on the assumption that drug courier work is involved by detaining the driver and passengers by the roadside
6. The driver is asked to consent to a vehicle search – if the driver refuses, the officers use other procedures (waiting on a canine unit, criminal record checks, license-plate checks, etc.), and intimidate the driver (with the threat of detaining him/her, obtaining a warrant, etc.)

3.1.2 LEARNING OBJECTIVE: The student will be able to identify elements of a traffic stop which would constitute reasonable suspicion of drug courier activity.

A. Drug courier profile (adapted from a profile developed by the DEA)

1. Driver is nervous or anxious beyond the ordinary anxiety and cultural communication styles
2. Signs of long-term driving (driver is unshaven, has empty food containers, etc.)
3. Vehicle is rented
4. Driver is a young male, 20-35
5. No visible luggage, even though driver is traveling
6. Driver was over-reckless or over-cautious in driving and responding to signals
7. Use of air fresheners

B. Drug courier activity indicators by themselves are usually not sufficient to justify a stop

3.1.3 LEARNING OBJECTIVE: The student will be able to identify elements of a traffic stop which could constitute reasonable suspicion of criminal activity.

A. Thinking about the totality of circumstances in a vehicle stop

B. Vehicle exterior

1. Non-standard repainting (esp. on a new vehicle)
2. Signs of hidden cargo (heavy weight in trunk, windows do not roll down, etc.)
3. Unusual license plate suggesting a switch (dirty plate, bugs on back plate, etc.)
4. Unusual circumstances (pulling a camper at night, kids' bikes with no kids, etc.)

C. Pre-stop indicators

1. Not consistent with traffic flow
2. Driver is overly cautious, or driver/passengers repeatedly look at police car
3. Driver begins using a car- or cell-phone when signaled to stop
4. Unusual pull-over behavior (ignores signals, hesitates, pulls onto new street, moves objects in car, etc.)

D. Vehicle interior

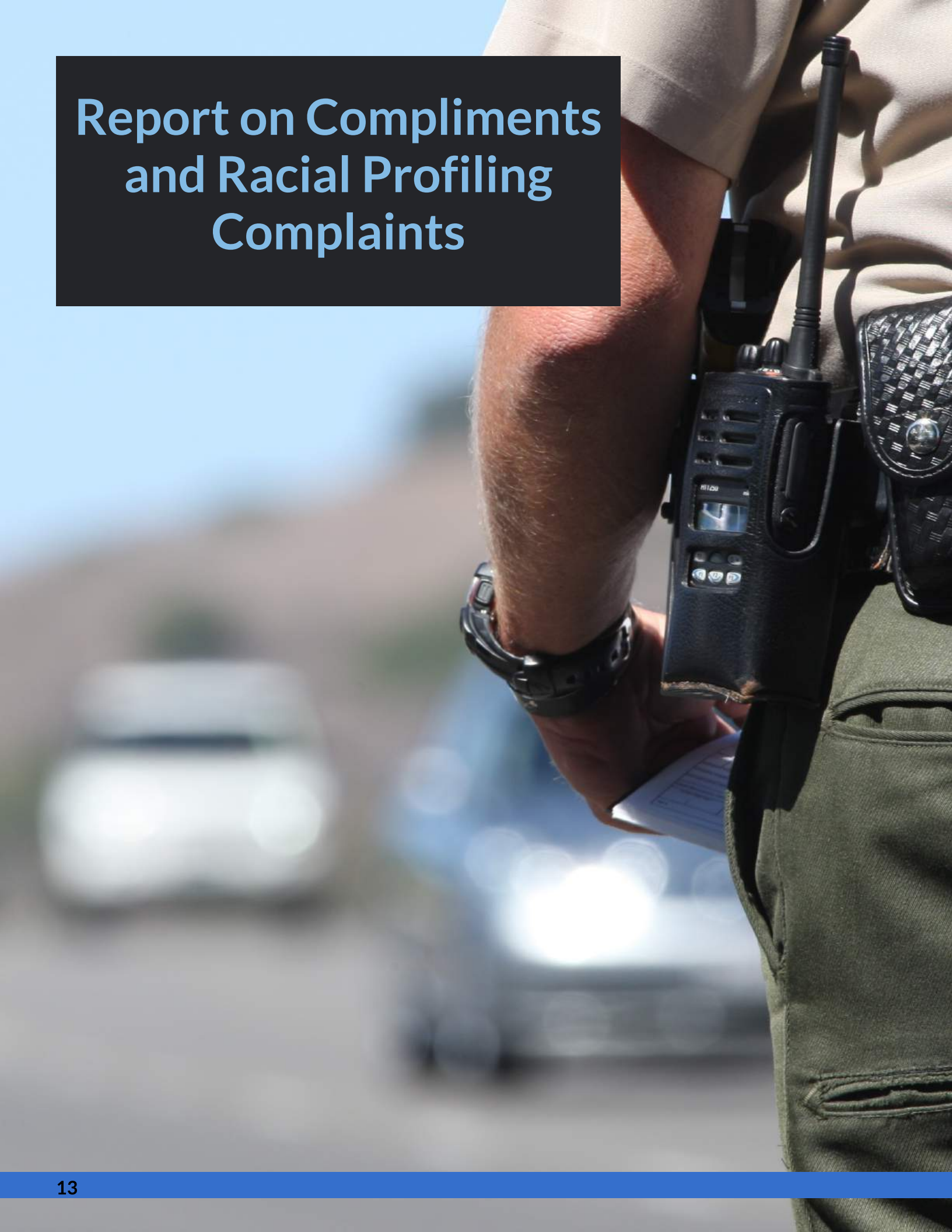
1. Rear seat or interior panels have been opened, there are tools or spare tire, etc.
2. Inconsistent items (anti-theft club with a rental, unexpected luggage, etc.)

Resources

Proactive Field Stops Training Unit – Instructor's Guide, Maryland Police and Correctional Training Commissions, 2001. (See Appendix A.)

Web address for legislation 77R-SB1074: <http://tlo2.tlc.state.tx.us/tlo/77r/billtext/SB01074F.htm>

Report on Compliments and Racial Profiling Complaints



Report on Complaints

The following table contains data regarding officers that have been the subject of a complaint, during the time period of 1/1/19---12/31/19, based on allegations outlining possible violations related to the Texas Racial Profiling Law. The final disposition of the case is also included.



A check above indicates that the Parker Police Department has not received any complaints, on any members of its police force, for having violated the Texas Racial Profiling Law during the time period of 1/1/19 - 12/31/19.

Complaints Filed for Possible Violations of The Texas Racial Profiling Law

Complaint No.	Alleged Violation	Disposition of the Case

Additional Comments:

No Complaints

Tables Illustrating Motor Vehicle-Related Contacts



Tier 2 Data





Total stops: 2,051

1. Gender

1.1 Female: 810

1.2 Male: 1,241

2. Race or ethnicity

2.1 Black: 286

2.2 Asian/Pacific Islander: 331

2.3 White: 1,163

2.4 Hispanic/Latino: 263

2.5 Alaska Native/American Indian: 8

3. Was race or ethnicity known prior to stop?

3.1 Yes: 31

3.2 No: 2,020

4. Reason for stop?

4.1 Violation of law: 9

4.2 Pre-existing knowledge: 16

4.3 Moving traffic violation: 1,681

4.4 Vehicle traffic violation: 345



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5. Street address or approximate location of the stop

- 5.1 City street: **2,051**
- 5.2 US highway: **0**
- 5.3 County road: **0**
- 5.4 State Highway: **0**
- 5.5 Private Property: **0**

6. Was a search conducted?

- 6.1 Yes: **15**
- 6.2 No: **2,036**

7. Reason for Search?

- 7.1 Consent: **6**
- 7.2 Contraband in plain view: **0**
- 7.3 Probable cause: **8**
- 7.4 Inventory: **1**
- 7.5 Incident to arrest: **0**

8. Was Contraband discovered?

- 8.1 Yes: **10**
- 8.2 No: **5**

9. Description of contraband

- 9.1 Drugs: **10**
- 9.2 Currency: **0**
- 9.3 Weapons: **0**
- 9.4 Alcohol: **0**
- 9.5 Stolen property: **0**
- 9.6 Other: **0**

10. Result of the stop

- 10.1 Verbal warning: **110**
- 10.2 Written warning: **653**
- 10.3 Citation: **1,285**
- 10.4 Written Warning and Arrest: **0**
- 10.5 Citation and Arrest: **3**
- 10.6 Arrest: **0**

11. Arrest based on

- 11.1 Violation of Penal Code: **3**
- 11.2 Violation of Traffic Law: **0**
- 11.3 Violation of City Ordinance: **0**
- 11.4 Outstanding Warrant: **0**

12. Was physical force resulting in bodily injury used during stop?

- 12.1 Yes: **0**
- 12.2 No: **2,051**



Table 1. (Motor Vehicle Contacts Including Tickets, Citations and Warnings). (1/1/19-12/31/19).

Race/Ethnicity	All Motor Vehicle Contacts		Tickets or Citations*		Verbal Warnings		Written Warnings	
	N	%	N	%	N	%	N	%
White	1,163	57	696	54	64	58	403	62
Black	286	14	167	13	20	18	99	15
Hispanic or Latino	263	13	209	16	14	13	40	6
Asian or Pacific Islander	331	16	210	16	12	11	109	17
Alaska Native or American	8	.4	6	.5	0	0	2	.3
Middle Eastern **	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
TOTAL	2,051	100	1,288	100	110	100	653	100

*Includes stops for alleged violation of a law or ordinance, tickets/citations, and verbal and written warnings

"N" represents "number" of all motor vehicle-related contacts

**Race/Ethnicity is defined by HB 3051.

**Not Required Racial/Ethnic Components



Table 2. Motor Vehicle Contacts and Fair Roads Standard Comparison

Comparison of motor vehicle-related contacts with households that have vehicle access (in percentages). (1-1-2019 to 12-31-2019).

Race/Ethnicity*	Contacts (in percentages)	Households With Vehicle Access (in percentages)
White	57	60
Black	14	14
Hispanic or Latino	13	19
Asian or Pacific Islander	16	5
Alaska Native or American Indian	.4	0
Middle Eastern	0	0
Other**	0	0
TOTAL	100	98

"N" represents "number" of all motor vehicle contacts

** Race/Ethnicity is defined by HB 3051

** Not Required Racial/Ethnic Components

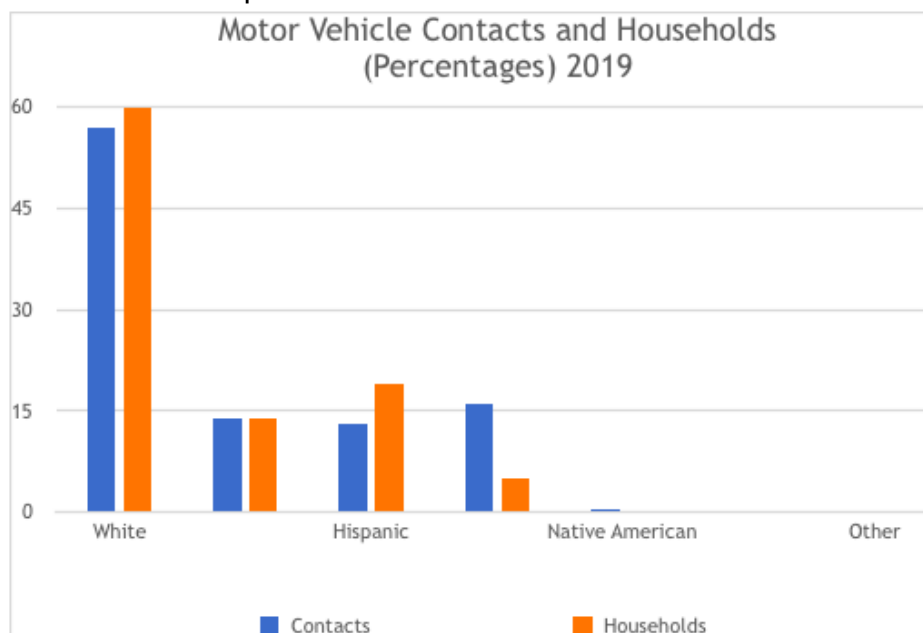


Table 3. Motor Vehicle Searches and Arrests

(1-1-2019 to 12-31-2019),

Race/Ethnicity	Searches		Consensual Searches		Custody Arrests	
	N	%	N	%	N	%
White	7	47	3	50	0	0
Black	5	33	2	33	0	0
Hispanic or Latino	3	20	1	17	0	0
Asian or Pacific Islander	0	0	0	0	0	0
Alaska Native or American	0	0	0	0	0	0
Middle Eastern **	0	0	0	0	0	0
Other**	0	0	0	0	0	0
TOTAL	15	100	6	100	0	0

"N" represents "number" of all motor vehicle contacts

** Race/Ethnicity is defined by HB 3051

** Not Required Racial/Ethnic Components

Table 4. Total Number of Instances where Officers Knew/Did not Know Race/Ethnicity of Individuals Before Being Detained (1-1-2019 to 12-31-2019)

Total Number of Instances Officers <u>KNEW</u> Race and Ethnicity of Individuals Before Being Detained	Total Number of Instances Officers <u>DID NOT KNOW</u> Race and Ethnicity of Individuals Before Being Detained
31	2,020

Table 5. Instances where Peace Officers Used Physical Force that Resulted in Bodily Injury
(1-1-2019 to 12-31-2019).

Instances Where Peace Officers Used Physical Force that Resulted in Bodily Injury	Location of Stop	Reason for Stop
NONE	NONE	NONE



Table 6. Search Data. (1-1-2019 to 12-31-2019).

Race/Ethnicity	Searches		Contraband/ Evidence Found		Contraband/ Evidence Not Found		Arrests	
	N	%	N	%	N	%	N	%
White	7	47	5	50	2	40	0	0
Black	5	33	4	40	1	20	0	0
Hispanic or Latino	3	20	1	10	2	40	0	0
Asian or Pacific Islander	0	0	0	0	0	0	0	0
Alaska Native or American	0	0	0	0	0	0	0	0
Middle Eastern **	0	0	0	0	0	0	0	0
Other**	0	0	0	0	0	0	0	0
TOTAL	15	100	10	100	5	100	0	0

"N" represents "number" of all motor vehicle contacts

** Race/Ethnicity is defined by HB 3051

** Not Required Racial/Ethnic Components



Table 7. Report on Audits.


The following table contains data regarding the number and outcome of required data audits during the period of 1-1-2019 to 12-31-2019.

Data Audits on Racial Profiling Data (1-1-2019 to 12-31-2019).

Number of Data Audits Completed	Date of Completion	Outcome of Audit
1	1/3/2019	Data reviewed is valid and reliable.
1	5/2/2019	Data reviewed is valid and reliable.
1	8/19/2019	Data reviewed is valid and reliable.
1	12/23/2019	Data reviewed is valid and reliable.

Additional Comments:





Analysis and Interpretation of Data

In an effort to understand the analysis provided in this report, it is crucial that the evolution of the Texas Racial Profiling Law and its requirements, is discussed. That is, in 2001, the Texas legislature passed Senate Bill 1074 which became the Texas Racial Profiling Law. Thus, the law came into effect on January 1, 2002 and required all police departments in Texas, to collect traffic-related data and report this information to their local governing authority by March 1st of each year. In 2009, the racial profiling law was modified to include the collection and reporting of all motor vehicle related contacts where a citation was issued or arrest made. In addition, the modification to the law further requires that all police officers indicate whether or not they knew the race or ethnicity of the individual before detaining them. Further, it was required that agencies report motor vehicle related data to their local governing authority and to the Texas Commission on Law Enforcement (TCOLE) by March 1st of each year. The purpose in collecting and presenting this information is to determine if police officers in a particular municipality are engaging in the practice of racially profiling minority motorists.

The Texas Racial Profiling Law also requires police departments to interpret motor vehicle-related data. Even though most researchers would probably agree with the fact that it is within the confines of good practice for police departments to be accountable to the citizenry while carrying a transparent image before the community, it is very difficult to determine if individual police officers are engaging in racial profiling, from a review and analysis of aggregate/institutional data. In other words, it is challenging for a reputable researcher to identify specific “individual” racist behavior from aggregate-level “institutional” data on traffic or motor vehicle-related contacts.

As mentioned previously, in 2009, the Texas Legislature passed House Bill 3389, which modified the Racial Profiling Law by adding new requirements; this took effect on January 1st, 2010. These changes included, but are were not limited to, the re-definition of a contact to include motor vehicles where a citation was issued or an arrest made. In addition, it required police officers to indicate if they knew the race or ethnicity of the individual before detaining them. Also, the 2009 law required adding "middle eastern" to the racial and ethnic category and submitting the annual data report to TCOLE before March 1st of each year.

In 2017, the Texas Legislators passed H.B. 3051 which removed the Middle Eastern data requirement but standardized the racial and ethnic categories relevant to the individuals that came in contact with the police. In addition, the Sandra Bland Act (S.B. 1849) was passed and became law. Thus, the most significant legislative act in Texas history regarding data requirements on law enforcement contacts, became law and took effect on January 1, 2018. The Sandra Bland Act not only requires the extensive collection of data relevant to police motor vehicle contacts, but it also mandates for the data to be analyzed while addressing the following:

1. A comparative analysis of the information compiled (under Article 2.133):

- a. Evaluate and compare the number of motor vehicle stops, within the applicable jurisdiction, of persons who are recognized as racial or ethnic minorities and persons who are not recognized as racial or ethnic minorities;*
- b. Examine the disposition of motor vehicle stops made by officers employed by the agency, categorized according to the race or ethnicity of the affected persons, as appropriate, including any searches resulting from stops within the applicable jurisdiction;*
- c. Evaluate and compare the number of searches resulting from motor vehicle stops within the applicable jurisdiction and whether contraband or other evidence was discovered in the course of those searches.*

2. Information related to each complaint filed with the agency alleging that a peace officer employed by the agency has engaged in racial profiling.

In an effort to comply with The Texas Racial Profiling/Sandra Bland Law, the Parker Police Department commissioned the analysis of its 2019 contact data. Thus, two different types of data analyses were performed. The first of these involved a careful evaluation of the 2019 motor vehicle-related data. This particular analysis measured, as required by the law, the number and percentage of Whites, Blacks, Hispanics or Latinos, Asians and Pacific Islanders, Alaska Natives and American Indians (Middle Easterners and individuals belonging to the “other” category, as optional categories), that came in contact with the police in the course of a motor vehicle related contact, and were either issued a ticket, citation, warning were issued or an arrest was made. Also, included in this data were instances where a motor vehicle contact took place for an alleged violation of the law or ordinance. The Tier 2 data analysis included, but was not limited to, information relevant to the number and percentage of contacts by race/ethnicity, gender, reason for the stop, location of stop, searches while indicating the type of search performed, result of stop, basis of an arrest and use of physical force resulting in bodily injury.

The additional data analysis performed was based on a comparison of the 2019 motor vehicle contact data with a specific baseline. When reviewing this particular analysis, it should be noted that there is disagreement, in the literature, regarding the appropriate baseline to be used when analyzing motor vehicle-related contact information. Of the baseline measures available, the Parker Police Department opted to adopt, as a baseline measure, the Fair Roads Standard. This particular baseline is based on data obtained through the U.S. Census Bureau (2010) relevant to the number of households that have access to vehicles while controlling for the race and ethnicity of the heads of households.

It is clear that census data presents challenges to any effort made at establishing a fair and accurate racial profiling analysis. That is, census data contains information on all residents of a particular community, regardless of the fact they may or may not be among the driving population. Further, census data, when used as a baseline of comparison, presents the challenge that it captures information related to city residents only. Thus, excluding individuals who may have come in contact with the Parker Police Department in 2019 but live outside city limits. In some cases, the percentage of the population that comes in contact with the police but lives outside city limits represents a substantial volume of all motor vehicle-related contacts made in a given year.

Since 2002, several civil rights groups in Texas expressed their desire and made recommendations to the effect that all police departments should rely, in their data analysis, on the Fair Roads Standard. This source contains census data specific to the number of “households” that have access to vehicles. Thus, proposing to compare “households” (which may have multiple residents and only a few vehicles) with “contacts” (an individual-based count). This, in essence, constitutes a comparison that may result in ecological fallacy. Despite this, the Parker Police Department accepted the recommendation to utilize this form of comparison (i.e., census data relevant to households with vehicles) in an attempt to demonstrate its “good will” and “transparency” before the community. Thus, the Fair Roads Standard data obtained and used in this study is specifically relevant to the Dallas Fort-Worth (DFW) Metroplex.

Tier 2 (2019) Motor Vehicle-Related Contact Analysis

When analyzing the enhanced Tier 2 data collected in 2019, it was evident that most motor vehicle-related contacts were made with males and most of the contacts were made with White drivers. This was followed by Black and Hispanic drivers. In most instances, police officers report not knowing the race or ethnicity prior to the stop. Further, they cite as the primary reason for the stop to have been a “moving traffic violation”. This was followed by “vehicle traffic violation”.

In 2019, all of the contacts made took place in city streets. The Parker Police Department cites that most contacts did not result in a search. Of those searches made, most were based on consent. The second most significant reason for a search was “inventory”. In addition, contraband was found as a result of most searches. Of the contraband found, in most instances, drugs were cited as the most frequent contraband found.

The data also shows that the majority of stops resulted in a citation. This was followed by “written warnings”. When an arrest was made, the most frequent reason provided was a violation of the penal code. Also, none of the contacts resulted in the use of physical force which caused bodily injury.

Comparative Analysis

The data analysis of motor vehicle contacts to the census data relevant to the number of “households” in DFW who indicated, in the 2010 census, that they had access to vehicles, produced interesting findings. Specifically, the percentage of Whites, Blacks and Hispanics that came in contact with the police was the same or lower than the percentage of White, Black and Hispanic households in DFW that claimed, in the 2010 census, to have access to vehicles. The opposite was true of Asians. That is, a higher percentage of Asians came in contact with the police than the percentage of Asian households in DFW that claimed, in the 2010 census, to have access to vehicles.

The analysis of the searches performed shows that most searches produced contraband. This is above national law enforcement trends. In addition, of those searches that produced contraband, the majority of them involved White contacts. This was followed by Blacks.

Summary of Findings

The most recent Texas Racial Profiling Law requires that police department perform data audits in order to validate the data being reported. Consistent with this requirement, the Parker Police Department has engaged del Carmen Consulting, LLC in order to perform these audits in a manner consistent with normative statistical practices. As shown in table 7, the audits performed have shown that the data is valid and reliable. Further, as required by law, this report also includes an analysis on the searches performed. This analysis includes information on whether contraband was found as a result of the search while controlling for race/ethnicity. The search analysis demonstrates that the police department is engaging in search practices consistent with national trends in law enforcement.

While considering the findings made in this analysis, it is recommended that the Parker Police Department should continue to collect and evaluate additional information on motor vehicle contact data (i.e., reason for probable cause searches, contraband detected) which may prove to be useful when determining the nature of the contacts police officers are making with all individuals.

As part of this effort, the Parker Police Department should continue to:

- 1) Perform an independent analysis on contact and search data in future years.
- 2) Commission data audits in 2020 in order to assess data integrity; that is, to ensure that the data collected is consistent with the data being reported.

The comprehensive analysis of the data included in this report demonstrates that the Parker Police Department has complied with the Texas Racial Profiling Law and all of its requirements. Further, the report demonstrates that the police department has incorporated a comprehensive racial profiling policy, currently offers information to the public on how to file a compliment or complaint, commissions quarterly data audits in order to ensure validity and reliability, collects and commissions the analysis of tier 2 data, and ensures that the practice of racial profiling is not tolerated.





Checklist

The following requirements were met by the Parker Police Department in accordance with The Texas Racial Profiling Law:

- ✓ Implement a Racial Profiling Policy citing act or actions that constitute racial profiling.
- ✓ Include in the racial profiling policy, a statement indicating prohibition of any peace officer employed by the Parker Police Department from engaging in racial profiling.
- ✓ Implement a process by which an individual may file a complaint regarding racial profiling violations.
- ✓ Provide public education related to the compliment and complaint process.
- ✓ Implement disciplinary guidelines for officers found in violation of the Texas Racial Profiling Law.
- ✓ Collect, report and analyze motor vehicle data (Tier 2).
- ✓ Commission Data Audits and a Search Analysis.
- ✓ Indicate total number of officers who knew and did not know, the race/ethnicity of individuals before being detained.
- ✓ Produce an annual report on police contacts (Tier 2) and present this to the local governing body and TCOLE by March 1, 2020.
- ✓ Adopt a policy, if video/audio equipment is installed, on standards for reviewing video and audio documentation.

LEGISLATIVE & ADMINISTRATIVE ADDENDUM





TCOLE GUIDELINES

Guidelines for Compiling and Reporting Data under Senate Bill 1074

Background

Senate Bill 1074 of the 77th Legislature established requirements in the Texas Code of Criminal Procedure (TCCP) for law enforcement agencies. The Commission developed this document to assist agencies in complying with the statutory requirements.

The guidelines are written in the form of standards using a style developed from accreditation organizations including the Commission on Accreditation for Law Enforcement Agencies (CALEA). The standards provide a description of **what** must be accomplished by an agency but allows wide latitude in determining **how** the agency will achieve compliance with each applicable standard.

Each standard is composed of two parts: the standard statement and the commentary. The *standard statement* is a declarative sentence that places a clear-cut requirement, or multiple requirements, on an agency. The commentary supports the standard statement but is not binding. The commentary can serve as a prompt, as guidance to clarify the intent of the standard, or as an example of one possible way to comply with the standard.

Standard 1

Each law enforcement agency has a detailed written directive that:

- clearly defines acts that constitute racial profiling;
- strictly prohibits peace officers employed by the agency from engaging in racial profiling;
- implements a process by which an individual may file a complaint with the agency if the individual believes a peace officer employed by the agency has engaged in racial profiling with respect to the individual filing the complaint;
- provides for public education relating to the complaint process;
- requires appropriate corrective action to be taken against a peace officer employed by the agency who, after investigation, is shown to have engaged in racial profiling in violation of the agency's written racial profiling policy; and
- requires the collection of certain types of data for subsequent reporting.

Commentary

Article 2.131 of the TCCP prohibits officers from engaging in racial profiling, and article 2.132 of the TCCP now requires a written policy that contains the elements listed in this standard. The article also specifically defines a law enforcement agency as it applies to this statute as an “agency of the state, or of a county, municipality, or other political subdivision of the state, that employs peace officers who make traffic stops in the routine performance of the officers’ official duties.”

The article further defines race or ethnicity as being of “a particular descent, including Caucasian, African, Hispanic, Asian, or Native American.” The statute does not limit the required policies to just these ethnic groups.

This written policy is to be adopted and implemented no later than January 1, 2002.

Standard 2

Each peace officer who stops a motor vehicle for an alleged violation of a law or ordinance regulating traffic, or who stops a pedestrian for any suspected offense reports to the employing law enforcement agency information relating to the stop, to include:

- a physical description of each person detained, including gender and the person’s race or ethnicity, as stated by the person, or, if the person does not state a race or ethnicity, as determined by the officer’s best judgment;
- the traffic law or ordinance alleged to have been violated or the suspected offense;
- whether the officer conducted a search as a result of the stop and, if so, whether the person stopped consented to the search;
- whether any contraband was discovered in the course of the search, and the type of contraband discovered;
- whether probable cause to search existed, and the facts supporting the existence of that probable cause;
- whether the officer made an arrest as a result of the stop or the search, including a statement of the offense charged;
- the street address or approximate location of the stop; and
- whether the officer issued a warning or citation as a result of the stop, including a description of the warning or a statement of the violation charged.

Commentary

The information required by 2.133 TCCP is used to complete the agency reporting requirements found in Article 2.134. A peace officer and an agency may be exempted from this requirement under Article 2.135 TCCP Exemption for Agencies Using Video and Audio Equipment. An agency may be exempt from this reporting requirement by applying for the funds from the Department of Public Safety for video and audio equipment and the State does not supply those funds. Section 2.135 (a)(2) states, “the governing body of the county or municipality served by the law enforcement agency, in conjunction with the law enforcement agency, certifies to the Department of Public Safety, not later than the date specified by rule by the department, that the law enforcement agency needs funds or video and audio equipment for the purpose of installing video and audio equipment as described by Subsection (a) (1) (A) and the agency does not receive from the state funds for video and audio equipment sufficient, as determined by the department, for the agency to accomplish that purpose.”

Standard 3

The agency compiles the information collected under 2.132 and 2.133 and analyzes the information identified in 2.133.

Commentary

Senate Bill 1074 from the 77th Session of the Texas Legislature created requirements for law enforcement agencies to gather specific information and to report it to each county or municipality served. New sections of law were added to the Code of Criminal Procedure regarding the reporting of traffic and pedestrian stops. Detained is defined as when a person stopped is not free to leave.

Article 2.134 TCCP requires the agency to compile and provide an analysis of the information collected by peace officer employed by the agency. The report is provided to the governing body of the municipality or county no later than March 1 of each year and covers the previous calendar year.

There is data collection and reporting required based on Article 2.132 CCP (tier one) and Article 2.133 CCP (tier two).

The minimum requirements for “tier one” data for traffic stops in which a citation results are:

- 1) the race or ethnicity of individual detained (race and ethnicity as defined by the bill means of “a particular descent, including Caucasian, African, Hispanic, Asian, or Native American”);
- 2) whether a search was conducted, and if there was a search, whether it was a consent search or a probable cause search; and
- 3) whether there was a custody arrest.

The minimum requirements for reporting on “tier two” reports include traffic and pedestrian stops. Tier two data include:

- 1) the detained person’s gender and race or ethnicity;
- 2) the type of law violation suspected, e.g., hazardous traffic, non-hazardous traffic, or other criminal investigation (the Texas Department of Public Safety publishes a categorization of traffic offenses into hazardous or non-hazardous);
- 3) whether a search was conducted, and if so whether it was based on consent or probable cause;
- 4) facts supporting probable cause;
- 5) the type, if any, of contraband that was collected;
- 6) disposition of the stop, e.g., arrest, ticket, warning, or release;
- 7) location of stop; and
- 8) statement of the charge, e.g., felony, misdemeanor, or traffic.

Tier one reports are made to the governing body of each county or municipality served by the agency an annual report of information if the agency is an agency of a county, municipality, or other political subdivision of the state. Tier one and two reports are reported to the county or municipality not later than March 1 for the previous calendar year beginning March 1, 2003. Tier two reports include a comparative analysis between the race and ethnicity of persons detained to see if a differential pattern of treatment can be discerned based on the disposition of stops

including searches resulting from the stops. The reports also include information relating to each complaint filed with the agency alleging that a peace officer employed by the agency has engaged in racial profiling. An agency may be exempt from the tier two reporting requirement by applying for the funds from the Department of Public Safety for video and audio equipment and the State does not supply those funds [See 2.135 (a)(2) TCCP].

Reports should include both raw numbers and percentages for each group. Caution should be exercised in interpreting the data involving percentages because of statistical distortions caused by very small numbers in any particular category, for example, if only one American Indian is stopped and searched, that stop would not provide an accurate comparison with 200 stops among Caucasians with 100 searches. In the first case, a 100% search rate would be skewed data when compared to a 50% rate for Caucasians.

Standard 4

If a law enforcement agency has video and audio capabilities in motor vehicles regularly used for traffic stops, or audio capabilities on motorcycles regularly used to make traffic stops, the agency:

- adopts standards for reviewing and retaining audio and video documentation; and
- promptly provides a copy of the recording to a peace officer who is the subject of a complaint on written request by the officer.

Commentary

The agency should have a specific review and retention policy. Article 2.132 TCCP specifically requires that the peace officer be promptly provided with a copy of the audio or video recordings if the officer is the subject of a complaint and the officer makes a written request.

Standard 5

Agencies that do not currently have video or audio equipment must examine the feasibility of installing such equipment.

Commentary

None

Standard 6

Agencies that have video and audio recording capabilities are exempt from the reporting requirements of Article 2.134 TCCP and officers are exempt from the reporting requirements of Article 2.133 TCCP provided that:

- the equipment was in place and used during the proceeding calendar year; and
- video and audio documentation is retained for at least 90 days.

Commentary

The audio and video equipment and policy must have been in place during the previous calendar year. Audio and video documentation must be kept for at least 90 days or longer if a complaint has been filed. The documentation must be retained until the complaint is resolved. Peace officers are not exempt from the requirements under Article 2.132 TCCP.

Standard 7

Agencies have citation forms or other electronic media that comply with Section 543.202 of the Transportation Code.

Commentary

Senate Bill 1074 changed Section 543.202 of the Transportation Code requiring citations to include:

- race or ethnicity, and
- whether a search of the vehicle was conducted and whether consent for the search was obtained.

The Texas Law on Racial Profiling

S.B. No. 1074 - An Act relating to the prevention of racial profiling by certain peace officers.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 2, Code of Criminal Procedure, is amended by adding Articles 2.131 through 2.138 to read as follows:

Art. 2.131. RACIAL PROFILING PROHIBITED. A peace officer may not engage in racial profiling.

Art. 2.132. LAW ENFORCEMENT POLICY ON RACIAL PROFILING. (a) In this article:

(1) "Law enforcement agency" means an agency of the state, or of a county, municipality, or other political subdivision of the state, that employs peace officers who make traffic stops in the routine performance of the officers' official duties.

(2) "Race or ethnicity" means of a particular descent, including Caucasian, African, Hispanic, Asian, or Native American descent.

(b) Each law enforcement agency in this state shall adopt a detailed written policy on racial profiling. The policy must:

(1) clearly define acts constituting racial profiling;

(2) strictly prohibit peace officers employed by the agency from engaging in racial profiling;

(3) implement a process by which an individual may file a complaint with the agency if the individual believes that a peace officer employed by the agency has engaged in racial profiling with respect to the individual;

(4) provide public education relating to the agency's complaint process;

(5) require appropriate corrective action to be taken against a peace officer employed by the agency who, after an investigation, is shown to have engaged in racial profiling in violation of the agency's policy adopted under this article;

(6) require collection of information relating to traffic stops in which a citation is issued and to arrests resulting from those traffic stops, including information relating to:

(A) the race or ethnicity of the individual detained; and

(B) whether a search was conducted and, if so, whether the person detained consented to the search; and

(7) require the agency to submit to the governing body of each county or municipality served by the agency an annual report of the information collected under Subdivision (6) if the agency is an agency of a county, municipality, or other political subdivision of the state.

(c) The data collected as a result of the reporting requirements of this article shall not constitute prima facie evidence of racial profiling.

(d) On adoption of a policy under Subsection (b), a law enforcement agency shall examine the feasibility of installing video camera and transmitter-activated equipment in each agency law enforcement motor vehicle regularly used to make traffic stops and transmitter-activated equipment in each agency law enforcement motorcycle regularly used to make traffic stops. If a law enforcement agency installs video or audio equipment as provided by this subsection, the

policy adopted by the agency under Subsection (b) must include standards for reviewing video and audio documentation.

(e) A report required under Subsection (b)(7) may not include identifying information about a peace officer who makes a traffic stop or about an individual who is stopped or arrested by a peace officer. This subsection does not affect the collection of information as required by a policy under Subsection (b)(6).

(f) On the commencement of an investigation by a law enforcement agency of a complaint described by Subsection (b)(3) in which a video or audio recording of the occurrence on which the complaint is based was made, the agency shall promptly provide a copy of the recording to the peace officer who is the subject of the complaint on written request by the officer.

Art. 2.133. REPORTS REQUIRED FOR TRAFFIC AND PEDESTRIAN STOPS. (a) In this article:

(1) "Race or ethnicity" has the meaning assigned by Article 2.132(a).

(2) "Pedestrian stop" means an interaction between a peace officer and an individual who is being detained for the purpose of a criminal investigation in which the individual is not under arrest.

(b) A peace officer who stops a motor vehicle for an alleged violation of a law or ordinance regulating traffic or who stops a pedestrian for any suspected offense shall report to the law enforcement agency that employs the officer information relating to the stop, including:

(1) a physical description of each person detained as a result of the stop, including:

(A) the person's gender; and

(B) the person's race or ethnicity, as stated by the person or, if the person does not state the person's race or ethnicity, as determined by the officer to the best of the officer's ability;

(2) the traffic law or ordinance alleged to have been violated or the suspected offense;

(3) whether the officer conducted a search as a result of the stop and, if so, whether the person detained consented to the search;

(4) whether any contraband was discovered in the course of the search and the type of contraband discovered;

(5) whether probable cause to search existed and the facts supporting the existence of that probable cause;

(6) whether the officer made an arrest as a result of the stop or the search, including a statement of the offense charged;

(7) the street address or approximate location of the stop; and

(8) whether the officer issued a warning or a citation as a result of the stop, including a description of the warning or a statement of the violation charged.

Art. 2.134. COMPILATION AND ANALYSIS OF INFORMATION COLLECTED.

(a) In this article, "pedestrian stop" means an interaction between a peace officer and an individual who is being detained for the purpose of a criminal investigation in which the individual is not under arrest.

(b) A law enforcement agency shall compile and analyze the information contained in each report received by the agency under Article 2.133. Not later than March 1 of each year, each local law enforcement agency shall submit a report containing the information compiled

during the previous calendar year to the governing body of each county or municipality served by the agency in a manner approved by the agency.

(c) A report required under Subsection (b) must include:

(1) a comparative analysis of the information compiled under Article 2.133 to:

(A) determine the prevalence of racial profiling by peace officers employed by the agency; and

(B) examine the disposition of traffic and pedestrian stops made by officers employed by the agency, including searches resulting from the stops; and

(2) information relating to each complaint filed with the agency alleging that a peace officer employed by the agency has engaged in racial profiling.

(d) A report required under Subsection (b) may not include identifying information about a peace officer who makes a traffic or pedestrian stop or about an individual who is stopped or arrested by a peace officer. This subsection does not affect the reporting of information required under Article 2.133(b)(1).

(e) The Commission on Law Enforcement Officer Standards and Education shall develop guidelines for compiling and reporting information as required by this article.

(f) The data collected as a result of the reporting requirements of this article shall not constitute prima facie evidence of racial profiling.

Art. 2.135. EXEMPTION FOR AGENCIES USING VIDEO AND AUDIO EQUIPMENT. (a) A peace officer is exempt from the reporting requirement under Article 2.133 and a law enforcement agency is exempt from the compilation, analysis, and reporting requirements under Article 2.134 if:

(1) during the calendar year preceding the date that a report under Article 2.134 is required to be submitted:

(A) each law enforcement motor vehicle regularly used by an officer employed by the agency to make traffic and pedestrian stops is equipped with video camera and transmitter-activated equipment and each law enforcement motorcycle regularly used to make traffic and pedestrian stops is equipped with transmitter-activated equipment; and

(B) each traffic and pedestrian stop made by an officer employed by the agency that is capable of being recorded by video and audio or audio equipment, as appropriate, is recorded by using the equipment; or

(2) the governing body of the county or municipality served by the law enforcement agency, in conjunction with the law enforcement agency, certifies to the Department of Public Safety, not later than the date specified by rule by the department, that the law enforcement agency needs funds or video and audio equipment for the purpose of installing video and audio equipment as described by Subsection (a)(1)(A) and the agency does not receive from the state funds or video and audio equipment sufficient, as determined by the department, for the agency to accomplish that purpose.

(b) Except as otherwise provided by this subsection, a law enforcement agency that is exempt from the requirements under Article 2.134 shall retain the video and audio or audio documentation of each traffic and pedestrian stop for at least 90 days after the date of the stop. If a complaint is filed with the law enforcement agency alleging that a peace officer employed by the agency has engaged in racial profiling with respect to a traffic or pedestrian stop, the agency shall retain the video and audio or audio record of the stop until final disposition of the complaint.

(c) This article does not affect the collection or reporting requirements under Article 2.132.

Art. 2.136. LIABILITY. A peace officer is not liable for damages arising from an act relating to the collection or reporting of information as required by Article 2.133 or under a policy adopted under Article 2.132.

Art. 2.137. PROVISION OF FUNDING OR EQUIPMENT.

(a) The Department of Public Safety shall adopt rules for providing funds or video and audio equipment to law enforcement agencies for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A), including specifying criteria to prioritize funding or equipment provided to law enforcement agencies. The criteria may include consideration of tax effort, financial hardship, available revenue, and budget surpluses. The criteria must give priority to:

(1) law enforcement agencies that employ peace officers whose primary duty is traffic enforcement;

(2) smaller jurisdictions; and

(3) municipal and county law enforcement agencies.

(b) The Department of Public Safety shall collaborate with an institution of higher education to identify law enforcement agencies that need funds or video and audio equipment for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A). The collaboration may include the use of a survey to assist in developing criteria to prioritize funding or equipment provided to law enforcement agencies.

(c) To receive funds or video and audio equipment from the state for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A), the governing body of a county or municipality, in conjunction with the law enforcement agency serving the county or municipality, shall certify to the Department of Public Safety that the law enforcement agency needs funds or video and audio equipment for that purpose.

(d) On receipt of funds or video and audio equipment from the state for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A), the governing body of a county or municipality, in conjunction with the law enforcement agency serving the county or municipality, shall certify to the Department of Public Safety that the law enforcement agency has installed video and audio equipment as described by Article 2.135(a)(1)(A) and is using the equipment as required by Article 2.135(a)(1).

Art. 2.138. RULES. The Department of Public Safety may adopt rules to implement Articles 2.131-2.137.

SECTION 2. Chapter 3, Code of Criminal Procedure, is amended by adding Article 3.05 to read as follows:

Art. 3.05. RACIAL PROFILING. In this code, "racial profiling" means a law enforcement-initiated action based on an individual's race, ethnicity, or national origin rather than on the individual's behavior or on information identifying the individual as having engaged in criminal activity.

SECTION 3. Section 96.641, Education Code, is amended by adding Subsection (j) to read as follows:

(j) As part of the initial training and continuing education for police chiefs required under this section, the institute shall establish a program on racial profiling. The program must include an examination of the best practices for:

(1) monitoring peace officers' compliance with laws and internal agency policies relating to racial profiling;

(2) implementing laws and internal agency policies relating to preventing racial profiling;
and

(3) analyzing and reporting collected information.

SECTION 4. Section 1701.253, Occupations Code, is amended by adding Subsection (e) to read as follows:

(e) As part of the minimum curriculum requirements, the commission shall establish a statewide comprehensive education and training program on racial profiling for officers licensed under this chapter. An officer shall complete a program established under this subsection not later than the second anniversary of the date the officer is licensed under this chapter or the date the officer applies for an intermediate proficiency certificate, whichever date is earlier.

SECTION 5. Section 1701.402, Occupations Code, is amended by adding Subsection (d) to read as follows:

(d) As a requirement for an intermediate proficiency certificate, an officer must complete an education and training program on racial profiling established by the commission under Section 1701.253(e).

SECTION 6. Section 543.202, Transportation Code, is amended to read as follows:

Sec. 543.202. FORM OF RECORD. (a) In this section, "race or ethnicity" means of a particular descent, including Caucasian, African, Hispanic, Asian, or Native American descent.

(b) The record must be made on a form or by a data processing method acceptable to the department and must include:

(1) the name, address, physical description, including race or ethnicity, date of birth, and driver's license number of the person charged;

(2) the registration number of the vehicle involved;

(3) whether the vehicle was a commercial motor vehicle as defined by Chapter 522 or was involved in transporting hazardous materials;

(4) the person's social security number, if the person was operating a commercial motor vehicle or was the holder of a commercial driver's license or commercial driver learner's permit;

(5) the date and nature of the offense, including whether the offense was a serious traffic violation as defined by Chapter 522;

(6) whether a search of the vehicle was conducted and whether consent for the search was obtained;

(7) the plea, the judgment, and whether bail was forfeited;

(8) ~~[(7)]~~ the date of conviction; and

(9) ~~[(8)]~~ the amount of the fine or forfeiture.

SECTION 7. Not later than January 1, 2002, a law enforcement agency shall adopt and implement a policy and begin collecting information under the policy as required by Article 2.132, Code of Criminal Procedure, as added by this Act. A local law enforcement agency shall first submit information to the governing body of each county or municipality served by the agency as required by Article 2.132, Code of Criminal Procedure, as added by this Act, on March 1, 2003. The first submission of information shall consist of information compiled by the agency during the period beginning January 1, 2002, and ending December 31, 2002.

SECTION 8. A local law enforcement agency shall first submit information to the governing body of each county or municipality served by the agency as required by Article 2.134, Code of Criminal Procedure, as added by this Act, on March 1, 2004. The first submission of information shall consist of information compiled by the agency during the period beginning January 1, 2003, and ending December 31, 2003.

SECTION 9. Not later than January 1, 2002:

(1) the Commission on Law Enforcement Officer Standards and Education shall establish an education and training program on racial profiling as required by Subsection (e), Section 1701.253, Occupations Code, as added by this Act; and

(2) the Bill Blackwood Law Enforcement Management Institute of Texas shall establish a program on racial profiling as required by Subsection (j), Section 96.641, Education Code, as added by this Act.

SECTION 10. A person who on the effective date of this Act holds an intermediate proficiency certificate issued by the Commission on Law Enforcement Officer Standards and Education or has held a peace officer license issued by the Commission on Law Enforcement Officer Standards and Education for at least two years shall complete an education and training program on racial profiling established under Subsection (e), Section 1701.253, Occupations Code, as added by this Act, not later than September 1, 2003.

SECTION 11. An individual appointed or elected as a police chief before the effective date of this Act shall complete a program on racial profiling established under Subsection (j), Section 96.641, Education Code, as added by this Act, not later than September 1, 2003.

SECTION 12. This Act takes effect September 1, 2001

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1074 passed the Senate on April 4, 2001, by the following vote: Yeas 28, Nays 2; May 21, 2001, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 22, 2001, House granted request of the Senate; May 24, 2001, Senate adopted Conference Committee Report by a viva-voce vote.

Secretary of the Senate

I hereby certify that S.B. No. 1074 passed the House, with amendments, on May 15, 2001, by a non-record vote; May 22, 2001, House granted request of the Senate for appointment of Conference Committee; May 24, 2001, House adopted Conference Committee Report by a non-record vote.

Chief Clerk of the House

Approved:

Date

Governor

Modifications to the Original Law

(H.B. 3389)

Amend CSHB 3389 (Senate committee report) as follows:

(1) Strike the following SECTIONS of the bill:

- (A) SECTION 8, adding Section 1701.164, Occupations Code (page 4, lines 61-66);
- (B) SECTION 24, amending Article 2.132(b), Code of Criminal Procedure (page 8, lines 19-53);
- (C) SECTION 25, amending Article 2.134(b), Code of Criminal Procedure (page 8, lines 54-64);
- (D) SECTION 28, providing transition language for the amendments to Articles 2.132(b) and 2.134(b), Code of Criminal Procedure (page 9, lines 40-47).

(2) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly: SECTION _____. Article 2.132, Code of Criminal Procedure, is amended by amending Subsections (a),(b), (d), and (e) and adding Subsection (g) to read as follows:

(a) In this article:

(1) "Law enforcement agency" means an agency of the state, or of a county, municipality, or other political subdivision of the state, that employs peace officers who make motor vehicle~~[traffic]~~ stops in the routine performance of the officers' official duties.

(2) "Motor vehicle stop" means an occasion in which a peace officer stops a motor vehicle for an alleged violation of a law or ordinance.

(3) "Race or ethnicity" means of a particular descent, including Caucasian, African, Hispanic, Asian, ~~[or]~~ Native American, or Middle Eastern descent.

(b) Each law enforcement agency in this state shall adopt a detailed written policy on racial profiling. The policy must:

- (1) clearly define acts constituting racial profiling;
- (2) strictly prohibit peace officers employed by the agency from engaging in racial profiling;
- (3) implement a process by which an individual may file a complaint with the agency if the individual believes that a peace officer employed by the agency has engaged in racial profiling with respect to the individual;
- (4) provide public education relating to the agency's complaint process;
- (5) require appropriate corrective action to be taken against a peace officer employed by the agency who, after an investigation, is shown to have engaged in racial profiling in violation of the agency's policy adopted under this article;
- (6) require collection of information relating to motor vehicle ~~[traffic]~~ stops in which a citation is issued and to arrests made as a result of ~~[resulting from]~~ those ~~[traffic]~~ stops, including information relating to:

(A) the race or ethnicity of the individual detained; and

(B) whether a search was conducted and, if so, whether the individual ~~[person]~~ detained consented to the search; and

(C) whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual; and

(7) require the chief administrator of the agency, regardless of whether the administrator is elected, employed, or appointed, to submit ~~[to the governing body of each county or~~

~~municipality served by the agency]~~ an annual report of the information collected under Subdivision (6) to:

(A) the Commission on Law Enforcement Officer Standards and Education; and

(B) the governing body of each county or municipality served by the agency, if the agency is an agency of a county, municipality, or other political subdivision of the state.

(d) On adoption of a policy under Subsection (b), a law enforcement agency shall examine the feasibility of installing video camera and transmitter-activated equipment in each agency law enforcement motor vehicle regularly used to make motor vehicle ~~[traffic]~~ stops and transmitter activated equipment in each agency law enforcement motorcycle regularly used to make motor vehicle ~~[traffic]~~ stops. If a law enforcement agency installs video or audio equipment as provided by this subsection, the policy adopted by the agency under Subsection (b) must include standards for reviewing video and audio documentation.

(e) A report required under Subsection (b)(7) may not include identifying information about a peace officer who makes a motor vehicle ~~[traffic]~~ stop or about an individual who is stopped or arrested by a peace officer. This subsection does not affect the collection of information as required by a policy under Subsection (b)(6).

(g) On a finding by the Commission on Law Enforcement Officer Standards and Education that the chief administrator of a law enforcement agency intentionally failed to submit a report required under Subsection (b)(7), the commission shall begin disciplinary procedures against the chief administrator.

SECTION _____. Article 2.133, Code of Criminal Procedure, is amended to read as follows:

Art. 2.133. REPORTS REQUIRED FOR MOTOR VEHICLE ~~[TRAFFIC AND PEDESTRIAN]~~ STOPS. (a) In this article, "race":

~~[(1) "Race]~~ or ethnicity" has the meaning assigned by Article 2.132(a).

~~[(2) "Pedestrian stop" means an interaction between a peace officer and an individual who is being detained for the purpose of a criminal investigation in which the individual is not under arrest.]~~

(b) A peace officer who stops a motor vehicle for an alleged violation of a law or ordinance ~~[regulating traffic or who stops a pedestrian for any suspected offense]~~ shall report to the law enforcement agency that employs the officer information relating to the stop, including:

(1) a physical description of any ~~[each]~~ person operating the motor vehicle who is detained as a result of the stop, including:

(A) the person's gender; and

(B) the person's race or ethnicity, as stated by the person or, if the person does not state the person's race or ethnicity, as determined by the officer to the best of the officer's ability;

(2) the initial reason for the stop ~~[traffic law or ordinance alleged to have been violated or the suspected offense];~~

(3) whether the officer conducted a search as a result of the stop and, if so, whether the person detained consented to the search;

(4) whether any contraband or other evidence was discovered in the course of the search and a description ~~[the type]~~ of the contraband or evidence ~~[discovered];~~

(5) the reason for the search, including whether:

(A) any contraband or other evidence was in plain view;

(B) any probable cause or reasonable suspicion existed to perform the search; or

(C) the search was performed as a result of the towing of the motor vehicle or the arrest of any person in the motor vehicle ~~[existed and the facts supporting the existence of that probable cause];~~

(6) whether the officer made an arrest as a result of the stop or the search, including a statement of whether the arrest was based on a violation of the Penal Code, a violation of a traffic law or ordinance, or an outstanding warrant and a statement of the offense charged;

(7) the street address or approximate location of the stop; and

(8) whether the officer issued a written warning or a citation as a result of the stop~~[, including a description of the warning or a statement of the violation charged].~~

SECTION _____. Article 2.134, Code of Criminal Procedure, is amended by amending Subsections (a) through (e) and adding Subsection (g) to read as follows:

(a) In this article:

(1) "Motor vehicle[, "pedestrian] stop" has the meaning assigned by Article 2.132(a) ~~[means an interaction between a peace officer and an individual who is being detained for the purpose of a criminal investigation in which the individual is not under arrest].~~

(2) "Race or ethnicity" has the meaning assigned by Article 2.132(a).

(b) A law enforcement agency shall compile and analyze the information contained in each report received by the agency under Article 2.133. Not later than March 1 of each year, each ~~[local]~~ law enforcement agency shall submit a report containing the incident-based data ~~[information]~~ compiled during the previous calendar year to the Commission on Law Enforcement Officer Standards and Education and, if the law enforcement agency is a local law enforcement agency, to the governing body of each county or municipality served by the agency ~~[in a manner approved by the agency].~~

(c) A report required under Subsection (b) must be submitted by the chief administrator of the law enforcement agency, regardless of whether the administrator is elected, employed, or appointed, and must include:

(1) a comparative analysis of the information compiled under Article 2.133 to:

(A) evaluate and compare the number of motor vehicle stops, within the applicable jurisdiction, of persons who are recognized as racial or ethnic minorities and persons who are not recognized as racial or ethnic minorities ~~[determine the prevalence of racial profiling by peace officers employed by the agency]; and~~

(B) examine the disposition of motor vehicle ~~[traffic and pedestrian]~~ stops made by officers employed by the agency, categorized according to the race or ethnicity of the affected persons, as appropriate, including any searches resulting from ~~[the]~~ stops within the applicable jurisdiction; and

(2) information relating to each complaint filed with the agency alleging that a peace officer employed by the agency has engaged in racial profiling.

(d) A report required under Subsection (b) may not include identifying information about a peace officer who makes a motor vehicle ~~[traffic or pedestrian]~~ stop or about an individual who is stopped or arrested by a peace officer. This subsection does not affect the reporting of information required under Article 2.133(b)(1).

(e) The Commission on Law Enforcement Officer Standards and Education, in accordance with Section 1701.162, Occupations Code, shall develop guidelines for compiling and reporting information as required by this article.

(g) On a finding by the Commission on Law Enforcement Officer Standards and Education that the chief administrator of a law enforcement agency intentionally failed to submit a report required under Subsection (b), the commission shall begin disciplinary procedures against the chief administrator.

SECTION _____. Article 2.135, Code of Criminal Procedure, is amended to read as follows:

Art. 2.135. PARTIAL EXEMPTION FOR AGENCIES USING VIDEO AND AUDIO EQUIPMENT. (a) A peace officer is exempt from the reporting requirement under Article 2.133 and the chief administrator of a law enforcement agency, regardless of whether the administrator is elected, employed, or appointed, is exempt from the compilation, analysis, and reporting requirements under Article 2.134 if:

(1) during the calendar year preceding the date that a report under Article 2.134 is required to be submitted:

(A) each law enforcement motor vehicle regularly used by an officer employed by the agency to make motor vehicle ~~[traffic and pedestrian]~~ stops is equipped with video camera and transmitter-activated equipment and each law enforcement motorcycle regularly used to make motor vehicle ~~[traffic and pedestrian]~~ stops is equipped with transmitter-activated equipment; and

(B) each motor vehicle ~~[traffic and pedestrian]~~ stop made by an officer employed by the agency that is capable of being recorded by video and audio or audio equipment, as appropriate, is recorded by using the equipment; or

(2) the governing body of the county or municipality served by the law enforcement agency, in conjunction with the law enforcement agency, certifies to the Department of Public Safety, not later than the date specified by rule by the department, that the law enforcement agency needs funds or video and audio equipment for the purpose of installing video and audio equipment as described by Subsection (a)(1)(A) and the agency does not receive from the state funds or video and audio equipment sufficient, as determined by the department, for the agency to accomplish that purpose.

(b) Except as otherwise provided by this subsection, a law enforcement agency that is exempt from the requirements under Article 2.134 shall retain the video and audio or audio documentation of each motor vehicle ~~[traffic and pedestrian]~~ stop for at least 90 days after the date of the stop. If a complaint is filed with the law enforcement agency alleging that a peace officer employed by the agency has engaged in racial profiling with respect to a motor vehicle ~~[traffic or pedestrian]~~ stop, the agency shall retain the video and audio or audio record of the stop until final disposition of the complaint.

(c) This article does not affect the collection or reporting requirements under Article 2.132.

(d) In this article, "motor vehicle stop" has the meaning assigned by Article 2.132(a).

SECTION _____. Chapter 2, Code of Criminal Procedure, is amended by adding Article 2.1385 to read as follows:

Art. 2.1385. CIVIL PENALTY. (a) If the chief administrator of a local law enforcement agency intentionally fails to submit the incident-based data as required by Article 2.134, the agency is liable to the state for a civil penalty in the amount of \$1,000 for each violation. The attorney general may sue to collect a civil penalty under this subsection.

(b) From money appropriated to the agency for the administration of the agency, the executive director of a state law enforcement agency that intentionally fails to submit the incident-based

data as required by Article 2.134 shall remit to the comptroller the amount of \$1,000 for each violation.

(c) Money collected under this article shall be deposited in the state treasury to the credit of the general revenue fund.

SECTION _____. Subchapter A, Chapter 102, Code of Criminal Procedure, is amended by adding Article 102.022 to read as follows:

Art. 102.022. COSTS ON CONVICTION TO FUND STATEWIDE REPOSITORY FOR DATA RELATED TO CIVIL JUSTICE. (a) In this article, "moving violation" means an offense that:

(1) involves the operation of a motor vehicle; and

(2) is classified as a moving violation by the Department of Public Safety under Section 708.052, Transportation Code.

(b) A defendant convicted of a moving violation in a justice court, county court, county court at law, or municipal court shall pay a fee of 10 cents as a cost of court.

(c) In this article, a person is considered convicted if:

(1) a sentence is imposed on the person;

(2) the person receives community supervision, including deferred adjudication; or

(3) the court defers final disposition of the person's case.

(d) The clerks of the respective courts shall collect the costs described by this article. The clerk shall keep separate records of the funds collected as costs under this article and shall deposit the funds in the county or municipal treasury, as appropriate.

(e) The custodian of a county or municipal treasury shall:

(1) keep records of the amount of funds on deposit collected under this article; and

(2) send to the comptroller before the last day of the first month following each calendar quarter the funds collected under this article during the preceding quarter.

(f) A county or municipality may retain 10 percent of the funds collected under this article by an officer of the county or municipality as a collection fee if the custodian of the county or municipal treasury complies with Subsection (e).

(g) If no funds due as costs under this article are deposited in a county or municipal treasury in a calendar quarter, the custodian of the treasury shall file the report required for the quarter in the regular manner and must state that no funds were collected.

(h) The comptroller shall deposit the funds received under this article to the credit of the Civil Justice Data Repository fund in the general revenue fund, to be used only by the Commission on Law Enforcement Officer Standards and Education to implement duties under Section 1701.162, Occupations Code.

(i) Funds collected under this article are subject to audit by the comptroller.

SECTION _____. (a) Section 102.061, Government Code, as reenacted and amended by Chapter 921 (H.B. 3167), Acts of the 80th Legislature, Regular Session, 2007, is amended to conform to the amendments made to Section 102.061, Government Code, by Chapter 1053 (H.B. 2151), Acts of the 80th Legislature, Regular Session, 2007, and is further amended to read as follows:

Sec. 102.061. ADDITIONAL COURT COSTS ON CONVICTION IN STATUTORY COUNTY COURT: CODE OF CRIMINAL PROCEDURE. The clerk of a statutory county court shall collect fees and costs under the Code of Criminal Procedure on conviction of a defendant as follows:

(1) a jury fee (Art. 102.004, Code of Criminal Procedure) . . . \$20;

(2) a fee for services of the clerk of the court (Art. 102.005, Code of Criminal Procedure) . . . \$40;

(3) a records management and preservation services fee (Art. 102.005, Code of Criminal Procedure) . . . \$25;

(4) a security fee on a misdemeanor offense (Art. 102.017, Code of Criminal Procedure) . . . \$3;

(5) a juvenile delinquency prevention and graffiti eradication fee (Art. 102.0171, Code of Criminal Procedure) . . . \$50 [~~\$5~~]; [~~and~~]

(6) a juvenile case manager fee (Art. 102.0174, Code of Criminal Procedure) . . . not to exceed \$5; and

(7) a civil justice fee (Art. 102.022, Code of Criminal Procedure) . . . \$0.10.

(b) Section 102.061, Government Code, as amended by Chapter 1053 (H.B. 2151), Acts of the 80th Legislature, Regular Session, 2007, is repealed. Section 102.061, Government Code, as reenacted and amended by Chapter 921 (H.B. 3167), Acts of the 80th Legislature, Regular Session, 2007, to reorganize and renumber that section, continues in effect as further amended by this section.

SECTION _____. (a) Section 102.081, Government Code, as amended by Chapter 921 (H.B. 3167), Acts of the 80th Legislature, Regular Session, 2007, is amended to conform to the amendments made to Section 102.081, Government Code, by Chapter 1053 (H.B. 2151), Acts of the 80th Legislature, Regular Session, 2007, and is further amended to read as follows:

Sec. 102.081. ADDITIONAL COURT COSTS ON CONVICTION IN COUNTY COURT: CODE OF CRIMINAL PROCEDURE. The clerk of a county court shall collect fees and costs under the Code of Criminal Procedure on conviction of a defendant as follows:

(1) a jury fee (Art. 102.004, Code of Criminal Procedure) . . . \$20;

(2) a fee for clerk of the court services (Art. 102.005, Code of Criminal Procedure) . . . \$40;

(3) a records management and preservation services fee (Art. 102.005, Code of Criminal Procedure) . . . \$25;

(4) a security fee on a misdemeanor offense (Art. 102.017, Code of Criminal Procedure) . . . \$3;

(5) a juvenile delinquency prevention and graffiti eradication fee (Art. 102.0171, Code of Criminal Procedure) . . . \$50 [~~\$5~~]; [~~and~~]

(6) a juvenile case manager fee (Art. 102.0174, Code of Criminal Procedure) . . . not to exceed \$5; and

(7) a civil justice fee (Art. 102.022, Code of Criminal Procedure) . . . \$0.10.

(b) Section 102.081, Government Code, as amended by Chapter 1053 (H.B. 2151), Acts of the 80th Legislature, Regular Session, 2007, is repealed. Section 102.081, Government Code, as amended by Chapter 921 (H.B. 3167), Acts of the 80th Legislature, Regular Session, 2007, to reorganize and renumber that section, continues in effect as further amended by this section.

SECTION _____. Section 102.101, Government Code, is amended to read as follows:

Sec. 102.101. ADDITIONAL COURT COSTS ON CONVICTION IN JUSTICE COURT: CODE OF CRIMINAL PROCEDURE. A clerk of a justice court shall collect fees and costs under the Code of Criminal Procedure on conviction of a defendant as follows:

(1) a jury fee (Art. 102.004, Code of Criminal Procedure) . . . \$3;

(2) a fee for withdrawing request for jury less than 24 hours before time of trial (Art. 102.004, Code of Criminal Procedure) . . . \$3;

(3) a jury fee for two or more defendants tried jointly (Art. 102.004, Code of Criminal Procedure) . . . one jury fee of \$3;

- (4) a security fee on a misdemeanor offense (Art. 102.017, Code of Criminal Procedure) . . . \$4;
- (5) a fee for technology fund on a misdemeanor offense (Art. 102.0173, Code of Criminal Procedure) . . . \$4;
- (6) a juvenile case manager fee (Art. 102.0174, Code of Criminal Procedure) . . . not to exceed \$5;
- (7) a fee on conviction of certain offenses involving issuing or passing a subsequently dishonored check (Art. 102.0071, Code of Criminal Procedure) . . . not to exceed \$30; ~~and~~
- (8) a court cost on conviction of a Class C misdemeanor in a county with a population of 3.3 million or more, if authorized by the county commissioners court (Art. 102.009, Code of Criminal Procedure) . . . not to exceed \$7; and
- (9) a civil justice fee (Art. 102.022, Code of Criminal Procedure) . . . \$0.10.

SECTION _____. Section 102.121, Government Code, is amended to read as follows:

Sec. 102.121. ADDITIONAL COURT COSTS ON CONVICTION IN MUNICIPAL COURT: CODE OF CRIMINAL PROCEDURE. The clerk of a municipal court shall collect fees and costs on conviction of a defendant as follows:

- (1) a jury fee (Art. 102.004, Code of Criminal Procedure) . . . \$3;
- (2) a fee for withdrawing request for jury less than 24 hours before time of trial (Art. 102.004, Code of Criminal Procedure) . . . \$3;
- (3) a jury fee for two or more defendants tried jointly (Art. 102.004, Code of Criminal Procedure) . . . one jury fee of \$3;
- (4) a security fee on a misdemeanor offense (Art. 102.017, Code of Criminal Procedure) . . . \$3;
- (5) a fee for technology fund on a misdemeanor offense (Art. 102.0172, Code of Criminal Procedure) . . . not to exceed \$4; ~~and~~
- (6) a juvenile case manager fee (Art. 102.0174, Code of Criminal Procedure) . . . not to exceed \$5; and
- (7) a civil justice fee (Art. 102.022, Code of Criminal Procedure) . . . \$0.10.

SECTION _____. Subchapter D, Chapter 1701, Occupations Code, is amended by adding Section 1701.164 to read as follows:

Sec. 1701.164. COLLECTION OF CERTAIN INCIDENT-BASED DATA SUBMITTED BY LAW ENFORCEMENT AGENCIES. The commission shall collect and maintain incident-based data submitted to the commission under Article 2.134, Code of Criminal Procedure, including incident-based data compiled by a law enforcement agency from reports received by the law enforcement agency under Article 2.133 of that code. The commission in consultation with the Department of Public Safety, the Bill Blackwood Law Enforcement Management Institute of Texas, the W. W. Caruth, Jr., Police Institute at Dallas, and the Texas Police Chiefs Association shall develop guidelines for submitting in a standard format the report containing incident-based data as required by Article 2.134, Code of Criminal Procedure.

SECTION _____. Subsection (a), Section 1701.501, Occupations Code, is amended to read as follows:

(a) Except as provided by Subsection (d), the commission shall revoke or suspend a license, place on probation a person whose license has been suspended, or reprimand a license holder for a violation of:

- (1) this chapter;

(2) the reporting requirements provided by Articles 2.132 and 2.134, Code of Criminal Procedure;
or

(3) a commission rule.

SECTION _____. (a) The requirements of Articles 2.132, 2.133, and 2.134, Code of Criminal Procedure, as amended by this Act, relating to the compilation, analysis, and submission of incident-based data apply only to information based on a motor vehicle stop occurring on or after January 1, 2010.

(b) The imposition of a cost of court under Article 102.022, Code of Criminal Procedure, as added by this Act, applies only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is covered by the law in effect when the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

Racial and Ethnic Designations (H.B. 3051)

H.B. No. 3051 - An Act relating to the categories used to record the race or ethnicity of persons stopped for or convicted of traffic offenses.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article 2.132(a)(3), Code of Criminal Procedure, is amended to read as follows:

(3) "Race or ethnicity" means the following categories:

(A) Alaska native or American Indian;

(B) [of a particular descent, including Caucasian, African, Hispanic,] Asian or Pacific Islander;

(C) black;

(D) white; and

(E) Hispanic or Latino [~~Native American, or Middle Eastern descent~~].

SECTION 2. Section 543.202(a), Transportation Code, is amended to read as follows:

(a) In this section, "race or ethnicity" means the following categories:

(1) Alaska native or American Indian;

(2) [of a particular descent, including Caucasian, African, Hispanic,] Asian or Pacific Islander;

(3) black;

(4) white; and

(5) Hispanic or Latino [~~or Native American descent~~].

SECTION 3. This Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I certify that H.B. No. 3051 was passed by the House on May 4, 2017, by the following vote: Yeas 143, Nays 2, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3051 was passed by the Senate on May 19, 2017, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor

The Sandra Bland Act

(S.B. 1849)

S.B. No. 1849

An Act relating to interactions between law enforcement and individuals detained or arrested on suspicion of the commission of criminal offenses, to the confinement, conviction, or release of those individuals, and to grants supporting populations that are more likely to interact frequently with law enforcement.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. SHORT TITLE

SECTION 1.01. SHORT TITLE. This Act shall be known as the Sandra Bland Act, in memory of Sandra Bland.

ARTICLE 2. IDENTIFICATION AND DIVERSION OF AND SERVICES FOR PERSONS SUSPECTED OF HAVING A MENTAL ILLNESS, AN INTELLECTUAL DISABILITY, OR A SUBSTANCE ABUSE ISSUE

SECTION 2.01. Article 16.22, Code of Criminal Procedure, is amended to read as follows:

Art. 16.22. EARLY IDENTIFICATION OF DEFENDANT SUSPECTED OF HAVING MENTAL ILLNESS OR INTELLECTUAL DISABILITY [MENTAL RETARDATION]. (a)(1) Not later than 12 [72] hours after receiving credible information that may establish reasonable cause to believe that a defendant committed to the sheriff's custody has a mental illness or is a person with an intellectual disability [mental retardation], including observation of the defendant's behavior immediately before, during, and after the defendant's arrest and the results of any previous assessment of the defendant, the sheriff shall provide written or electronic notice of the information to the magistrate. On a determination that there is reasonable cause to believe that the defendant has a mental illness or is a person with an intellectual disability [mental retardation], the magistrate, except as provided by Subdivision

(2), shall order the local mental health or intellectual and developmental disability [mental retardation] authority or another qualified mental health or intellectual disability [mental retardation] expert to:

(A) collect information regarding whether the defendant has a mental illness as defined by Section 571.003,

Health and Safety Code, or is a person with an intellectual disability [mental retardation] as defined by Section 591.003, Health and Safety Code, including information obtained from any previous assessment of the defendant; and

(B) provide to the magistrate a written assessment of the information collected under Paragraph (A).

(2) The magistrate is not required to order the collection of information under Subdivision (1) if the defendant in the year preceding the defendant's applicable date of arrest has been determined to have a mental illness or to be a person with an intellectual disability [mental retardation] by the local mental health or intellectual and developmental disability [mental retardation] authority or another mental health or intellectual disability [mental retardation] expert described by Subdivision

(1). A court that elects to use the results of that previous determination may proceed under Subsection (c).

(3) If the defendant fails or refuses to submit to the collection of information regarding the defendant as required under Subdivision (1), the magistrate may order the defendant to submit to an examination in a mental health facility determined to be appropriate by the local mental health or intellectual and developmental disability [mental retardation] authority for a reasonable period not to exceed 21 days. The magistrate may order a defendant to a facility operated by the Department of State Health Services or the Health and Human Services Commission [Department of Aging and Disability Services] for examination only on request of the local mental health or intellectual and developmental disability [mental retardation] authority and with the consent of the head of the facility. If a defendant who has been ordered to a facility operated by the Department of State Health Services or the Health and Human Services Commission [Department of Aging and Disability Services] for examination remains in the facility for a period exceeding 21 days, the head of that facility shall cause the defendant to be immediately transported to the committing court and placed in the custody of the sheriff of the county in which the committing court is located. That county shall reimburse the facility for the mileage and per diem expenses of the personnel required to transport the defendant calculated in accordance with the state travel regulations in effect at the time.

(b) A written assessment of the information collected under Subsection (a)(1)(A) shall be provided to the magistrate not later than the 30th day after the date of any order issued under Subsection (a) in a felony case and not later than the 10th day after the date of any order issued under that subsection in a misdemeanor case, and the magistrate shall provide copies of the written assessment to the defense counsel, the prosecuting attorney, and the trial court. The written assessment must include a description of the procedures used in the collection of information under Subsection (a)(1)(A) and the applicable expert's observations and findings pertaining to:

(1) whether the defendant is a person who has a mental illness or is a person with an intellectual disability [mental retardation];

(2) whether there is clinical evidence to support a belief that the defendant may be incompetent to stand trial and should undergo a complete competency examination under Subchapter B, Chapter 46B; and

(3) recommended treatment.

(c) After the trial court receives the applicable expert's written assessment relating to the defendant under Subsection (b)

or elects to use the results of a previous determination as described by Subsection (a)(2), the trial court may, as applicable:

(1) resume criminal proceedings against the defendant, including any appropriate proceedings related to the defendant's release on personal bond under Article 17.032;

(2) resume or initiate competency proceedings, if required, as provided by Chapter 46B or other proceedings affecting the defendant's receipt of appropriate court-ordered mental health or intellectual disability [mentally ill] services, including proceedings related to the defendant's receipt of outpatient mental health services under Section 574.034, Health and Safety Code; or

(3) consider the written assessment during the punishment phase after a conviction of the offense for which the defendant was arrested, as part of a presentence investigation report, or in connection with the impositions of conditions following placement on community supervision, including deferred adjudication community supervision.

(d) This article does not prevent the applicable court from, before, during, or after the collection of information regarding the defendant as described by this article: (1) releasing a defendant who has a mental illness [mentally ill] or is a person with an intellectual disability [mentally retarded defendant] from custody on personal or surety bond; or

(2) ordering an examination regarding the defendant's competency to stand trial.

SECTION 2.02. Chapter 16, Code of Criminal Procedure, is amended by adding Article 16.23 to read as follows:

Art. 16.23. DIVERSION OF PERSONS SUFFERING MENTAL HEALTH CRISIS OR SUBSTANCE ABUSE ISSUE. (a) Each law enforcement agency shall make a good faith effort to divert a person suffering a mental health crisis or suffering from the effects of substance abuse to a proper treatment center in the agency's jurisdiction if:

(1) there is an available and appropriate treatment center in the agency's jurisdiction to which the agency may divert the person;

(2) it is reasonable to divert the person;

(3) the offense that the person is accused of is a misdemeanor, other than a misdemeanor involving violence; and

(4) the mental health crisis or substance abuse issue is suspected to be the reason the person committed the alleged offense.

(b) Subsection (a) does not apply to a person who is accused of an offense under Section 49.04, 49.045, 49.05, 49.06, 49.065, 49.07, or 49.08, Penal Code.

SECTION 2.03. Section 539.002, Government Code, is amended to read as follows:

Sec. 539.002. GRANTS FOR ESTABLISHMENT AND EXPANSION OF COMMUNITY COLLABORATIVES. (a) To the extent funds are appropriated to the department for that purpose, the department shall make grants to entities, including local governmental entities, nonprofit community organizations, and faith-based community organizations, to establish or expand community collaboratives that bring the public and private sectors together to provide services to persons experiencing homelessness, substance abuse issues, or [and] mental illness. [The department may make a maximum of five grants, which must be made in the most populous

municipalities in this state that are located in counties with a population of more than one million.] In awarding grants, the department shall give special consideration to entities:

- (1) establishing [a] new collaboratives; or
 - (2) establishing or expanding collaboratives that serve two or more counties, each with a population of less than 100,000 [collaborative].
- (b) The department shall require each entity awarded a grant under this section to:
- (1) leverage additional funding from private sources in an amount that is at least equal to the amount of the grant awarded under this section; [and]
 - (2) provide evidence of significant coordination and collaboration between the entity, local mental health authorities, municipalities, local law enforcement agencies, and other community stakeholders in establishing or expanding a community collaborative funded by a grant awarded under this section; and
 - (3) provide evidence of a local law enforcement policy to divert appropriate persons from jails or other detention facilities to an entity affiliated with a community collaborative for the purpose of providing services to those persons.

SECTION 2.04. Chapter 539, Government Code, is amended by adding Section 539.0051 to read as follows:

Sec. 539.0051. PLAN REQUIRED FOR CERTAIN COMMUNITY COLLABORATIVES. (a) The governing body of a county shall develop and make public a plan detailing:

- (1) how local mental health authorities, municipalities, local law enforcement agencies, and other community stakeholders in the county could coordinate to establish or expand a community collaborative to accomplish the goals of Section 539.002;
 - (2) how entities in the county may leverage funding from private sources to accomplish the goals of Section 539.002 through the formation or expansion of a community collaborative; and
 - (3) how the formation or expansion of a community collaborative could establish or support resources or services to help local law enforcement agencies to divert persons who have been arrested to appropriate mental health care or substance abuse treatment.
- (b) The governing body of a county in which an entity that received a grant under Section 539.002 before September 1, 2017, is located is not required to develop a plan under Subsection (a).
- (c) Two or more counties, each with a population of less than 100,000, may form a joint plan under Subsection (a).

ARTICLE 3. BAIL, PRETRIAL RELEASE, AND COUNTY JAIL STANDARDS

SECTION 3.01. The heading to Article 17.032, Code of Criminal Procedure, is amended to read as follows:

Art. 17.032. RELEASE ON PERSONAL BOND OF CERTAIN [MENTALLY ILL] DEFENDANTS WITH MENTAL ILLNESS OR INTELLECTUAL DISABILITY.

SECTION 3.02. Articles 17.032(b) and (c), Code of Criminal Procedure, are amended to read as follows:

(b) A magistrate shall release a defendant on personal bond unless good cause is shown otherwise if the:

(1) defendant is not charged with and has not been previously convicted of a violent offense;

(2) defendant is examined by the local mental health or intellectual and developmental disability [mental retardation] authority or another mental health expert under Article 16.22 [of this code];

(3) applicable expert, in a written assessment submitted to the magistrate under Article 16.22:

(A) concludes that the defendant has a mental illness or is a person with an intellectual disability [mental retardation] and is nonetheless competent to stand trial; and

(B) recommends mental health treatment or intellectual disability treatment for the defendant, as applicable; and

(4) magistrate determines, in consultation with the local mental health or intellectual and developmental disability [mental retardation] authority, that appropriate community-based mental health or intellectual disability [mental retardation] services for the defendant are available through the [Texas] Department of State [Mental] Health Services [and Mental Retardation] under Section 534.053, Health and Safety Code, or through another mental health or intellectual disability [mental retardation] services provider.

(c) The magistrate, unless good cause is shown for not requiring treatment, shall require as a condition of release on personal bond under this article that the defendant submit to outpatient or inpatient mental health or intellectual disability [mental retardation] treatment as recommended by the local mental health or intellectual and developmental disability [mental retardation] authority if the defendant's:

(1) mental illness or intellectual disability [mental retardation] is chronic in nature; or

(2) ability to function independently will continue to deteriorate if the defendant is not treated.

SECTION 3.03. Article 25.03, Code of Criminal Procedure, is amended to read as follows:

Art. 25.03. IF ON BAIL IN FELONY. When the accused, in case of felony, is on bail at the time the indictment is presented, [it is not necessary to serve him with a copy, but] the clerk shall [on request] deliver a copy of the indictment [same] to the accused or the accused's [his] counsel[,] at the earliest possible time.

SECTION 3.04. Article 25.04, Code of Criminal Procedure, is amended to read as follows:

Art. 25.04. IN MISDEMEANOR. In misdemeanors, the clerk shall deliver a copy of the indictment or information to the accused or the accused's counsel at the earliest possible time before trial [it shall not be necessary before trial to furnish the accused with a copy of the indictment or information; but he or his counsel may demand a copy, which shall be given as early as possible]

SECTION 3.05. Section 511.009(a), Government Code, as amended by Chapters 281 (H.B. 875), 648 (H.B. 549), and 688 (H.B. 634), Acts of the 84th Legislature, Regular Session, 2015, is reenacted and amended to read as follows:

(a) The commission shall:

(1) adopt reasonable rules and procedures establishing minimum standards for the construction, equipment, maintenance, and operation of county jails;

(2) adopt reasonable rules and procedures establishing minimum standards for the custody, care, and treatment of prisoners;

(3) adopt reasonable rules establishing minimum standards for the number of jail supervisory personnel and for programs and services to meet the needs of prisoners;

(4) adopt reasonable rules and procedures establishing minimum requirements for programs of rehabilitation, education, and recreation in county jails;

(5) revise, amend, or change rules and procedures if necessary;

(6) provide to local government officials consultation on and technical assistance for county jails;

(7) review and comment on plans for the construction and major modification or renovation of county jails;

(8) require that the sheriff and commissioners of each county submit to the commission, on a form prescribed by the commission, an annual report on the conditions in each county jail within their jurisdiction, including all information necessary to determine compliance with state law, commission orders, and the rules adopted under this chapter;

(9) review the reports submitted under Subdivision (8) and require commission employees to inspect county jails regularly to ensure compliance with state law, commission orders, and rules

and procedures adopted under this chapter;

(10) adopt a classification system to assist sheriffs and judges in determining which defendants are low-risk and consequently suitable participants in a county jail work release program under Article 42.034, Code of Criminal Procedure;

(11) adopt rules relating to requirements for segregation of classes of inmates and to capacities for county jails;

(12) require that the chief jailer of each municipal lockup submit to the commission, on a form prescribed by the commission, an annual report of persons under 17 years of age securely detained in the lockup, including all information necessary to determine compliance with state law concerning secure confinement of children in municipal lockups;

(13) at least annually determine whether each county jail is in compliance with the rules and procedures adopted under this chapter;

(14) require that the sheriff and commissioners court of each county submit to the commission, on a form prescribed by the commission, an annual report of persons under 17 years of age securely detained in the county jail, including all information necessary to determine compliance with state law concerning secure confinement of children in county jails;

(15) schedule announced and unannounced inspections of jails under the commission's jurisdiction using the risk assessment plan established under Section 511.0085 to guide the inspections process;

(16) adopt a policy for gathering and distributing to jails under the commission's

jurisdiction information regarding:

- (A) common issues concerning jail administration;
- (B) examples of successful strategies for maintaining compliance with state law and the rules, standards, and procedures of the commission; and
- (C) solutions to operational challenges for jails;

(17) report to the Texas Correctional Office on Offenders with Medical or Mental Impairments on a jail's compliance with Article 16.22, Code of Criminal Procedure;

(18) adopt reasonable rules and procedures establishing minimum requirements for jails to:

- (A) determine if a prisoner is pregnant; and
- (B) ensure that the jail's health services plan addresses medical and mental health care, including nutritional requirements, and any special housing or work assignment needs for persons who are confined in the jail and are known or determined to be pregnant;

(19) provide guidelines to sheriffs regarding contracts between a sheriff and another entity for the provision of food services to or the operation of a commissary in a jail under the commission's jurisdiction, including specific provisions regarding conflicts of interest and avoiding the appearance of impropriety; [and]

(20) adopt reasonable rules and procedures establishing minimum standards for prisoner visitation that provide each prisoner at a county jail with a minimum of two in-person, noncontact visitation periods per week of at least 20 minutes duration each;

(21) [(20)] require the sheriff of each county to:

(A) investigate and verify the veteran status of each prisoner by using data made available from the Veterans Reentry Search Service (VRSS) operated by the United States Department of Veterans Affairs or a similar service; and

(B) use the data described by Paragraph (A) to assist prisoners who are veterans in applying for federal benefits or compensation for which the prisoners may be eligible under a program administered by the United States Department of Veterans Affairs;

(22) [(20)] adopt reasonable rules and procedures regarding visitation of a prisoner at a county jail by a guardian, as defined by Section 1002.012, Estates Code, that:

(A) allow visitation by a guardian to the same extent as the prisoner's next of kin, including placing the guardian on the prisoner's approved visitors list on the guardian's request and providing the guardian access to the prisoner during a facility's standard visitation hours if the prisoner is otherwise eligible to receive visitors; and

(B) require the guardian to provide the sheriff with letters of guardianship issued as provided by Section 1106.001, Estates Code, before being allowed to visit the prisoner; and

(23) adopt reasonable rules and procedures to ensure the safety of prisoners, including rules and procedures that require a county jail to:

(A) give prisoners the ability to access a mental health professional at the jail through a telemental health service 24 hours a day;

(B) give prisoners the ability to access a health professional at the jail or through a telehealth service 24 hours a day or, if a health professional is unavailable at the jail or through a telehealth service, provide for a prisoner to be transported to access a health professional; and

(C) if funding is available under Section 511.019, install automated electronic sensors or cameras to ensure accurate and timely in-person checks of cells or groups of cells confining at-risk

individuals.

SECTION 3.06. Section 511.009, Government Code, is amended by adding Subsection (d) to read as follows:

(d) The commission shall adopt reasonable rules and procedures establishing minimum standards regarding the continuity of prescription medications for the care and treatment of prisoners. The rules and procedures shall require that a qualified medical professional shall review as soon as possible any prescription medication a prisoner is taking when the prisoner is taken into custody.

SECTION 3.07. Chapter 511, Government Code, is amended by adding Sections 511.019, 511.020, and 511.021 to read as follows:

Sec. 511.019. PRISONER SAFETY FUND. (a) The prisoner safety fund is a dedicated account in the general revenue fund.

(b) The prisoner safety fund consists of:

(1) appropriations of money to the fund by the legislature; and
(2) gifts, grants, including grants from the federal government, and other donations received for the fund.

(c) Money in the fund may be appropriated only to the commission to pay for capital improvements that are required under Section 511.009(a)(23).

(d) The commission by rule may establish a grant program to provide grants to counties to fund capital improvements described by Subsection (c). The commission may only provide a grant to a county for capital improvements to a county jail with a capacity of not more than 96 prisoners.

Sec. 511.020. SERIOUS INCIDENTS REPORT. (a) On or before the fifth day of each month, the sheriff of each county shall report to the commission regarding the occurrence during the preceding month of any of the following incidents involving a prisoner in the county jail:

(1) a suicide;
(2) an attempted suicide;
(3) a death;
(4) a serious bodily injury, as that term is defined by
Section 1.07, Penal Code;
(5) an assault;
(6) an escape;
(7) a sexual assault; and
(8) any use of force resulting in bodily injury, as that term is defined by Section 1.07, Penal Code.

(b) The commission shall prescribe a form for the report required by Subsection (a).

(c) The information required to be reported under Subsection (a)(8) may not include the name or other identifying information of a county jailer or jail employee.

(d) The information reported under Subsection (a) is public information subject to an open records request under Chapter 552.

Sec. 511.021. INDEPENDENT INVESTIGATION OF DEATH OCCURRING IN COUNTY JAIL. (a) On the death of a prisoner in a county jail, the commission shall appoint a law enforcement agency, other than the local law enforcement agency that operates the county jail, to investigate the death as soon as possible.

(b) The commission shall adopt any rules necessary relating to the appointment of a law enforcement agency under Subsection

(a), including rules relating to cooperation between law enforcement agencies and to procedures for handling evidence.

SECTION 3.08. The changes in law made by this article to Article 17.032, Code of Criminal Procedure, apply only to a personal bond that is executed on or after the effective date of this Act. A personal bond executed before the effective date of executed, and the former law is continued in effect for that purpose.

SECTION 3.09. Not later than January 1, 2018, the Commission on Jail Standards shall:

(1) adopt the rules and procedures required by Section 511.009(d), Government Code, as added by this article, and the rules required by Section 511.021(b), Government Code, as added by this article; and

(2) prescribe the form required by Section 511.020(b), Government Code, as added by this article.

SECTION 3.10. Not later than September 1, 2018, the Commission on Jail Standards shall adopt the rules and procedures required by Section 511.009(a)(23), Government Code, as added by this article. On and after September 1, 2020, a county jail shall comply with any rule or procedure adopted by the Commission on Jail Standards under that subdivision.

SECTION 3.11. To the extent of any conflict, this Act prevails over another Act of the 85th Legislature, Regular Session, 2017, relating to non-substantive additions to and corrections in enacted codes.

ARTICLE 4. PEACE OFFICER AND COUNTY JAILER TRAINING

SECTION 4.01. Chapter 511, Government Code, is amended by adding Section 511.00905 to read as follows:

Sec. 511.00905. JAIL ADMINISTRATOR POSITION; EXAMINATION REQUIRED. (a) The Texas Commission on Law Enforcement shall develop and the commission shall approve an examination for a person assigned to the jail administrator position overseeing a county jail.

(b) The commission shall adopt rules requiring a person, other than a sheriff, assigned to the jail administrator position overseeing a county jail to pass the examination not later than the 180th day after the date the person is assigned to that position. The rules must provide that a person who fails the examination may be immediately removed from the position and may not

be reinstated until the person passes the examination.

(c) The sheriff of a county shall perform the duties of the jail administrator position at any time there is not a person available who satisfies the examination requirements of this section.

(d) A person other than a sheriff may not serve in the jail administrator position of a county jail unless the person satisfies the examination requirement of this section.

SECTION 4.02. Section 1701.253, Occupations Code, is amended by amending Subsection (j) and adding Subsection (n) to read as follows: commission shall require an officer to complete a 40-hour statewide education and training program on de-escalation and crisis intervention techniques to facilitate interaction with persons with mental impairments. An officer shall complete the program not later than the second anniversary of the date the officer is licensed under this chapter or the date the officer applies for an intermediate proficiency certificate, whichever date is earlier. An officer may not satisfy the requirements of this subsection [section] or Section 1701.402(g) by taking an online course on de-escalation and crisis intervention techniques to facilitate interaction with persons with mental impairments.

(n) As part of the minimum curriculum requirements, the commission shall require an officer to complete a statewide education and training program on de-escalation techniques to facilitate interaction with members of the public, including techniques for limiting the use of force resulting in bodily injury.

SECTION 4.03. Section 1701.310(a), Occupations Code, is amended to read as follows:

(a) Except as provided by Subsection (e), a person may not be appointed as a county jailer, except on a temporary basis, unless the person has satisfactorily completed a preparatory training program, as required by the commission, in the operation of a county jail at a school operated or licensed by the commission. The training program must consist of at least eight hours of mental health training approved by the commission and the Commission on Jail Standards.

SECTION 4.04. Section 1701.352(b), Occupations Code, is amended to read as follows:

(b) The commission shall require a state, county, special district, or municipal agency that appoints or employs peace officers to provide each peace officer with a training program at least once every 48 months that is approved by the commission and consists of:

(1) topics selected by the agency; and

(2) for an officer holding only a basic proficiency certificate, not more than 20 hours of education and training that contain curricula incorporating the learning objectives developed by the commission regarding:

(A) civil rights, racial sensitivity, and cultural diversity;

(B) de-escalation and crisis intervention techniques to facilitate interaction with persons with mental impairments; [and]

(C) de-escalation techniques to facilitate interaction with members of the public, including techniques for limiting the use of force resulting in bodily injury; and

(D) unless determined by the agency head to be inconsistent with the officer's assigned duties:

(i) the recognition and documentation of cases that involve child abuse or neglect, family violence, and sexual assault; and

(ii) issues concerning sex offender characteristics.

SECTION 4.05. Section 1701.402, Occupations Code, is amended by adding Subsection (n) to read as follows:

(n) As a requirement for an intermediate proficiency certificate or an advanced proficiency certificate, an officer must complete the education and training program regarding de-escalation techniques to facilitate interaction with members of the public established by the commission under Section 1701.253(n).

SECTION 4.06. Not later than March 1, 2018, the Texas Commission on Law Enforcement shall develop and the Commission on Jail Standards shall approve the examination required by Section 511.00905, Government Code, as added by this article.

SECTION 4.07. (a) Not later than March 1, 2018, the Texas Commission on Law Enforcement shall establish or modify training programs as necessary to comply with Section 1701.253, Occupations Code, as amended by this article.

(b) The minimum curriculum requirements under Section 1701.253(j), Occupations Code, as amended by this article, apply only to a peace officer who first begins to satisfy those requirements on or after April 1, 2018.

SECTION 4.08. (a) Section 1701.310, Occupations Code, as amended by this article, takes effect January 1, 2018.

(b) A person in the position of county jailer on September 1, 2017, must comply with Section 1701.310(a), Occupations Code, as amended by this article, not later than August 31, 2021.

ARTICLE 5. MOTOR VEHICLE STOPS, RACIAL PROFILING, AND ISSUANCE OF CITATIONS

SECTION 5.01. Article 2.132, Code of Criminal Procedure, is amended by amending Subsections (b) and (d) and adding Subsection (h) to read as follows:

(b) Each law enforcement agency in this state shall adopt a detailed written policy on racial profiling. The policy must:

(1) clearly define acts constituting racial profiling;

(2) strictly prohibit peace officers employed by the agency from engaging in racial profiling;

(3) implement a process by which an individual may file a complaint with the agency if the individual believes that a peace officer employed by the agency has engaged in racial profiling with respect to the individual;

(4) provide public education relating to the agency's compliment and complaint process, including providing the telephone number, mailing address, and e-mail address to make a compliment or complaint with respect to each ticket, citation, or warning issued by a peace officer;

(5) require appropriate corrective action to be taken against a peace officer employed by the agency who, after an investigation, is shown to have engaged in racial profiling in violation of

the agency's policy adopted under this article;

(6) require collection of information relating to motor vehicle stops in which a **ticket, citation, or warning** is issued and to arrests made as a result of those stops, including information relating to:

(A) the race or ethnicity of the individual detained;

(B) whether a search was conducted and, if so, whether the individual detained consented to the search; **[and]**

(C) whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual;

(D) **whether the peace officer used physical force that resulted in bodily injury, as that term is defined by Section 1.07, Penal Code, during the stop;**

(E) **the location of the stop; and**

(F) **the reason for the stop; and**

(7) require the chief administrator of the agency, regardless of whether the administrator is elected, employed, or appointed, to submit an annual report of the information collected under Subdivision (6) to:

(A) the Texas Commission on Law Enforcement; and

(B) the governing body of each county or municipality served by the agency, if the agency is an agency of a county, municipality, or other political subdivision of the state.

(d) On adoption of a policy under Subsection (b), a law enforcement agency shall examine the feasibility of installing video camera and transmitter-activated equipment in each agency law enforcement motor vehicle regularly used to make motor vehicle stops and transmitter-activated equipment in each agency law enforcement motorcycle regularly used to make motor vehicle stops. **The agency also shall examine the feasibility of equipping each peace officer who regularly detains or stops motor vehicles with a body worn camera, as that term is defined by Section 1701.651, Occupations Code.** If a law enforcement agency installs video or audio equipment or **equips peace officers with body worn cameras** as provided by this subsection, the policy adopted by the agency under Subsection (b) must include standards for reviewing video and audio documentation.

(h) A law enforcement agency shall review the data collected under Subsection (b)(6) to identify any improvements the agency could make in its practices and policies regarding motor vehicle stops.

SECTION 5.02. Article 2.133, Code of Criminal Procedure, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) A peace officer who stops a motor vehicle for an alleged violation of a law or ordinance shall report to the law enforcement agency that employs the officer information relating to the stop, including:

(1) a physical description of any person operating the motor vehicle who is detained as a result of the stop, including:

(A) the person's gender; and

(B) the person's race or ethnicity, as stated by the person or, if the person does not state the person's race or ethnicity, as determined by the officer to the best of the officer's ability;

(2) the initial reason for the stop;

(3) whether the officer conducted a search as a result of the stop and, if so, whether the person detained consented to the search;

(4) whether any contraband or other evidence was discovered in the course of the search and a description of the contraband or evidence;

(5) the reason for the search, including whether:

(A) any contraband or other evidence was in plain view;

(B) any probable cause or reasonable suspicion existed to perform the search; or

(C) the search was performed as a result of the towing of the motor vehicle or the arrest of any person in the motor vehicle;

(6) whether the officer made an arrest as a result of the stop or the search, including a statement of whether the arrest was based on a violation of the Penal Code, a violation of a traffic law or ordinance, or an outstanding warrant and a statement of the offense charged;

(7) the street address or approximate location of the stop; [and]

(8) whether the officer issued a verbal or written warning or a ticket or citation as a result of the stop; and

(9) whether the officer used physical force that resulted in bodily injury, as that term is defined by Section 1.07, Penal Code, during the stop.

(c) The chief administrator of a law enforcement agency, regardless of whether the administrator is elected, employed, or appointed, is responsible for auditing reports under Subsection (b)

to ensure that the race or ethnicity of the person operating the motor vehicle is being reported.

SECTION 5.03. Article 2.134(c), Code of Criminal Procedure, is amended to read as follows:

(c) A report required under Subsection (b) must be submitted by the chief administrator of the law enforcement agency, regardless of whether the administrator is elected, employed, or appointed, and must include:

(1) a comparative analysis of the information compiled under Article 2.133 to:

(A) evaluate and compare the number of motor vehicle stops, within the applicable jurisdiction, of persons who are recognized as racial or ethnic minorities and persons who are not recognized as racial or ethnic minorities; [and]

(B) examine the disposition of motor vehicle stops made by officers employed by the agency, categorized according to the race or ethnicity of the affected persons, as appropriate, including any searches resulting from stops within the applicable jurisdiction; and

(C) evaluate and compare the number of searches resulting from motor vehicle stops within the applicable jurisdiction and whether contraband or other evidence was discovered in the course of those searches; and

(2) information relating to each complaint filed with the agency alleging that a peace officer employed by the agency has engaged in racial profiling.

SECTION 5.04. Article 2.137, Code of Criminal Procedure, is amended to read as follows:

Art. 2.137. PROVISION OF FUNDING OR EQUIPMENT. (a) The Department of Public Safety shall adopt rules for providing funds or video and audio equipment to law enforcement agencies for the purpose of installing video and audio equipment in law enforcement motor vehicles and

motorcycles or equipping peace officers with body worn cameras [as described by Article 2.135(a)(1)(A)], including specifying criteria to prioritize funding or equipment provided to law enforcement agencies. The criteria may include consideration of tax effort, financial hardship, available revenue, and budget surpluses. The criteria must give priority to:

(1) law enforcement agencies that employ peace officers whose primary duty is traffic enforcement;

(2) smaller jurisdictions; and

(3) municipal and county law enforcement agencies.

(b) The Department of Public Safety shall collaborate with an institution of higher education to identify law enforcement agencies that need funds or video and audio equipment for the purpose of installing video and audio equipment in law enforcement motor vehicles and motorcycles or equipping peace officers with body worn cameras [as described by Article 2.135(a)(1)(A)]. The collaboration may include the use of a survey to assist in developing criteria to prioritize funding or equipment provided to law enforcement agencies.

(c) To receive funds or video and audio equipment from the state for the purpose of installing video and audio equipment in law enforcement motor vehicles and motorcycles or equipping peace officers with body worn cameras [as described by Article 2.135(a)(1)(A)], the governing body of a county or municipality, in conjunction with the law enforcement agency serving the county or municipality, shall certify to the Department of Public Safety that the law enforcement agency needs funds or video and audio equipment for that purpose.

(d) On receipt of funds or video and audio equipment from the state for the purpose of installing video and audio equipment in law enforcement motor vehicles and motorcycles or equipping peace officers with body worn cameras [as described by Article 2.135(a)(1)(A)], the governing body of a county or municipality, in conjunction with the law enforcement agency serving the county or municipality, shall certify to the Department of Public Safety that the law enforcement agency has taken the necessary actions to use and is using [installed] video and audio equipment and body worn cameras for those purposes [as described by Article 2.135(a)(1)(A) and is using the equipment as required by Article 2.135(a)(1)].

SECTION 5.05. Article 2.1385(a), Code of Criminal Procedure, is amended to read as follows:

(a) If the chief administrator of a local law enforcement agency intentionally fails to submit the incident-based data as required by Article 2.134, the agency is liable to the state for a civil penalty in an [the] amount not to exceed \$5,000 [of \$1,000] for each violation. The attorney general may sue to collect a civil penalty under this subsection.

SECTION 5.06. Article 2.135, Code of Criminal Procedure, is repealed.

SECTION 5.07. Articles 2.132 and 2.134, Code of Criminal Procedure, as amended by this article, apply only to a report covering a calendar year beginning on or after January 1, 2018.

SECTION 5.08. Not later than September 1, 2018, the Texas Commission on Law Enforcement shall:

(1) evaluate and change the guidelines for compiling and reporting information required under Article 2.134, Code of Criminal Procedure, as amended by this article, to enable the

guidelines to better withstand academic scrutiny; and

(2) make accessible online:

(A) a downloadable format of any information submitted under Article 2.134(b), Code of Criminal Procedure, that is not exempt from public disclosure under Chapter 552, Government Code; and

(B) a glossary of terms relating to the information to make the information readily understandable to the public. This Act takes effect September 1, 2017.

Senate Speaker of the House

I hereby certify that S.B. No. 1849 passed the Senate on May 11, 2017, by the following vote:
Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1849 passed the House on May 20, 2017, by the following vote:
Yeas 137, Nays 0, one present not voting.

ARTICLE 6. EFFECTIVE DATE

SECTION 6.01. Except as otherwise provided by this Act,

Approved:

Date

Governor

Chief Clerk of the House

PARKER POLICE DEPARTMENT RACIAL PROFILING POLICY



Parker Police Department General Orders

Title: Racial Profiling

Number: 112.001

Effective Date: January 12, 2018

Review Date:

TPCA Recognition Standards: 2.01

I. PURPOSE

The purpose of this order is to reaffirm the City of Parker Police Department's commitment to unbiased policing in all its encounters with any person; to reinforce procedures that serve to ensure public confidence and mutual trust through the provision of services in a fair and equitable fashion; and to protect our officers from unwarranted accusations of misconduct when they act within the dictates of departmental policy and the law.

II. POLICY

- A. It is the policy of this department to police in a proactive manner and to aggressively investigate suspected violations of the law. Officer shall actively enforce local, state and federal laws in a responsible and professional manner without regard to race, ethnicity, gender, sexual orientation, religion status, age, cultural group, or any other identifiable group rather than on the individual's behavior or on information identifying the individual as having engaged in criminal activity. Racial profiling pertains to persons who are viewed as suspects or potential suspects of criminal behavior. The term is not relevant as it pertains to witnesses, complainants, persons needing assistance, or other citizen contacts. (TPCA Standard 2.01)
- B. This General Order is adopted in compliance with the requirements of Articles 2.131 through 2.136, Texas Code of Criminal Procedures, which prohibits Texas peace officers from engaging in racial profiling. (TPCA Standard 2.01)

III. DEFINITIONS

- A. Racial Profiling – a law enforcement-initiated action based on an individual's face, ethnicity, gender, sexual orientation, religion, economic status, age, cultural group, or any other identifiable group rather than on the individual's behavior or on information identifying the individual as having engaged in criminal activity. Racial



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profiling pertains to persons who are viewed as suspects or potential suspects of criminal behavior. The term is not relevant as it pertains to witnesses, complainants, persons needing assistance, or other citizen contacts.

- B. Race or Ethnicity – persons of a particular descent, including Caucasian, African, Hispanic, Asian, Middle Eastern or Native American descent.
- C. Acts Constituting Racial Profiling – acts initiating law enforcement action, such as a traffic stop, a detention, a search, issuance of a citation, or an arrest based solely upon an individual's race, ethnicity, gender sexual orientation, religion, economic status, age, culture group, or any other identifiable group rather than upon the individual's behavior, information identifying the individual as having possibly engaged in criminal activity, or other lawful reasons for the law enforcement action.
- D. Motor Vehicle Stop – means an occasion in which a peace officer stops a motor vehicle for an alleged violation of a law or ordinance.
- E. Motor Vehicle Contacts – includes stops for alleged violation of a law or ordinance, tickets/citations, and verbal and written warnings.

IV. PROHIBITION

Officers of the Parker Police Department are strictly prohibited from engaging in racial profiling. The prohibition against racial profiling does not preclude the use of race, ethnicity or national origin as factors in a detention decision by an officer. Race ethnicity origin may be legitimate factors in such a decision when used as part of a description of a suspect or witness for whom an officer is searching.

V. COMPLAINT PROCESS

- A. No person shall discouraged, intimidated or coerced from filing a complaint, or be discriminated against because they have filed a complaint.
- B. Any person who believes that a peace officer employed by the Parker Police Department has engaged in racial profiling with respect to that person, may file a complaint in accordance with the provisions of General Order 300, Discipline/Complaints against Police Personnel.



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1. An employee who is contacted regarding a complaint against an officer shall follow the procedures set forth in General Order 300, Section X, Investigation of Externally Originated Complaints.
 2. Citizens who appear in person wishing to file a complaint shall be directed to the Internal Affairs Investigator and provided with a departmental brochure, "How to File a Complaint." Brochures are maintained in the Parker Police Department lobby, and at Parker City Hall. Citizens may also be directed to the Departmental website to file a complaint.
- C. Any Officer or Investigator who becomes aware of an alleged or suspected violation of this General Order shall report the alleged violation in accordance with General Order 300, Discipline, Section XI, Investigation or Internally Originated Complaints.
- D. Complaints of racial profiling shall be classified as a level I complaint, and shall be investigated by the office of the Chief of Police or the Internal Affairs Investigator as directed by the Chief of Police. A log of all Racial Profiling Complaints will be maintained by the Internal Affairs Unit.

VI. DISCIPLINARY AND CORRECTIVE ACTIONS

Any officer of this Department who is found, after investigation, to have engaged in racial profiling in violation of this General Order may be subject to disciplinary action, up to and including termination. Disciplinary or corrective actions may include diversity, sensitivity or other appropriate training or counseling, as determined by the Chief of Police.

VII. PUBLIC EDUCATION

This department shall provide education to the public concerning the racial profiling complaint process. The primary method of public education shall be through a brochure, "How to File a Complaint" which are maintained in the lobby of the Parker Police Department, and at the Parker City Hall. These brochures are available in both English and Spanish versions. Other education methods may be utilized to inform the public, including news media, civic presentations, the internet, public meetings, newsletters, email, phone or by mail. The Department will disclose to others the phone number, name of person and address where a complaint or complement can be filed.



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VIII. COLLECTION OF INFORMATION AND ANNUAL REPORT OF MOTOR VEHICLE STOPS

(TPCA Standard 2.01)

- A. For each motor vehicle stop and for each arrest resulting from a motor vehicle stop, an officer involved in the stop shall collect the following information:
1. A physical description of any person operating the motor vehicle, who is detained as a result of the stop, including:
 - a. The person's gender.
 - b. The person's race or ethnicity, as stated by the person, or if the person does not state, the person's race or ethnicity, as determined by the officer to the best of his or her ability. Officers will not ask the individual to identify their race or ethnicity;
 - c. Information identifying the race or ethnicity of the individual detained will be documented using the following codes:

W – White
B – Black
H – Hispanic or Latino
A – Asian or Pacific Islander
I – Alaska Native or American Indian
 2. Whether the officer knew the race or ethnicity of the individual detained before detaining that individual.
 3. The initial reason for the stop.
 - a. Violation of the law.
 - b. Pre-existing knowledge (i.e. warrant)
 - c. Moving Traffic Violation.
 - d. Vehicle Traffic Enforcement (Equipment, Inspection or Registration).



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4. Whether the officer conducted a search as a result of the stop, and, if so, whether or not the person detained consented to the search verbally or by signing the form (PPD-020).
5. Whether any contraband or other evidence was discovered in the course of the search and a description of the contraband or evidence.
 - a. Illegal drugs/drug paraphernalia.
 - b. Currency
 - c. Weapons
 - d. Alcohol
 - e. Stolen Property
 - f. Other
6. The reason for the search, including whether.
 - a. Consent.
 - b. Any contraband or other evidence was in plain view.
 - c. Any probable cause of reasonable suspicion existed to perform the search.
 - d. The search was performed as a result of an impound of the motor vehicle.
 - e. Incident to arrest or arrest by warrant.
7. Whether the officer made an arrest as a result of the stop or the search, including a statement of whether the arrest was based on a violation of Penal Code, a violation of traffic law or City ordinance or an outstanding warrant and a statement of the offense charged.



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8. The street address or approximate location of the stop. Including type of roadway,
 - a. City Street
 - b. US Highway
 - c. County Road
 - d. Private Property or other.
 9. Whether the officer issued a citation or a written or verbal warning as a result of the stop.
 10. Whether the person contacted is a resident or non-resident of the City of Parker.
 11. Whether the peace officer used physical force that resulted in bodily injury. As that term is defined by Section 1.07, Penal Code during the stop.
 - a. The location of the stop.
 - b. The reason for the stop.
- B. The primary mechanism for collecting this data will be the Brazos eCitation reporting system. The modules of "eCitation" (Citations and Written Warnings) and "Stop Data" (Verbal Warnings) shall be used. Should this method fail, all required data should be reported to the Commander of the Administrative Services Division using Racial Profiling form PPD-008.
- C. The Internal Affairs Investigator shall ensure all Racial Profiling Data is collected and reported to the Chief of Police. The data collected shall be compiled in an annual report covering the period of January 1 through December 31 of each year, shall be submitted to the governing body of the City of Parker no later than March 1 of the following year. The report will include:
1. A breakdown of citations by race or ethnicity.



Parker Police Department General Orders

2. Number of citations that resulted in a search.
 3. Number of searches that were consensual.
 4. Number of citations that resulted in custodial arrest.
 5. Public education efforts concerning the racial profiling complaint process.
 6. A comparative analysis of the information compiled (under Article 2.133):
 - a. Evaluate and compare the number of motor vehicle stops, with the City of Parker, of persons who are recognized as racial or ethnic minorities and persons who are not recognized as racial or ethnic minorities;
 - b. Examine the disposition of motor vehicle stops made by officers employed by Parker Police Department, categorized according to race or ethnicity of the affected persons, as appropriate, including any searches resulting from stops with the City of Parker;
 - c. Evaluate and compare the number of searches resulting from motor vehicle stops within the City of Parker and whether contraband or other evidence was discovered in the course of those searches.
 7. Information related to each complaint filed with the Parker Police Department alleging that a peace officer employed by the Parker Police Department has engaged in racial profiling.
 8. Total number of officers who knew or did not know, the race/ethnicity of the individual before being detained.
- D. The chief administrator of a law enforcement agency, regardless of whether the administrator is elected, employed, or appointed, is responsible for auditing reports under Subsection VIII C. 7. to ensure that the race or ethnicity of the person operating the motor vehicle is being reported.
- E. If the chief administrator of a local law enforcement agency intentionally fails to submit the incident-based data as required by Article 2.134, the agency is liable to



Parker Police Department
General Orders

the State for a civil penalty in an amount not to exceed \$5,000.00 for each violation. The Attorney General may be used to collect a civil penalty under this subsection.

- F. The annual report shall not include identifying information about any individual stopped or arrested, and shall not include identifying information about any peace officer involved in a traffic stop or arrest.
- G. Racial Profiling Data will also be reported to the Texas Commission on Law Enforcement (TCOLE) by March 1 of each year, following the Commission prescribed format.

IX. AUDIO AND VIDEO EQUIPMENT

- A. Each motor vehicle regularly used by this department to make motor vehicle stops shall be equipped with a mobile camera system capable of recording video and audio and each officer shall be equipped as well with a synced Digital Media Recorder (DMR).
- B. For procedures for the proper use of audio and video equipment refer to General Order 112.013 Computer and Electronic Equipment Usage and Data Security Section VII. (Mobile Video Recording Systems) and Section VIII. {Digital Media Recorders (DMR)(Body Worn Camera)}
- C. A supervisor shall have the authority to assign units with malfunctioning or inoperable mobile video equipment when situations dictate. Officers assigned to such units shall collect and document the information listed above for each motor vehicle stop on the Racial Profiling form (PPD-008). All documentation must be submitted to the Commander of the Administrative Services Division prior to the end of that tour of duty.

X. REVIEW OF VIDEO AND AUDIO DOCUMENTATION (TPCA Standard 2.01)

- A. Each audio and video recording shall be retained for a minimum period of one hundred eighty (180) days, unless a complaint is filed alleging that an officer engaged in racial profiling with response to a motor vehicle stop. The Internal Affairs Investigator shall ensure that all audio and recordings are properly stored and retained in accordance with applicable laws and this General Order.



Parker Police Department
General Orders

- B. If a complaint is received alleging that an officer has engaged in racial profiling, the audio / video recording shall be forwarded to the office of the Chief of Police who shall retain the video until final disposition of the complaint has been made.
- C. The Uniformed Services Division Commander or his designee shall review a randomly selected sampling of video and audio recordings, made recently by officers employed by the Department, in order to determine if patterns of racial profiling exist. These reviews shall be conducted monthly and documented on the appropriate form (PPD-009)
 - 1. Written documentation shall include:
 - a. The name of the offices whose stops were reviewed.
 - b. The date(s) of the videos reviewed.
 - c. The date the actual review was conducted.
 - d. The name of the person conducting the review.
 - 2. The Uniformed Division Commander shall forward the required documentation to the Office of the Chief of Police.
 - 3. The Internal Affairs Investigator shall maintain a file of all video review documentation performed, in compliance with this General Order.
- D. In reviewing audio and video recordings, Uniformed Services Commander or his designee, shall seek to determine if the officer(s) reviewed have engaged in a pattern of racial profiling, that includes multiple acts constituting racial profiling for which there is no reasonable, credible explanation based on established police and law enforcement procedures.

XI. TRAINING (TPCA Standard 2.01)

- A. Each peace officer employed by the department shall complete the comprehensive education and training program on racial profiling established by the Texas Commission on Law Enforcement (TCOLE) not later than the second anniversary of



Parker Police Department General Orders

the date the officer was licensed, or the date the officer applies for an intermediate proficiency certificate, whichever date is earlier. A person who on September 1, 2001, held a TCOLE intermediate proficiency certificate, or who had held a peace officer license issued by TCOLE for at least two years, shall complete a TCOLE training and education program on racial profiling.

- B. The Chief of Police shall, in completing the training required by Section 96.641, Texas Education Code, complete the program on racial profiling established by the Bill Blackwood Law Enforcement Management Institute of Texas (LEMIT).

XIII EFFECTIVE DATE

- A. Any previous directive, rule, order or regulation that pertains to this subject matter and its amendments shall remain in full force and effect for any violation(s) which occur prior to the effective date of this General Order.
- B. If any section, sentence, clause or phrase of this General Order is, for any reason, held to be invalid, such decision shall not affect the validity of the remaining portions of this General Order.
- C. All training in this General Order will be in accordance with General Order 101.001, Written Directive System, Chapter VIII, Training.
- D. The effective date is stated in the header block of this General Order.

Contact Information

For additional questions regarding the information presented in this report, please contact:

Del Carmen Consulting, LLC

817.681.7840

www.texasracialprofiling.com

www.delcarmenconsulting.com

Disclaimer: The author of this report, Alejandro del Carmen/del Carmen Consulting, LLC, is not liable for any omissions or errors committed in the acquisition, analysis, or creation of this report. Further, Dr. del Carmen/del Carmen Consulting is not responsible for the inappropriate use and distribution of information contained in this report. Further, no liability shall be incurred as a result of any harm that may be caused to individuals and/or organizations as a result of the information contained in this report.

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Council Agenda Item

Budget Account Code: N/A	Meeting Date: February 4, 2020
Budgeted Amount: N/A	Department/ Requestor: Finance
Fund Balance-before expenditure: N/A	Prepared by: Finance/H.R. Manager Savage
Estimated Cost: N/A	Date Prepared: January 30, 2020
Exhibits:	<ul style="list-style-type: none">• <u>Annual Financial Report – Year Ended September 30, 2019</u>

AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ANNUAL AUDIT REPORT. [SAVAGE]

SUMMARY

Jon Watson with BrooksWatson, & Co., PLLC will present the final audit results to Council.

POSSIBLE ACTION

Council may direct staff to take appropriate action.

Inter – Office Use			
Approved by:			
Department Head/ Requestor:	<i>Grant Savage</i>	Date:	01/30/2020
City Attorney:		Date:	
City Administrator:	<i>Luke B. Olson</i>	Date:	01/31/2020

ANNUAL FINANCIAL REPORT

of the

City of Parker, Texas

**For the Year Ended
September 30, 2019**

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City of Parker, Texas

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September 30, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Parker, Texas:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The City's 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 an opinion 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. 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 opinion.

Opinion

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net pension liability and related ratios, schedule of employer contributions to pension plan, schedule of changes in other postemployment benefits liability and related ratios, and general fund budgetary comparison information 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.



Brooks Watson & Co., PLLC
Certified Public Accountants
Houston, Texas
January 14, 2020

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***MANAGEMENT'S DISCUSSION
AND ANALYSIS***

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City of Parker, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

September 30, 2019

As management of the City of Parker, Texas (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2019.

Financial Highlights

- The City's total combined net position is \$58,746,869 at September 30, 2019. Of this, \$7,239,231 (unrestricted net position) may be used to meet the City's ongoing obligations to its citizens and creditors.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$6,189,532, an increase of \$420,641.
- As of the end of the year, the unassigned fund balance of the general fund was \$4,748,356 or 119% of total general fund expenditures.
- The City had an overall decrease in net position of \$256,186, which is primarily due to current year depreciation within governmental activities.
- The City budgeted a deficit to fund balance for the general fund of \$229,490 for the year. The actual activity resulted in an increase in the fund balance for the general fund of \$265,200. This resulted in a positive overall variance between budget to actual of \$494,690.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, liabilities, and deferred inflows/outflows with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other non-financial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

City of Parker, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2019

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, culture and recreation, and community development. The business-type activities of the City include water, sewer and sanitation operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the legally separate Parker Volunteer Fire Department for which the City is financially accountable. Although legally separate, the Fire Department functions for all practical purposes as a department of the City and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 18 through 21 of this report.

FUND FINANCIAL STATEMENTS

Funds may be considered as operating companies of the parent corporation, which is the City of Parker. They are usually segregated for specific activities or objectives. The City of Parker uses fund accounting to ensure and demonstrate compliance with finance-related legal reporting requirements. The two categories of City funds are governmental and proprietary.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of

City of Parker, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2019

revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Parker maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, debt service, and capital projects funds which are considered to be major funds.

The City of Parker adopts an annual appropriated budget for its general, debt service, capital projects, and utility funds. A budgetary comparison schedule has been provided to demonstrate compliance with the general fund budget.

Proprietary Funds

The City maintains one type of proprietary fund which is considered an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water distribution, wastewater collection/treatment, water construction operations and sanitation services. The proprietary fund financial statements provide separate information for the water distribution, wastewater collection/treatment fund, and sanitation funds. The basic proprietary fund financial statements can be found in the basic financial statements of this report.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

Other Information

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI that GASB Statement No. 34 requires includes a budgetary comparison schedule for the general fund and schedule of changes in net pension liability and related ratios for Texas Municipal Retirement System. The RSI can be found after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of the City's financial position. For the City of Parker, assets exceeded liabilities by \$58,746,869 as of September 30, 2019, in the primary government.

City of Parker, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2019

The largest portion of the City's net position, \$51,111,330, reflects its investments in capital assets (e.g., land, city hall, police station, streets, and drainage systems, as well as the public works facilities), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

Current and other assets of Governmental Activities as of September 30, 2019 and September 30, 2018 were \$6,952,310 and \$6,289,500, respectively. The increase of \$662,810 was a direct result of governmental revenues exceeding expenses. Capital assets of Governmental Activities as of September 30, 2019 and September 30, 2018 were \$36,756,288 and \$38,331,967, respectively. The decrease of \$1,575,679, was primarily attributable to current year depreciation exceeding new additions. Long-term liabilities of Governmental Activities as of September 30, 2019 and September 30, 2018 were \$3,057,011 and \$3,143,405, respectively. The decrease of \$86,394 is primarily due to principal payments made during the current year.

Other liabilities of Business-Type Activities as of September 30, 2019 and September 30, 2018 were \$439,900 and \$782,139, respectively. The decrease of \$342,239 was a result of timing of payments to third party vendors in the current year. Long-term liabilities of Business-Type Activities as of September 30, 2019 and September 30, 2018 were \$8,364,854 and \$8,591,540, respectively. The decrease of \$226,686 was primarily due to principal payments made in the current year.

City of Parker, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2019

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	2019			2018		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 6,952,310	\$ 9,844,149	\$ 16,796,459	\$ 6,289,500	\$ 9,990,724	\$ 16,280,224
Capital assets, net	36,756,288	17,682,305	54,438,593	38,331,967	17,638,610	55,970,577
Total Assets	43,708,598	27,526,454	71,235,052	44,621,467	27,629,334	72,250,801
Deferred Outflows of Resources	380,368	138,590	518,958	210,650	95,232	305,882
Other liabilities	1,145,376	439,900	1,585,276	964,871	782,139	1,747,010
Long-term liabilities	3,057,011	8,364,854	11,421,865	3,143,405	8,591,540	11,734,945
Total Liabilities	4,202,387	8,804,754	13,007,141	4,108,276	9,373,679	13,481,955
Deferred Inflows of Resources	-	-	-	56,118	15,555	71,673
Net Position:						
Net investment in capital assets	34,985,980	16,125,350	51,111,330	36,365,084	15,631,157	51,996,241
Restricted	396,308	-	396,308	401,809	-	401,809
Unrestricted	4,504,291	2,734,940	7,239,231	3,900,830	2,704,175	6,605,005
Total Net Position	\$ 39,886,579	\$ 18,860,290	\$ 58,746,869	\$ 40,667,723	\$ 18,335,332	\$ 59,003,055

City of Parker, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2019

Statement of Activities:

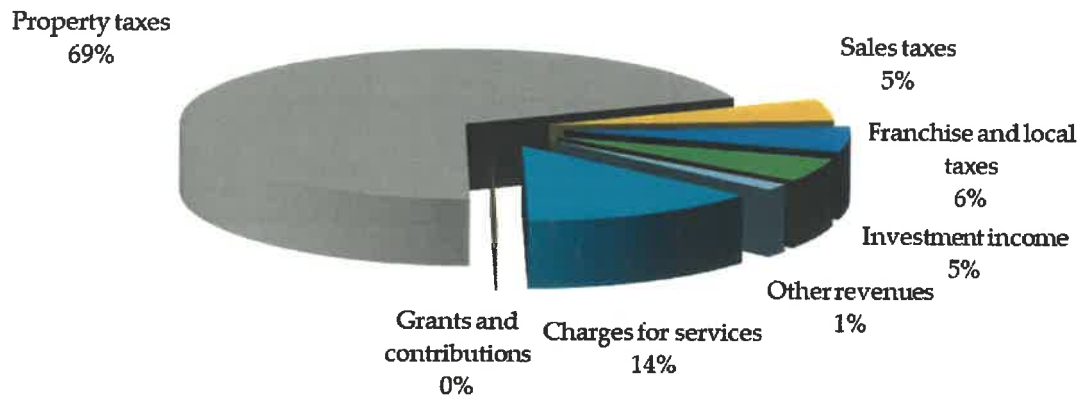
The following table provides a summary of the City's changes in net position:

	For the Year Ended September 30, 2019			For the Year Ended September 30, 2018		
	Governmental	Business-Type	Total	Governmental	Business-Type	Total
	Activities	Activities	Primary Government	Activities	Activities	Primary Government
Revenues						
Program revenues:						
Charges for services	\$ 667,841	\$ 4,285,210	\$ 4,953,051	\$ 780,123	\$ 4,603,275	\$ 5,383,398
Grants and contributions	3,636	75,556	79,192	2,175,459	2,578,346	4,753,805
General revenues:						
Property taxes	3,419,164	-	3,419,164	3,168,535	-	3,168,535
Sales taxes	230,007	-	230,007	200,467	-	200,467
Franchise and local taxes	279,136	-	279,136	246,961	-	246,961
Investment income	249,558	18,842	268,400	75,006	12,306	87,312
Other revenues	73,686	-	73,686	11,353	-	11,353
Total Revenues	4,923,028	4,379,608	9,302,636	6,657,904	7,193,927	13,851,831
		(69,581.00)				
Expenses						
General government	974,796	-	974,796	788,270	-	788,270
Public safety	2,252,723	-	2,252,723	2,049,444	-	2,049,444
Transportation	2,387,318	-	2,387,318	2,178,853	-	2,178,853
Culture and recreation	10,618	-	10,618	10,619	-	10,619
Interest and fiscal charges	78,716	#REF!	#REF!	90,292	218,126	308,418
Water, sewer, & sanitation	-	3,657,161	3,657,161	-	3,137,134	3,137,134
Total Expenses	5,704,172	#REF!	#REF!	5,117,478	3,355,260	8,472,738
Change in Net Position	(781,144)	#REF!	#REF!	1,540,426	3,838,667	5,379,093
Beginning Net Position	40,667,723	18,335,332	59,003,055	39,127,297	14,496,665	53,623,962
Ending Net Position	\$ 39,886,579	\$ #REF!	\$ #REF!	\$ 40,667,723	\$ 18,335,332	\$ 59,003,055

City of Parker, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2019

Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the City's activities.

Governmental Activities - Revenues

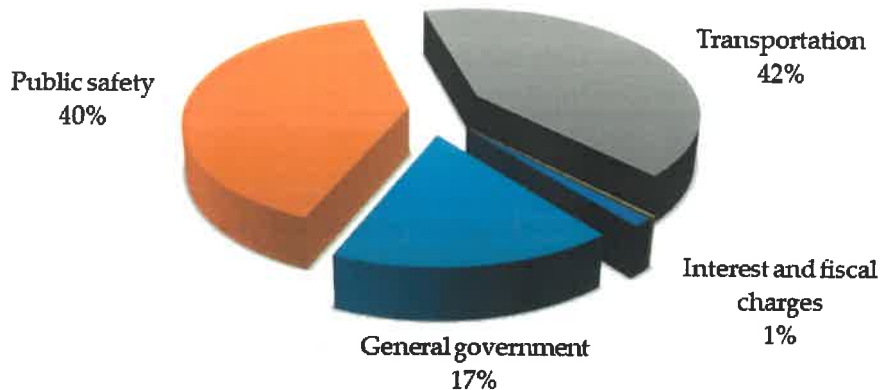


For the year ended September 30, 2019, revenues from governmental activities totaled \$4,923,028. Property tax and charges for services are the City's largest revenue sources. Property tax increased \$250,629 or 8% due to an increase in the taxable appraisal value of properties. Charges for services decreased by \$112,282 and 14% as a result of fewer building permits issued in the current year. Grants and contributions decreased \$2,171,823 or 100% due to nonrecurring streets development contributions received in the prior year. Sales tax and franchise tax revenues increased \$29,540 or 15% and \$32,175 or 13%, respectively, due to increased economic growth. Investment income increased by \$174,552 primarily as a result of increases in interest-bearing cash accounts and interest rates. Other revenues increased \$62,333 due primarily to nonrecurring reimbursements and equipment auction proceeds received in the current year.

City of Parker, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2019

This graph shows the governmental function expenses of the City:

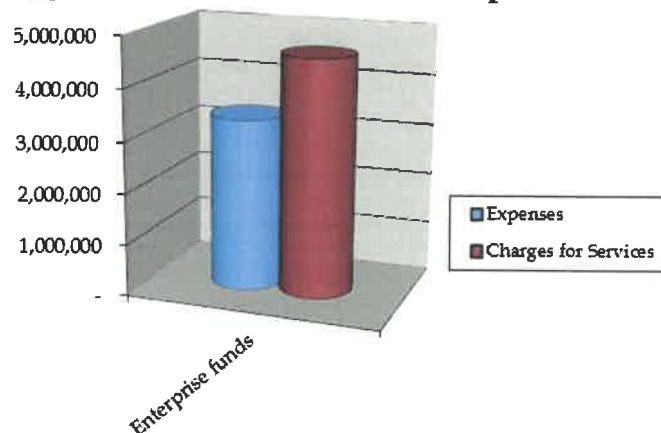
Governmental Activities - Expenses



For the year ended September 30, 2019, expenses for governmental activities totaled \$5,704,172. This represents an increase of \$586,694 or 11% from the prior year. The City's largest functional expense is transportation for \$2,387,318, which is primarily depreciation of transportation related assets. Transportation expenses increased by \$208,465 or 10% from prior year. The increase was primarily a result of additional depreciation on capital assets put into service during the year and increases in personnel costs. General government expenses increased by \$186,526 or 24% primarily due to increased wages and employee benefits and computer software maintenance related costs. Public safety expenses increased by \$203,279 or 10% primarily due to increases in police and fire personnel expenses, in addition to nonrecurring court refunds and jury related expenses.

Business-type activities are shown comparing operating costs to revenues generated by related services.

Business-Type Activities - Revenues and Expenses



City of Parker, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2019

For the year ended September 30, 2019, charges for services by business-type activities totaled \$4,354,791. This is a decrease of \$248,484, or 5% from the previous year. This decrease directly relates to decreases in water meter consumption compared to the prior year.

Total expenses for business-type activities increased \$568,971 or 17% due primarily to increases in water department salaries and wages and water service fees. In addition, sewer operating expenses increased significantly as a result of an increase in sewer customers in the current year. All other expenses remained relatively consistent.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

Governmental Funds - The focus of the City's governmental funds is to provide information of near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at the end of the year.

As of the end of the year the general fund reflected a total fund balance of \$4,904,986. Of this, \$44,464 is restricted for municipal court, \$7,898 is restricted for police seizures, and \$104,268 is committed for capital improvements. The unassigned fund balance totaled \$4,748,356 as of yearend.

As of September 30, 2019, the debt service fund reflected a fund balance of \$169,477, an increase of \$1,363 from the prior year. The fund experienced an increase primarily due to property tax revenues exceeding debt service expenditures.

As of September 30, 2019, the capital projects fund reflected a fund balance of \$940,600, an increase of \$171,247 from the prior year. This increase is primarily due to the lack of capital outlay expenditures incurred in the current year.

There was an increase in governmental fund balance of \$420,641 from the prior year. The increase was primarily related to less than anticipated general fund expenditures.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

GENERAL FUND BUDGETARY HIGHLIGHTS

There was a total positive budget variance of \$494,690 in the general fund. This was primarily the result of positive expenditure variances totaling \$550,722. All expenditures were less than budgeted with the exception of municipal court.

City of Parker, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2019

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested \$36,756,288 in a variety of capital assets and infrastructure, net of accumulated depreciation. Depreciation is included with the governmental capital assets as required by GASB Statement No. 34. The City's business-type activities funds had invested \$17,682,305 in a variety of capital assets and infrastructure, net of accumulated depreciation.

Major capital asset events during the current year include the following:

- Eastside ground storage reservoir improvements totaling \$312,470.
- Engineering costs for utility relocation, pump station design, and water line improvements totaling \$253,954.
- Streets improvements of \$418,753.
- Purchase of general government and public safety vehicles and equipment for \$170,054.

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

LONG-TERM DEBT

At the end of the current year, the City had total bonds outstanding of \$9,895,081. During the year, principal payments totaling \$715,000 were made. More detailed information about the City's long-term liabilities is presented in note IV. E. to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Mayor and City Council are committed to maintaining and improving the overall wellbeing of the City of Parker and improving services provided to their public citizens. The City is budgeting for growth in the upcoming year.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City of Parker's finances for all those with an interest in the City's finances. Questions concerning this report or requests for additional financial information should be directed to the City Administrator, 5700 East Parker Road, Parker, Texas 75002.

FINANCIAL STATEMENTS

City of Parker, Texas
STATEMENT OF NET POSITION (Page 1 of 2)
September 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 10,759,159	\$ 2,352,364	\$ 13,111,523
Investments	2,463,169	-	2,463,169
Receivables, net	148,182	644,242	792,424
Prepaid expenses	-	4,157	4,157
Internal balances	(6,418,200)	6,418,200	-
Total Current Assets	6,952,310	9,418,963	16,371,273
Capital assets:			
Non-depreciable	915,864	939,182	1,855,046
Net depreciable capital assets	35,840,424	16,743,123	52,583,547
Grant receivables	-	425,186	425,186
Total Noncurrent Assets	36,756,288	18,107,491	54,863,779
Total Assets	43,708,598	27,526,454	71,235,052
<u>Deferred Outflows of Resources</u>			
Pension contributions	113,795	31,541	145,336
OPEB contributions	187	52	239
Pension experience vs. assumptions	35,125	2,961	38,086
Pension difference in experience	-	6,776	6,776
Pension investment earnings	115,472	32,006	147,478
OPEB experience vs. assumptions	64,447	17,863	82,310
Deferred charge on refunding	51,342	47,391	98,733
Total Deferred Outflows of Resources	380,368	138,590	518,958

City of Parker, Texas
STATEMENT OF NET POSITION (Page 2 of 2)
September 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Liabilities</u>			
Current liabilities:			
Accounts payable and accrued liabilities	471,434	285,520	756,954
Payable to Collin County	-	238,856	238,856
Customer deposits	91,000	-	91,000
Accrued interest payable	9,493	36,772	46,265
Unearned revenue	143,594	-	143,594
Compensated absences, current	67,885	16,404	84,289
Long-term debt due within one year	361,970	273,030	635,000
	<u>1,145,376</u>	<u>850,582</u>	<u>1,995,958</u>
Noncurrent liabilities:			
Long-term debt due in more than one year	2,113,747	7,692,988	9,806,735
Compensated absences, noncurrent	7,543	1,823	9,366
Net pension liability	820,691	227,477	1,048,168
OPEB liability	115,030	31,884	146,914
	<u>3,057,011</u>	<u>7,954,172</u>	<u>11,011,183</u>
Total Liabilities	<u>4,202,387</u>	<u>8,804,754</u>	<u>13,007,141</u>
<u>Net Position</u>			
Net investment in capital assets	34,985,980	16,125,350	51,111,330
Restricted	396,308	-	396,308
Unrestricted	4,504,291	2,734,940	7,239,231
Total Net Position	<u>\$ 39,886,579</u>	<u>\$ 18,860,290</u>	<u>\$ 58,746,869</u>

See Notes to Financial Statements.

City of Parker, Texas
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 974,796	\$ 444,041	\$ 2,636	\$ -
Public safety	2,252,723	223,800	-	1,000
Transportation	2,387,318	-	-	-
Culture and recreation	10,618	-	-	-
Interest and fiscal charges	78,716	-	-	-
Total Governmental Activities	<u>5,704,172</u>	<u>667,841</u>	<u>2,636</u>	<u>1,000</u>
Business-Type Activities				
Water, Sewer, & Sanitation	3,924,231	4,354,791	-	75,556
Total Business-Type Activities	<u>3,924,231</u>	<u>4,354,791</u>	<u>-</u>	<u>75,556</u>
Total Primary Government	<u>\$ 9,628,403</u>	<u>\$ 5,022,632</u>	<u>\$ 2,636</u>	<u>\$ 76,556</u>

General Revenues:

Taxes
Property taxes
Sales taxes
Franchise and local taxes
Investment income
Other revenues

Total General Revenues

Change in Net Position

Beginning Net Position
Ending Net Position

See Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (528,119)	\$ -	\$ (528,119)
(2,027,923)	-	(2,027,923)
(2,387,318)	-	(2,387,318)
(10,618)	-	(10,618)
(78,716)	-	(78,716)
(5,032,695)	-	(5,032,695)
-	506,116	506,116
-	506,116	506,116
(5,032,695)	506,116	(4,526,579)
3,419,164	-	3,419,164
230,007	-	230,007
279,136	-	279,136
249,558	18,842	268,400
73,686	-	73,686
4,251,551	18,842	4,270,393
(781,144)	524,958	(256,186)
40,667,723	18,335,332	59,003,055
\$ 39,886,579	\$ 18,860,290	\$ 58,746,869

City of Parker, Texas

BALANCE SHEET GOVERNMENTAL FUNDS September 30, 2019

	General	Debt Service	Capital Projects
<u>Assets</u>			
Cash and cash equivalents	\$ 3,005,845	\$ 169,477	\$ 7,475,891
Investments	2,396,215	-	-
Receivables, net	142,638	5,544	-
Total Assets	\$ 5,544,698	\$ 175,021	\$ 7,475,891
<u>Liabilities</u>			
Accounts payable and accrued liabilities	\$ 471,003	\$ -	\$ -
Customer deposits	91,000	-	-
Unearned revenue	26,503	-	117,091
Due to other funds	-	-	6,418,200
Total Liabilities	588,506	-	6,535,291
<u>Deferred Inflows of Resources</u>			
Unavailable revenue - property taxes	24,751	5,544	-
Unavailable revenue - franchise taxes	26,455	-	-
Total Deferred Inflows of Resources	51,206	5,544	-
<u>Fund Balances</u>			
Restricted for:			
Municipal court	44,464	-	-
Police seizures	7,898	-	-
Debt service	-	169,477	-
Capital projects	-	-	940,600
Fire department	-	-	-
Committed for:			
Capital improvements	104,268	-	-
Unassigned reported in:			
General fund	4,748,356	-	-
Total Fund Balances	4,904,986	169,477	940,600
Total Liabilities, Deferred Inflows and Fund Balances	\$ 5,544,698	\$ 763,527	\$ 1,529,106

See Notes to Financial Statements.

<u>Nonmajor Volunteer Fire Department</u>	<u>Total Governmental Funds</u>
\$ 107,946	\$ 10,759,159
66,954	2,463,169
-	148,182
<u>\$ 174,900</u>	<u>\$ 13,370,510</u>

\$ 431	\$ 471,434
-	91,000
-	143,594
-	6,418,200
<u>431</u>	<u>7,124,228</u>

-	30,295
-	26,455
<u>-</u>	<u>56,750</u>

-	44,464
-	7,898
-	169,477
-	940,600
174,469	174,469

-	104,268
-	4,748,356
<u>174,469</u>	<u>6,189,532</u>
<u>\$ 762,975</u>	<u>\$ 6,834,788</u>

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City of Parker, Texas
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
September 30, 2019

Fund Balances - Total Governmental Funds	\$ 6,189,532
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Adjustments for the Statement of Net Position:

Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.

Capital assets - non-depreciable	915,864
Capital assets - net depreciable	35,840,424

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.

Property taxes	30,295
Franchise taxes	26,455

Deferred outflows of resources, represent a consumption of net position that applies applies to a future period(s) and is not recognized as an outflow of resources (expense/ expenditure) until then.

Deferred charge on refunding	51,342
Pension contributions	113,795
OPEB contributions	187
Pension experience vs. assumptions	35,125
Pension investment earnings	115,472
OPEB experience vs. assumptions	64,447

Some liabilities, including bonds payable and deferred charges, are not reported as liabilities in the governmental funds.

Accrued interest	(9,493)
Bond premium	(51,506)
Net pension liability	(820,691)
OPEB liability	(115,030)
Compensated absences	(75,428)
Non-current liabilities due in one year	(361,970)
Non-current liabilities due in more than one year	(2,062,241)

Net Position of Governmental Activities	\$ 39,886,579
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See Notes to Financial Statements.

City of Parker, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS

For the Year Ended September 30, 2019

	General	Debt Service	Capital Projects
<u>Revenues</u>			
Property tax	\$ 2,916,792	\$ 502,372	\$ -
Sales tax	230,007	-	-
Franchise and local taxes	276,032	-	-
License and permits	444,041	-	-
Contributions and donations	500	-	-
Intergovernmental	2,636	-	-
Fines and forfeitures	223,800	-	-
Investment income	78,090	-	171,247
Other revenue	45,433	-	-
Total Revenues	<u>4,217,331</u>	<u>502,372</u>	<u>171,247</u>
<u>Expenditures</u>			
Current:			
General government	775,018	-	-
Police department	1,275,109	-	-
Municipal court	190,416	-	-
Fire department	644,673	-	-
Building and code enforcement	101,771	-	-
Public works	862,969	-	-
City property	103,314	-	-
Capital outlay	26,195	-	-
Debt Service:			
Principal	-	418,015	-
Interest and fiscal charges	-	82,994	-
Total Expenditures	<u>3,979,465</u>	<u>501,009</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	237,866	1,363	171,247
<u>Other Financing Sources</u>			
Proceeds from sale of capital assets	27,334	-	-
Total Other Financing Sources	<u>27,334</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	265,200	1,363	171,247
Beginning fund balances	4,639,786	168,114	769,353
Ending Fund Balances	<u>\$ 4,904,986</u>	<u>\$ 169,477</u>	<u>\$ 940,600</u>

See Notes to Financial Statements.

<u>Nonmajor Volunteer Fire Department</u>	<u>Total Governmental Funds</u>
\$ -	\$ 3,419,164
-	230,007
-	276,032
-	444,041
500	1,000
-	2,636
-	223,800
221	249,558
1,140	46,573
<u>1,861</u>	<u>4,892,811</u>
-	775,018
-	1,275,109
-	190,416
19,030	663,703
-	101,771
-	862,969
-	103,314
-	26,195
-	418,015
-	82,994
<u>19,030</u>	<u>4,499,504</u>
(17,169)	393,307
-	27,334
<u>-</u>	<u>27,334</u>
(17,169)	420,641
191,638	5,768,891
<u>\$ 174,469</u>	<u>\$ 6,189,532</u>

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City of Parker, Texas
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2019

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	\$	420,641
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay		655,546
Depreciation expense		(2,231,004)
Adjustment for disposal of capital assets		(221)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property and franchise taxes		3,104
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences		935
Accrued interest		1,672
Pension expense		(34,303)
OPEB liability		(18,135)

The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when they are first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Amortization of deferred charges on refunding		(5,705)
Amortization of premium		8,311
Principal payments		418,015
Change in Net Position of Governmental Activities	\$	(781,144)

See Notes to Financial Statements.

City of Parker, Texas
STATEMENT OF NET POSITION
PROPRIETARY FUND
September 30, 2019

	<u>Water, Sewer & Sanitation</u>
<u>Assets</u>	
<u>Current Assets</u>	
Cash and cash equivalents	\$ 2,352,364
Receivables, net	644,242
Due from other funds	6,418,200
Prepaid expenses	4,157
Total Current Assets	<u>9,418,963</u>
<u>Noncurrent Assets</u>	
Capital assets:	
Non-depreciable	939,182
Net depreciable capital assets	16,743,123
Grant receivable	425,186
Total Noncurrent Assets	<u>18,107,491</u>
Total Assets	<u>27,526,454</u>
<u>Deferred Outflows of Resources</u>	
Pension contributions	31,541
Pension investment earnings	32,006
Pension actual experience vs. assumptions	2,961
Pension difference in experience	6,776
OPEB contributions	52
OPEB actual experience vs. assumptions	17,863
Deferred charge on refunding	47,391
Total Deferred Outflows of Resources	<u>138,590</u>
<u>Liabilities</u>	
<u>Current Liabilities</u>	
Accounts payable and accrued liabilities	285,520
Payable to Collin County	238,856
Accrued interest	36,772
Compensated absences, current	16,404
Long term debt due within one year	273,030
Total Current Liabilities	<u>850,582</u>
<u>Noncurrent Liabilities</u>	
Long term debt due in more than one year	7,692,988
Compensated absences, noncurrent	1,823
Net pension liability	227,477
OPEB liability	31,884
Total Liabilities	<u>8,804,754</u>
<u>Net Position</u>	
Net investment in capital assets	16,125,350
Unrestricted	2,734,940
Total Net Position	<u>\$ 18,860,290</u>

See Notes to Financial Statements.

City of Parker, Texas

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS

For the Year Ended September 30, 2019

	<u>Water, Sewer & Sanitation</u>
<u>Operating Revenues</u>	
Water sales	\$ 3,333,209
Sewer revenue	357,547
Garbage collection	375,155
Meter installations	175,000
Other revenue	113,880
Total Operating Revenues	<u>4,354,791</u>
<u>Operating Expenses</u>	
Cost of water	2,364,323
Cost of sewer	396,962
Cost of garbage	357,413
Depreciation	538,463
Total Operating Expenses	<u>3,657,161</u>
Operating Income (Loss)	<u>697,630</u>
<u>Nonoperating Revenues (Expenses)</u>	
Investment income	18,842
Interest expense	(267,070)
Capital grant	69,581
Contributed capital assets from developer	5,975
Total Nonoperating Revenues (Expenses)	<u>(172,672)</u>
Change in Net Position	524,958
Beginning net position	<u>18,335,332</u>
Ending Net Position	<u><u>\$ 18,860,290</u></u>

See Notes to Financial Statements.

City of Parker, Texas
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (Page 1 of 2)
For the Year Ended September 30, 2019

	<u>Water, Sewer & Sanitation</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from customers	\$ 4,002,806
Payments to suppliers and employees	(3,422,111)
Net Cash Provided by Operating Activities	<u>580,695</u>
<u>Cash Flows from Capital and Related Financing Activities</u>	
Purchase of capital assets	(576,183)
Capital grant	69,581
Principal paid on debt	(296,985)
Interest paid on debt	(294,510)
Net Cash (Used) Provided by Capital and Related Financing Activities	<u>(1,098,097)</u>
<u>Cash Flows from Investing Activities</u>	
Interest on investments	18,842
Net Cash Provided by Investing Activities	<u>18,842</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(498,560)
Beginning cash and cash equivalents	<u>2,850,924</u>
Ending Cash and Cash Equivalents	<u><u>\$ 2,352,364</u></u>

See Notes to Financial Statements.

City of Parker, Texas
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (Page 2 of 2)
For the Year Ended September 30, 2019

	<u>Water, Sewer & Sanitation</u>
<u>Reconciliation of Operating Income (Loss)</u>	
<u>to Net Cash Provided by Operating Activities</u>	
Operating Income (Loss)	\$ 697,630
Adjustments to reconcile operating income to net cash provided:	
Depreciation	538,463
Changes in Operating Assets and Liabilities:	
(Increase) Decrease in:	
Accounts receivable	(282,404)
Grant receivables	(69,581)
Increase (Decrease) in:	
Accounts payable and accrued liabilities	(321,311)
Compensated absences	3,365
Deferred outflows of resources - pension contributions	(4,299)
Deferred outflows of resources - pension investment earnings	(17,362)
Deferred outflows of resources - pension difference in experience	(6,776)
Deferred outflows of resources - experience vs. assumptions	(18,516)
Deferred outflows of resources - OPEB contributions	(8)
Deferred outflows of resources - OPEB experience vs. assumptions	(17,218)
Net pension liability	56,459
OPEB liability	22,253
Net Cash Provided by Operating Activities	<u>\$ 580,695</u>
<u>Schedule of Non-Cash Capital and Related Financing Activities</u>	
Capital assets contributed by developer	\$ 5,975

See Notes to Financial Statements.

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City of Parker, Texas

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. Reporting Entity

The City of Parker, Texas (the "City") was incorporated on March 22, 1969 and operates under a Council-Manager form of government. The City provides: police; fire; code enforcement; public works; street repair and maintenance; parks; general administrative services; water; wastewater; and sanitation.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. The Parker Volunteer Fire Department, although legally separate, is considered part of the reporting entity. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and is fiscally independent of other state and local governments. Additionally prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

Blended Component Unit

Parker Volunteer Fire Department

The Parker Volunteer Fire Department (the "VFD") was created by City ordinance on February 22, 1983. The purpose of the VFD is to provide fire protection to the citizens of the City. The Fire Chief is the executive officer of the department and is appointed by the Mayor of the City.

C. Basis of Presentation Government-Wide and Fund Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds and the proprietary funds.

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

The fund financial statements provide information about the government's funds, including its blended component units. Separate statements for each fund category—governmental and proprietary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following governmental funds:

Governmental Funds

Governmental funds are those funds through which most governmental functions are typically financed.

General Fund

The general fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

Expenditures include general government, police and fire departments, public works, building and code enforcement, and city property. The general fund is considered a major fund for reporting purposes.

Debt Service Fund

The debt service fund is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of governmental funds. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

Capital Projects Fund

The City's capital projects fund accounts for the acquisition and construction of the government's major capital facilities, other than those financed by proprietary funds. The capital projects fund is considered a major fund for reporting purposes.

Volunteer Fire Department Fund

The volunteer fire department fund (the "VFD") is used to account for contributions and grants that are contributed to the VFD for fire protection. The VFD is considered a nonmajor fund for reporting purposes. The VFD is reported as a blended component unit because it has no separate board from City Council, and it is financially accountable to the City.

Proprietary Fund Types

Proprietary funds are used to account for activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government's business activities are accounted for through proprietary funds. The measurement focus is on determination of net income, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues include charges for services. Operating expenses include costs of materials, contracts, personnel, and depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Proprietary fund types follow GAAP prescribed by the Governmental Accounting Standards Board (GASB) and all financial Accounting Standards Board's standards issued prior to November 30, 1989. Subsequent to this date, the City accounts for its enterprise funds as presented by GASB. The proprietary fund types used by the City include enterprise funds.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

The government reports the following major enterprise fund:

Water, Sewer, & Sanitation Fund

This fund is used to account for the provision of water, sewer & garbage services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water production and distribution system, water collection and treatment systems, and contract garbage services. The fund also accounts for the accumulation of resources for and the payment of long-term debt. All costs are financed through charges to utility customers.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

D. Measurement Focus and Basis of Accounting

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
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Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexSTAR, are reported using the pools' share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, of the Texas Governmental Code. In summary, the City is authorized to invest in the following:

- Direct obligations of the U.S. Government
- Fully collateralized certificates of deposit and money market accounts
- Statewide investment pools

2. Fair Value

The City has applied Governmental Accounting Standards Board ("GASB") Statement No. 72, *Fair Value Measurement and Application*. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

3. Receivables and Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds" in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as "due to/from component unit/primary government." Any residual balances

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
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outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

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

All trade receivables are shown net of any allowance for uncollectible amounts.

4. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Penalties are calculated after February 1 up to the date collected by the government at the rate of 6% for the first month and increased 1% per month up to a total of 12%. Interest is calculated after February 1 at the rate of 1% per month up to the date collected by the government. Under state law, property taxes levied on real property constitute a lien on the real property which cannot be forgiven without specific approval of the State Legislature. The lien expires at the end of twenty years. Taxes levied on personal property can be deemed uncollectible by the City.

5. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred, (i.e., the purchase method). The inventories are valued at the lower of cost or market using the first-in/first-out method. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

6. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government, as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
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The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful years.

Asset Description	Estimated Useful Life
Vehicles	5 to 20 years
Furniture and equipment	5 to 10 years
Infrastructure	20 - 40 years
Water and sewer system	40 years
Buildings and improvements	40 years

7. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. An example which arises only under a modified accrual basis of accounting, relates to the accounting for uncollected property taxes. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources can also occur at the government wide level due to differences between investment gains and losses realized on pension investments compared to assumptions used within the pension actuarial valuation model.

8. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
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government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

9. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

10. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing body (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

11. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consist of unpaid, accumulated vacation balances. The liability has been

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
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calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Vested or accumulated vacation leave and compensated leave of government-wide and proprietary funds are recognized as an expense and liability of those funds as the benefits accrue to employees.

It is the City's policy to liquidate compensated absences with future revenues rather than with currently available expendable resources. Accordingly, the City's governmental funds recognize accrued compensated absences when it is paid.

12. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. The long-term debt consists primarily of bonds payable, net pension liability, and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payments of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

Long-term debt and other obligations, financed by proprietary funds, are reported as liabilities in the appropriate funds. For proprietary fund types, bond premiums, and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are expensed as incurred in accordance with GASB statement no. 65.

The net pension liability is included within long term debt. This liability is valued using an actuarial model and represents the difference between the plan fiduciary net position and the net pension liability consistent with GASB statement no. 68. The portion of this liability presented as a current liability is based on actuarially calculations for estimated future payments of benefits and refunds over the twelve months following yearend.

Assets acquired under the terms of capital leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, capital lease transactions are recorded as other financing sources and as capital outlay expenditures in the general fund.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

Lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

13. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

14. Other Postemployment Benefits ("OPEB")

The City has implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement applies to the individual employers (TMRS cities) in the TMRS Supplemental Death Benefits (SDB) plan, with retiree coverage. The TMRS SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary, calculated based on the employee's actual earnings on which TMRS deposits are made, for the 12-month period preceding the month of death. The death benefit amount for retirees is \$7,500. GASB No. 75 requires the liability of employers and nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

15. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental states that, “the issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.”

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, debt service fund, and water, sewer, & sanitation fund. Capital projects fund budgets are appropriated on a project-length basis.

The appropriated budget is prepared by fund, function, and department. The legal level of control as defined by the City Charter is the function level. No funds can be transferred or added to a budgeted item without Council approval. Appropriations lapse at the end of the year.

As of September 30, 2019, current year expenditures in the general fund exceeded appropriations in the municipal court department by \$2,623.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As of September 30, 2019, the primary government had the following investments:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Average Maturity (Years)</u>	<u>Credit Rating</u>
Certificates of deposit	\$ 2,463,169	1.07	N/A
External investment pools	9,723,601	0.05	AAAm
Total carrying value	<u>\$ 12,186,770</u>		
Portfolio weighted average maturity		0.25	

Interest rate risk – In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average of maturity not to exceed five years; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations; monitoring credit ratings of portfolio position to assure compliance with rating requirements imposed by the Public Funds Investment Act; and invest operating funds primarily in short-term securities or similar government investment pools.

Credit risk – The City's investment policy limits investments to obligations of the United States, State of Texas, or their agencies and instrumentalities with an investment quality rating of not less than "A" or its equivalent, by a nationally recognized investment rating firm. Other obligations must be unconditionally guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency and investment pools with an investment quality not less than AAA or AAA-m, or equivalent, by at least one nationally recognized rating service. As of September 30, 2019, the City's investment in TexSTAR was rated AAAm by Standard & Poor's.

Custodial credit risk – deposits: In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require that all deposits in financial institutions be insured or fully collateralized by U.S. government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. As of September 30, 2019, the market values of pledged securities and FDIC exceeded bank balances.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

TexSTAR

The Texas Short Term Asset Reserve Fund ("TexSTAR") is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. TexSTAR was created in April 2002 by contract among its participating governmental units and is governed by a board of directors. JPMorgan Fleming Asset Management (USA), Inc. and First Southwest Asset Management, Inc. act as co-administrators, providing investment management services, participant services, and marketing, respectively. JPMorgan Chase Bank and/or its subsidiary, J.P. Morgan Investor Services, Inc., provide custodial, transfer agency, fund accounting, and depository services.

TexSTAR operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR uses amortized cost rather than fair value to report net position to compute share prices. Accordingly, the fair value of the position in TexSTAR are the same as the value of TexSTAR shares. There were no limitations or restrictions on withdrawals.

B. Fair Value Measurement

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy. The investments of the City consist of certificates of deposit and investment pool assets, which are both exempted from presentation within a fair value hierarchy table. As a result, no such table is presented.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

C. Receivables

The following comprise receivable balances of the primary government at year end:

	General	Debt Service	Water, Sewer & Sanitation	Total
Property taxes	\$ 24,751	\$ 5,544	\$ -	\$ 30,295
Sales tax	39,228	-	-	39,228
Franchise & local taxes	65,654	-	-	65,654
Accounts	-	-	644,242	644,242
State grant	-	-	425,186	425,186
Other	13,005	-	-	13,005
	<u>\$ 142,638</u>	<u>\$ 5,544</u>	<u>\$ 1,069,428</u>	<u>\$ 1,217,610</u>

D. Capital Assets

A summary of changes in governmental activities capital assets for the year end was as follows:

	Beginning Balances	Increases	Decreases/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 843,484	\$ -	\$ -	\$ 843,484
Construction in progress	46,185	26,195	-	72,380
Total capital assets not being depreciated	<u>889,669</u>	<u>26,195</u>	<u>-</u>	<u>915,864</u>
Capital assets, being depreciated:				
Land improvements	212,367	-	-	212,367
Buildings and improvements	2,616,328	-	-	2,616,328
Vehicles and equipment	2,897,725	210,598	(117,518)	2,990,805
Infrastructure	51,358,660	418,753	-	51,777,413
Total capital assets being depreciated	<u>57,085,080</u>	<u>629,351</u>	<u>(117,518)</u>	<u>57,596,913</u>
Less accumulated depreciation				
Land improvements	71,416	10,618	-	82,034
Buildings and improvements	782,226	65,450	-	847,676
Vehicles and equipment	2,024,628	188,361	(117,297)	2,095,692
Infrastructure	16,764,512	1,966,575	-	18,731,087
Total accumulated depreciation	<u>19,642,782</u>	<u>2,231,004</u>	<u>(117,297)</u>	<u>21,756,489</u>
Net capital assets being depreciated	<u>37,442,298</u>	<u>(1,601,653)</u>	<u>(221)</u>	<u>35,840,424</u>
Total Capital Assets	<u><u>\$ 38,331,967</u></u>	<u><u>\$ (1,575,458)</u></u>	<u><u>\$ (221)</u></u>	<u><u>\$ 36,756,288</u></u>

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
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Depreciation was charged to governmental functions as follows:

General government	\$ 72,893
Public safety	168,934
Public works	1,978,559
Culture and recreation	10,618
Total Governmental Activities Depreciation Expense	<u>\$ 2,231,004</u>

A summary of changes in business-type activities capital assets for the year end was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases/ Reclassifications</u>	<u>Ending Balances</u>
Capital assets, not being depreciated:				
Land	\$ 313,932	\$ 9,734	\$ -	\$ 323,666
Construction in progress	1,356,126	566,424	(1,307,034)	615,516
Total capital assets not being depreciated	<u>1,670,058</u>	<u>576,158</u>	<u>(1,307,034)</u>	<u>939,182</u>
Capital assets, being depreciated:				
Water and sewer system	20,543,712	-	1,307,034	21,850,746
Vehicles and equipment	283,027	6,000	(45,885)	243,142
Total capital assets being depreciated	<u>20,826,739</u>	<u>6,000</u>	<u>1,261,149</u>	<u>22,093,888</u>
Less accumulated depreciation				
Water and sewer system	4,589,945	531,658	-	5,121,603
Vehicles and equipment	268,242	6,805	(45,885)	229,162
Total accumulated depreciation	<u>4,858,187</u>	<u>538,463</u>	<u>(45,885)</u>	<u>5,350,765</u>
Net capital assets being depreciated	15,968,552	(515,483)	1,307,034	16,743,123
Total Capital Assets	<u>\$ 17,638,610</u>	<u>\$ 60,675</u>	<u>\$ -</u>	<u>\$ 17,682,305</u>

Depreciation was charged to business-type activities as follows:

Water	\$ 533,047
Sewer	5,416
Total Business-Type Activities Depreciation Expense	<u>\$ 538,463</u>

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

E. Long-term Debt

The following is a summary of changes in the City's total governmental long-term liabilities for the year ended. In general, the City uses the debt service fund to liquidate governmental long-term liabilities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
Governmental Activities:					
Bonds, notes and other payables:					
General Obligation Refunding Bonds	\$ 1,772,226	\$ -	\$ (278,015)	\$ 1,494,211	\$ 211,970
Premium	59,817	-	(8,311)	51,506	-
Certificate of Obligation	1,070,000	-	(140,000)	930,000	150,000
Total Governmental Activities	<u>\$ 2,902,043</u>	<u>\$ -</u>	<u>\$ (426,326)</u>	<u>\$ 2,475,717</u>	<u>\$ 361,970</u>
Long-term liabilities due in more than one year				<u>\$ 2,113,747</u>	
Business-Type Activities:					
Bonds, notes and other payables:					
General Obligation Refunding Bonds	\$ 1,692,855	\$ -	\$ (296,985)	\$ 1,395,870	\$ 198,030
Premium	527,854	-	(32,706)	495,148	-
Combination Tax and Revenue Bonds	6,075,000	-	-	6,075,000	75,000
Total Business-Type Activities	<u>\$ 8,295,709</u>	<u>\$ -</u>	<u>\$ (329,691)</u>	<u>\$ 7,966,018</u>	<u>\$ 273,030</u>
Long-term liabilities due in more than one year				<u>\$ 7,692,988</u>	

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
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Long-term debt at year end was comprised of the following debt issues:

Description	Interest Rates	Original Balance	Current Balance
Governmental Activities:			
2011 General obligation refunding bonds (52%)	2.00 - 4.00%	2,959,825	1,494,211
2015 Certificate of obligation (100%)	2.09%	1,485,000	930,000
Total Governmental Activities		\$ 5,180,775	\$ 2,424,211
Business-type Activities:			
2011 General obligation refunding bonds (48%)	2.00 - 4.00%	2,765,175	1,395,870
2018 Combination tax & revenue bonds (100%)	3.00 - 4.00%	6,075,000	6,075,000
Total Business-Type Activities		\$ 9,899,225	\$ 7,470,870
Total Long-Term Debt			
2011 General obligation refunding bonds	2.00 - 4.00%	5,725,000	2,890,081
2015 Certificate of obligation	2.09%	1,485,000	930,000
2018 Combination tax & revenue bonds (100%)	3.00 - 4.00%	6,075,000	6,075,000
Total		\$ 15,080,000	\$ 9,895,081

The annual requirements to amortize governmental activities debt issues outstanding at year end were as follows:

Year ending September 30,	Governmental Activities			
	2011 G.O. Bonds		2015 C.O.O. Bonds	
	Principal	Interest	Principal	Interest
2020	\$ 211,970	\$ 53,325	\$ 150,000	\$ 17,870
2021	217,140	45,802	150,000	14,735
2022	224,895	36,962	155,000	11,547
2023	237,820	27,707	155,000	8,308
2024	155,100	19,849	160,000	5,016
2025	134,420	14,294	160,000	1,672
2026	100,815	10,001	-	-
2027	103,400	6,170	-	-
2028	108,651	2,090	-	-
Total	\$ 1,494,211	\$ 216,200	\$ 930,000	\$ 59,148

2011 general obligation refunding bonds issued July 13, 2011, due in annual installments through February 15, 2028, bearing interest ranging from 2.0% to 4.0% payable February 15 and August 15. The governmental activities portion is 52% or \$2,959,825 of the total \$5,725,000 issue.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

2015 certificate of obligation bonds issued August 20, 2015, due in annual installments through February 15, 2025, bearing interest ranging from 2.09% payable February 15 and August 15. The governmental activities portion is 100% of the total issue of \$1,485,000.

The annual requirements to amortize business-type activities debt issues outstanding at year ending were as follows:

Year ending September 30,	Business-Type Activities			
	2011 G.O. Bonds		2018 C.O.O. Bonds	
	Principal	Interest	Principal	Interest
2020	\$ 198,030	\$ 49,818	\$ 75,000	\$ 236,600
2021	202,860	42,790	80,000	234,650
2022	210,105	34,531	85,000	232,175
2023	222,180	25,885	80,000	229,700
2024	144,900	18,544	170,000	225,950
2025	125,580	13,354	200,000	219,400
2026	94,185	9,343	245,000	210,500
2027	96,600	5,765	255,000	200,500
2028	101,430	1,953	265,000	190,100
2029 & Thereafter	-	-	4,620,000	984,600
Total	\$ 1,395,870	\$ 201,982	\$ 6,075,000	\$ 2,964,175

2011 general obligation refunding bonds issued July 13, 2011, due in annual installments through February 15, 2028, bearing interest ranging from 2.0% to 4.0% payable February 15 and August 15. The business-type activities portion is 48% or \$2,765,175 of the total \$5,725,000 issue.

2018 combination tax and revenue bonds issued August 21, 2018, due in annual installments through February 15, 2038, bearing interest at 3.0% to 4.0% payable February 15 and August 15. The business-type activities portion is 100% or \$6,075,000 of the total \$6,075,000 issue.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

The annual requirements to amortize total government-wide debt issues outstanding at year ending were as follows:

Year ending September 30,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 361,970	\$ 71,195	\$ 273,030	\$ 286,418	\$ 635,000	\$ 357,613
2021	367,140	60,537	282,860	277,440	650,000	337,977
2022	379,895	48,509	295,105	266,706	675,000	315,215
2023	392,820	36,015	302,180	255,585	695,000	291,600
2024	315,100	24,865	314,900	244,494	630,000	269,359
2025	294,420	15,966	325,580	232,754	620,000	248,720
2026	100,815	10,001	339,185	219,843	440,000	229,844
2027	103,400	6,170	351,600	206,265	455,000	212,435
2028	108,651	2,090	366,430	192,053	475,081	194,143
2029 & after	-	-	4,620,000	984,600	4,620,000	984,600
Total	\$ 2,424,211	\$ 275,348	\$ 7,470,870	\$ 3,166,158	\$ 9,895,081	\$ 3,441,506

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged. Repayment of general obligation bonds are from taxes levied on all taxable property located within the City. The City is not obligated in any manner for special assessment debt.

In 2017 Collin County agreed to issue a grant amounting to \$367,247 and lend up to \$975,506 to the City to relocate water utilities along FM 2514. The grant and payable amount are owed back to the County 30 days after the City receives the grant money from TX DOT if TX DOT approves reimbursement of this project. As of September 30, 2017, the City received \$238,856 from the County related to this agreement. This amount is carried as a liability to the County and will be paid to the County when the TX DOT grant money is received.

During September 30, 2018, TX DOT indicated their approval for this project on a 100% reimbursement basis. With this approval the City owes back the funds received from Collin County for \$238,856. As of September 30, 2019, the City had a receivable for this grant of \$425,186 from TX DOT.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

F. Other Long-term Liabilities

The following is a summary of changes in the City's other long-term liabilities for the year ended September 30, 2019. In general, the City uses the general fund to liquidate governmental activities compensated absences.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Compensated Absences	\$ 76,363	\$ -	\$ (935)	\$ 75,428	\$ 67,885
Total Governmental Activities	<u>\$ 76,363</u>	<u>\$ -</u>	<u>\$ (935)</u>	<u>\$ 75,428</u>	<u>\$ 67,885</u>
Business-Type Activities:					
Compensated Absences	\$ 14,862	\$ 3,365	\$ -	\$ 18,227	\$ 16,404
Total Business-Type Activities	<u>\$ 14,862</u>	<u>\$ 3,365</u>	<u>\$ -</u>	<u>\$ 18,227</u>	<u>\$ 16,404</u>

G. Deferred Charge on Refunding

A deferred charge resulting from the issuance of the 2010 and 2011 general obligation refunding bonds has been recorded as a deferred outflow of resources and is being amortized to interest expense over the term of the refunded debt. Current year balances for governmental and business-type activities totaled \$51,342 and \$47,391, respectively. Current year amortization expense for governmental and business-type activities totaled \$5,705 and \$5,266, respectively.

H. Customer Deposits

The City had customer deposits of \$91,000 in the general fund as of yearend. The City requires a \$1,000 refundable deposit for all new home building permits. This amount will be refunded upon completion of the project and by meeting certain criteria set by the City.

I. Interfund Transactions

The compositions of interfund due to/from balances as of the year ended September 30, 2019 were as follows:

<u>Payable fund</u>	<u>Receivable fund</u>
	<u>Enterprise</u>
Capital projects	<u>\$ 6,418,200</u>

The City records fund balance restrictions on the fund level to indicate that a portion of the fund balance is legally restricted for a specific future use or to indicate that a portion of the fund balance is not available for expenditures.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

The following is a list of fund balances restricted/committed by the City:

	<u>Restricted</u>	<u>Committed</u>
Municipal court	* \$ 44,464	\$ -
Police seizures	7,898	-
Debt service	169,477	-
Fire department	174,469	-
Capital projects	940,600	104,268
Total	\$ 1,336,908	\$ 104,268

*Restricted by enabling legislation.

J. Lease Obligations

In the prior year, the government entered into an operating lease agreement as lessee for an office building to be used by the police department. The term of the lease is 60 months beginning on July 12, 2016. The monthly lease payment is \$2,200. Total lease expense for the year ended September 30, 2019 totaled \$27,720.

Future minimum payments for this lease are as follows:

Year ended September 30:	
2020	\$ 26,400
2021	22,000
Thereafter	-
	\$ 48,400

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the City participates along with 2,800 other entities in the Texas Municipal League's Intergovernmental Risk Pools. The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

B. Contingent Liabilities

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

amounts already collected, may constitute a liability of the applicable funds. The amounts of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

C. Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed correctly, a substantial liability to the City could result. The City does anticipate that it will have an arbitrage liability and performs annual calculations to estimate this potential liability. The City will also engage an arbitrage consultant to perform the calculations in accordance with Internal Revenue Service's rules and regulations if indicated.

D. Defined Benefit Pension Plans

1. Plan Description

The City of Parker participates as one of 887 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

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

City of Parker, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2019

2. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

Plan provisions for the City were as follows:

	<u>Plan Year 2018</u>	<u>Plan Year 2017</u>
Employee deposit rate	6.0%	6.0%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/25	60/5, 0/25
Updated service credit	100% Repeating Transfers	100% Repeating Transfers
Annuity increase (to retirees)	0% of CPI	0% of CPI

Employees covered by benefit terms

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	9
Inactive employees entitled to but not yet receiving benefits	12
Active employees	25
Total	46

3. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Parker were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rates for the City of Parker were 12.33% and 12.21% in calendar years 2018 and 2019, respectively. The City's contributions to TMRS for the year ended September 30, 2019, were \$200,142, and were equal to the required contributions.

4. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2018, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.0% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2010 to December 31, 2014. They were adopted in 2015 and first used in the December 31, 2015 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering 2009 through

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

2011 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, the System adopted the Entry Age Normal actuarial cost method and a one-time change to the amortization policy. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.30%
International Equity	17.5%	6.10%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	3.39%
Real Return	10.0%	3.78%
Real Estate	10.0%	4.44%
Absolute Return	10.0%	3.56%
Private Equity	5.0%	7.75%
Total	100.0%	

Discount Rate:

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

Changes in the Net Pension Liability:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance at 12/31/17	\$ 3,611,340	\$ 2,823,330	\$ 788,010
Changes for the year:			
Service Cost	197,110	-	197,110
Interest	245,536	-	245,536
Difference between expected and actual experience	(478)	-	(478)
Changes of assumptions	-	-	-
Contributions – employer	-	180,329	(180,329)
Contributions – employee	-	87,800	(87,800)
Net investment income	-	(84,398)	84,398
Benefit payments, including refunds of emp. contributions	(144,651)	(144,651)	-
Administrative expense	-	(1,634)	1,634
Other changes	-	(87)	87
Net changes	297,517	37,359	260,158
Balance at 12/31/18	\$ 3,908,857	\$ 2,860,689	\$ 1,048,168

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 1,528,422	\$ 1,048,168	\$ 646,220

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the internet at www.tmrs.com.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

5. Pension Expense and Deferred Outflows and (Inflows) of Resources Related to Pensions

Pension expense for the year ended September 30, 2019 was \$243,950.

At September 30, 2019, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Difference between projected and investment earnings	\$ 147,478
Differences between expected and actual economic experience	44,862
Contributions subsequent to the measurement date	145,336
Total	\$ 337,676

The City reported \$145,336 as deferred outflows and (inflows) of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2019	\$ 78,143
2020	33,578
2021	24,436
2022	56,183
2023	-
Thereafter	-
	\$ 192,340

E. Postemployment Benefits Other Than Pensions

Supplemental Death Benefits Plan

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1. The death

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

Employees covered by benefit terms

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	7
Inactive employees entitled to but not yet receiving benefits	2
Active employees	25
Total	34

The City's retiree contribution rates to the TMRS SDBF for the years ended 2019, 2018 and 2017 are as follows:

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2017	0.02%	0.02%	100.0%
2018	0.02%	0.02%	100.0%
2019	0.02%	0.02%	100.0%

The City's contributions to the TMRS SDBF for the years ended 2019, 2018 and 2017 were \$327, \$277, and \$259, respectively, which equaled the required contributions each year.

Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2018, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

City of Parker, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2019

Actuarial assumptions:

The Total OPEB Liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.5% to 10.5%, including inflation per year
Discount rate	3.71%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 3.71%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2018.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 3.71%, as well as what the City's total OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.71%) or 1-percentage-point higher (4.71%) than the current rate:

1% Decrease (2.71%)	Current Single Rate Assumption 3.71%	1% Increase (4.71%)
\$ 156,152	\$ 146,914	\$ 139,615

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/17	\$ 44,380
Changes for the year:	
Service Cost	4,390
Interest	1,537
Difference between expected and actual experience	100,311
Changes of assumptions	(3,411)
Benefit payments	(293)
Net changes	102,534
Balance at 12/31/18	\$ 146,914

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

For the year ended September 30, 2019, the City recognized OPEB expense of \$20,517.

At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	Deferred Outflows of Resources
Difference between expected and actual experience	\$ 82,310
Contributions subsequent to measurement date	239
Total	\$ 82,549

The City reported \$239 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2020.

City of Parker, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2019

Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:		
2019	\$	14,590
2020		14,590
2021		14,590
2022		14,590
2023		14,527
Thereafter		9,423
	\$	<u>82,310</u>

F. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Service Code, Section 457. The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until retirement, termination, death, or unforeseeable emergencies.

Federal law requires all assets and income of Section 457 plans to be held in trust, custodial accounts, or annuity contracts for the exclusive benefit of the participants and their beneficiaries. The City's deferred compensation plan is administered by a private corporation under contract with the City. Total participant contributions were approximately \$12,955 for the year ended September 30, 2019. The City does not contribute to the plan.

G. Subsequent Events

In December of 2019, the City issued a \$2,485,000 Series 2019 General Obligation Refunding Bond. The premium on issuance was \$124,020 resulting in total proceeds of \$2,609,020. The proceeds were used to pay for issuance costs associated with the bond offering and to refund the Series 2011 General Obligation Bond with a principal amount outstanding at the time of refunding of \$2,480,000.

There were no other material subsequent events through January 14, 2019, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

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City of Parker, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended September 30, 2019

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Property tax	\$ 2,983,647	\$ 2,916,792	\$ (66,855)
Sales tax	175,000	230,007	55,007
Franchise and local taxes	254,500	276,032	21,532
License and permits	561,300	444,041	(117,259)
Contributions and donations	-	500	500
Intergovernmental	3,650	2,636	(1,014)
Fines and forfeitures	252,600	223,800	(28,800)
Investment income	48,000	78,090	30,090
Other revenue	22,000	45,433	23,433
Total Revenues	4,300,697	4,217,331	(83,366)
<u>Expenditures</u>			
Current:			
General government	786,973	775,018	11,955
Police department	1,346,748	1,275,109	71,639
Municipal court	187,793	190,416	(2,623) *
Fire department	690,804	644,673	46,131
Building and code enforcement	191,278	101,771	89,507
Public works	1,046,091	862,969	183,122
City property	120,500	103,314	17,186
Capital outlay	160,000	26,195	133,805
Total Expenditures	4,530,187	3,979,465	550,722
Revenues Over (Under) Expenditures	(229,490)	237,866	467,356
<u>Other Financing Sources (Uses)</u>			
Proceeds from sale of capital assets	-	27,334	27,334
Total Other Financing Sources	-	27,334	27,334
Net Change in Fund Balance	\$ (229,490)	265,200	\$ 494,690
Beginning fund balance		4,639,786	
Ending Fund Balance		\$ 4,904,986	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

* Expenditures exceeded appropriations at the legal level of control.

City of Parker, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Years Ended December 31,

	2018	2017	2016
Total pension liability			
Service cost	\$ 197,110	\$ 177,420	\$ 169,837
Interest	245,536	226,154	207,380
Differences between expected and actual experience	(478)	19,112	52,583
Changes of assumptions	-	-	-
Benefit payments, including refunds of participant contributions	(144,651)	(146,144)	(164,770)
Net change in total pension liability	<u>297,517</u>	<u>276,542</u>	<u>265,030</u>
Total pension liability - beginning	<u>3,611,340</u>	<u>3,334,798</u>	<u>3,069,768</u>
Total pension liability - ending (a)	<u>3,908,857</u>	<u>3,611,340</u>	<u>3,334,798</u>
Plan fiduciary net position			
Contributions - employer	\$ 180,329	\$ 161,326	\$ 140,906
Contributions - members	87,800	79,147	75,483
Net investment income	(84,398)	332,048	148,469
Benefit payments, including refunds of participant contributions	(144,651)	(146,144)	(164,770)
Administrative expenses	(1,634)	(1,723)	(1,679)
Other	(87)	(87)	(90)
Net change in plan fiduciary net position	<u>37,359</u>	<u>424,567</u>	<u>198,319</u>
Plan fiduciary net position - beginning	<u>2,823,330</u>	<u>2,398,763</u>	<u>2,200,444</u>
Plan fiduciary net position - ending (b)	<u>\$ 2,860,689</u>	<u>\$ 2,823,330</u>	<u>\$ 2,398,763</u>
Fund's net pension liability - ending (a) - (b)	<u>\$ 1,048,168</u>	<u>\$ 788,010</u>	<u>\$ 936,035</u>
 Plan fiduciary net position as a percentage of the total pension liability	 73.18%	 78.18%	 71.93%
Covered payroll	\$ 1,463,325	\$ 1,319,109	\$ 1,258,049
 Fund's net position as a percentage of covered payroll	 71.63%	 59.74%	 74.40%

Notes to schedule:

1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

	2015	2014	¹
\$	142,149	\$ 113,443	
	196,185	189,492	
	(2,192)	(43,077)	
	81,015	-	
	(157,911)	(199,299)	
	259,246	60,559	
	2,810,522	2,749,963	
	3,069,768	2,810,522	
\$	132,625	\$ 108,296	
	68,124	63,331	
	3,182	118,262	
	(157,911)	(199,299)	
	(1,938)	(1,235)	
	(96)	(102)	
	43,986	89,253	
	2,156,458	2,067,205	
\$	2,200,444	\$ 2,156,458	
\$	869,324	\$ 654,064	
	71.68%	76.73%	
\$	1,136,281	\$ 1,055,519	
	76.51%	61.97%	

City of Parker, Texas

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Years Ended

	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>
Actuarially determined employer contributions	\$ 200,142	\$ 170,493	\$ 154,623	\$ 134,731
Contributions in relation to the actuarially determined contribution	\$ 200,142	\$ 170,493	\$ 154,623	\$ 134,731
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Annual covered payroll	\$ 1,634,800	\$ 1,385,733	\$ 1,293,066	\$ 1,191,182
Employer contributions as a percentage of covered payroll	12.24%	12.30%	11.96%	11.31%

1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	25 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.5%
Salary Increases	3.5% to 10.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010 - 2014
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB

Other Information:

Notes Adopted restricted prior service credit

9/30/2015 ¹

\$ 126,757

\$ 126,757

\$ -

\$ 1,116,212

11.36%

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City of Parker, Texas
SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN
PENSION (OPEB) LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
Year Ended December 31

	<u>2018</u>	<u>2017</u>	¹
Total OPEB liability			
Service cost	\$ 4,390	\$ 3,430	
Interest	1,537	1,432	
Differences between expected and actual experience	100,311	-	
Changes of assumptions	(3,411)	3,479	
Benefit payments, including refunds of participant contributions	(293)	(264)	
Net changes	<u>102,534</u>	<u>8,077</u>	
Total OPEB liability - beginning	<u>44,380</u>	<u>36,303</u>	
Total OPEB liability - ending (a)	<u>\$ 146,914</u>	<u>\$ 44,380</u>	²
 Covered payroll	 \$ 1,463,325	 \$ 1,319,109	
Total OPEB Liability as a percentage of covered payroll	10.04%	3.36%	

Notes to schedule:

¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

² No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.



Council Agenda Item

Item 9
C'Sec Use Only

Budget Account Code:	Meeting Date: February 4, 2020
Budgeted Amount:	Department/ Requestor: City Secretary
Fund Balance-before expenditure:	Prepared by: City Secretary Scott Grey
Estimated Cost:	Date Prepared: January 30, 2020
Exhibits:	<u>SpringFest 2020 Flyer</u>

AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION FOR A PARKER PARKS AND RECREATION COMMISSION SPRING EVENT ON SATURDAY, APRIL 4, 2020, 9AM - 1PM. [BARRON]

SUMMARY

Please review the SpringFest 2020 Flyer for details.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

Inter – Office Use			
Approved by:			
Department Head/ Requestor:	<i>Patti Scott Grey</i>	Date:	01/30/2020
City Attorney:		Date:	
Acting City Administrator:	<i>Luke B. Olson</i>	Date:	01/31/2020



Did Some “*Bunny*” say Egg Roll and Hunt?
Come Join Us for a “*Hoppin*” Good Time

At ***SpringFest 2020***

Where: ***City of Parker Lawn***

When: ***Saturday April 4, 2020***

9:00 a.m.: First Ever ***5K Bunny Hop Run/Walk***

10:30 a.m.: **Food Trucks**

11:00 a.m.: **Egg Hunt**

(divided into two age groups)

Or bring your own *Bunny* Snack Picnic to enjoy the Preserve!

Face Painter-Petting Zoo-Clown/Balloon Artist
Throughout the morning!

Photo opportunity with a special surprise Bunny Guest!



Come join us for a “*hoppin*” good time ‘cause we wouldn’t want you to
pull your “*hare*” out!’

Or just come join us for some “*egg*”cercise!



Council Agenda Item

Budget Account Code:	Meeting Date: February 4, 2020
Budgeted Amount:	Department/ Requestor: City Council
Fund Balance-before expenditure:	Prepared by: City Attorney Shelby
Estimated Cost:	Date Prepared: January 30, 2020
Exhibits:	<ol style="list-style-type: none"> 1. Proposed Ordinance 2. Order and Notice of General Election (English/Spanish) 3. Election contract for election services with Collin County 4. Cost Estimate

AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ORDINANCE NO. 789, CALLING AN ELECTION TO BE HELD ON SATURDAY, MAY 2, 2020 TO ELECT A MAYOR AND TWO (2) CITY COUNCILMEMBERS AT-LARGE; AUTHORIZING THE MAYOR TO EXECUTE A GENERAL ELECTION CONTRACT FOR ELECTION SERVICES WITH COLLIN COUNTY; PROVIDING FOR THE ORDER AND NOTICE OF THE ELECTION; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW. [SHELBY]

SUMMARY

TIME FOR ORDERING THE ELECTION

General election. A city must order its general election not later than the 78th day before Election Day, whether the election is held on the May or November uniform election date [Texas Election Code - ELEC § 3.007. Time for Ordering Election (c)]. For our May 2, 2020 election, that translates to February 14 as the statutory last day for ordering the election.

The ordinance authorizes the Mayor to execute a General Election contract for election services with Collin County and provides for the order and notice of the May 2, 2020 election.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

Inter – Office Use			
Approved by:			
Department Head/ Requestor:		Date:	
City Attorney:	<i>Brandon S. Shelby</i>	Date:	01/30/2020 via email
City Administrator:	<i>Luke B. Olson</i>	Date:	01/31/2020

ORDINANCE NO. 789
{Calling Regular Election}

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PARKER, TEXAS, CALLING FOR THE GENERAL ELECTION TO BE HELD ON SATURDAY, MAY 2, 2020 TO ELECT A MAYOR AND TWO (2) CITY COUNCIL MEMBERS AT-LARGE; AUTHORIZING THE MAYOR TO EXECUTE A GENERAL ELECTION CONTRACT FOR ELECTION SERVICES WITH COLLIN COUNTY; PROVIDING FOR THE ORDER AND NOTICE OF THE ELECTION; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PARKER, TEXAS:

SECTION 1. That, in accordance with the laws and the Constitution of the State of Texas, an election may be and the same is hereby called and ordered for the first Saturday in May, 2020, the same being the 2ND day of said month, at which election all qualified voters may vote for the purpose of electing a Mayor and two (2) city council members at-large for full terms, as defined in the statutes of the State of Texas.

SECTION 2. That said election shall be held pursuant to a General Election Contract with Collin County, Texas which the Mayor is hereby authorized to execute.

SECTION 3. That the County Elections Administrator shall prepare electronic ballots for early and election day voting and paper ballots for mail ballots and provisional ballots to be used in said election and shall label same "*Official Ballot*", on which ballot shall be printed the names of the candidates and the positions that are up for election.

SECTION 4. That no person's name shall be placed upon the official ballot as a candidate for the position of Mayor or Council Member unless such person has filed his/her sworn application, as provided by the laws of the State, with the City Secretary at least seventy-eight (78) days prior to the election date, and it must also appear on the face of said application the position the candidate is seeking.

SECTION 5. That any Mayoral or Council Member candidate receiving the greatest number of the qualified votes cast for the position for which he/she is a candidate shall be elected to such position. In the event a tie vote occurs, the City Council of said City, immediately after canvass, shall issue a call for Special Election, as required by law, to be held not less than twenty (20) nor more than forty-five (45) days after the results of the Regular Election shall have been declared, at which election the candidates receiving a tie vote for any such position or positions in the regular election shall again be voted. If needed, a run-off election will be held in accordance with State law.

SECTION 6. That the polls shall be kept open from seven o'clock (7:00) a.m. until seven o'clock (7:00) p.m. on Election Day, and that due return shall be made to the City Council showing the number of votes cast for each candidate for each position of Council Member, respectively.

SECTION 7. That notice of said election shall be given by the Mayor of the City of Parker by causing an election notice to be posted at City Hall not later than the twenty-first day before election day, and by publishing this ordinance at least one time not more than thirty days nor less

than ten days prior to the election date, in at least one daily newspaper of general circulation within the City of Parker in accordance with the provisions of the Election Code of the State of Texas, as amended.

SECTION 8. That the polling place for Election Day shall be as follows:

Precincts	Location	Address	City
“VOTE CENTER”	Parker City Hall	5700 E. Parker Road	Parker

*City voters may vote at any of the additional Election Day Vote Centers open under full contract services with the Collin County Elections Administration.

SECTION 9. That the qualified voters, eligible to cast their ballots early under the laws of this State, shall be permitted to so cast their vote as set forth below:

Polling Place			Address		City	
Collin County Election Office (Main Early Voting Location)			2010 Redbud Blvd., #102		McKinney	
Parker City Hall			5700 E. Parker Road		Parker	
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<i>April 19</i>	<i>April 20</i> 8am – 5pm	<i>April 21</i> 8am – 5pm	<i>April 22</i> 8am – 5pm	<i>April 23</i> 8am - 7pm	<i>April 24</i> 8am - 5pm	<i>April 25</i> 8am - 5pm
<i>April 26</i>	<i>April 27</i> 7am – 7pm	<i>April 28</i> 7am – 7pm	<i>April 29</i>	<i>April 30</i>	<i>May 1</i>	<i>May 2</i> 7am – 7pm Election Day

* City voters may vote at any of the additional Early Voting locations open under full contract services with the Collin County Elections Administration.

SECTION 10. That, in accordance with the General Election Contract, the County Elections Administrator shall arrange for appointment, notification (including writ of election), training and compensation of all presiding judges, alternate judges, the judge of the Central Counting Station and judge of the Early Voting Ballot Board.

SECTION 11. That the City Secretary is hereby authorized and directed to publish and/or post, in the time and manner prescribed by law, all notices required to be so published and/or posted in connection with this election.

SECTION 12. That the said election will be conducted in accordance with the Texas Election Code and only resident qualified voters of the City of Parker will be entitled to vote.

SECTION 13. That the canvass of the Election Returns will be held in the Council Chambers of City Hall, 5700 E. Parker Road, Parker, Texas, at the Regular Council Meeting of May 5, 2020.

SECTION 14. That it is hereby officially found and determined that the meeting at which this ordinance is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

SECTION 15. That all Ordinances or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provision of this Ordinance shall be and remain controlling as to the matters ordered herein.

INTRODUCED on this the 4th day of February, 2020.

ADOPTED on this the 4th day of February, 2020.

EFFECTIVE DATE on this the 4th day of February, 2020.

CITY OF PARKER, TEXAS

BY: _____
LEE PETTLE, MAYOR

ATTEST:

BY: _____
PATTI SCOTT GREY,
CITY SECRETARY

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

CITY OF PARKER, TEXAS
CIUDAD DE PARKER, TEXAS

ORDER AND NOTICE OF GENERAL ELECTION
(ORDEN Y AVISO DE ELECCION GENERAL)

To the Registered Voters of Parker, Texas: *(A los votantes registrados del Parker Texas;)*

An election is hereby ordered to be held on May 2, 2020 for the purpose of electing Mayor and two (2) Councilmembers-at-large. *(Por la presente se ordena que se llevara a cabo una eleccion el 2 de Mayo de 2020 con el proposito para elegir el Alcalde y dos (2) miembro del concillo.)*

Notice is hereby given that the polling places listed below will be open from 7:00 a.m. to 7:00 p.m., on May 2, 2020, for voting in a general election, to elect a Mayor and two (2) Councilmembers-at-Large.
(Notifquese, por las presente, que las casillas electorales citados abajo se abriran desde las 7:00 a.m. hasta las 7:00 p.m. el 2 de Mayo de 2020 para votar en la Eleccion General para elegir el Alcalde y dos (2) miembro del concillo.)

LOCATION(S) OF POLLING PLACES
(DIRECCION(ES) DE LAS CASILLAS ELECTORALES)

Precincts	Location	Address	City
“VOTE CENTER”	Parker City Hall	5700 E. Parker Road	Parker

* City voters may vote at any of the additional Election Day Vote Centers open under full contract services with the Collin County Elections Administration.

(Ciudad los electores pueden votar en cualquiera de los adicionales elecciones día votación centros abiertos bajo contrato completo de servicios con la administración de elecciones del Condado de Collin.)*

EARLY VOTING BY PERSONAL APPEARANCE WILL BE CONDUCTED EACH WEEKDAY AT
(LA VOTACION ADELANTADA EN PERSONA SE LLEVARA A CABO DE LUNES A VIERNES EN)

Polling Place			Address		City	
Collin County Election Office (Main Early Voting Location)			2010 Redbud Blvd., #102		McKinney	
Parker City Hall			5700 E. Parker Road		Parker	
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<i>April 19</i>	<i>April 20</i> 8am – 5pm	<i>April 21</i> 8am – 5pm	<i>April 22</i> 8am – 5pm	<i>April 23</i> 8am - 7pm	<i>April 24</i> 8am - 5pm	<i>April 25</i> 8am - 5pm
<i>April 26</i>	<i>April 27</i> 7am – 7pm	<i>April 28</i> 7am – 7pm	<i>April 29</i>	<i>April 30</i>	<i>May 1</i>	<i>May 2</i> 7am – 7pm Election Day

* City voters may vote at any of the additional Early Voting locations open under full contract services with the Collin County Elections Administration.

(Ciudad los electores pueden votar en cualquiera de los lugares de votación anticipada adicionales abiertos bajo contrato completo de servicios con la administración de elecciones del Condado de Collin.)*

Applications for ballot by mail shall be mailed to:

(Las solicitudes para boletas que se votaran en ausencia por correo deberan enviarse a:)

COLLIN COUNTY ELECTIONS ADMINISTRATION OFFICE
(Name of Early Voting Clerk –Bruce Sherbet) (Nombre del Secretario de la Votacion En Adelantada)

2010 REDBUD BLVD., SUITE 102, MCKINNEY, TEXAS 75069
(Address) (Direccion) (City) (Ciudad) (Zip Code) (Zona Postal)

Applications for ballots by mail must be received no later than the close of business on April 20, 2020.

(Las solicitudes de boletas por correo deben ser recibidas a más tardar al cierre de los negocios el)

(date) (fecha) : 20 abril de 2020.)

Issued this the 4th day of February, 2020.

(Esitada este día 4 de febrero, 2020.)

Mayor Lee Pettie
Firma Del Alcalde

Instruction Note: A copy of this election order must be delivered to the County Clerk/Elections Administrator and Voter Registrar not later than 60 days before Election Day.

Nota de instrucción: Se deberá entregar una copia de esta orden de elección al/a la Secretario(a) del Condado/Administrador(a) de Elecciones y el/la Registrador(a) de Votantes a más tardar 60 días antes del día de elección.

JOINT GENERAL AND SPECIAL ELECTION SERVICES CONTRACT ("Election Services Contract")

**ELECTION SERVICES AGREEMENT
BETWEEN
THE COLLIN COUNTY ELECTIONS ADMINISTRATOR ("Elections Administrator")
AND**

**CITY OF ALLEN
CITY OF ANNA
CITY OF BLUE RIDGE
CITY OF CARROLLTON
CITY OF CELINA
CITY OF FARMERSVILLE
CITY OF FRISCO
CITY OF LUCAS
CITY OF MCKINNEY
CITY OF MURPHY
TOWN OF NEW HOPE
CITY OF PARKER
TOWN OF PROSPER
CITY OF SACHSE
TOWN OF SAINT PAUL
CITY OF WYLIE
ALLEN ISD
ANNA ISD
BLUE RIDGE ISD
CELINA ISD
FRISCO ISD
LOVEJOY ISD
MCKINNEY ISD
MELISSA ISD
PROSPER ISD
COLLIN COUNTY MUD #1
MCKINNEY MUNICIPAL UTILITY DISTRICT 1
MCKINNEY MUNICIPAL UTILITY DISTRICT 2
BEAR CREEK SUD
NEVADA SPECIAL UTILITY DISTRICT
SEIS LAGOS UTILITY DISTRICT
WESTMINSTER SPECIAL UTILITY DISTRICT
COPEVILLE WATER SUPPLY CORPORATION**

**FOR THE CONDUCT OF A JOINT ELECTION
TO BE HELD SATURDAY, MAY 2, 2020
TO BE ADMINISTERED BY THE COLLIN COUNTY ELECTIONS ADMINISTRATOR**

1) POLITICAL SUBDIVISIONS OF THE STATE OF TEXAS PARTICIPATING IN THIS JOINT ELECTION TO BE HELD ON MAY 2, 2020 ("Participating Political Subdivisions")

- A. **CITIES:** The **City of Allen** plans to hold a General Municipal Election for City Council Place 2 and a Mayoral race. The **City of Anna** plans to hold a General Municipal and Special Election. The **City of Blue Ridge** plans to hold a General Municipal Election for 2 Council seats and a Mayoral race. The **City of Carrollton** plans to hold a General Municipal Election for City Councilmember Places 2, 4, and 6 and a Mayoral race. The **City of Celina** plans to hold a General Municipal Election for City Council Places 4 and 5 and a Mayoral race. The **City of Farmersville** plans to hold a Charter Election and General Municipal Election for Councilmember Places 2 and 4 and a Mayoral race. The **City of Frisco** plans to hold a General Municipal Election for City Council Places 5 and 6 and a Mayoral race. The **City of Lucas** plans to hold a Charter Amendment Election and a General Municipal Election for City Council Seats 1 and 2. The **City of McKinney** plans to hold a Special Recall Election. The **City of Murphy** plans to hold a General Municipal Election for City Councilmember Places 3 and 5 and a Mayoral race. The **Town of New Hope** plans to hold a General Municipal Election for 2 Alderman Seats and a Mayoral race. The **City of Parker** plans to hold a Bond Election and General Municipal Election for two Councilmembers at large and a Mayoral race. The **Town of Prosper** plans to hold a General Municipal Election for Town Council Places 3 and 5. The **City of Sachse** plans to hold a General Municipal Election for Council Places 4 and 5. The **Town of Saint Paul** plans to hold a General Municipal Election for Council Seats 3 and 5 and a Mayoral race. The **City of Wylie** plans to hold a General Municipal Election for City Council Places 5 and 6 and a Mayor race.
- B. **SCHOOLS:** The **Allen ISD** plans to hold a Board of Education Trustee Election for Places 3, 6, and 7. The **Anna ISD** plans to hold a Board of Education Trustee Election for Places 5 and 7. The **Blue Ridge ISD** plans to hold a Board of Education Trustee Election for Places 3 and 6. The **Celina ISD** plans to hold a Board of Education Trustee Election for Board of Trustee Places 3 and 4. The **Frisco ISD** plans to hold a Board of Education Trustee Election for Board of Trustee Places 4 and 5. The **Lovejoy ISD** plans to hold a Board of Education Trustee Election for Positions 4, 5 and 7. The **McKinney ISD** plans to hold a Special Election. The **Melissa ISD** plans to hold a Board of Education Trustee Election for Places 1 and 2. The **Prosper ISD** plans to hold a Board of Education Trustee Election for Places 2 and 5.
- C. **DISTRICTS:** The **Collin County MUD #1** plans to hold a Board of Director Election for 3 Directors. The **McKinney MUD** plans to hold a Board of Trustee Election on for 2 Directors in **MUD 1** and 2 Directors in **MUD 2**. The **Bear Creek SUD** plans to hold a Board of Trustee Election on for 2 Board of Director positions. The **Nevada Special Utility District** plans to hold a Board of Trustee Election on for 2 Board of Director positions. The **Seis Lagos Utility District** plans to hold a Board of Trustee Election on for President, Vice President and Treasurer. The **Westminster Special Utility District** plans to hold a Board of Director Election for Secretary/Treasurer election and a Vice President race. The **Copeville Water Supply Corporation** plans to hold a Board of Trustee Election on for 3 Directors.

2) ADMINISTRATION AND STATUTORY AUTHORITY

- A. Bruce Sherbet ("Bruce Sherbet") is the duly appointed County Elections Administrator ("Elections Administrator") of Collin County, Texas and the Department Head of the Collin

County Elections Department. As such, Mr. Sherbet is the County Election Officer of Collin County, Texas and is authorized by Subchapter D of Chapter 31 of Title 3 of the Texas Election Code to enter into this Election Services Contract with the contracting authorities of the Participating Political Subdivisions listed in Section 1 of this Election Services Contract.

B. The contracting authorities of the Participating Political Subdivisions list in Section 1 of this Election Services Contract are hereby participating with each other in the Joint Election to be held in Collin County, Texas on May 2, 2020 under Chapter 271 of Title 16 of the Texas Election Code ("Joint Election") and are hereby contracting with the Elections Administrator of Collin County, Texas to perform the election services set forth in this Election Services Contract under Subchapter D of Chapter 31 of Title 3 of the Texas Election Code.

3) **DUTIES AND SERVICES OF THE COUNTY ELECTION OFFICER.** The Contracting Election Officer shall be responsible for performing the following duties and shall furnish the following services and equipment:

A. The Contracting Election Officer shall arrange for appointment, notification (including writ of election), training and compensation of all presiding judges, alternate judges, the judge of the Central Count Station and judge of the Early Voting Ballot Board.

i) The Contracting Election Officer shall be responsible for notification of each Election Day and Early Voting presiding judge and alternate judge of his or her appointment. The recommendations of the Participating Political Subdivisions will be the accepted guidelines for the number of clerks secured to work in each Vote Center. The presiding election judge of each Vote Center, however, will use his/her discretion to determine when additional manpower is needed during peak voting hours. The Contracting Election Officer will determine the number of clerks to work in the Central Count Station and the number of clerks to work on the Ballot Board. Election judges shall be secured by the Contracting Election Officer with the approval of the Participating Political Subdivisions.

ii) Election judges shall attend the Contracting Election Officer's school of instruction (Election Law Class); calendar will be provided.

iii) Election judges shall be responsible for picking up from and returning election supplies to the county election warehouse located at 2010 Redbud Blvd., Suite 102, McKinney. Compensation for this pickup and delivery of supplies will be \$25.00.

iv) The Contracting Election Officer shall compensate each election judge and worker. Each judge shall receive \$12.00 per hour for services rendered. Each alternate judge and clerk shall receive \$10.00 per hour for services rendered. Overtime will be paid to each person working over 40 hours per week.

B. The Contracting Election Officer shall procure, prepare, and distribute voting machines, election kits and election supplies.

i) The Contracting Election Officer shall secure election kits which include the legal documentation required to hold an election and all supplies.

- ii) The Contracting Election Officer shall secure the tables, chairs, and legal documentation required to run the Central Count Station.
- iii) The Contracting Election Officer shall provide all lists of registered voters required for use on Election Day and for the early voting period required by law.
- iv) The Contracting Election Officer shall procure and arrange for the distribution of all election equipment and supplies required to hold an election.

(1) Equipment includes the rental of ExpressVote Universal voting machines, ADA compliant headphones and keypads (1 per site), DS200 ballot counters, voting signs and election supply cabinets.

(2) Supplies include paper ballots, Early Voting and Election Day supply kits, provisional ballot kits, security seals, pens, tape, markers, etc.

C. The Contracting Election Officer, Bruce Sherbet, shall be appointed the Early Voting Clerk by the Participating Political Subdivisions.

- i) The Contracting Election Officer shall supervise and conduct Early Voting by mail and in person and shall secure personnel to serve as Early Voting Deputies.
- ii) Early Voting by personal appearance for the Participating Political Subdivision shall be conducted during the time period and at the locations listed in **Exhibit "A"**, attached and incorporated by reference into this Election Services Contract.
- iii) All applications for an Early Voting mail ballot shall be received and processed by the Collin County Elections Administration Office, located at 2010 Redbud Blvd., Suite 102, McKinney, Texas 75069.
 - (1) Applications for mail ballots erroneously mailed to the Participating Political Subdivisions shall immediately be faxed to the Contracting Officer for timely processing. The original application shall then be forwarded to the Contracting Election Officer for proper retention.
 - (2) All Federal Post Card Applications (FPCA) will be sent a mail ballot. No postage is required.
- iv) All Early Voting ballots (those cast by mail and those cast by personal appearance) shall be prepared for counting by the Early Voting Ballot Board in accordance with Section 87.000 of the Texas Election Code. The presiding judge of this Board shall be appointed by the Contracting Officer.

D. The Contracting Election Officer shall arrange for the use of all Election Day Vote Centers. The Participating Political Subdivisions shall assume the responsibility of remitting the cost of all employee services required to provide access, provide security or provide custodial services for the Vote Centers. The Election Day Vote Centers are listed in **Exhibit "B"**, attached and incorporated by reference into this Election Services Contract.

E. The Contracting Election Officer shall be responsible for establishing and operating the Central Count Station to receive and tabulate the voted ballots in accordance with Section 127.001 of the Election Code and of this agreement. Count Station Manager shall be Bruce Sherbet. The Count Station Judge shall be Neal Katz. The Tabulation Supervisor shall be Billy Pratt.

- (1) The Tabulation Supervisor shall prepare, test and run the county's tabulation system in accordance with statutory requirements and county policies, under the auspices of the Contracting Election Officer.
- (2) The Public Logic and Accuracy Test of the electronic voting system shall be conducted.
- (3) Election night reports will be available to the Participating Political Subdivisions at the Central Counting Station on election night. Provisional ballots will be tabulated after election night in accordance with state law.
- (4) The Contracting Election Officer shall prepare the unofficial canvass report after all precincts have been counted, and will provide a copy of the unofficial canvass to the Participating Political Subdivisions as soon as possible after all returns have been tallied.
- (5) The Contracting Election Officer shall be appointed the custodian of the voted ballots and shall retain all election materials for a period of 22 months.
 - (a) Pending no litigation and as prescribed by law, the voted ballots shall be shredded 22 months after the election.
- (6) The Contracting Election Officer shall conduct a manual count as prescribed by Section 127.201 of the Texas Election Code and submit a written report to the Participating Political Subdivisions in a timely manner. If applicable, a written report shall be submitted to the Secretary of State as required by Section 127.201 of the aforementioned code.

4) DUTIES AND SERVICES OF THE PARTICIPATING POLITICAL SUBDIVISIONS. The Participating Political Subdivisions shall assume the following duties:

- A. A Participating Political Subdivision shall prepare the election orders, resolutions, notices, official canvass and other pertinent documents for adoption by the appropriate office or body. The Participating Political Subdivision assumes the responsibility of posting all notices and likewise promoting the schedules for Early Voting and Election Day.
- B. The Participating Political Subdivision shall provide the Contracting Election Officer with an updated map and street index of their jurisdiction in an electronic (shape file preferred) or printed format as soon as possible but no later than Tuesday, February 25, 2020.
- C. The Participating Political Subdivision shall procure and provide the Contracting Election Officer with the ballot layout and Spanish interpretation in an electronic format.

i) **The Participating Political Subdivision shall deliver to the Contracting Election Officer as soon as possible, but no later than 5:00 PM Tuesday, February 25, 2020, the official wording for the Participating Political Subdivision's May 2, 2020, Joint General and Special Election.**

ii) The Participating Political Subdivisions shall approve the "blue line" ballot format prior to the final printing.

D. The Participating Political Subdivisions shall compensate the Contracting Election Officer for an additional verified cost incurred in the process of running this election or for a manual count this election may require, consistent with charges and hourly rates shown on Exhibit "C" for required services.

E. The Participating Political Subdivisions shall pay the Contracting Election Officer 90% of the estimated cost to run the said election prior to Thursday, April 12, 2020. The Contracting Election Officer shall place the funds in a "contract fund" as prescribed by Section 31.100 of the Texas Election Code. The Deposit should be delivered within the mandatory time frame to: Collin County Treasury, 2300 Bloomdale Rd., #3138, McKinney, Texas 75071. Made payable to "Collin County Treasury" with a note "for election services" included with check documentation.

F. The Participating Political Subdivision shall pay the cost of conducting said election, less partial payment, including the 10% administrative fee, pursuant to the Texas Election Code, Section 31.100, within 30 days from the date of final billing.

5) **COST OF SERVICES.** See **Exhibits "C", "D", and "E".**

6) **GENERAL PROVISIONS.**

A. Nothing contained in this Election Services Contract shall authorize or permit a change in the officer with whom or the place at which any document or record relating to the Participating Political Subdivision's May 2, 2020, Joint General and Special Election is to be filed or the place at which any function is to be carried out, or any nontransferable functions specified under Section 31.096 of the Texas Election Code.

B. Upon request, the Contracting Election Officer will provide copies of all invoices and other charges received in the process of running said election for the City and School District.

C. If the Participating Political Subdivision cancel their election pursuant to Section 2.053 of the Texas Election Code, the Contracting Officer shall be paid a contract preparation fee of \$75.00. Any Participating Political Subdivision canceling an election will not be liable for any further costs incurred by the Contracting Officer.

D. The Contracting Officer shall file copies of this contract with the County Judge and the County Auditor of Collin County, Texas

WITNESS BY MY HAND THIS ____ DAY OF _____ 2020.

Bruce Sherbet, Elections Administrator
Collin County, Texas

WITNESS BY MY HAND THIS ____ DAY OF _____ 2020.

By: _____
Lee Pettie, Mayor
City of Parker

Attest: _____
Patti Scott Grey, City Secretary
City of Parker

MAY 2, 2020
JOINT GENERAL & SPECIAL ELECTION
Collin County Early Voting Locations, Dates and Hours

Polling Place			Address		City	
Collin County Elections Office (Main Early Voting Location)			2010 Redbud Blvd. Ste 102		McKinney 75069	
Allen ISD Service Center			1451 North Watters Road		Allen 75013	
Allen Municipal Courts Facility			301 Century Parkway		Allen 75013	
Anna City Hall			111 N. Powell Parkway		Anna 75409	
Bear Creek Special Utility District			16881 CR 541		Lavon 75166	
Blue Ridge ISD Administration Building			318 W. School Street		Blue Ridge 75424	
Celina ISD Administration Building			205 S. Colorado Street		Celina 75009	
Clubhouse			224 Seis Lagos Trail		Wylie 75098	
Copeville Water Supply			16120 FM 1778		Nevada 75173	
Collin College Central Park Campus			2200 W. University Drive		McKinney 75071	
Collin College Higher Education Center			3452 Spur 399		McKinney 75069	
Collin College Frisco Campus			9700 Wade Blvd		Frisco 75035	
Farmersville City Hall			205 S. Main Street		Farmersville 75442	
Frisco Fire Station #8			14700 Rolater Road		Frisco 75034	
Hunt Middle School			4900 Legendary Drive		Frisco 75034	
Lavon City Hall			120 School Road		Lavon 75166	
Lovejoy ISD Administration Building			259 Country Club Road		Allen 75002	
Lucas Community Center			665 Country Club Road		Lucas 75002	
Maus Middle School			12175 Coit Road		Frisco 75035	
McKinney Fire Station #5			6600 Virginia Parkway		McKinney 75070	
McKinney Performing Arts Center			111 N. Tennessee Street		McKinney 75069	
Melissa City Hall			3411 Barker Avenue		Melissa 75454	
Murphy Community Center			205 N. Murphy Road		Murphy 75094	
New Hope town Hall			121 Rockcrest		New Hope 75071	
Parker City Hall			5700 E. Parker Road		Parker 75002	
Prosper Town Hall			250 W. First Street		Prosper 75078	
Sachse City Hall			3815 Sachse Rd.		Sachse 75048	
St. Paul Town Hall			2505 Butscher's Block St		St. Paul 75098	
Smith Library			300 Country Club Drive		Wylie 75098	
Terry Pope Administration Building			611 N FM 1138		Nevada 75173	
Westminster Special Utility District			409 E Houston St		Westminster 75485	
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Apr 19	Apr 20 Early Voting 8am – 5pm	Apr 21 Early Voting 8am – 5pm	Apr 22 Early Voting 8am – 5pm	Apr 23 Early Voting 8am – 7pm	Apr 24 Early Voting 8am – 5pm	Apr 25 Early Voting 8am – 5pm
Apr 26	Apr 27 Early Voting 7am – 7pm	Apr 28 Early Voting 7am – 7pm	Apr 29	Apr 30	May 1	May 2

Important Note: Eligible Collin County registered voters (with an effective date of registration on or before May 2, 2020) may vote at any of the above Early Voting locations.

Subject to Change 1/28/2020

MAY 2, 2020
JOINT GENERAL & SPECIAL ELECTION
Collin County Election Day Vote Centers

Polling Place	Address	City
Collin County Elections Office	2010 Redbud Blvd. Ste 102	McKinney 75069
Allen ISD Service Center	1451 North Watters Road	Allen 75013
Allen Municipal Courts Facility	301 Century Parkway	Allen 75013
Anna City Hall	111 N. Powell Parkway	Anna 75409
Bear Creek Special Utility District	16881 CR 541	Lavon 75166
Blue Ridge ISD Administration Building	318 W. School Street	Blue Ridge 75424
Celina ISD Administration Building	205 S. Colorado Street	Celina 75009
Clubhouse	224 Seis Lagos Trail	Wylie 75098
Copeville Water Supply	16120 FM 1778	Nevada 75173
Collin College Central Park Campus	2200 W. University Drive	McKinney 75071
Collin College Higher Education Center	3452 Spur 399	McKinney 75069
Collin College Frisco Campus	9700 Wade Blvd	Frisco 75035
Farmersville City Hall	205 S. Main Street	Farmersville 75442
Frisco Fire Station #8	14700 Rolater Road	Frisco 75034
Hunt Middle School	4900 Legendary Drive	Frisco 75034
Lavon City Hall	120 School Road	Lavon 75166
Lovejoy ISD Administration Building	259 Country Club Road	Allen 75002
Lucas Community Center	665 Country Club Road	Lucas 75002
Maus Middle School	12175 Coit Road	Frisco 75035
McKinney Fire Station #5	6600 Virginia Parkway	McKinney 75070
McKinney Performing Arts Center	111 N. Tennessee Street	McKinney 75069
Melissa City Hall	3411 Barker Avenue	Melissa 75454
Murphy Community Center	205 N. Murphy Road	Murphy 75094
New Hope town Hall	121 Rockcrest	New Hope 75071
Parker City Hall	5700 E. Parker Road	Parker 75002
Prosper ISD Administration Building	605 E 7 th St	Prosper 75078
Sachse City Hall	3815 Sachse Rd.	Sachse 75048
St. Paul Town Hall	2505 Butscher's Block St	St. Paul 75098
Smith Library	300 Country Club Drive	Wylie 75098
Terry Pope Administration Building	611 N FM 1138	Nevada 75173
Westminster Special Utility District	409 E Houston St	Westminster 75485

Important Note: Eligible Collin County registered voters (with an effective date of registration on or before May 2, 2020) may vote at any of the above Election Day Vote Center locations.

May 2, 2020
Joint General and Special Elections
Estimated Election Expenses
Subject to Change

Exhibit "C"

Early Voting by Mail	Units	Cost Per Unit	Estimated Cost
Mail Ballot Kits	1900	\$ 1.15	\$ 2,185.00
Postage for Ballots	1900	\$ 0.88	\$ 1,672.00
Balotar Per Sheet	1900	\$ 0.35	\$ 665.00
Early Voting by Personal Appearance			
Assemble EV Locations	32	\$ 50.00	\$ 1,600.00
Total Judge Hours	31 Judges @ 64 hrs	\$ 12.00	\$ 23,808.00
OT Judge Hours	31 Judges / 11 ot hrs	\$ 18.00	\$ 6,138.00
Total Alt. Judge & Clerk Hours	155 Clerks / 64 hrs	\$ 10.00	\$ 9,300.00
OT Alt. Judge & Clerk Hours	155 Clerks / 11 OT hrs	\$ 15.00	\$ 25,575.00
Pick up and Delivery of Supplies	31	\$ 25.00	\$ 775.00
Election Day Expenses			
Total Judge Hours	31 Judges @ 14 hrs	\$ 12.00	\$ 5,208.00
Total Alt. Judge & Clerk Hours	248 Clerks @ 13 hrs	\$ 10.00	\$ 32,240.00
Pick up & Delivery of Supplies	31	\$ 25.00	\$ 775.00
Tabulation			
Election Night Vendor Support	Per Election		\$ 10,000.00
Notice of Inspection/Tabulation Test	Per Election		\$ 7,000.00
General Election Expenses			
Early Voting Ballot Board			\$ 2,155.30
Central Count Workers			\$ 126.00
Election Workers FICA			\$ 13,885.76
County Employee FICA			\$ 1,050.00
Mileage			\$ 667.00
County Personnel/IT Overtime			\$ 15,000.00
ES&S Support Staff/Field Technicians			\$ 40,000.00
Process Pollworker Checks	465	\$ 1.50	\$ 697.50
Process Election Judge Notices	62	\$ 1.50	\$ 93.00
Coding & Setup Services	Per Election		\$ 25,000.00
Van Rental	5		\$ 5,000.00
Tent rental	1	\$ 2,680.00	\$ 2,680.00
Equipment Rental			
DS200 Ballot Counter	64	\$ 350.00	\$ 22,400.00
Express Vote	265	\$ 200.00	\$ 53,000.00
Express Touch	64	\$ 200.00	\$ 12,800.00
Metal Signs	57	\$ 1.00	\$ 57.00
Wood Signs	61	\$ 2.00	\$ 122.00
EV Security Cabinet	32	\$ 200.00	\$ 6,400.00
EV Computer Cabinet	32	\$ 50.00	\$ 1,600.00
ED Security Cabinet	32	\$ 200.00	\$ 6,400.00
EV/ED Cabinet Drayage	64	\$ 180.00	\$ 11,520.00
Transfer Case		\$ -	\$ -

May 2, 2020
Joint General and Special Elections
Estimated Election Expenses
Subject to Change

Exhibit "C"

Supply Cost			
Mail Ballots	1900	\$ 0.12	\$ 228.00
Coding Test Ballots	350	\$ 0.26	\$ 91.00
Express Vote Ballots (15% turnout)	65621	\$ 0.29	\$ 19,030.09
Provisional Ballot Stock	2400	\$ 0.14	\$ 336.00
Sample Ballots	175	\$ 0.29	\$ 50.75
All Race Sample Ballots	175	\$ 0.29	\$ 50.75
Early Voting Kits	24	\$ 51.00	\$ 1,224.00
Election Day Kits	24	\$ 19.00	\$ 456.00
EV Provisional Kits	24	\$ 38.10	\$ 914.40
ED Provisional Kits	24	\$ 38.10	\$ 914.40
Polling Place Maps	48	\$ 12.00	\$ 576.00
Printer Labels	48	\$ 5.00	\$ 240.00
Total Estimated Cost			\$ 371,705.95

May 2, 2020
Joint General and Special Election
Cost Distribution
Subject to Change

Exhibit "D"

Entity	Registered Voters	Percentage	Estimated Cost Per Entity
Allen, City	62,955	9.75%	\$ 36,255.38
Anna, City	7,955	1.23%	\$ 4,581.23
Blue Ridge, City	503	0.08%	\$ 1,500.00
Carrollton, City	201	0.03%	\$ 1,500.00
Celina, City	7,381	1.14%	\$ 4,250.67
Farmersville, City	1,768	0.27%	\$ 1,500.00
Frisco, City	60,803	9.42%	\$ 35,016.06
Lucas, City	5,325	0.83%	\$ 3,066.63
McKinney, City	108,553	16.82%	\$ 62,514.98
Murphy, City	13,102	2.03%	\$ 7,545.36
New Hope, Town	509	0.08%	\$ 1,500.00
Parker, City	3,561	0.55%	\$ 2,050.76
Prosper, Town	13,637	2.11%	\$ 7,853.46
Sachse, City	5,744	0.89%	\$ 3,307.93
Saint Paul, Town	727	0.11%	\$ 1,500.00
Wylie, City	29,144	4.52%	\$ 16,783.84
Allen ISD	64,513	10.00%	\$ 37,152.63
Anna ISD	10,051	1.56%	\$ 5,788.31
Blue Ridge ISD	2,479	0.38%	\$ 1,500.00
Celina ISD	7,853	1.22%	\$ 4,522.49
Frisco ISD	93,998	14.56%	\$ 54,132.85
Lovejoy ISD	11,739	1.82%	\$ 6,760.42
McKinney ISD	82,402	12.77%	\$ 47,454.79
Melissa ISD	8,775	1.36%	\$ 5,053.47
Prosper ISD	30,492	4.72%	\$ 17,560.15
Collin County MUD #1	2,274	0.35%	\$ 1,500.00
McKinney MUD 1	1,607	0.25%	\$ 1,500.00
McKinney MUD 2	29	0.00%	\$ 1,500.00
Bear Creek SUD	3,632	0.56%	\$ 2,091.65
Nevada Special Utility District	1,488	0.23%	\$ 1,500.00
Seis Lagos SUD	1,271	0.20%	\$ 1,500.00
Westminster SUD	971	0.15%	\$ 1,500.00
Copeville Water Supply Corporation	2,288	0.35%	\$ 1,500.00
Total Registered Voters	645,442		
Total Estimated Cost			\$ 371,705.95

Parker, City

Registered Voters		3,561
Percentage		0.55%
Estimated Cost Per Entity	\$	1,863.96

Summary of Costs

Early Voting by Mail	\$	24.95
Early Voting by Personal Appearance	\$	370.73
Election Day Expenses	\$	210.88
Tabulation	\$	93.79
General Election Expenses	\$	586.77
Equipment Rental	\$	630.60
Supply Cost	\$	133.03
Total	\$	<u>2,050.76</u>

10% Administrative Fee	\$	205.08
Sub Total	\$	2,255.83
Total cost savings from minimum expense cost	\$	(391.87)
Total Cost	\$	<u>1,863.96</u>



Council Agenda Item

Budget Account Code:	Meeting Date: February 4, 2020
Budgeted Amount:	Department/ Requestor: City Council
Fund Balance-before expenditure:	Prepared by: City Attorney Shelby
Estimated Cost:	Date Prepared: January 30, 2020
Exhibits:	<ul style="list-style-type: none"> • <u>Proposed Resolution</u>

AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2020-626, ADOPTING THE EXPRESSVOTE UNIVERSAL VOTING SYSTEM FOR EARLY VOTING IN PERSON, EARLY VOTING BY MAIL, ELECTION DAY VOTING, AND PROVISIONAL VOTING IN ALL FUTURE ELECTIONS HELD IN THE CITY OF PARKER, TEXAS; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW. [SHELBY]

SUMMARY

On August 26, 2019, the Commissioner's Court of Collin County, Texas formally adopted the ExpressVote Universal Voting System, EVS 6.0.2.0 consisting of Electionware election management software, ExpressVote ballot marking device, ExpressTouch curbside voting device, DS200 precinct tabulator/scanner, DS450 high speed central scanner, and DS850 high speed central scanner. This voting equipment will be used for Early Voting in Person, Early Voting by Mail, Election Day Voting and Provisional Voting in all future elections held in Collin County.

As an entity within Collin County, the City of Parker, Texas, will also need to adopt the above-mentioned system for voting if you have plans to contract with us at any time in the future.

Cheryl Gorena
Office Administrator
Collin County Elections
2010 Redbud Blvd., Ste 102
McKinney, TX 75069

Phone - 972-547-1902

Fax - 972-547-1914

For Election Information, Polling Locations and Sample Ballots, visit

www.collincountytx.gov/elections

Please review the proposed resolution for additional details.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

Inter – Office Use			
Approved by:			
Department Head/ Requestor:		Date:	
City Attorney:	<i>Brandon S. Shelby</i>	Date:	01/30/2020 via email
City Administrator:	<i>Luke B. Olson</i>	Date:	01/31/2020

RESOLUTION NO. 2020-626

(Adoption of Voting System)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS, ADOPTING THE EXPRESSVOTE UNIVERSAL VOTING SYSTEM FOR EARLY VOTING IN PERSON, EARLY VOTING BY MAIL, ELECTION DAY VOTING, AND PROVISIONAL VOTING IN ALL FUTURE ELECTIONS HELD IN THE CITY OF PARKER, TEXAS; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW

WHEREAS, on January 28, 2019 the Collin County Commissioners Court voted unanimously to award RFP No. 2018-241 for the new voting systems to Election Systems and Software; and,

WHEREAS, the Texas Secretary of State has officially approved the contract between Collin County and ES&S for the purchase of the ExpressVote Universal Voting System; and,

WHEREAS, the ExpressVote Universal Voting System, EVS 6.0.2.0 consisting of Electionware election management software, ExpressVote ballot marking device, ExpressTouch curbside voting device, DS200 precinct tabulator/scanner, DS450 high speed central scanner, and DS850 high speed central scanner have been certified by both the Texas Secretary of State and the United States Election Assistance Commission; and,

WHEREAS, Collin County has requested that the City of Parker adopt the Express Vote Universal Voting System for municipal elections;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS, AS FOLLOWS:

SECTION 1. That the City Council of the City of Parker, Texas adopts the ExpressVote Universal Voting System consisting of Electionware election management software, ExpressVote ballot marking device, ExpressTouch curbside voting device, DS200 precinct tabulator/scanner, DS450 high speed central scanner, and DS850 high speed central scanner. This voting equipment will be used for Early Voting in Person, Early Voting by Mail, Election Day Voting, and Provisional Voting in all future elections held in Parker, Texas.

SECTION 2. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public and that the public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED by the City Council of the City of Parker, Collin County, Texas on this the 4th day of February, 2020.

APPROVED:
CITY OF PARKER

Lee Pettle, Mayor

ATTEST:

Patti Scott Grey, City Secretary

APPROVED AS TO FORM:

Brandon Shelby, City Attorney

**CITY COUNCIL
FUTURE AGENDA ITEMS**

AGENDA DATE	ITEM DESCRIPTION	CONTACT	Notes
2020			
Monthly	Home Rule Charter Commission (HRCC)	Shelby	Last Update 7/2; 8/6; 8/27; 9/3;9/17, 10/15;11/19;12/17; 1/21
TBD	International Building Codes	Machado	2018 0920 PWD GM working on update
TBD	Annual Codification Supplement	C'Sec	Last update2019 0604 CC Mtg
TBD	2020 City Fee Schedule	Savage	2015-2016 Approved 2/29; added 2016-17 to FAI; last Update 2019 0604; BP Update 2019 0917
TBD	Discussion - Reasearch - Going Electronic	Olson	MLP added 2019 0624; Discussed 2019 061&12 Long Term Planning; Demo 2019 1107 AM; 2019 1217 Update
Feb, May, Aug, Nov	Republic Waste Quarterly Report	Bernas	3rd Qtr 2019 1217 CC Agenda
Feb, May, Aug, Nov	Fire Department Quarterly Report	Sheff/Miller/Flo wers	3rd Qtr 2019 1119 CC Agenda
Feb, May, Aug, Nov	Investment Quarterly Report	Savage	3rd Qtr 2019 1119 CC Agenda
Tentatively February 4, 2019	Drainage Committee	Meyer	Last Update 2019 0903; 2020 0421; 0204?
Tentatively February 4, 2019	Facility/Transportation Committee	Standridge	2019 0827; 2019 1119 CC Agenda
Tentatively March 17, 2020	Emergnecy Communication Committee	Abraham	Last Update 2019 0917 ; 2020 0424; 0204?
Tentatively February 4, 2019	COMP Plan Committee	Olson/Smith	2019 0903 CC Agenda;
Tentatively February 4, 2019	Capital Improvement Program (CIP) Committee	Taylor	Last Update 2019 0917; 2020 0121
Tentatively February 4, 2019	Noise Committee	Olson/?	2019 0827 CC Agenda; 2019 1217 CC Agenda
Tentatively March 17, 2020	Pump Station	Olson/Machado	Last Update 2019 0903; 2020 0121
Ask month	Discussion on Development Agreements	Pettie	2019 0922 MLP Email
Ask month	Discussion on requiring sprinklers on all new homes w/rain/freezer automatic cutoffs	Pettie	2019 0922 MLP Email
Ask month	Aesthetica Development on Parker Road Update	Machado	2019 0922 MLP Email

**CITY COUNCIL
FUTURE AGENDA ITEMS**

AGENDA DATE	ITEM DESCRIPTION	CONTACT	Notes
Ask month	Town Hall Meeting - Drainage	Meyer/Pettie	2019 0922 MLP Email
Ask month	Town Hall Meeting - Municipal Complex		
Ask month	Landscaping & Fertilization	Machado	No bid (under 50K); asking for contract
February 18, 2020	Prompt for Vacation Schedules	Scott Grey	Send email mid February
March, 2020	Ord. No. 775, Updating Ord. No. 459	Shelby	2019 0618; Moved again and again
March, 2020	Res. Updating maps, e.g. Zoning, Annexations, Waterline, etc.	Machado	2019 0116 working with Ken, w/CE JB's office
March, 2020	Consider Tax Freeze for those over 65	Shelby	2019 0820 CC - Lou Zettler
March, 2020	Support Animals - Identification Standards	Shelby	2019 0820 CC
March, 2020	Financial Statement - w-new software	Savage	After Software
March, 2020	Advertise for Bids 2019-2020 Annual Road Maintenance Project	Machado	
March, 2020	Advertise for Bids for water line or other projects	Machado	
March, 2020	ONCOR - CABS waiting 10/15	Shelby	2019 0701 Agenda Meeting added
March/April	Cancel/Reschedule/Relocate 4/21/2020 CC Mtg	Scott Grey	May 2, 2020 General Election Early Voting